

DECLARATION OF
 PROTECTIVE COVENANTS, CONDITIONS
 AND RESTRICTIONS
 OF
 SOLAR RANCHES, ZB
 OURAY COUNTY, COLORADO

THIS DECLARATION ("Covenants") is made this 20 day of July, 1993, by SOUTH RIDGWAY PARTNERSHIP, hereinafter referred to as the "Declarant."

RECITALS:

1. The Declarant is the owner of the real property described in Exhibit A, attached hereto and incorporated herein by this reference, and hereinafter referred to as the "Common Interest Community" or "Solar Ranches".

2. The Declarant desires to create certain protective covenants with respect to Solar Ranches for the mutual use and benefit of the Declarant, its grantees, successors and assigns, and all subsequent owners of property within Solar Ranches.

3. This Declaration is made for the purpose of maintaining Solar Ranches as a desirable and attractive residential neighborhood, free from nuisances, and with structures which are compatible in architectural design and appearance, for the mutual benefit and protection of the owners of property therein.

NOW, THEREFORE, the Declarant hereby declares that all of the real property described herein, and such additions thereto as may hereafter be made, is and shall be held, transferred, sold, conveyed, leased and occupied subject to the covenants, conditions, restrictions, easements, charges, liens and rights hereinafter set forth, which shall be recorded in the office of the Clerk and Recorder of Ouray County, Colorado.

1. Definitions. The following terms shall have the following definitions in these Covenants:

a. "Act" means the Colorado Common Interest Ownership Act, C.R.S. 38-33.3-101, et al., as amended.

b. "Allocated Interests" means the liability for common expense assessments of the Association, and the votes in the Association, which are allocated to each Unit. The Allocated Interest of each Unit shall be as set forth on Exhibit B attached hereto and incorporated herein by this reference, which Allocated Interests shall be subject to change, from time to time, if additional property is annexed to this Declaration as provided in Section 22 hereof. Generally, the Allocated Interest attributable

to each Unit shall be equal to a fraction, the numerator of which is the number of residences constructed or to be constructed on such Unit, and the denominator of which is the total number of residences constructed or to be constructed on all of the Units within the Common Interest Community, from time to time.

c. "Association" means Solar Ranches Homeowners Association, Inc., a unit owners' association organized under section 38-33.3-301 of the Act.

d. "Common Elements" means any real estate owned or leased by the Association other than a Unit. The Common Elements initially to be owned by the Association upon execution of this Declaration are described on Exhibit C attached hereto and incorporated herein by this reference.

e. "Common Interest Community" or "Solar Ranches" means the real estate described in Exhibit A to this Declaration, as improved, supplemented, expanded and amended from time to time, with respect to which a Person, by virtue of such Person's ownership of a Unit, is obligated to pay for real estate taxes, insurance premiums, maintenance, or improvement of other real estate described in these Covenants.

f. "Covenants" means this Declaration of Protective Covenants, Conditions and Restrictions of Solar Ranches, Ouray County, Colorado, and any other recorded instruments, however denominated, that create this Common Interest Community, including any amendments and annexations to those instruments and also including, but not limited to, plats and maps.

g. "Declarant" means South Ridgway Partnership, a Colorado partnership, and any other Person(s) who may, from time to time, be assigned one or more rights of the Declarant under these Covenants by a document duly executed by South Ridgway Partnership and recorded in Ouray County, Colorado.

h. "Executive Board" means the body, regardless of name, designated in these Covenants and the Bylaws of the Association to act on behalf of the Association.

i. "Period of Declarant Control" means a length of time expiring five (5) years after initial recording of these Covenants in Ouray County, Colorado; provided, that the Period of Declarant Control shall terminate no later than either sixty (60) days after conveyance of seventy-five percent (75%) of the Units that May be Created to Unit Owners other than a Declarant, two (2) years after the last conveyance of a Unit by the Declarant in the ordinary course of business, or two (2) years after any right to add new Units to the Declaration was last exercised.

j. "Person" means a natural person, a corporation, a partnership, a limited liability company, an association, a trust, or any other entity or any combination thereof.

