

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR
WAPITI VALLEY RANCH**

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THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR WAPITI VALLEY RANCH is made this 24th day of December, 2009, by Fourmile Valley Properties, LLC, a Colorado limited liability company.

RECITALS

A. Declarant owns the Property, which is real property located in the County of Teller, State of Colorado, and legally described in Exhibit A attached hereto and incorporated herein by reference.

B. Declarant desires to create and to establish certain covenants, conditions, easements and restrictions for the development, improvement, use, operation, maintenance, repair and enjoyment of the Property for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Property.

DECLARATION

NOW, THEREFORE, Declarant hereby declares that the Property shall be owned, held, conveyed, encumbered, leased, improved, used, occupied and enjoyed subject to the following covenants, conditions, easements and restrictions. This Declaration shall: (i) run with the Property at law; (ii) bind all Persons having or acquiring any interest in the Property or any part thereof; (iii) inure to the benefit of, be binding upon every part of the Property and every interest therein; and (iv) inure to the benefit of, be binding upon, and be enforceable by each Owner and their heirs, successors in interest and assigns. Notwithstanding the fact that as of the date of this Declaration Declarant is the owner of all the Property, Declarant does not intend for such ownership to result in, and such ownership shall not result in, the merger and/or termination of any of the covenants, conditions, easements, restrictions, interests, rights or obligations created by this Declaration.

ARTICLE 1

DEFINITIONS AND EXHIBITS

1.1 Definitions. The following initially capitalized terms when used in this Declaration shall have the meanings specified below:

"Access Road Easement" means that certain Easement for Ingress and Egress and for Utilities as shown on the Survey.

"Accessory Structure" means any structural Improvement, except a Residence, that: (a) is constructed or erected on a Parcel and requires permanent location on or fixation to the ground or



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Security
Title

attachment to something having permanent location on the ground, including, without limitation, a Garage, Barn, tennis court, tree house, play house, stable, basketball court, studio, shed, shop, gazebo or swimming pool; and (b) is designed and used for a purpose or use permitted under Section 4.3.

"Assessments" are defined in Article 5.

"Barn" means an enclosed, roofed Accessory Structure that is used for any one or more of the following: (a) sheltering, feeding or breeding Livestock; (b) storing hay, straw or any Livestock feed; or (c) storing, maintaining or repairing farm machines or implements.

"BLM Easement" means the area depicted on the Survey for access to and from the adjacent lands of the Bureau of Land Management ("BLM") and is further described in Section 3.2.

"Declarant" means Fournmile Valley Properties, LLC, a Colorado limited liability company.

"Declaration" means this Declaration of Covenants, Conditions, and Restrictions for Wapiti Valley Ranch as it is amended or supplemented from time to time.

"First Mortgagee" means the legal holder of a Mortgage with first priority over other Mortgages.

"Floor Area" means the sum of the gross horizontal areas (in square feet) of all floors in a Residence or Accessory Structure measured to the outside of all exterior walls, including, without limitation, lofts, stairways, fireplaces, halls, habitable attics, bathrooms, closets, storage or utility/mechanical areas, and fully finished basements, but not including Garages or partially or totally unfinished basements.

"Footprint" means, with respect to a Residence, the area of ground at the surface occupied by such Residence, as viewed from directly above, including the foundation, walls and any overhanging elements.

"Force Majeure Delays" means delays caused by war, civil commotion, casualty losses, unusual weather condition, strikes, walkouts, shortages in labor or materials that could not reasonably have been anticipated and other conditions beyond the reasonable control of the Person experiencing the delay.

"Garage" means an enclosed, roofed Accessory Structure designed and used for parking and storing automobiles or other motorized vehicles.

"Greeting Sign" means a sign installed on a Parcel generally in the location where the driveway for the Parcel intersects with the Parcel Easement.

"Guest" means any Person rightfully present on or in rightful possession of any portion of the Property, including, without limitation, (a) a tenant of an Owner or (b) an agent, employee, contractor, licensee, invitee, shareholder, partner, member or guest of an Owner.

"Improvements" shall mean all structures, facilities, installations, improvements to property, and appurtenances thereto, of every type, kind or nature, including, without limitation, buildings, roads, driveways, walkways, trails, Utility Facilities, fences, walls, swimming pools, tennis courts, arenas, patios, gardens, landscaping, changes in grade, excavations, berms, ditches, culverts, ponds, tanks, antennae and signs.

"Law" means all laws, statutes, ordinances, resolutions, orders, codes, rules regulations, judgments, decrees and other requirements (including requirements under permits, licenses, consents and approvals) of any federal, state, country, city town or other governmental authority having jurisdiction over the Property or any activity on the Property.

"Livestock" means animals, other than cats or dogs, customarily raised or kept on ranches and farms for profit or other purposes.

"Parcel" is defined and described in Article 2.

"Mortgage" means any mortgage or deed of trust or other such instrument, given voluntarily by the Owner of a Parcel, encumbering the Parcel to secure an evidence of debt or the performance of an obligation which is required to be released upon the payment of such debt or the performance of such obligation.

"Owner" means a Person or Persons who is the owner of fee simple title of Record to a Parcel from time to time. The term "Owner" shall not include (a) a contract purchaser except a contract vendee under an installment land sales contract; (b) the vendor under an installment sales contract, or (c) a Person holding an interest in a Parcel merely as security for the performance of an obligation, unless and until such a security holder becomes an owner in fee simple of such Parcel.

"Permitted" means allowed pursuant to or not inconsistent with the provisions of this Declaration and in compliance with Law.

"Person" means any individual, corporation, partnership (general or limited, with or without limited liability), company, estate, trust, business trust, association or any other legal entity.

"Survey" means the Survey of Wapiti Valley Ranch Boundary Survey of Parcel 1 & Parcel 2 and Government Lot 7 that is recorded at Reception No. 632365 of the Teller County records of the Clerk and Recorder in conjunction with and refers to this Declaration as such Survey is amended or supplemented for time to time.

