

CONDOMINIUM DECLARATION

FOR

CHATEAU CHAPARRAL

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, Alliance Corporation, a Colorado Corporation, herein-after called "Declarant," is the owner of certain real property situate in the County of Chaffee, State of Colorado, which property is described as Lots One thru THREE HUNDRED AND SEVEN, CHATEAU CHAPARRAL FILING NUMBER ONE, and which property is referred to hereinafter as the "Condominium Property";

WHEREAS, Declarant desires to establish, with respect to said Condominium Property, a condominium project under the Condominium Ownership Act of the State of Colorado;

WHEREAS, Declarant desires to create separately designated condominium campsite units, which shall be platted as separate campsite units, together with certain condominium open space areas, service areas and a site for commercial lodge which lodge shall be separately owned and operated, and;

WHEREAS, Declarant desires to establish, by this declaration, a plan for the individual ownership in fee simple of the real property estates consisting of each of the separate campsites, together with the co-ownership by the individual and separate owners thereof, as tenants in common, of all of the remaining condominium property, which is hereinafter defined and referred to as the general common elements;

NOW, THEREFORE, Declarant does hereby publish and declare that the following terms, covenants, conditions, easements, restrictions, uses, limitations and obligations shall be deemed to run with the land, shall be a burden and a benefit to the Declarant, its successors and assigns, and any person acquiring or owning an interest in the real property and improvements, their grantees, successors, heirs, executors, administrators, devisees and assigns.

I. DEFINITIONS:

(a) "Building" means improvements now located on the Condominium Property, as shown by the Plat to be filed for record, including all structural elements thereof existing and to be constructed, and together with all fixtures and improvements therein contained, and identified on said Condominium Map as service area.

(b) "Condominium campsite" means a numbered campsite as platted, together with the undivided interest in the general common elements appurtenant thereto.

(c) "Owner" means a person, firm, corporation, partnership, association or other legal entity or any combination thereof, who owns one or more condominium campsites.

(d) "General common elements" means and includes the land on which the service buildings are located and which is described herein as the Condominium Property; any installations consisting of equipment and materials making up any central utility services (whether now installed or which shall be installed in the future); all apparatus and installations installed, or to be installed for common use; and all other parts of the property and improvements necessary or convenient to its existence, maintenance and safety, or normally in common use.

(e) "Common area" means one of the portions of the Condominium Property immediately surrounding each of the existing service

buildings, as defined by the boundary lines shown on the Condominium Map and identified thereon by the term "Common Area".

(f) "Common expenses" means and includes:

- (1) Expenses declared common expenses by provisions of this declaration and the By-Laws of the Association.
- (2) Expenses of administration, operation and management, maintenance, repair or replacement of the general common elements, roads, easements, walk-ways, footbridge, sewer system, water system, service areas and all other Condominium Property;
- (3) All sums lawfully assessed against the general common elements by the Board of Managers of the Association and;
- (4) Expenses unanimously agreed upon as common expenses by the owners.

(g) "Association" means Chateau Chaparral Owners Association, a Colorado corporation, not for profit, the Articles and By-Laws of which shall govern the administration of this condominium project, the members of which shall be all of the owners of the condominium campsites.

(h) "Condominium Plat" means the engineering survey of the Condominium Property locating thereon all of the building and campsite tracts, and any other drawing or diagrammatic plan depicting a part of all of the improvements and land.

II. CONDOMINIUM PLAT: The Condominium Plat shall be filed for record with the Clerk and Recorder of Chaffee County, Colorado, prior to the first conveyance of any condominium campsite; and said map shall consist of and set forth the following:

(a) The legal description of the surface of the platted campsites and general common elements;

(b) The linear measurements and location, with reference to the exterior boundaries of the land, of the campsites, and the roadways providing access to the buildings as hereinafter defined and

(c) The legal description of the surface of the land included within Easements reserved for the lodge property for ingress and egress, which shall be co-terminus with the roads and ways providing ingress and egress to the campsites.

(d) There shall be filed for record as part of the Condominium Plat, or any supplemental Condominium Plat, the certificate of a Registered Professional Engineer certifying that such plat accurately depicts the layout, the campsite designation by number and dimensions of such campsites.

III. Each campsite shall be separately owned in fee simple, and shall be subject to all covenants, restrictions and regulations filed of record and to the rules and regulations from time to time promulgated by the Chateau Chaparral Owners Association as By-Laws and amendments thereto.

IV. EASEMENTS AND RIGHTS OF WAY:

(a) Declarant hereby grants, bargains and conveys to the owners of the campsites, their heirs, successors and assigns forever, the perpetual but non-exclusive right, privilege and easement to use the Easement Property described herein and otherwise identified on the Condominium Plat as streets, walkways and common areas, and service areas for access to and egress from the Arkansas River and the footbridge spanning the Arkansas River for fishing and other recreational purposes. No structures or improvements of any kind shall be placed, erected, altered or permitted to remain on said common areas, other than service areas, and the natural vegetation thereon shall not be disturbed. Buildings in furtherance of the purposes of the service areas may be erected thereon, to contain toilets, showers, dumping stations, laundry facilities and sanitary dumping stations.