k. "Unit" means any separate numbered lot shown upon any recorded subdivision map of the real property described on the attached Exhibit A, or any other real property as may hereafter be brought within the jurisdiction of the Association, with the exception of the Common Elements and any public streets.

l. "Unit Owner" means the Declarant or other Person who owns a Unit, but does not include a Person having an interest in a Unit solely as security for an obligation. The Declarant is the owner of any Unit created by the Declaration until that Unit is conveyed to another Person.

m. "Units that May Be Created" means One Hundred Eighty (180) Units, which shall be the maximum number of Units that may be subject to this Declaration, including those Units which may be included if all of the property provided for in Section 22 hereof is annexed to this Declaration.

2. Solar Ranches Homeowners Association.

a. Occupancy of any Unit shall qualify and obligate the Owner(s) thereof for membership in the Association, a non-profit Colorado corporation, with full right and responsibility of membership as set forth in the Articles of Incorporation and Bylaws of the Association. The Association shall have the right and the obligation to enforce and administer these Covenants, to hold title to Common Elements and such other property or property rights as shall be conveyed or transferred to it by the Declarant, or as it may otherwise acquire, to acquire, own and maintain other types of property for common use, and to perform such other acts and functions as may be reasonable or necessary for the general benefit and welfare of the Unit Owners and as may be authorized or permitted by its Articles of Incorporation or Bylaws, or by law. The purchase, or the acquisition of legal title in any other manner, of any Unit shall constitute the Unit Owner's consent to and acceptance of the duties and responsibilities of membership in the Association.

b. Within thirty (30) days after adoption of any proposed budget for the Common Interest Community, the Executive Board shall mail, by ordinary first-class mail, or otherwise deliver a summary of the budget to all the Unit Owners and shall set a date for a meeting of the Unit Owners to consider ratification of the budget not less than fourteen (14) nor more than sixty (60) days after mailing or other delivery of the summary. Unless at that meeting the vote of sixty-seven percent (67%) of the Allocated Interests rejects 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 Unit Owners must be continued until such time as the Unit Owners ratify a subsequent budget proposed by the Executive Board.

3. Architectural Control. No building, fence, wall, or other structure or improvement shall be placed, erected or maintained upon any Unit, nor shall any addition to or change or alteration thereof be made, unless and until the plans and specifications therefor and the site plan(s) have been approved in writing by the Declarant. Such plans, specifications and site plan(s) shall show the nature, kind, shape, height, materials, floor plans, and location of each such structure, and the landscaping and grading plan of each site, including the location and grade of driveways. The Declarant shall have the right to take into consideration the quality of workmanship and materials, harmony of external design with existing and neighboring structures, location with respect to topography and finish grade elevation, the conformity and harmony with the surroundings, and the effect of the proposed structure on the view and outlook from adjacent Units.

a. If the Declarant fails to approve or disapprove the plans and specifications submitted to it for approval within thirty (30) days after written request therefor and submission of documents incidental thereto, then such approval shall not be required; provided, however, that no building or other structure shall be erected or be allowed to remain on any Unit in violation of any of the provisions of these Covenants.

b. Following approval of any such proposed plans, specifications and site plan, construction of the proposed improvements shall proceed diligently, and the exterior of any such improvements shall be completed within a maximum period of six months after the commencement of construction. Interior finishing may extend beyond such six-month period, provided that building materials and construction equipment are not stored in an unsightly manner.

c. Following the conveyance of all Units by the Declarant to the first Unit Owner thereof other than Declarant, the authority and responsibility for architectural control shall be automatically assigned and transferred by Declarant to the Association; provided that the Declarant may, in its discretion, voluntarily assign and transfer such authority and responsibility prior to the aforesaid date.