"Primary Residence" means a Residence that is intended primarily for the use of the Owner of the Parcel on which the Residence is located or a Guest, but excluding any Secondary Residence or other Accessory Structure.

"Property" means the real property legally described on Exhibit A along with any and all Improvements now in place or hereafter constructed thereon.

"Records" means the real property records of Teller County, Colorado; to "Record" or "Recording" means to file or filing for recording in the Records; and "of Record" or "Recorded" means recorded in the Records.

"Residence" means a building containing bathroom facilities and no more than one kitchen that is designed and used for occupancy as a single-family dwelling.

"Reservoir" means the existing body of water located on the Property generally located in the southwest corner of Parcel 2, and known as Riss East Reservoir.

"Reservoir Easement" is defined in Section 3.3.

"Roads" mean those roads shown on the Survey.

"Secondary Residence" means a Residence constructed on a Parcel and intended for the use of the Guests or on-site employees of an Owner.

"Utility Facilities" means all pipes, lines, cables, mains, pumps, conduits, transformers, vaults, and all other related surface and below ground appurtenances thereto for the purpose of providing Utility Services to the Property.

"Utility Services" means water, sewer, electricity, natural gas and other energy services and telephone, cable television and other telecommunication services. Declarant shall install phone and electric lines to the boundary of each Parcel, provided, however, that nothing in this Declaration shall constitute or be deemed to constitute a representation or guarantee that any particular Utility Services shall be available on the Property or any portion of it.

"Wapiti Valley Ranch" means the Property

"Water Lease" is defined in Section 7.1(a).

"Water Rights" is defined in Section 7.2(a).

1.2 Exhibits. The Exhibits listed below are attached to and incorporated in the Declaration.

Exhibit A - Legal Description of Property
Exhibit B Map of Reservoir

ARTICLE 2

DESCRIPTION OF PARCELS

2.1 Division of Real Property. The Survey divides Wapiti Valley Ranch into two Parcels designated Parcels 1 and 2, each of which constitutes a separate fee simple estate. Government Lot 7 ("Lot 7") as shown on the Survey shall be considered to be a separate "Parcel" for purposes of this Declaration. Declarant may subdivide or add to Parcel 2 or Lot 7, or include four additional Parcels in the Property as provided in Section 4.16 below.

2.2 Description of Parcels. At such time as the Water Rights have been acquired, as provided in Section 7.2, the description of a Parcel shall also include a description of the Water Rights allocated to the applicable Parcel.

2.3 Title to Parcels. Title to a Parcel and Water Rights allocated to the Parcel, may be held individually or in any form of concurrent, joint or fractional ownership recognized in Colorado. In case of any such concurrent, joint, or fractional ownership, each co-owner shall be jointly and severally liable for performance and observance of all the duties and responsibilities of an Owner with respect to the Parcel in which he owns an interest. For all purposes herein, there shall be deemed to be only one Owner for each Parcel. The parties, if more than one, having the ownership of a Parcel shall agree among themselves how to share the rights and obligations of such ownership, but all such parties shall be jointly and severally liable for performance and observance of all of the duties and obligations of an Owner hereunder with respect to the Parcel in which they own an interest.

ARTICLE 3

EASEMENTS

3.1 Access Road Easements.

(a) Reservation. Declarant hereby reserves and retains for the benefit of each Owner and Parcel the Access Road Easement and the following permanent, perpetual and non-exclusive easement under, over and across the Property, each for purposes of operating, installing, constructing, maintaining and repairing Roads and Utility Facilities and for ingress and egress, to the benefited Parcel and any land subsequently acquired by an Owner and included in its Parcel or the additional Parcels that may be added to the Property by Declarant as provided in Section 4.16 below:

(i) Parcel Access. An easement ("Parcel Easement") as shown on the Survey over and across Parcels 1 and 2 for the use, benefit and

enjoyment of all Parcels and every portion thereof (and any subdivided Parcels thereof), and the additional Parcel Declarant is Permitted to add pursuant to Section 4.16 below, and their Owners, family members and Guests.

(b) Maintenance of Access Road Easement and Parcel Easement. The cost to maintain the Access Road Easement shall be divided equally between the Parcels and paid by the respective Parcel Owner; provided, however, that the cost to Parcel 1 shall not exceed \$400 per year. The cost to maintain the Parcel Easement shall be divided equally between the Parcels and paid by the respective Parcel Owner; provided, however, the Owner of Parcel 1 shall not be responsible for more than one-fifth (1/5) of the cost to the Parcel Owners to maintain such easements. Notwithstanding the foregoing, an Owner shall be responsible for any repairs or maintenance necessary because of its negligence or misuse of the applicable easement. The maintenance shall consist only of grading the applicable easement, if necessary, each spring and fall season, and as necessary to repair any material damage resulting from natural causes (e.g., excessive rain or flood). Snow removal shall only be done upon approval of all the Owners.

3.2 BLM Easement.

(a) Reservation. Declarant hereby reserves and retains for the use, benefit and enjoyment of the Parcels and their Owner and their family members and Guests, a nonexclusive, permanent and perpetual easement under, over and across Parcel 2, as shown on the Survey, for purposes of pedestrian, equestrian and ATV (all-terrain vehicle) access to the land located adjacent to Parcel 2 and owned by the Bureau of Land Management.

(b) Maintenance of BLM Easement. The cost to maintain the BLM Easement in a condition that allows its intended use shall be divided equally between the Parcels and paid by the respective Parcel Owner.

3.3 Reservoir Easement.

(a) Declarant hereby reserves and retains for the use, benefit and enjoyment of the Parcels and the Owners and their family members and Guests, but only for so long as there is adequate water in the Reservoir to exercise the Permitted uses set forth below, a permanent, perpetual, nonexclusive easement ("Reservoir Easement") over, across and under the water surface of the Reservoir and extending 60 feet in width, measured out from the water's edge, around the Reservoir, or as otherwise shown on the Survey and the map of the Reservoir attached hereto as Exhibit B. Permitted uses shall be as described on easement recorded in Teller County under reception number 632241.