Declarant, or its successors, shall have the right to convey the legal title to said common areas and service areas to all the owners of the condominium campsites, in which event it shall become a part of the general common elements and shall be owned by all of the owners in the manner and proportions provided herein; provided, however, that at the time of such conveyance Declarant shall have the right to except and reserve therefrom, for the benefit of the owners of the commercial lodge area and contiguous parking area and ingress and egress to and from said lodge area over the usual roads, alleys and ways to owners of the said lodge and guests of said lodge. Such conveyance will be made by the recording in Chaffee County of a deed to the owners effecting such conveyance and the forwarding of such deed to the Association or its successor.

(b) An easement ten feet in width is hereby reserved along all boundaries of the Condominium Property and the Easement Property adjoining platted roads for the purpose of installation, maintenance and operation of utilities, drainage, road maintenance and snow removal.

(c) Easements five feet in width on each side of all campsite tract lines and under all portions of the "Roadway", as shown on the Condominium Plat, are hereby reserved for installation, maintenance and operation of utilities, and for such roadway crossings as may be necessitated for the alignment of underground utilities.

(d) Declarant hereby excepts and reserves for itself, its successors and assigns and to the owners of campsites, a perpetual easement and right of way for ingress and egress to and from the parcel identified on the Condominium Plat, as well sites and lagoons, as identified on the Condominium Plat, and an easement five feet in width along those portions of all campsite tracts adjoining said Roadway is hereby reserved for the benefit and use of the owners and the Association for snow removal purposes. Declarant additionally reserves a right to use water and the sewer lines and sewage treatment facilities to itself, its successors and assigns for the lodge property into perpetuity.

V. DIVISION OF CONDOMINIUM PROPERTY INTO CONDOMINIUM CAMPSITES:

The Condominium Property is hereby divided into separate fee simple estates, each such estate consisting of the following:

(a) The campsite to be identified and located on the Condominium Plat by number,

(b) An appurtenant undivided interest in and to the general common elements, service areas, roads and walkways, as shown on the Condominium Plat or described herein.

VI. INSEPARABILITY OF A CONDOMINIUM CAMPSITE: Each unit and the undivided interest in the general and limited common elements

appurtenant thereto shall together comprise one condominium campsite which shall be inseparable and may be conveyed, leased devised or encumbered only as a condominium campsite.

VII. NON-PARTITIONABILITY OF GENERAL COMMON ELEMENTS: The general common elements shall remain undivided and no owner shall bring any action for partition or division thereof. Nothing contained herein shall be construed as a limitation of the right of partition of a condominium campsite between the owners thereof, but such partition shall not affect any other condominium campsite, or permit double occupancy of said campsite.

VIII. DESCRIPTION OF CONDOMINIUM CAMPSITE: Every deed, lease, mortgage, trust deed, will or other instrument may legally describe a condominium campsite by the word "Campsite" followed by the words "Chateau Chaparral Unit 1" or "Unit 2". Every such description shall be deemed good and sufficient for all purposes to convey, transfer, encumber or otherwise affect not only the campsite, but also the general common elements appurtenant thereto, and each such description shall be construed to include a non-exclusive easement for ingress and egress to and from the campsite and the general elements appurtenant thereto and to transfer all rights and obligations appurtenant to said unit as provided herein and on the Condominium Plat and the right and duty to become a member of the Chateau Chaparral Owners Association.

IX. SEPARATE ASSESSMENT AND TAXATION - NOTICE TO ASSESSOR: Declarant shall give five written notice to the assessor of the County of Chaffee, Colorado, of the creation of condominium campsite ownership of this property, as is provided by law, so that each campsite and the undivided interest in the general common elements appurtenant thereto shall be deemed a parcel and subject to separate assessment and taxation.

X. TITLE: A condominium campsite may be held and owned by more than one person as joint tenants or as tenants in common, or in any real property tenancy relationship recognized under the laws of the State of Colorado. Title to the commercial lodge and its parking, easements and other privileges may be separately held and conveyed.

XI. USE OF GENERAL COMMON ELEMENTS: Each owner shall be entitled to exclusive ownership and possession of his campsite. Each owner may use the general 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 not inconsistent with protective covenants filed herein.

XII. USE AND OCCUPANCY: Each campsite shall be used and occupied solely for non-permanent recreational and residential camping purposes by the owner, by the owners family, guests, invitees, and tenants, subject, however, to the provisions contained in Paragraph XXVII of this Declaration. No permanent residential building or structure may be erected on any campsite other than a storage building permitted by the covenants.