4. Permitted Structures and Uses.

a. Each Unit shall be used only for residential purposes in compliance with the applicable building and zoning regulations of the Town of Ridgway, including but not limited to height, floor area ratio, and setback requirements, and subject to

the terms, conditions, easements, and other conditions and limitations as set forth on the final plat(s) of each portion of Solar Ranches, as may be amended or supplemented from time to time.

b. No dwelling commonly referred to as a "mobile home" shall be placed or erected on any Unit. What are commonly referred to as "modular homes" may be constructed on any Unit, so long as they are determined, in the sole judgment and discretion of the Declarant, or any Person to which it may assign or delegate its architectural control powers hereunder, to be architecturally and structurally suitable and compatible with a first-class subdivision. Only new construction shall be permitted within Solar Ranches, and no used or second-hand structure shall be moved onto any Unit therein. No basement, tent, shack, garage, barn or trailer, or any other outbuilding or temporary structure shall be occupied or used as a residence, either temporarily or permanently. No dwelling or other structure may be erected unless a building permit therefor has been issued by the Town of Ridgeway.

5. Restrictions and Easements.

a. This Common Interest Community is subject to the recorded easements, licenses and other matters listed on Exhibit D attached hereto and incorporated herein by this reference. In addition, the Declarant declares that all of the Units shall be held and shall henceforth be sold, conveyed, used, improved, occupied, owned, resided upon and hypothecated, subject to the provisions of these Covenants.

b. Easements are hereby established and are reserved or dedicated as shown or described on the final plat(s) of Solar Ranches or any portion thereof, as amended from time to time, for the use and benefit of the Unit Owners. Except as approved by the Association, no shrubbery, trees or plantings shall be placed on, and no buildings, fences or other structures of any type shall be built over or across, any such easements, and such easements shall remain open and readily accessible for use by the beneficiaries thereof. The Association shall have the right to adopt and enforce reasonable rules and regulations covering the use of such easements, including rules prohibiting or regulating the use of any motorized vehicles.

6. Nuisances. No obnoxious or offensive activity shall be conducted upon any Unit, nor shall anything be done thereon which may be or become an annoyance or a nuisance to other Unit Owners. No automobile or other motor vehicle or equipment not in operating condition, nor any junk portion of any automobile or other motor vehicle or equipment, shall be stored or permitted to remain upon any Unit for any period in excess of 48 hours. No hunting or discharge of firearms shall be permitted within Solar Ranches. Each Unit Owner shall keep his Unit free of trash, garbage, refuse and excessive growth of weeds and brush.

7. Signs. No sign of any kind shall be displayed to the public view on any Unit except for one sign of not more than six square feet in area advertising the property for sale or rent, or signs used by buildings to advertise their services during the period of construction on any Unit.

8. Dams and Reservoirs. Unit Owners of Units in Solar Ranches shall not construct ponds or dams or in any way obstruct the natural flow of water through Solar Ranches.

9. Animals. No animals, livestock, poultry or reptiles of any kind shall be raised, bred or kept within Solar Ranches, except for domestic household pets and horses, none of which may be kept, bred or maintained for commercial purposes. All domestic household pets shall be confined to their owners' premises and shall not be permitted to become an annoyance or nuisance to other residents.

10. Assessments by Association. The Unit Owners of each Unit shall pay to the Association, within ten (10) days from receipt of notice and invoice therefor, a sum equal to the total of the items set forth in subparagraphs "a" and "b," below:

a. A fraction of the cost to the Association of all of the following, which fraction attributable to each Unit shall be the Allocated Interests attributable to such Unit at such time:

(i) Costs of improvement and maintenance of easements, the cost of maintenance and repairs to any Common Elements and any commonly owned areas, if any, as may be conveyed to or otherwise acquired by the Association, and costs of improvement and maintenance of ~~public walkways and pathways through~~ ~~Outlet B~~ Walkways (as hereinafter defined);

(ii) Costs of providing common facilities and services deemed necessary to be provided by the Executive Board, including, but not limited to, waste and trash removal, and protective and decorative lighting on the Common Elements;

(iii) Costs of establishment and maintenance of a reserve, if deemed necessary, for any cost described above or for the operation of the Association;

(iv) Costs incurred in enforcing and administering in any manner whatsoever these Covenants, including attorneys' fees and court costs;

(v) Costs of taxes upon Common Elements, commonly owned personal property, or other property owned by the Association; and

(vi) Any other cost incurred by the Executive Board for the general benefit and welfare of its members.