(b) Each Owner shall be responsible for any reasonably necessary repairs or maintenance of the Reservoir Easement and the Reservoir resulting from their negligence or misuse of the Reservoir Easement or Reservoir and that of their family members and Guests. Each Owner

and their family members and Guests shall not litter on and shall keep clean of their trash and debris, the Reservoir Easement and the Reservoir.

(c) The only Permitted uses of the Reservoir Easement shall be fishing in the Reservoir and swimming in and non-motorized boating on the Reservoir and use of ATV's on the Reservoir in the winter. Use of or presence within the area of the Reservoir Easement shall be at the sole risk of an Owner and their family members and Guests, which risk shall be deemed expressly assumed. By acceptance and ownership of a Parcel, each Owner agrees that the other Owners shall have no liability to such Owner or such Owner's family members or Guests with respect to or arising from the use of or presence within the area of the Reservoir Easement by such Owner or their family members or Guests. An Owner must agree in advance, to pay any cost to stock the Reservoir or make any Reservoir improvements; otherwise, the Owner is not responsible to pay any of such costs.

ARTICLE 4

COVENANTS, CONDITIONS AND RESTRICTIONS

4.1 Generally. Except as otherwise expressly provided in this Declaration, each Parcel shall be owned, used and conveyed subject to the covenants, conditions and restrictions of this Article 4. This Section 4.1 is not intended and shall not be construed to limit the effect of any provision contained in any other Article of this Declaration.

4.2 Compliance with Law. Nothing shall be done or kept on any Parcel in violation of Law, and each Parcel shall be used, kept and maintained in compliance with the Law.

4.3 Permitted Use of the Parcels Generally. Except to the extent expressly Permitted by this Declaration, the Parcels shall be improved and used solely for purposes that are consistent and in harmony with the scenic, rural, agricultural, ranching, woodland, pastor, recreational and riparian characteristics of the Property; provided, however, no commercial use or business shall be allowed on any Parcel.

4.4 Parcels Restricted to Residential Use. Each Parcel is restricted to residential purposes and secondarily related purposes that are consistent with Section 4.3.

4.5 Nature, Location and Size of Improvements.

(a) Residence Generally. No more than one Primary Residence may be constructed or maintained on each Parcel. In addition, to the extent Permitted by Law, one Secondary Residence and Accessory Structures may be constructed and maintained on each Parcel. In no event shall there be any Residence on a Parcel other than one Primary Residence and one Secondary Residence. Either the Primary Residence or Secondary Residence may be constructed first.

(b) Size of Primary Residences. The Floor Area of any Primary Residence shall be no less than 1,500 square feet. The Footprint of any Primary Residence shall be no less than 800 square feet.

(c) Size of Secondary Residence. The Floor Area of any Secondary Residence shall be a minimum of 500 square feet.

(d) Driveways. No Residence on a Parcel may be used or occupied until a driveway that provides access from the Access Road Easement to such Residence has been constructed on such Parcel. All access driveways from Roads shall be constructed at the expense of the Owner whose Parcel is being served by that particular driveway. Each driveway may include spurs to provide access to Accessory Structures located on the Parcel. Each driveway shall be a minimum of 12 feet in width, though the above-described spurs may be narrower so long as they are sufficiently wide to accommodate their intended purpose. In addition to the foregoing, the design and construction of driveways shall comply with the Teller County standards and specifications governing driveways. Owners shall remain responsible for the maintenance and repair of access driveways to their individual home sites.

(e) Greeting Signs. One Greeting Sign may be constructed where a Road intersects with the boundary of a Parcel. A Greeting Sign shall not have a surface area greater than 6 square feet, excluding structural supports, and shall not be higher than six feet from the ground at its highest point; providing, however, log entryways to a Parcel are Permitted and a Greeting Sign may be attached to the top of the entryway or any gate at the entrance to a Parcel.

(f) Utility Facilities. Only Utility Facilities of the type necessary and customary for the uses Permitted on the Parcels shall be constructed or installed on any Parcel. All Utility Facilities on each Parcel shall be placed underground, except such Utility Facilities as are required by their function, by the providers of the Utilities Services, or by Law to be above ground or approved in writing by Declarant to be above ground. To the extent not underground, Utility Facilities shall be shielded from view with natural materials and made as unobtrusive as is reasonably possible.

(g) Temporary Buildings. No mobile home, trailer or temporary modular building or other temporary building shall be Permitted on any Parcel. Recreational tents and similar recreational devices including motor homes for occasional recreational use not to exceed three consecutive months per calendar year shall be Permitted. Upon construction of a Primary or Secondary Residence, Recreational Vehicles may be permitted to be stored on a parcel provided that they are not occupied as a living unit and are either garaged or shielded from view by the residence and or natural landscaping. Notwithstanding the foregoing, (i) a temporary construction trailer will be Permitted in connection with the construction of a Primary Residence or Secondary Residence, and (ii) primitive cabins or yurts not exceeding a floor space of 120 sq. ft., that do not require a building permit and do not include indoor plumbing, shall be Permitted on a Parcel so long as the Parcel Owner uses reasonable efforts to make such cabin or yurt unobtrusive to the other Parcel Owners.

(h) Antennae; Clothesline. No antennae, satellite dishes wider than 24 inches in diameter or similar facilities shall be Permitted on any Parcel. No clothesline or other outdoor clothes drying facilities shall be Permitted on any Parcel.

(i) Repair of Improvements. No Improvement on any Parcel that has been damaged or partially or totally destroyed by fire, earthquake or other cause shall be allowed to remain in such state for more than 6 months following the date of damage or destruction, subject to Force Majeure Delays. Upon the occurrence of any such damage or destruction, the Owner of the Parcel shall promptly and with reasonable diligence either rebuild the Improvement or raze the Improvement and restore the land on which the Improvement was located to the condition the land was in prior to construction of such Improvement to the extent reasonably possible.

