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DECLARATION
OF
COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR
TIMBER SPRINGS



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**DECLARATION
OF
COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR
TIMBER SPRINGS**

THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR TIMBER SPRINGS (the "Declaration") is made as of June 11, 2001, by Wilmor Development LLC, a Colorado limited liability company ("Declarant").

RECITALS

A. Declarant is the owner of that certain real property located in Eagle County, Colorado, more particularly described on the attached Exhibit A (the "Property").

B. Declarant desires to create a Planned Community on the Property pursuant to the definition thereof in the Colorado Common Interest Ownership Act as set forth in Colorado Revised Statutes 38-33.3-101, *et seq.* (the "Act"); provided, however, the Planned Community will contain less than twenty (20) units and is not subject to any development rights. Therefore, the Planned Community is hereby declared to be subject only to Sections 38-33.3-105, 38-33.3-106 and 38-33.3-107 of the Act and not subject to any other provisions of the Act. The name of the Planned Community is Timber Springs.

**ARTICLE 1
DECLARATION AND SUBMISSION**

Declarant hereby declares that the Property shall be held, sold, and conveyed subject to the following covenants, restrictions and easements which are for the purpose of protecting the value and desirability of the Property, and which shall run with the land and be binding on all parties and heirs, successors, and assigns of parties having any right, title, or interest in all or any part of the Property. Declarant hereby submits the Property to only those provisions of the Act described above in the Recitals.

**ARTICLE 2
DEFINITIONS**

The following words when used in this Declaration, unless inconsistent with the context of this Declaration, shall have the following meanings:

Section 2.1 "Access Easement" is defined in Section 8.6 herein below

Section 2.2 "Annual Assessment" means the Assessment levied annually.

Section 2.3 "Articles" mean the Articles of Incorporation for the Association on file with the Colorado Secretary of State, and any amendments which may be made to those Articles from time to time.

Section 2.4 "Assessments" means the Annual, Special, and Default Assessments levied pursuant to Article 10 below.

Section 2.5 "Association" means Timber Springs Property Owners Association, Inc., a Colorado nonprofit corporation, and its successors and assigns.

Section 2.6 "Association Documents" means this Declaration, the Articles, the Bylaws and the Association Rules and any procedures, rules, regulations, or policies adopted under such documents by the Association.

Section 2.7 "Association Rules" means the rules and regulations adopted by the Association as provided in Section 4.12.

Section 2.8 "Blanket Utility Easement" is defined in Section 8.4.1 herein below.

Section 2.9 "Building Envelope" is defined in Section 15.4 herein below.

Section 2.10 "Bylaws" means the Bylaws adopted by the Association, as amended from time to time.

Section 2.11 "Common Area" means all the real property and improvements thereon, if any, in which the Association owns or has a real property interest, including the Trail Easement and the Recreation Easement, for the common use and enjoyment of all of the Owners on a non-exclusive basis (such as estates in fee, for terms of years, or easements).

Section 2.12 "Common Expenses" means (i) all expenses expressly declared to be common expenses by this Declaration or the Bylaws; (ii) all other expenses of administering, servicing, conserving, managing, improving, maintaining, repairing, or replacing the Common Area; (iii) all expenses to be incurred by the Association in fulfilling its obligations or Functions under this Declaration; (iv) insurance premiums for the insurance carried under Article 9; and (v) all expenses lawfully determined to be common expenses by the Executive Board.

Section 2.13 "County Documents" means all zoning and use laws, rules and regulations, including the Eagle County Land Use Regulations, as well as any development approvals for Timber Springs granted by Eagle County, Colorado, as amended from time to time.

Section 2.14 "Declarant" means Wilmor Development LLC, a Colorado limited liability company, and its affiliates, successors and assigns. No party other than Wilmor Development LLC shall exercise the rights and privileges reserved herein to Declarant unless such party shall receive and record in the real property records of Eagle County, Colorado a written assignment from Wilmor Development LLC of all or a portion of such rights and privileges.

Section 2.15 "Declaration" means and refers to this Declaration of Covenants, Conditions, Restrictions and Easements for Timber Springs, as amended and supplemented from time to time.

Section 2.16 "Default Assessment" means the Assessments levied by the Association pursuant to Section 10.7 below.

Section 2.17 "Design Guidelines" means the guidelines and rules published and amended and supplemented from time to time by the Design Review Board.

Section 2.18 "Design Review Board" means and refers to the Design Review Board defined and created pursuant to Article 14 below.

Section 2.19 "Director" means a member of the Executive Board.

Section 2.20 "Districts" means, collectively, the Cordillera Metropolitan District and Squaw Creek Metropolitan District.

Section 2.21 "Executive Board" means the governing body of the Association elected to perform the obligations of the Association relative to the operation, maintenance, and management of the Property and all improvements on the Property.

Section 2.22 "Function" means any activity, function or service required under this Declaration to be undertaken or performed by the Association as well as any activity, function or service otherwise undertaken or performed by the Association.