XIII. EASEMENTS FOR ENCROACHMENTS: If any portion of the general common elements encroaches upon a campsite or campsites, a valid easement for the encroachment and for the maintenance of the same, so long as it stands, shall and does exist. If any portion of a campsite encroaches upon the general common elements, or upon an adjoining campsite or campsites, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. Such encroachments and easements shall not be considered or determined

to be encumbrances either on the general common elements or the campsites.

XIV. WATER AND SANITATION FACILITIES: All elements of existing water and sanitation facilities shall be deemed to be general common elements and any expense for the repair and maintenance thereof shall be a common expense, except within the boundaries of the commercial lodge and its appurtenant parking. Whenever organized water and sanitation facilities shall be available from any quasi-municipal water and sanitation district which shall include the Condominium Property within its boundaries, then the facilities of such district which shall be utilized exclusively to serve all campsites in accordance with such plans and specifications and at such time as may be required by such district; and the owners of all condominium campsites agree to pay such rates, fees, tolls and charges as may be set and assessed by such district, whether the same may be assessed or charge against the owners individually or as a common expense.

XV. MECHANIC'S LIEN RIGHTS AND INDEMNIFICATION: No labor performed or materials furnished and incorporated in a campsite (whether such campsite shall include an existing building or any additional building which may be constructed) with the consent or at the request of the campsite owner not expressly consenting to or requesting the same, or against the general common elements. Each owner shall indemnify and hold harmless each of the other owners from and against all liability arising from the claim of any lien against the campsite of any other owner or against the general common elements for construction performed or for labor materials, services or other products incorporated in the owners campsite at such owner's request. The provisions herein contained are subject to the rights of the Managing Agent or Board of Directors of the Association as is set forth in Paragraph XVII.

XVI. ADMINISTRATION AND MANAGEMENT: The administration and management of this condominium property shall be governed by the Articles of Incorporation and By-Laws of Chateau Chaparral Owners Association, a Colorado non-profit corporation, hereinafter referred to as the "Association". An owner of a condominium campsite, upon becoming such and owner, shall be a member of the Association and shall remain a member for the period of his ownership. In addition, the owner of the commercial lodge property shall be a member of said association and shall be entitled to a seat upon the Board of Directors of said Association. The Board of Directors shall employ a full time managing agent of said Association who shall have the duty and responsibility to enforce all dues collection and compliance with these declarations and the protective covenants. The Board of Directors of the association is authorized to make rules and regulations to govern the owners of the association and may amend the same.

XVII. RESERVATION FOR ACCESS - MAINTENANCE, REPAIR AND EMERGENCIES. The owners shall have the irrevocable right, to be exercised by the Managing Agent or Board of Directors of the Association, to have access to each campsite from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the general common elements therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the general common elements or to another campsite or campsites. Damage to the interior or any part of a campsite or campsites resulting from the maintenance, repair, emergency repair or replacement of any of the general common elements or as a result of emergency repairs within another campsite at the instance of the Association shall be a common expense of all of the owners; provided, however, that if such damage is the result of the negligence of a campsite owner, then such campsite owner shall be responsible for all of such damage.

Restoration of the damaged improvements shall be substantially the same as the condition of such improvements prior to the damage.

XVIII. OWNERS' MAINTENANCE RESPONSIBILITY: For purposes of maintenance, repair, alteration and remodeling, an owner shall be deemed to own all structural elements of his storage building and all trees and vegetation and surface improvements located upon his campsite. The owner shall not be deemed to own any utilities running through or under his campsite which serve one or more other campsites except as a tenant in common with the other owners.

An owner shall maintain and keep in repair all elements of his building, including the fixtures thereof, and all surface improvements located upon his campsite. All fixtures and equipment installed within the campsite commencing at a point where the utility lines, wires, conduits or systems (which for brevity are herein referred to as "utilities") enter the building shall be maintained and kept in repair by the owner thereof. An owner shall do no act nor any work that will impair the structural soundness or integrity of any building or impair any easement or hereditament.

XIX. COMPLIANCE WITH PROVISIONS OF DECLARATION, BY-LAWS OF THE ASSOCIATION: Each owner shall comply strictly with the provisions of this Declaration, the Articles of Incorporation, Protective Covenants and By-Laws of the Association, and the decisions and resolutions of the Association adopted pursuant thereto as the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due and for damages or injunctive relief or both, maintainable by the Managing Agent or Board of Directors in the name of the Association on behalf of the owners or in a proper case, by an aggrieved owner.

XX. REVOCATION OR AMENDMENT TO DECLARATION: This Declaration shall not be revoked nor shall any of the provisions herein be amended unless the owners representing an aggregate ownership interest of seventy-five per cent or the platted campsites consent and agree to such revocation or amendment by instruments duly recorded, subject to approval by County Commissioners.

XXI. INSURANCE: Insurance coverage on storage building and other improvements included in a campsite, on the furnishings and other items of personal property located therein, and casualty and public liability insurance coverage within the campsite shall be the responsibility of the owner thereof. The Board of Directors of the Association may obtain such other insurance coverage as it may deem necessary or beneficial for the protection of the general common elements or the owners or the Association, and the premiums therefore shall be a common expense.