4.6 Pets. All domestic pets kept on a Parcel shall be confined within the Parcel or if off the Parcel, on a leash. No more than four dogs and four cats shall be kept on a Parcel at one time.

4.7 Livestock. Not more than eight head of Livestock shall be permanently kept on a Parcel, except with the prior written consent of two-thirds of the Owners. Livestock kept on a Parcel may be accommodated from time to time in a corral or other similarly enclosed area located on such Parcel; provided, however, that the maximum size of any de-vegetated area contained within such an enclosed area shall not exceed one acre. No Llamas, alpacas or pigs shall be allowed.

4.8 Annexation into Cities, Towns or Other Political Subdivisions. No Owner of any Parcel shall initiate, join in or consent to any annexation of such Parcel into any city, town or other political subdivision of the State of Colorado or otherwise voluntarily permit it to become subject thereto, except upon the prior written consent of all Owners.

4.9 Rezoning Applications and Variances. No Owner of a Parcel shall initiate, join in or consent to any change in or variance from the provisions of the land use regulations affecting such Parcel, except with the prior written consent of all Owners.

4.10 Lighting; Reflection. Only exterior lighting that is low intensity and directed downward and in any event without unreasonable horizontal or upward spillage shall be Permitted on any Parcel. If reflection of sunlight from glass or other glazing on an Improvement that is visible from any other Parcel creates an unreasonable amount of reflection or causes a nuisance on such other Parcel, the Owner of the Parcel from which such reflection originates shall use its reasonable best efforts to reduce or block such reflection with overhangs, trees or other landscaping, or other reasonable means otherwise Permitted. Materials requiring weathering in order to create a non-shiny or non-reflective surface shall be pre-weathered prior to installation.

4.11 Fuel Tanks. Except for fuel tanks or similar containers that are customarily utilized for residential domestic purposes, no tanks for the storage or dispensing of petroleum-based fuels or gases or other hazardous materials shall be Permitted on any Parcel. All propane tanks shall be installed underground or shall be shielded from view with natural materials and made as unobtrusive as is reasonably possible.

4.12 No Hazardous Use. No activity shall be conducted and no Improvement shall be constructed, used, kept or maintained on any Parcel that is unreasonably unsafe or hazardous to any natural Person or property; provided, however, hunting and other lawful uses of firearms on a Parcel shall be Permitted by the Owner of the Parcel and its guests, subject to compliance with the Law. Notwithstanding the foregoing, Owners and their guests shall have the right to use firearms on their Parcel in compliance with Law as is necessary for the protection of their Livestock from predators and to hunt on their Parcel.

4.13 Noxious Activities. No loud, noxious or offensive activities shall be conducted on any Parcel, and nothing shall be done or Permitted to exist on any Parcel that may cause any unreasonable embarrassment, disturbance or annoyance to others; provided, however, that conducting Permitted agricultural or ranching activities on any portion of the Property shall not constitute a violation of this Section 4.13.

4.14 Annoying Sounds. No sound shall be emitted from any Parcel that is unreasonably loud or annoying. Without limiting the generality of the foregoing, no firecrackers, horns, whistles, bells or other sound emitting devices shall be Permitted to be used on any Parcel, other than security devices used exclusively for security purposes in bona fide cases of emergency.

4.15 Timber. Pursuant to the desire to preserve and enhance the attractiveness of the Property, the cutting of Timber growing on a Parcel shall be limited to purposes in keeping with the Residential and recreational use of the Property. Timber may also be cut for the purpose of creating a view corridor, removing dead trees, clearing of a building site, or thinning to improve the health of a timber stand. In no case shall clear-cutting of land for the purpose of harvesting lumber be permitted. Cutting of Timber for any reason other than those stated above must receive the prior written permission of the Declarant.

4.16 No Subdividing. No Parcel shall be further divided or subdivided into separate portions of real property intended or designated for separate ownership. Notwithstanding the preceding, there is reserved to Declarant the right to (i) further subdivide, convey or encumber in less than full dimensions any Parcel owned by Declarant; provided, however, no such subdivision or conveyance may increase the number of Parcels to more than five; (ii) to expand any Parcel it may own by acquiring adjacent land; and (iii) add one additional Parcel by the acquisition of BLM land adjacent to the Reservoir. No Parcel, except Government Lot 7, shall be less than 35 acres. Notwithstanding the provisions of this Section 4.16, a boundary line adjustment by Owners between two Parcels shall be Permitted provided that:

(a) The approval of all Owners and, if required by Law, Teller County, is first obtained;

(b) The Owners desiring such adjustment shall pay all costs incident thereto, including preparation, approval and recording of an amended Survey as may be required by Teller County and Declarant.

4.17 Rubbish; Refuse. Except as customarily associated with and necessary for agricultural activities, no rubbish or debris of any kind shall be placed or Permitted to accumulate upon any part of the Property and no odors shall be Permitted to arise there from so as to render the Property or any portion thereof unsanitary, unsightly or offensive to others.

4.18 No Mining or Drilling. No portion of the Property shall be used for the purpose of mining, quarrying, drilling, boring or exploring for or removing oil, gas or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel aggregate or earth. This Section 4.18 shall not be construed to prohibit the drilling of water wells, nor to prohibit use of rock and gravel on a Parcel by its Owner for the benefit of or to enhance the value of such Parcel, or for the repair and maintenance of roads and driveways on the Property, or in connection with the construction of any Permitted Improvements on a Parcel.

4.19 Exception for Construction. During the course of the construction of any Improvement that is Permitted on a Parcel, all, but not less than all, Owners shall have the authority to grant temporary waivers to any of the restrictions of this Article 4 to the extent reasonably necessary to permit such work to be undertaken in a reasonable manner, provided that nothing is done in the course of such work that shall result in the violation of any restriction in this Article 4 upon the completion of the Improvement.