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b. The cost to the Association of all expenditures, including reasonable attorneys' fees, to which the Association may be put by reason of said Unit Owner's failure to keep and fully comply with these Covenants or failure to pay any assessment due from said Unit Owner by virtue of his membership in the Association.

c. Notices and invoices for payment of any and all assessments upon members of the Association may be submitted monthly or at any other regular interval as may be fixed by the Executive Board. In the event any such invoice is not paid within thirty (30) days from the date the notice and invoice are mailed to the Unit Owner, the assessment shall bear interest at the rate of eighteen percent (18%) per annum and the amount of such invoice shall be and become a lien upon the Unit(s) owned by such delinquent Unit Owner. The Association may bring an action at law against the Unit Owner personally obligated to pay the delinquent assessment. In addition to such action, or as an alternative thereto, the Association may file with the Clerk and Recorder of Ouray County, Colorado, a statement of lien with respect to the assessment, setting forth the name of the Unit Owner, the legal description of the property, the name of the Association, and the amount of delinquent assessments then owing, which statement shall be signed and acknowledged by the president or vice president of the Association, and a copy of which shall be served upon the Unit Owner by certified mail, return receipt requested, mailed to the address of the property or at such other address as the Association may have in its records for the owner of the property. Thirty (30) days following the mailing of such notice, the Association may proceed to foreclose the statement of lien in the same manner as provided for the foreclosure of mortgages on real property under the statutes of the State of Colorado. In either a personal or foreclosure action, the Association shall be entitled to recover the amount of the assessment, including additional assessments due to the date of entry of judgment, interest thereon, costs of suit, and reasonable attorneys' fees incurred with respect to the action. No Unit Owner may waive or otherwise avoid liability for the assessments provided for herein by non-use of any Common Elements or abandonment of his Unit. The Association shall have the power to bid at any foreclosure sale and to acquire, hold, lease, sell, mortgage and convey any Unit so acquired. The obligation for payment of assessments and other amounts by each Unit Owner of a Unit to the Association is an independent covenant with all amounts due, from time to time, payable in full when due without notice or demand (except as otherwise expressly provided in these Covenants), and without setoff or deduction. All Unit Owners of each Unit shall be jointly and severally liable to the Association for the payment of all assessments, fees, charges and other amounts attributable to their Unit. Each assessment, together with interest, late charges, costs and reasonable attorneys' fees, shall also be the personal obligation of each Person who was a Unit Owner of such Unit at the time the assessment or other amounts became

due. The personal obligation for delinquent assessments shall not pass to a Unit Owner's successors in title unless expressly assumed by them.

11. Failure to Enforce. The failure by the Declarant, the Association, or any Unit Owner to enforce any provision herein contained shall in no event be deemed a waiver of the right to do so thereafter as to the same breach or as to one occurring prior or subsequent thereto, nor shall such failure give rise to any claim or cause of action against the Declarant, the Association or any member thereof.

12. Enforcement. In the event of any violation or threatened violation of any of the provisions contained herein, the Declarant, the Unit Owner of any Unit, or the Association may bring action at law or in equity, either for injunction, action for damages, or such other remedies as may be available.

13. Subordination of Liens.

a. Subject to subsection b of this Section, the lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage on a Unit or first deed of trust on a Unit, including all additional advances thereon. Sale or transfer of any Unit shall not affect the assessment lien; however, the sale or transfer of any Unit as a result of foreclosure of a mortgage or deed of trust, foreclosure through the public trustee, or any proceeding in lieu of foreclosure, including the transfer by a deed in lieu of foreclosure, shall extinguish the lien of such assessments as to payments thereof which become due prior to such sale or transfer but shall not relieve any former Unit Owner of personal liability therefor. No sale or transfer shall relieve such Unit from liability for any assessments thereafter becoming due or from the lien thereof.

b. Notwithstanding the provisions of subsection a of this Section, the Association assessment lien is also prior to the first mortgages and first deeds of trust described in the preceding subsection to the extent of an amount equal to the Association assessments based on a periodic budget adopted by the Association as provided above, which would have become due, in the absence of any acceleration, during the six (6) months immediately preceding institution by either the Association or any party holding a lien senior to any part of the Association assessment lien, of an action or a nonjudicial foreclosure either to enforce or to extinguish the lien.