XXII. ASSESSMENT FOR COMMON EXPENSES: All owners shall be obligated to pay the estimated assessments imposed by the Board of Directors of the Association to meet the common expenses. The assessments shall be made equally to each owner's campsite. Assessments for the estimated common expenses shall be due annually in advance on the first day of April annually. The Managing Agent or Board of directors shall prepare and deliver or mail to each owner an itemized annual statement showing the various estimated or actual expenses for which the assessments are made.

Contribution for annual assessments shall be prorated to the nearest month of ownership if less than a full year.

The assessments made for common expenses shall be based upon the case requirements, deemed to be such aggregate sum as the Board of Directors of the Association shall from time to time determine is to

be paid by all of the condominium campsite owners, including Declarant, to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the general common elements, which sum may include, among other things, expenses of management, taxes and special assessments, until separately assessed; premiums for such insurance coverage as the Board of Directors may obtain pursuant the foregoing paragraph XXI; maintenance and repair of the roadway providing access to the campsites, including snow removal; common lighting, if any;; trash collections, wages; water charges, unless separately assessed; all charges with respect to central utility services; legal and accounting fees; management fees; expenses and liabilities incurred by the Managing Agent or Board of Directors of the Association under and by reason of this declaration' any deficit remaining from a previous period; the creation of a reasonable contingency or other reserve or surplus fund; other costs and expenses relating to the general common elements; or any other reasonable charge or expense defined or deemed to be a common expense hereunder. The omission or failure of the Board of Direcotrs to fix the assessment for any year shall not be deemed a waiver, modification or a release of the owners from their obligation to pay. The first year's assessment shall be collected by Alliance Corporation and placed in an interest bearing savings and loan account in trust for the Chateau Chaparral Owners Association in the sum of \$75.00. The first years' maintenance expense will be paid by Alliance Corporation and shall not be deducted from the assessment collected for the benefit of the Owners Association. Alliance Corporation shall pay all expenses of management of Chateau Chaparral Units 1 and 2 until such time as 80% of all units are sold by it, at which time the duty and responsibility shall devolve to the Association. Alliance Corporation may, at its option, extend its period of management until 90% of all campsites are sold.

XXIII. LIEN FOR NON-PAYMENT OF COMMON EXPENSES: All sums assessed but unpaid for the share of common expenses chargeable to any condominium campsite shall constitute a lien on such campsite superior (prior) to all other liens and encumbrances, except only for:

(a) Tax and special assessment liens on the campsite in favor or any assessing unit, and

(b) All sums unpaid on a first mortgage or first deed of trust of record, including all unpaid obligatory sums as may be provided by such encumbrance.

To evidence such lien the Board of Directors or Managing Agent shall prepare a written notice setting forth the amount of such unpaid indebtedness, the name of the owner of the condominium campsite and a description of the condominium campsite. Such notice shall be signed by one of the Board of Directors or by the Managing Agent and may be recorded in the office of the Clerk and Recorder of Chaffee Count, Colorado. Such lien for the common expenses shall attach fro the date of the failure of payment of the assessment. Such lien may be enforced by foreclosure of the defaulting owner's condominium campsite by the Association in like manner as a mortgage on real property. In any such foreclosure, the owner shall be required to pay the costs and expenses of such proceedings, the costs and expenses for filing the notice or claim of lien and all reasonable attorney fees. The owner shall also be required to pay to the Association, the annual assessment for the condominium campsite during the period of foreclosure, and the Association shall be entitle to a Receiver to collect the same. The Association shall have the power to bid in the condominium campsite at foreclosure sale and to acquire and hold, lease, mortgage and convey same.

Any encumbrance holding a lien on a condominium campsite may pay, but shall not be required to pay, any unpaid common expenses payable with respect to such campsite, and upon such payment such

encumbrancer shall have a lien on such campsite for the amounts paid of the same rank as the lien of his encumbrance.

The Association Managing Agent shall report to the mortgagee of a condominium campsite any unpaid assessments remaining unpaid for longer than thirty days after the same are due. It shall be the duty of said Manager, without specific orders from the Board of Directors to take all steps set for in this Paragraph XXIII.

XXIV. OWNERS' OBLIGATION FOR PAYMENT OF ASSESSMENTS: The amount of the common expenses assessed against each condominium campsite shall be the personal and individual debt of the owner thereof at the time the assessment is made. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing same. No owner may exempt himself from liability for his contribution towards the common expenses by waiver of the use or enjoyment of any of the common elements or by abandonment of his campsite.