4.20 Fences. A Parcel may be fenced. All fences to be erected by Owners shall be in harmony with the nature, setting and surroundings of the Property and the development on said Parcel and shall not interfere with the ownership or permitted use or operation of another Parcel, a Road or the BLM Easement.

ARTICLE 5

ASSESSMENTS

5.1 Obligation. Each Owner, by accepting a deed for a Parcel, covenants to pay all common costs, fees and expenses ("Assessments") for which they or their Parcel are obligated to pay pursuant to Articles 5 and 6, and Sections 2.3, 3.1(b), 3.2(b), 3.3(b), 7.1(b) and 7.2(b) of this Declaration.

5.2 Personal Obligation. The amount of any Assessment chargeable against any Parcel shall be a joint and several, personal and individual debt of the Owner of same. No Owner may exempt himself from liability for the Assessment by abandonment of his Parcel or by waiver of any right, use or enjoyment granted to Owners by this Declaration.

ARTICLE 6
ENTRYWAY

Declarant intends to construct at its expense an electrical or solar powered gate at the location of the existing locked gate located near the entrance. The cost to maintain, repair and replace the gate shall be divided equally between the Parcels and paid by the respective Parcel Owner.

ARTICLE 7
WATER RIGHTS

7.1 Cripple Creek Lease. As of the date of this Declaration, Declarant does not own any water storage rights with respect to the Reservoir. The Colorado State Engineer allows the continued storage of water in the Reservoir based on a Water Service and Supply Agreement dated May 11, 2007, entered into by and between Declarant, its principal, and the City of Cripple Creek, a Colorado municipal corporation, and amendment thereto, dated December 6, 2007 ("Water Lease"). The Water Lease terminates on October 31, 2018, if not sooner terminated by Declarant upon it obtaining an alternative permanent water source for augmentation of the Reservoir.

7.2 Water Augmentation Plan. Declarant intends to pursue a permanent water source for augmentation of the Reservoir ("Water Rights"), estimated to be approximately 12 acre feet. Title to the Water Rights shall be divided equally among the Parcels that participate in the Water Rights plan which they may elect to enter into by separate agreement, and the Owners of each such participating Parcel shall be vested in title to their Parcel's share. By way of example, if there are three participating Parcels, the Owners of each Parcel shall own 4 acre feet. The use or application of the Water Rights shall be restricted to the augmentation of the Reservoir and the Water Rights shall not be conveyed separate and apart from the Parcel to which they are allocated, such that they shall "run with the land" and at no time shall title to the Water Rights be vested in a Person other than an Owner. If an Owner chooses not to participate in the Water Rights plan there shall be a yearly lease fee assessed in the amount of \$2,500.00 against their Parcel, which fee the Owner of the Parcel is obligated to pay.

ARTICLE 8
TERM, AMENDMENT AND TERMINATION OF COVENANTS

The covenants and restrictions of this Declaration shall run with and bind the Property for a period of 20 years from date hereof and shall be renewed automatically for subsequent 10 year periods thereafter unless revoked or amended by an instrument executed by all Owners, with one vote allowed per Parcel, and all First Mortgagees. Any approved amendment shall be effective when duly recorded in Teller County, Colorado.

ARTICLE 9
MISCELLANEOUS

9.1 Enforcement. Any Owner shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration. Failure by any Owner to enforce any covenant or restriction contained in this Declaration shall in no event be deemed a waiver of the right to do so thereafter. In any action for the enforcement of this Declaration, if the relief prayed for is substantially granted, the prevailing party shall be entitled to an award against the non-prevailing party for the prevailing party's court costs and reasonable attorney fees.

9.2 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

9.3 Captions. The captions contained in this Declaration are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of or intent of the provisions of this Declaration.

9.4 Notices to Owners. For purposes of giving and receiving any notice to an Owner with respect to this Declaration, an Owner's address shall be that on the Teller County Assessor records for the applicable Parcel. All notices or demands intended to be served upon an Owner shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the Owner at such mailing address.

9.5 Written Consent. Any consent or approval required of an Owner pursuant to this Declaration shall be in writing to be enforceable. The consent may be in the form of a letter, facsimile, e-mail or other written form approved by all the Owners.

9.6 BLM Exclusion. This Declaration and its terms and conditions shall not apply to, benefit or burden any of the Property or portion thereof that is acquired by the BLM.

IN WITNESS WHEREOF, the Declarant has hereunto set its hand and seal as of this
24th day of December, 2009.

Fourmile Valley Properties, LLC
By JJSK, LLC, its Manager

By: Steven R. King
Steven R. King, Manager

STATE OF COLORADO)
) ss.
COUNTY OF Teller)

The foregoing instrument was acknowledged before me this 24th day of
Dec, 2009 by Steven R. King as manager of JJSK, LLC, manager of Fourmile Valley
Properties, LLC.

Witness my hand and official seal.

My commission expires on: 1-22-2011

Judith M. Greene
Notary Public

CONSENT AND SUBORDINATION OF FIRST MORTGAGEE

The undersigned beneficiary of the deed of trust against the Property recorded on Nov 29, 2009 at Reception No. 631517 of the Teller County Clerk and Recorder records consents to the foregoing Declaration of Covenants, Conditions, and Restrictions for Wapiti Valley Ranch ("Declaration") and subordinates said deed of trust to the Declaration as if it had been recorded before said deed of trust. Any foreclosure of said deed of trust shall not extinguish the Declaration.

Bank of Broadmoor

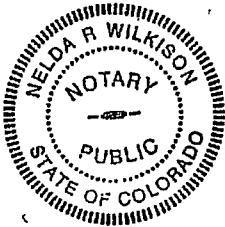
By: *James P. Orty* LOP
Title

STATE OF COLORADO)
COUNTY OF EL PASO) ss.