14. Covenants to Run with Land. The provisions of these Covenants shall be covenants running with the land and all instruments affecting the title of any of the Units shall be subject to the provisions hereof. Said provisions shall inure to the benefit of, and be binding upon, the Declarant, its successors and assigns,

and every grantee of a Unit or any portion thereof, their heirs, personal representatives, successors and assigns, and upon each successor in title of the undersigned until January 1, 2011, at which time these Covenants shall automatically be extended for successive periods of ten (10) years each; provided, however, that Persons with seventy-five percent (75%) of the Allocated Interests may at any time amend, modify, or revoke these Covenants in whole or in part.

15. ~~Outlet B: Public Walkways and Pathways.~~ There shall be created, as shown on the face of the plat of Filing No. 2B Solar Ranches, Ouray County, Colorado, ~~an outlet tract consisting of 18.473 acres, more or less ("Outlet B")~~ certain walkways and pathways (collectively "Walkways") including without limitation those which are part of Outlet B as shown on said plat and the Common Elements described on the attached Exhibit C. The Association shall be responsible for the maintenance of ~~public walkways and pathways through Outlet B~~ the Walkways in accordance with the Ridgway Subdivision Trail Design and Use Standards which are attached to these Covenants as Exhibit E and incorporated herein by this reference. Costs of such maintenance shall be borne by the Unit Owner of each Unit in accordance with Paragraph 10.a of these Covenants.

16. Declarant May Assign. The Declarant may at any time, from time to time, assign or transfer any or all of its rights, powers, obligations and privileges under this instrument to the Association, or any other Person.

17. Invalid Provision. Invalidation of any of the provisions of these Covenants by judgment or order of court shall in no way affect any of the other provisions hereof; and lack of title or failure of title in the undersigned as to any portion of the property described herein shall not affect the validity of these Covenants as to the remainder of Solar Ranches.

18. Exterior Maintenance. The Association shall provide for maintenance, repair, improvement and replacement of the Common Elements, any other commonly-owned areas, if any, as may be conveyed to or otherwise acquired by the Association, the ~~public walkways and pathways through Outlet B~~ Walkways, and such other property as the Association may hereafter elect. The maintenance, repair, improvement and replacement of each Unit, and all improvements now or hereafter thereon, shall be the responsibility of the Unit Owner(s) of such Unit.

a. In the event that the Association fails to maintain the ~~public walkways and pathways through Outlet B in a reasonable order and condition, the Town of Ridgway may serve written notice upon the Association, or upon the residents of the Common Interest Community, setting forth the manner in which the Association has failed to maintain Outlet B's public walkways and pathways in~~

~~reasonable condition, and said notice shall include a demand that such deficiencies of maintenance shall be cured within thirty (30) days thereof, and which shall state the date and place of a hearing thereon which shall be held within fourteen (14) days of the notice. At such hearing, the Town of Ridgway may modify the terms of the original notice as to the alleged deficiencies and may give an extension of time within which they shall be cured. If the deficiencies set forth in the original notice or in the modifications thereof are not cured within said thirty (30) days or any extension thereof, the Town of Ridgway, in order to preserve the taxable values of the properties within the Common Interest Community and to prevent the walkways and pathways of Outlot B from becoming a public nuisance, may enter upon Outlot B and maintain same. Said entry and maintenance shall not be required. The cost of such maintenance by the Town of Ridgway shall be paid by the Unit Owners of Units within the Common Interest Community, and any unpaid assessments therefor shall become a tax lien upon said Units. The Town of Ridgway shall file a notice of such lien in the office of the Ouray County Clerk and Recorder upon the Units affected by such lien, and shall certify such unpaid assessments for collection, enforcement and remittance in the manner provided by law for the collection, enforcement and remittance of general property taxes. Walkways throughout the Common Interest Community, the Town of Ridgway may enforce such obligations against the Association and Unit Owners in accordance with Town of Ridgway ordinances, Colorado law, or the Planned Unit Development Plan Restrictions of the Town of Ridgway.~~