XXV. LIABILITY FOR COMMON EXPENSE UPON TRANSFER OF CONDOMINIUM CAMPSITE IS JOINT: Upon payment of a reasonable fee not to exceed Fifteen Dollars and upon the written request of any owner or any mortgagee or prospective mortgagee of a condominium campsite, the Association, by its Managing Agent, then by the financial officer of the Association, shall issue a written statement setting forth the amount of the unpaid annual assessment, if any, with respect to the subject campsite, the amount of the current annual assessment and the date that such assessment becomes due, credit for advanced payment or for prepaid items, including but not limited to insurance premiums, which statement shall be conclusive upon the Association in favor of all persons who rely thereon in good faith. Unless such request for a statement of indebtedness shall be complied with within ten days, all unpaid common expenses which become due prior to the date of making such request shall be subordinate to the lien of the person requesting such statement.

The grantee of a condominium campsite shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his proportionate share of the common expenses 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; provided, however, that upon payment of a reasonable fee not to exceed Fifteen Dollars, and upon written request, any such prospective grantee shall be entitled to a statement from the Managing Agent or Board of Directors setting forth the amount of the unpaid assessments, if any, with respect to the subject campsite, the amount of the current annual assessments, the date that such assessment becomes due and credits for advanced payment or for prepaid items including but not limited to insurance premiums, which statement shall be complied with within ten days of such request, then such requesting grantee shall not be liable for, nor shall the campsite conveyed by subject to a lien for any unpaid assessments against the subject campsite. The provisions contained in this paragraph shall not apply upon the initial transfer of the condominium campsites by Declarant.

XXVI. MORTGAGING A CONDOMINIUM CAMPSITE - PRIORITY: Any owner shall have the right from time to time to mortgage or encumber his interest by deed of trust, mortgage or other security instrument. A first mortgage shall be one which has first and paramount priority under applicable law. The owner of a condominium campsite may create junior mortgages on the following conditions: (1) That any such junior mortgages shall always be subordinate to all of the terms, conditions, covenants, restrictions, uses, limitations, obligations, lien for common expenses, and other obligations created by this Declaration, the Articles of Incorporation, By-Laws and Protective Covenants of the

Association; (2) That the mortgagee under any junior mortgage shall release, for the purpose of restoration of any improvements upon the mortgaged premises, all of his right, title and interest in and to the proceeds under all insurance policies upon said premises which insurance policies were effected and placed upon the mortgaged premises by the Association. Such release shall be furnished forthwith by a junior mortgagee upon written request of one or more of the Board of Directors of the Association.

XXVII. RIGHT OF FIRST REFUSAL BY OWNERS: In the event any owner of a condominium campsite other than the Declarant shall wish to sell or lease the same, and shall have received a bona fide offer therefor from a prospective purchaser or tenant, the remaining campsite owners shall be given written notice thereof together with an executed copy of such offer and the terms thereof. The right of first refusal herein provided shall not apply to leases or subleases having a term of less than sixty-one days. Such notice and copy shall be delivered to the Board of Directors for all of the owners. The remaining campsite owners through the Board of Directors, or a person named by them, shall have the right to purchase or lease the subject condominium campsite upon the same terms and conditions as set forth in the offer thereof, provided written notice of such election to purchase or lease is given to the selling or leasing owner, and a matching down payment or deposit is provided to the selling or leasing owner during the twenty-day period immediately following the delivery of the notice of the bona fide offer, and copy thereof, to purchase or lease. In the event any owner other than the Declarant shall attempt to sell or lease his condominium campsite without affording to the other owners the right of first refusal herein provided, such sale or lease shall be wholly null and void and shall confer no title or interest whatsoever upon the intended purchaser or lessee, who shall be subject to eviction and removal, forcible or otherwise, with or without process of law. The subleasing or subrenting of said interest shall be subject to the same limitations as are applicable to the leasing or renting thereof. The liability of the owner under and by the provisions contained in this Declaration shall continue, notwithstanding the fact that he may have leased or rented said interest as provided herein. In no case shall the right of first refusal reserved herein affect the right of an owner to subject his condominium campsite to a trust deed, mortgage or other security instrument. The failure of or refusal by the owners to exercise the right to so purchase or lease shall not constitute or be deemed to be a waiver or such right to purchase or lease when an owner receives any subsequent bona fide offer from a prospective purchaser or tenant. Alliance Corporations will not be agents of any site not owned by it for renting, leasing and resale of campsites.

The right of first refusal, as provided herein, shall extend and run for a period of 21 years.

Except as otherwise provided in paragraph XXVIII, and except upon a transfer of title to a Public Trustee or to a first mortgage, each and every conveyance by a grantor(s) of a condominium campsite shall be, for all purposes, deemed to include and incorporate in such instrument of conveyance an agreement that the grantee carry out the provisions of the 'right of first refusal' as provided in this paragraph.