The foregoing instrument was acknowledged before me this 24th day of Dec, 2009 by Nelda Wilkerson as the _____ of the Bank of Broadmoor.

Witness my hand and official seal.

My commission expires on: 8/19/12



Nelda Wilkerson
Notary Public

Parcel 1'

A parcel of land lying in portions of Government Lot 34, and Lot 26 in Section 34 and Government Lot 1 in Section 33, Township 14 South, Range 70 West of the 6th P.M., Teller County, Colorado, more particularly described as follows:

Beginning at the center West 1/16 corner of said section 34; Thence S 01°02'18" E a distance of 319.57' continuing West line of the Subdivision Exemption Plat; Thence N 70°21'24" W a distance of 258.66' leaving said Exemption Plat to a point; Thence S 39°20'21" W a distance of 1446.94' to a point; Thence S 71°26'28" W a distance of 28.05' to intersect the centerline of an existing roadway; Thence around a curve to the left through a central angle of 51°05'40" an arc distance of 59.84' a chord bearing of N 44°06'22" W a distance of 57.88' along said existing roadway; Thence around a curve to the right through a central angle of 16°58'02" an arc distance of 124.56' a chord bearing of N 61°10'11" W a distance of 124.11' along said existing roadway; Thence N 52°41'09" W a distance of 217.70' along said existing roadway; Thence around a curve to the right through a central angle of 113°41'00" an arc distance of 138.56' a chord bearing of N 04°09'20" E a distance of 116.92' along said existing roadway; Thence around a curve to the left through a central angle of 11°20'22" an arc distance of 116.68' a chord bearing of N 55°19'39" E a distance of 116.49' along said existing roadway; Thence N 49°39'28" E a distance of 315.77' along said existing roadway; Thence around a curve to the left through a central angle of 18°54'32" an arc distance of 60.76' a chord bearing of N 40°12'12" E a distance of 60.48' along said existing roadway; Thence around a curve to the right through a central angle of 16°40'30" an arc distance of 60.88' a chord bearing of N 39°05'11" E a distance of 60.67' along said existing roadway; Thence N 47°25'26" E a distance of 116.43' along said existing roadway; Thence around a curve to the left through a central angle of 42°14'46" an arc distance of 103.34' a chord bearing of N 26°18'03" E a distance of 101.01' along said existing roadway; Thence N 05°10'40" E a distance of 34.43' along said existing roadway; Thence around a curve to the left through a central angle of 69°28'04" an arc distance of 119.90' a chord bearing of N 29°33'22" W a distance of 112.69' along said existing roadway; Thence N 64°17'24" W a distance of 72.78' along said existing roadway; Thence around a curve to the right through a central angle of 38°48'53" an arc distance of 103.00' a chord bearing of N 44°52'58" W a distance of 101.04' along said existing roadway; Thence N 25°28'31" W a distance of 0.67' along said existing roadway; Thence around a curve to the left through a central angle of 34°59'26" an arc distance of 70.15' a chord bearing of N 42°58'14" W a distance of 69.06' along said existing roadway; Thence N 60°27'57" W a distance of 102.82' along said existing roadway; Thence around a curve to the right through a central angle of 52°53'46" an arc distance of 44.05' a chord bearing of N 34°01'04" W a distance of 42.50' along said existing roadway; Thence N 07°34'11" W a distance of 130.72' along said existing roadway; Thence around a curve to the left through a central angle of 22°24'03" an arc distance of 50.87' a chord bearing of N 18°46'12" W a distance of 50.55' along said existing roadway; Thence N 82°27'37" W a distance of 35.55' leaving said centerline; Thence around a curve to the right, through a central angle of

33°19'04" an arc distance of 76.73' a chord bearing of N 03°50'50" W a distance of 75.66' parallel to said existing roadway; Thence N 12°46'25" E a distance of 17.94' parallel to said existing roadway; Thence around a curve to the left through a central angle of 19°00'22" an arc distance of 92.45' a chord bearing of N 03°16'14" E a distance of 92.02' parallel to said existing roadway; Thence N 06°13'57" W a distance of 85.64' parallel to said existing roadway; Thence around a curve to the left through a central angle of 13°47'40" an arc distance of 83.65' a chord bearing of N 13°07'47" W a distance of 83.45' parallel to existing roadway; Thence around a curve to the right through a central angle of 15°22'52" an arc distance of 29.62' a chord bearing of N 12°24'11" W a distance of 29.53' parallel to existing roadway; Thence N 18°22'47" E a distance of 107.62' to intersect the Northerly Easement line of an existing roadway at a point which is thirty feet Northerly of the centerline of the existing roadway as located; Thence S 49°42'53" E a distance of 67.74' along said Northerly Easement line and parallel to said centerline; Thence N 66°25'46" E a distance of 198.31' along said Northerly Easement line and parallel to said centerline; Thence N 88°35'44" E a distance of 88.70' along said Northerly Easement line and parallel to said centerline; Thence S 83°08'10" E a distance of 132.53' along said Northerly Easement line and parallel to said centerline; Thence N 89°52'18" E a distance of 246.05' along said Northerly Easement line and parallel to said centerline; Thence S 71°48'00" E a distance of 144.24' along said Northerly Easement line and parallel to said centerline; Thence S 63°52'19" E a distance of 212.83' along said Northerly Easement line and parallel to said centerline; Thence S 46°39'46" E a distance of 247.02' along said Northerly Easement line and parallel to said centerline; Thence S 86°01'58" E a distance of 152.26' along said Northerly Easement line and parallel to said centerline to intersect the Westerly line of the Subdivision Exemption of Centerview Subdivision Filing No. 1; Thence S 01°29'39" E a distance of 263.21' along said West line of said Subdivision Exemption Plat point being the Southeast Corner Government Lot 34 also being the Center West 1/16 Corner of said Section 34 to the Point of Beginning. Containing 35.97 acres more or less.