b. In the event any Unit Owner fails to perform his maintenance, repair, improvement and/or replacement obligations in a manner satisfactory to the Association, the Association may, if said failure continues for a thirty (30) day period after written notice is given to said Unit Owner(s) by the Association, enter on the Unit subsequent to the expiration of said thirty-day period and perform any or all of such maintenance, repair, improvement or replacement. The costs of any such activity by the Association shall be the personal obligation of the Unit Owner(s) of the Unit on which such work is performed, and shall be subject to all of the terms and provisions applicable to "assessments" as provided in these Covenants. However, the Association's right to perform any such maintenance, repair, improvement and/or replacement shall not in any way be deemed an obligation of the Association to undertake or perform any such matters.

c. Each Unit Owner shall afford to the Association and to the other Unit Owners, and their agents and employees, access on such Unit Owner's Unit reasonably necessary for maintenance, repair, improvement and replacement of any property or improvements pursuant to this Section. If damage is inflicted or a strong likelihood exists that it will be inflicted, incidental to or as a result of such access, then the Unit Owner responsible for such damage or expense to avoid damage, or the Association if it is responsible, is liable for the costs of prompt repair. However,

the rights of access granted in this subsection may be exercised only during reasonable hours after reasonable notice to the Unit Owner(s) or occupant(s) of any affected Unit, except that in emergency situations entry upon a Unit may be made at any time, provided that the Unit Owner or occupant of such affected Unit shall be warned of impending emergency entry as early as is reasonably possible. The interior of any residence located on a Unit shall not be subject to the easements provided for in this subsection.

d. Notwithstanding anything to the contrary contained in these Covenants, in the event that the need for maintenance, repair, improvement or replacement of any Common Elements, any Unit, any other property or any improvements, is caused by the willful or negligent act or omission of any Unit Owner, or by the willful or negligent act or omission of any member of such Unit Owner's family or by a guest or invitee of such Unit Owner, then the cost of such repair, maintenance, improvement and/or replacement, or expense to avoid such damage, shall be the personal obligation of such Unit Owner to the extent that such Unit Owner would be liable for the acts of such Persons under the laws of the State of Colorado; and any costs, expenses and fees incurred by the Association for such maintenance, repair, improvement or replacement shall be added to the assessment to which such Unit Owner's Unit is subject and shall be subject to all the terms and provisions of these Covenants applicable to assessments. A determination of the negligence or willful act or omission of any Unit Owner, or any member of a Unit Owner's family or guest or invitee of any Unit Owner, and the amount of the Unit Owner's liability therefor, shall be determined by the Association at a hearing after notice to the Unit Owner.

19. Rights of Declarant Incident to Construction and/or Development. An easement is hereby retained by and granted to Declarant, its successors and assigns, for access, ingress, and egress over, in, upon, under, and across the Common Elements, including but not limited to the right to store materials thereon and to make such other use thereof as may be reasonably necessary or incidental to Declarant's development and/or construction. However, no such easements shall be exercised by Declarant in such a manner as to unreasonably interfere with the occupancy, use, enjoyment, or access by any Unit Owner, his family members, guests, or invitees, to or of that Unit Owner's Unit. The easements granted to the Declarant in this Section shall cease upon conveyance by Declarant of the last Unit to the first Unit Owner thereof (other than Declarant).

20. Declarant's Use. Notwithstanding anything to the contrary contained in these Covenants, it shall be expressly permissible and proper for Declarant, its employees, agents, and contractors, to perform such reasonable activities, and to maintain upon portions of Solar Ranches such facilities as Declarant deems

reasonably necessary or incidental to development and construction at Solar Ranches, including without limitation maintaining business offices, storage areas, construction yards and equipment, signs, model units, sales offices, parking areas and lighting facilities. However, Declarant shall not perform any activity or maintain any facility on any portion of Solar Ranches in such a way as to unreasonably interfere with or disturb any Unit Owner, or to unreasonably interfere with the use, enjoyment or access of such Unit Owner, his family members, guests or invitees of and to his Unit, the Common Elements, and to a public right of way.