XXVIII. EXEMPTION FROM RIGHT OF FIRST REFUSAL: In the event of any default on the part of any owner under any first mortgage which entitled the holding thereof to foreclose the same, any sale under such foreclosure, including delivery of a deed to the first mortgagee in lieu of such foreclosure, shall be made free and clear of the provisions of Paragraph XXVII, and the purchaser (or grantee under such deed in lieu of foreclosure) of such condominium campsite shall be thereupon and thereafter subject to the provisions of this Declaration and the By-Laws of the Association. If the purchaser

following such foreclosure sale (or grantee under deed given in lieu of such foreclosure) shall be the then holder of the first mortgage, or its nominee, the said holder or nominee may thereafter sell and convey the condominium campsite free and clear of the provisions of Paragraph XXVII, but its grantee shall thereupon and thereafter be subject to all of the provisions hereof.

The following transfers are also exempt from the provisions of Paragraph XXVII:

(a) The transfer by operation of law of a deceased joint tenant's interest to the surviving tenant(s).

(b) The transfer of a deceased's interest to a devisee by will or his heirs at law under intestacy laws.

(c) The transfer of all or any part of a partner's interest as a result of withdrawal, death or otherwise, to the remaining partners carrying on the partnership business and/or to a person or persons becoming partners. A transfer of all or part of a partner's or partners' interests between one or more partners and/or to persons becoming partners.

(d) The transfer of a corporation's interest to the persons formerly owning the stock of the corporation as the result of dissolution. A transfer to the resulting entity following a corporate merger or consolidation; provided, however, that at least fifty per cent of the stock of the resulting entity is owned by the stockholders of the corporation formerly owning the condominium campsite.

(e) Transfer of the commercial lodge or its appurtenant easements and parking area.

Such persons, owners or grantees acquiring an interest shall be subject to all of the provisions of Paragraph XXVII, except as provided herein.

XXIX. CERTIFICATE OF COMPLIANCE - RIGHT OF FIRST REFUSAL: Upon written request of any prospective transferor, purchaser, tenant or an existing or prospective mortgagee of any condominium campsite, the Managing Agent or Board of Directors of the Association shall forthwith, or where time is specified, at the end of the time, issue a written and acknowledged certificate in recordable form, evidencing that:

(a) With respect to a proposed lease or sale under Paragraph XXVII, the proper notice was given by the selling or leasing owner and that the remaining owners did not elect to exercise their option to purchase or lease.

(b) With respect to a deed to a first mortgagee or its nominee in lieu of foreclosure, a deed from such first mortgagee or its nominee, pursuant to Paragraph XXVIII, that the deeds were in fact given in lieu of foreclosure and were not subject to the provisions of Paragraph XXVII.

(c) With respect to any contemplated transfer which is not in fact a sale or lease, that the transfer will not be subject to the provisions of Paragraph XXVII.

Such certificate shall be conclusive evidence of the facts contained herein.

XXX. DESTRUCTION OF BUILDING OR DAMAGE: Any damage by fire or other casualty to any building shall be promptly repaired by and at the expense of, the owner thereof, and repairs or modifications resulting from such damage shall be performed in such manner as to harmonize

reasonably with the architecture and appearance of the other buildings. Nothing herein shall be construed to authorize any buildings in violation of the Protective Covenants filed with the Clerk and Recorder of Chaffee County, Colorado and made applicable to the campsites within Chateau Chaparral, Units 1 and 2.

In the event of total destruction of a building or damage thereto which is so extensive as to render uneconomical the repair or rebuilding thereof, then the owner may elect not to repair or rebuild the same.

XXXI. OBSOLESCENCE OR DESTRUCTION IN A SINGLE DISASTER: This declaration does hereby make mandatory the irrevocable appointment of an attorney-in-fact to deal with the property upon its obsolescence or upon the occurrence of certain disaster as herein provided.

Title to any condominium campsite is declared and expressly make subject to the terms and conditions hereof, and acceptance by any grantee of a deed from the Declarant or the acquisition of title from any owner shall constitute appointment of the attorney-in-fact herein provided. All of the owners irrevocably constitute and appoint Chateau Chaparral Owners Association, a Colorado corporation, not for profit, their true and lawful attorney-in-fact to act in their name, place and setad for the purpose of dealing with the property upon its destruction or obsolescence as is hereinafter provided. As attorney-in-fact the Association by its president and secretary shall have full and complete authorization, right and power to make, execute and delivery any contract, deed or any other instrument with respect to the interest of a condominium campsite owner which is necessary and appropriate to exercise the powers herein granted.

XXXII. PERSONAL PROPERTY FOR COMMON USE: The Association may acquire and hold for the use and benefit of all of the condominium campsite owners, real, tangible and intangible personal property and may dispose of the same by sale or otherwise, and the beneficial interest in any such property shall be owned by the condominium campsite owners in the same proportion as their respective interests in the general common elements and shall not be transferrable except with a transfer of a condominium campsite. A transfer of a condominium campsite shall transfer to the transferee ownership of the transferor's beneficial interest in such property without any reference thereto. Each owner may use such property in accordance with the purpose for which it is intended, without hindering or encroaching upon the lawful rights of the other owners. The transfer of title to a Condominium campsite under foreclosure shall entitle the purchaser to the beneficial interest in such personal property associated with the foreclosed condominium campsite.