Parcel 2'

A parcel of land including all, or portions, of Government Lots 1 and 12, the SE1/4NE1/4, and the Sara B. Placer MS 3483, and the Buena Venture MS 10287 in Section 33, Government Lots 16, 26, 28, 29, 30, 32, 34, 38, 39 and 40, and the Omaha No. 1 MS 11803, the Climax MS 14898 and the Visalia MS 15685 in Section 34, Township 14 South, Range 70 West of the 6th P.M., Government Lots 81, 82 and 84 Section 3 and Government Lots 5, 8, and 9 in Section 4 in Township 15 South, Range 70 West of the 6th P.M., Teller County, Colorado more particularly described as follows:

Beginning at the quarter corner common to said Section 34 in Township 14 South, Range 70 West and Section 3 in Township 15 South, Range 70 West; Thence N 89°52'26" W a distance of 980.70' along South line of said Government 40 to intersect line 4-1 of the Black Diamond MS 11628; Thence N 07°56'15" W a distance of 73.77' along said line 4-1 of Black Diamond MS 11628 to Corner No. 1 thereof; Thence S 82°53'52" W a distance of 300.02' along line 1-2 of said Black Diamond MS 11628 to Corner No. 2 thereof; Thence S 07°48'00" E a distance of 35.63' along line 2-3 of said Black Diamond MS 11628 to intersect the South line of said Section 34; Thence N 89°52'26" W a distance of 155.55' along the South line of said Government Lot 32 to the Southwest corner of said Government Lot 32; Thence S 00°32'13" E a distance of 331.60' along the East line of said Government Lot 81 to intersect line 6-5 of the Klondyke MS 14919; Thence S 32°32'32" W a distance of 72.08' along said line 6-5 of said Klondyke MS 14919 to intersect line 4-1 of the Maxey MS 14919; Thence N 29°51'22" W a distance of 951.55' along said line 4-1 of said Maxey MS 14919 to Corner No. 4 thereof; Thence S 59°01'02" W a distance of 301.02' along said line 4-3 of said Maxey MS 14919 to Corner No. 3 thereof; Thence S 29°53'42" E a distance of 1102.59' along line 3-2 of said Maxey MS 14919 to intersect line 5-6 of the Klondyke MS 14919; Thence S 32°32'32" W a distance of 145.44' along line 6-5 of said Klondyke MS 14919 to Corner No. 5 thereof; Thence S 34°27'28" E a distance of 814.18' along said line 5-4 of said Klondyke MS 14919 to intersect line 6-5 of the Anniversary No. 2 MS 15148; Thence N 67°50'44" W a distance of 545.99' along said line 6-5 of said Anniversary No. 2 MS 15148 to Corner No. 5 thereof; Thence S 01°49'36" E a distance of 331.61' along said line 5-4 of said Anniversary No. 2 MS 15148 to Corner No. 4 thereof; Thence N 68°09'02" W a distance of 117.54' along said line 2-3 of said Semper Bonus MS 15148 to Corner No. 3 thereof; Thence S 39°57'42" E a distance of 613.04' along said line 3-4 of said Semper Bonus MS 15148 to intersect line 3-4 of the Nickel Plate No. 2 MS 13101; Thence N 69°31'50" W a distance of 410.95' along said line 3-4 of said Nickel Plate No. 2 MS 13101 to Corner No. 4 thereof; Thence S 44°55'17" W a distance of 11.76' along said line 4-5 of said Nickel Plate No. 2 MS 13101 to Corner No. 4 of the Nickel Plate No. 6 MS 13101; Thence N 23°08'18" W a distance of 1502.65' along said line 4-3 of said Nickel Plate No. 6 to Corner No. 3 thereof; Thence S 65°01'41" W a distance of 287.19' along said line 3-2 of said Nickel Plate No. 6 to Corner No. 2 thereof; Thence S 23°30'42" E a distance of 500.49' along said line 2-1 of said Nickel Plate No. 6 to Corner No. 1 of the Eva May MS 11083; Thence S 66°53'02" W a distance