21. Common Elements.

a. Subject to the provisions of this Section, every Unit Owner shall have a non-exclusive right and easement for the purpose of access to their Units and for use for all other purposes, in and to the Common Elements, and such easement shall be appurtenant to and shall pass with the title to every Unit. However, the rights and easements created in this subsection shall be subject to the following:

(i) The right of the Association to borrow money for the purpose of improving the Common Elements and to mortgage said property as security for any such loan; provided, however, that the Association may not subject any portion of the Common Elements to a mortgage or deed of trust unless such is approved by Association members casting at least eighty percent (80%) of the votes in the Association, including eighty percent (80%) of the votes allocated to Units not then owned by the Declarant; and

(ii) The right of the Association to take such steps as are reasonably necessary to protect the Common Elements against foreclosure; and

(iii) The right of the Association to promulgate and publish rules and regulations with which each Unit Owner shall strictly comply; and

(iv) The right of the Association to suspend the voting rights of any Unit Owner for any period during which any assessment against his Unit remains unpaid and, for a period not to exceed sixty (60) days, for any infraction of the Bylaws of the Association or the Association's rules and regulations; and

(v) The right of the Association to dedicate or transfer all or any part of the Common Elements owned by the Association to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Unit Owners, provided that no such dedication or transfer shall be effective unless first approved by the Unit Owners entitled to cast at least eighty percent (80%) of the votes in the Association, including eighty percent (80%) of the votes allocated to Units not

owned by the Declarant, and unless written notice of the proposed agreement and the proposed dedication or transfer is sent to every Unit Owner at least thirty (30) days in advance of any action taken. Notwithstanding the foregoing, the granting of permits, licenses and easements for public utilities, roads or other purposes reasonably necessary or useful for the proper maintenance or operation of the Common Interest Community shall not be deemed to transfer within the meaning of this subsection; and

(vi) The right of the Association, through its Executive Board, to enter into, make, perform or enforce any contracts, leases, agreements, licenses, easements and rights-of-way for the use of real property or improvements by Unit Owners, other Persons, their family members, tenants, guests and invitees, for any purposes the Executive Board may deem to be useful, beneficial or otherwise appropriate; and

(vii) The right of the Association to close or limit the use of the Common Elements while maintaining, repairing or making replacements in the Common Elements.

b. No Unit Owner, any family member or tenant thereof, nor any other Person, shall be permitted to construct any structure or place any permanent improvements upon the Common Elements, or to enclose any portion of the Common Elements.

22. Registration of Mailing Address. Each Unit Owner shall register his mailing address with the Association for purposes of notices under these Covenants. If any Unit Owner fails to notify the Association of an address for purposes of notice, then any notices or demands may be delivered or sent, as aforesaid, to such Unit Owner at the address of such Unit Owner's Unit.

23. Annexation.

a. Additional property may at any time be annexed to these Covenants with the consent of the Unit Owners holding at least two-thirds of the Allocated Interests. Notwithstanding the foregoing, the Declarant (with the consent of the other owners, if any, of such property) may annex to these Covenants additional property within the lands described on Exhibit F attached hereto and incorporated herein by this reference, until that date which is five (5) years after the date of recording of these Covenants in Ouray County, Colorado, without the consent of any other Unit Owners, holders of mortgages or deeds of trust, or any other Person. Each such annexation shall be effected, if at all, by recording of a plat or map of the property to be annexed (unless such plat or map has previously been recorded), and by recording an Annexation of Additional Land and Declaration Amendment in the office of the Clerk and Recorder of Ouray County, Colorado, which document shall provide for annexation to these Covenants of the property described therein, shall state that the Declarant (and/or