XXXIII. REGISTRATION BY OWNER OF MAILING ADDRESS: Each owner shall register his mailing address with the Association, and except for annual statements and other routine notices, all other notices or demands intended to be served upon an owner shall be sent by either registered or certified mail, postage prepaid, address in the name of the owner at such registered mailing address. All notices, demands or other notices intended to be served upon the Board of Directors of the Association or the Association shall be sent by certified mail, postage prepaid to: Managing Agent, Chateau Chaparral, Northrop, Colorado 81236 until such address is changed by a notice of address change duly recorded in the office of the Clerk and Recorder, Chaffee County, Colorado.

XXXIV. PERIOD OF CONDOMINIUM CAMPSITE OWNERSHIP: The separate condominium estates created by this declaration and the Plat shall continue until this declaration is revoked in the manner and as is

provided in Paragraph XX of the declaration or until terminated in the manner and as is provided in Paragraph XXXI of this declaration.

XXXV. RESERVATION TO CONSTRUCT ADDITIONAL BUILDINGS OR TO ENLARGE, IMPROVE OR REBUILD EXISTING BUILDINGS:

(a) Declarant expressly reserves the right to construct or place additional buildings and improvements on each of the service areas, and such right may be exercised by Declarant or by the Owners Association. Any such additional building improvements shall reasonably conform and harmonize with the architecture and appearance of the other buildings. Declarant's right to construct or place additional buildings shall terminate after 80% of the campsites are sold, except on the commercial lodge site or its appurtenant parking area or any other area not platted as common area, campsites or service area.

(b) Declarant, or any owner, may make reasonable alterations or additions to any existing building; and any owner may construct upon his campsite tract such reasonable improvements as storage buildings and recreational apparatus. Any owner may also demolish his storage building and replace the same with a new storage building. Any such alterations, additions or new construction shall reasonably conform and harmonize with the architecture and appearance of the other buildings.

(c) In no event shall the total ground-floor area of all storage building improvements on a campsite tract exceed 48 square feet in area, nor shall any addition, alteration or new improvement interfere with the exercise and use of any right or easement reserved or created hereunder.

XXXVI. GENERAL PROVISIONS:

(a) If any of the provisions of this declaration or any paragraph, sentence, clause, phrase or word, or the application thereof in any circumstance be invalidated, such invalidity shall not affect the validity of the remainder of this declaration, and the application of any such provision, paragraph, sentence, clause, phrase or word in any such provision, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

(b) The provisions of this declaration shall be in addition and supplemental to the Condominium Ownership Act of the State of Colorado and to all other provisions of law.

(c) 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.

(d) In the even of any conflict between the provisions of this declaration and any By-Laws or regulations of the Association, the provisions of this declaration shall be deemed controlling.

XXXVII. SPECIAL PROTECTIVE COVENANTS AND RESTRICTIONS ON CHANGE THEREOF:

(a) It is the intention that each condominium campsite shall be used for recreational vehicles such as motor homes, travel trailers, pickup and truck campers, and similar mobile or portable living quarters, except that no permanent residence of any type may be located on any campsite. No camper or camper trailer shall have the wheels removed and left untended.

(b) No structure other than one storage building not exceeding seven feet in height and 48 square feet of floor space may be placed

on any campsite. Prior to placement of such structure the design must be approved by the Architectural Committee of the Owners Association, or by Alliance Corporation if the Owners Association is not functioning. Each site may have one fireplace, firepit, barbeque grill or other cooking or heating device subject to prior approval of Alliance Corporation or the Owners Association.

(c) A fence, approved by the Owners Association, or by Alliance Corporation not exceeding 5 feet in height may be constructed along a boundary line or within a site, providing said fence shall not interfere with the free and easy access and removal of a recreational vehicle.

(d) No campsite shall be used for commercial purposes or activities.

(e) No livestock or poultry shall be permitted on any campsite.

(f) Membership in the Owners Association shall be mandatory. There shall be one member from each campsite and payment of the annual dues shall be required on or before the 1st day of April each year after purchase. Initial dues equal to one years dues shall be charged to any person becoming an owner after April 1 of any calendar year. Dues shall be set annually by the Owners Association but until said owners Association shall change said dues, the amount thereof shall be \$75.00 annually.

(g) No trees may be cut or removed from any campsite.

(h) These special covenants contained in Paragraph XXXVII may be changed only by acceptance of any change by 100% of all members of the Owners Association, and changes shall be subject to the approval of the Chaffee County Planning Commission. Such approval shall be evidenced by the signature of the Chairman of the Planning Commission indicating approval and by a resolution of the Owners Association reciting the approval of 100% of all members of the Owners Association.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed by its duly authorized President and Secretary, and its corporate seal to be affixed hereto this 3rd day of August, 1973.