of 216.15' along said line 1-2 of said Eva May to intersect line 4-1 of the Maggie J. MS 11083; Thence N 23°14'03" W a distance of 137.74' along said line 4-1 of the Maggie J. MS 11083 to Corner No. 1 thereof; Thence S 58°11'09" W a distance of 300.23' along said line 1-2 of the Maggie J. MS 11083 to Corner No. 2 thereof; Thence S 23°23'14" E distance of 672.16' along said line 2-3 of said Maggie J. MS 11083 to intersect the East line of said Government Lot 9; Thence S 03°22'27" E a distance of 884.90' along said East line to the Southeast Corner of said Government Lot 9; point being the common quarter corner of Sections 3 and 4; Thence S 88°16'50" W a distance of 1381.72' along the South line of said Government Lot 9 to the Southwest Corner thereof point being the C-E 1/16 Corner Section 4; Thence S 88°27'14" W a distance of 5.66' along the South line of said Government Lot 8 to intersect to 1-4 of the Navy Blue MS 14521 line also being the West line of said Government Lot 8; Thence N 07°33'00" W a distance of 1007.05' along said line 1-4 of the Navy Blue MS 14521 to intersect line 4-1 of the Diamond MS 13831; Thence N 67°12'37" E a distance of 798.18' along said line 1-4 of the Diamond MS 13831 to Corner No. 1 thereof; Thence N 24°03'40" W a distance of 299.50' along said line 1-2 of said Diamond MS 13831 to Corner No. 2 thereof; Thence S 67°22'02" W a distance of 550.27' along said line 2-3 of said Diamond MS 13831 to Southwest Corner of said Government Lot 5; point being Northeast 1/16 of said Section 4; Thence N 01°48'46" W a distance of 1328.76' along West line of the said Government Lot 5 to the common East 1/16 Corner of said Sections 4 and 33; Thence N 87°45'01" E a distance of 276.81' along South line of the said Government Lot 12; Thence N 16°27'06" E a distance of 2013.26' East; Thence N 33°02'21" E a distance of 442.49'; Thence N 15°41'52" E a distance of 707.29' to the common 1/4 Corner of said Sections 33 and 34; Thence N 40°00'00" E a distance of 55.93' to intersect a point twenty feet (20') Southwesterly of an existing roadway; Thence S 82°27'37" E a distance of 35.55' to intersect the centerline of said existing roadway at the Point of curvature; Thence around a curve to the right through a central angle of 22°24'03" an arc distance of 50.87' a chord bearing of S 18°46'12" E a distance of 50.55' along said centerline; Thence S 07°34'11" E a distance of 130.72' along said centerline; Thence around a curve to the left through a central angle of 52°53'46" an arc distance of 44.05' a chord bearing of S 34°01'04" E a distance of 42.50' along said centerline; Thence S 60°27'57" E a distance of 102.82' along said centerline; Thence around a curve to the right through a central angle of 34°59'26" an arc distance of 70.15' a chord bearing of S 42°58'14" E a distance of 69.06' along said centerline; Thence S 25°28'31" E a distance of 0.67' along said centerline; Thence around a curve to the left through a central angle of 38°48'53" an arc distance of 103.00' a chord bearing of S 44°52'58" E a distance of 101.04' along said centerline; Thence S 64°17'24" E a distance of 72.78' along said centerline; Thence around a curve to the right through a central angle of 69°28'04" an arc distance of 119.90' a chord bearing of S 29°33'22" E a distance of 112.69' along said centerline; Thence S 05°10'40" W a distance of 34.43' along said centerline; Thence around a curve to the right through a central angle of 42°14'46" an arc distance of 103.34' a chord bearing of S 26°18'03" W a distance of 101.01' along said centerline; Thence S 47°25'26" W a distance of 116.43' along said centerline; Thence around a curve to the left through a central angle of 16°40'30" an arc distance of 60.88' a chord bearing of S 39°05'11" W a distance

of 60.67' along said centerline; Thence around a curve to the right through a central angle of 18°54'32" an arc distance of 60.76' a chord bearing of S 40°12'12" W a distance of 60.48' along said centerline; Thence S 49°39'28" W a distance of 315.77' along said centerline; Thence around a curve to the right through a central angle of 11°20'22" an arc distance of 116.68' a chord bearing of S 55°19'39" W a distance of 116.49' along said centerline; Thence around a curve to the left through a central angle of 113°41'00" an arc distance of 138.56' a chord bearing of S 04°09'20" W a distance of 116.92' along said centerline; Thence S 52°41'09" E a distance of 217.70' along said centerline; Thence around a curve to the left through a central angle of 16°58'02" an arc distance of 124.56' a chord bearing of S 61°10'11" E a distance of 124.11' along said centerline; Thence around a curve to the right through a central angle of 51°05'40" an arc distance of 59.84' a chord bearing of S 44°06'22" E a distance of 57.88' along said centerline; Thence N 71°26'28" E a distance of 28.05' leaving said centerline; Thence N 39°20'21" E a distance of 1446.94' to a point; Thence S 70°21'24" E a distance of 258.66' to intersect the exterior line of Subdivision Exemption Plat also being on line 6-1 of the Omaha No. 1 MS 11803; Thence N 75°57'52" E a distance of 607.29' along the exterior line of said Subdivision Exemption Plat, said line being line 6-1 of the Omaha No. 1 MS 11803 to Corner No. 1 thereof; Thence S 23°57'35" E a distance of 301.41' along the exterior line of said Subdivision Exemption Plat line being 1-2 of said Omaha No. 1 MS 11803 to Corner No. 2 thereof; Thence S 75°45'59" W a distance of 176.29' along the exterior line of said Subdivision Exemption Plat line being line 2-3 of said Omaha No.1 MS 11803 to the Northwestern most Corner of Lot 4 said Subdivision Exemption Plat; Thence S 64°19'33" E a distance of 592.02' along Southerly of said Lot 4 Subdivision Plat; Thence N 63°52'56" E a distance of 374.14' along the exterior line of said Subdivision Exemption Plat to intersect the West line Cripple CME Filing No. 2 Replat; Thence S 01°49'13" E a distance of 2332.82' along the West line of said Cripple Creek Mountain Estates Filing No. 2 common with the East line of Government Lots 39 and 40 which is common to the North-South Center of said Section 34 to the Point of Beginning. Containing 298.02 acres more or less.

Together With

A parcel of land including all of Government Lot 7 in Section 4, Township 15 South, Range 70 West of the 6th P.M., Teller County, Colorado, more particularly described as follows:

Beginning at the center 1/4 of said Section 4; Thence N 00°40'32" W a distance of 1360.80' along the west line of said Government Lot 7 to the Northwest corner thereof point being the C-N 1/16 corner of said Section 4; Thence N 88°04'35" E a distance of 1333.10' along the North line of said Government Lot 7 to the Northeast corner thereof point being the NE1/16 corner of said Section 4 and the intersection of line 2-3 of the Diamond MS 13831; Thence S 67°22'02" W a distance of 949.47' along said line 2-3 Diamond to corner no. 3 thereof; Thence S 22°24'07" E a distance of 303.54' along line 3-4 of said Diamond to corner No. 4 thereof; Thence N 67°12'37" E a distance of 399.33' along line 4-1 of said Diamond to Corner No. 3 of the Navy Blue MS

14521; Thence S 07°33'00" E a distance of 893.77' along line 3-2 Navy Blue to intersect the South line of said Government Lot 7 point being the Southeast corner of said Government Lot 7; Thence S 88°27'14" W a distance of 1041.60' along the South line of said Government Lot 7 to the Point of Beginning.
Containing 27.85 acres more or less.

Exhibit "B" (the "Lake")