others, as applicable) is the owner of the Units thereby created, shall assign an identifying number to each new Unit, shall describe any Common Elements within the property being annexed, shall reallocate the Allocated Interests among all Units, and may include such other provisions as Declarant deems appropriate. All provisions of these Covenants, including but not limited to those provisions regarding obligations to pay assessments to the Association and any right to cast votes as members of the Association, shall apply to annexed property immediately upon recording of an Annexation of Additional Land and Declaration Amendment with respect thereto, as aforesaid. In addition to the foregoing, the Declarant may amend these Covenants at any time during the five-year period noted hereinabove, in order to add additional real estate to the Common Interest Community from such locations as the Declarant may elect in its sole discretion, so long as the total additional real estate so annexed to the Common Interest Community pursuant to this sentence, and not described in the attached Exhibit F, does not exceed ten percent (10%) of the total area described in the attached Exhibits A and F.

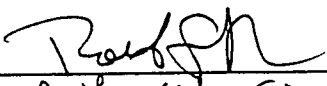
b. The Declarant may exercise its development rights in all or any portion of the property described in the attached Exhibit E for which such rights have not already been exercised, and no assurances are made as to the boundaries or order of exercise of any such development rights.

IN WITNESS WHEREOF, South Ridgway Partnership, a Colorado Partnership, has caused this instrument to be executed by its Partner on the day and year first above written.

"DECLARANT":

SOUTH RIDGWAY PARTNERSHIP,
a Colorado partnership

By:


Title: Authorized Signatory

STATE OF COLORADO)
County of Ouray) ss

The foregoing instrument was acknowledged before me this 20th day of July, 1993, by Robert Saville as partner of South Ridgway Partnership, a Colorado partnership, Declarant.

Witness my hand and official seal.

My commission expires 5/21/95.

Carol J. Hall
Notary Public

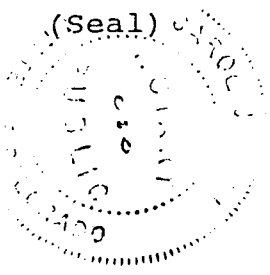


EXHIBIT A
TO
DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS
AND RESTRICTIONS
OF
SOLAR RANCHES
OURAY COUNTY, COLORADO

All property shown and described on that certain plat of Filing No. 2B Solar Ranches, recorded in the office of the Clerk and Recorder of Ouray County, Colorado, as amended.

EXHIBIT B
TO
DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS
AND RESTRICTIONS
OF
SOLAR RANCHES
OURAY COUNTY, COLORADO

<u>Unit</u>	<u>Allocated Interests attributable to the Unit</u>
Lot 41	1/43
Lot 42	1/43
Lot 43	1/43
Lot 44	1/43
Lot 45	1/43
Lot 46	1/43
Lot 47	1/43
Lot 48	1/43
Lot 49	1/43
Lot 50	1/43
Lot 82	7/43
Lot 83	6/43
Lot 84	5/43
Lot 85	5/43
Lot 85A	1/43
Lot 86D	2/43
Lot 87D	2/43
Lot 88	1/43
Lot 89	1/43
Lot 90	1/43
Lot 91	1/43
Lot 92	1/43

EXHIBIT C
TO
DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS
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No The Common Elements are ~~anticipated~~ initially to be owned by the Association at the time of recording of this Declaration. are those areas designated as



= PEDESTRIAN WALKWAY & UTILITY
EASEMENT

on the plat of Filing 2B Solar Ranches, recorded in Ouray County, Colorado.

EXHIBIT D
TO
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1. Taxes and assessments on Solar Ranches, Ouray County, Colorado, or any portion thereof.
2. Taxes or assessments by reason of inclusion of the subject property in the Tri-County Water Conservancy District, the Ouray Water Conservancy District and the Ridgway Fire Protection District.
3. Reservation of one-half of all oil, gas and mineral rights, reserved by Robert Lundgren and Mabel S. Lundgren in Deed recorded in Book 162 at Page 231, Ouray County, Colorado.
4. Applicable subdivision and zoning regulations of the Town of Ridgway, Colorado.