ALLIANCE CORPORATION

By: _____
David E. Bullert, President

ATTEST:

Samuel Joseph, Secretary

STATE OF COLORADO)
 : ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 3rd day of August, 1973, by David E. Bullert, as President and Samuel Joseph as Secretary of Alliance Corporation, a Colorado Corporation.

Witness my hand and official seal

Notary Public

My commission expires: _____

CHATEAU CHAPARRAL
RULES AND REGULATIONS

1. No trash, garbage, waste water or refuse of any kind may be disposed of upon any site. Dumping and garbage stations are provided throughout the campground for disposal of refuse.

2. Travel trailers or campers parked, or located on a campsite shall not exceed 37 feet in length, exclusive of the length of the towing vehicle, if separable.

3. Inoperable motor vehicles shall not be brought onto the property, and if they become inoperable while on the property shall be promptly removed by the owner or user thereof.

4. Any noise generating equipment shall be restricted in their use and time of operation as the Manager shall from time to time direct for the mutual comfort and pleasure of all members.

5. All traffic will observe one-way street signs and other regulatory signs.

6. The speed limit on all roads in the campground shall not exceed 10 miles per hour.

7. No boundary markers shall be damaged, defaced, moved or destroyed without the prior consent of the owners association.

8. Access roads are to be kept free of any obstructions of any type or kind at all times.

9. Any pet of a member shall be restricted to the campsite by suitable enclosures or other forms of restraints. Any pet while off a campsite shall be under the direct control of a person either by a leash or other suitable means. Any noisy, dangerous or offensive pet may be barred from the campground by the owners association.

10. The discharge of firearms and/or other weapons on the campground is prohibited.

11. Motor bike, motorcycle and snowmobile riding is prohibited in the area.

AMENDMENT TO CONDOMINIUM DECLARATION
FOR
CHATEAU CHAPARRAL

KNOW ALL MEN BY THESE PRESENTS, That

WHEREAS, ALLIANCE CORPORATION, a Colorado Corporation on August 10, 1973, filed for record no. 153124, Book 385, Page 775, its Condominium Declaration for Chateau Chaparral with the County Clerk and Recorder of Chaffee County, Colorado; and

WHEREAS, it is now the desire of the Declarant to amend Paragraph XIV, Page 5 of said Condominium Declaration to read:

XIV

WATER AND SANITATION FACILITIES:

All elements of existing water and sanitation facilities shall be deemed to be general common elements, and any expense for the repair and maintenance thereof shall be a common expense, except within the boundaries of the commercial lodge and its appurtenant parking. Whenever organized water and sanitation facilities shall be available from any quasi-municipal water and sanitation district which shall include the condominium property within its boundaries, then the facilities of such District shall be utilized exclusively to serve all campsites in accordance with such plans and specifications and at such time as may be required by such District; and the owners of all condominium campsites agree to pay such rates, fees, tolls and charges as may be set and assessed by such District, whether the same be assessed or charged against the owners individually, or as a common expense. No domestic well shall be permitted to be drilled on individual campsites.

IN WITNESS HEREOF, Declarant has caused this instrument to be executed by its duly-authorized President and Secretary, and its corporate seal to be affixed hereto this 15th day of August, 1973.

ALLIANCE CORPORATION

By: _____
David E. Bullert, President

ATTEST:

Samuel Joseph, Secretary

STATE OF COLORADO)
 : ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 3rd day of August, 1973, by David E. Bullert, as President and Samuel Joseph as Secretary of Alliance Corporation, a Colorado Corporation.

Witness my hand and official seal

Notary Public

My commission expires: _____

AMENDMENT TO CONDOMINIUM DECLARATION
FOR
CHATEAU CHAPARRAL

KNOW BY ALL MEN BY THESE PRESENTS, That

WHEREAS, ALLIANCE CORPORATION, a Colorado Corporation on August 10, 1973, filed for record no. 153124, Book 385, Page 775, its Condominium Declaration for Chateau Chaparral with the County Clerk and Recorder of Chaffee County, Colorado; and

WHEREAS, said Condominium Declaration contains references to Chateau Chaparral Unit no, 2.

WHEREAS, it is now the desire of Declarant to amend, modify and revise for the purpose of deleting all references to said Condominium Declaration containing the reference to Chateau Chaparral Unit No. 2.

NOW, therefore, the declarant hereby amends, modifies and and revises said Condominium Declaration by deleting all reference to Chateau Chaparral Unit No. 2, County of Chaffee, State of Colorado, so that the revised Condominium Declaration as amended shall relate and apply exclusively to Chateau Chaparral Unit No. 1.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed by its duly-authorized President and Secretary, and its corporate seal to be affixed hereto this 7th day of September, 1973.

ALLIANCE CORPORATION

By: _____
David E. Bullert, President

ATTEST:

Samuel Joseph, Secretary

STATE OF COLORADO)
 : ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 3rd day of August, 1973, by David E. Bullert, as President and Samuel Joseph as Secretary of Alliance Corporation, a Colorado Corporation. Witness my hand and official seal.

Notary Public

My commission expires: _____