Section 2.23 "Lot" means each of Lot 1 through Lot 8 which are shown on the Map and subject to this Declaration, together with all appurtenances and improvements, now or in the future, on the Lot. A depiction of each Lot is reflected on Exhibits B-1 through B-8 attached hereto and incorporated herein by reference.

Section 2.24 "Management Agreement" means any contract or arrangement with a person or entity that provides management services entered into for purposes of discharging the responsibilities of the Executive Board relative to the operation, maintenance and management of the Common Area and/or the performance of Functions.

Section 2.25 "Managing Agent" means a person, firm, corporation, or other entity employed or engaged as an independent contractor pursuant to a Management Agreement.

Section 2.26 "Map" means that certain Land Survey Plat, Timber Springs, depicting the Property and locating any Lots and/or Common Area on the Property, recorded on June 11, 2001 as Reception No. 759274 in the Office of the Clerk and Recorder of Eagle County, Colorado.

Section 2.27 "Member" shall mean every person or entity who holds membership in the Association.



Section 2.28 "Owner" means the owner of record, whether one or more persons or entities, of fee simple title to any Lot, but excludes those having such interest in a Lot merely as security for the performance of an obligation, unless and until such person has acquired fee simple title to the Lot pursuant to foreclosure or other proceedings.

Section 2.29 "Person" means a natural person, a corporation, a partnership, a trustee or any other legal entity.

Section 2.30 "Private Amenities" means certain real property and any improvements and facilities thereon which may be, but are not necessarily, located adjacent to or in the vicinity of the Property, which are privately owned and operated by persons other than the Association (including, without limitation, the Declarant and/or the Districts) for recreational, commercial and related purposes, on a membership basis or otherwise, and may include, without limitation, a golf course, golf holes and putting greens, trails, ski areas, tennis facilities, restaurants, shops and other commercial space, and any and all other property, facilities, equipment or amenities added from time to time.

Section 2.31 "Property" means and refers to that certain real property described on Exhibit A attached to this Declaration.

Section 2.32 "Recreation Easement" is defined in Section 8.8 herein below.

Section 2.33 "Roads" means all areas within the Property labeled as "Access and Utility Easement" on the Map, Exhibits B-1 through B-8, and Exhibit C-1, together with any other roads or access easements maintained by the Association or one or more of the Districts and serving the Property exclusively.

Section 2.34 "Special Assessment" means an assessment levied pursuant to Section 10.6 below on an irregular basis.

Section 2.35 "Successor Declarant" means any party or entity to whom Declarant specifically assigns any or all of its rights, obligations, or interest as Declarant, as evidenced by an assignment or deed of record executed by both Declarant and the transferee or assignee and recorded in the Office of the Clerk and Recorder of Eagle County, Colorado, designating such party as a Successor Declarant. Upon such recording, Declarant's rights and obligations under this Declaration shall cease and terminate to the extent provided in such document.

Section 2.36 "Timber Springs" means the planned community created by this Declaration, consisting of the Property and the Lots as shown on the Map and Exhibits B-1 through B-8, and any other improvements constructed on the Property.

Section 2.37 "Trail Easement" is defined in Section 8.7 herein below.

Each capitalized term not otherwise defined in this Declaration or on the Map shall have the same meanings specified or used in the Act, as applicable.

ARTICLE 3
NAME, DIVISION INTO LOTS

Section 3.1 Name. The name of the project is Timber Springs.

Section 3.2 Association. The name of the association is Timber Springs Property Owners Association, Inc. Declarant has caused to be incorporated under the laws of the State of Colorado the Association as a non-profit corporation with the purpose of exercising the functions as herein set forth.

Section 3.3 Number of Lots. The number of Lots to be developed on the Property is eight (8).

Section 3.4 Identification of Lots. The identification number of each Lot is shown on the Map and on Exhibits B-1 through B-8 attached hereto and incorporated herein by reference.

Section 3.5 Description of Lots.

3.5.1 Each Lot shall be inseparable and may be developed for residential purposes in accordance with the restrictions applicable to a particular Lot contained in the Association Documents, the Map and the County Documents. No Lot shall be further subdivided.

3.5.2 Title to a Lot may be held individually or in any form of concurrent ownership recognized in Colorado. In case of any such concurrent 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 Lot in which he owns an interest. For all purposes herein, there shall be deemed to be only one Owner for each Lot. The parties, if more than one, having the ownership of a Lot shall agree between 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 Lot in which they own an interest.

3.5.3 Any contract of sale, deed, lease, mortgage, deed of trust, will or other instrument affecting a Lot may describe it as having the legal description for such Lot set forth on Exhibit A attached hereto and incorporated herewith.

3.5.4 Each Lot shall be considered a separate parcel of real property and shall be separately assessed and taxed. Accordingly, the Common Area shall not be assessed separately but shall be assessed with the Lot as provided pursuant to Colorado Revised Statutes Subsection 39-1-103(10) and 38-33.3-105(2).

3.5.5 No Owner of a Lot shall be entitled to bring any action for partition or division of the Common Area.

3.5.6 As provided below, each Lot shall be used and occupied solely for dwelling purposes. All of the above stated uses and occupancies shall be only as permitted by and subject to the appropriate and applicable governmental zoning and use ordinances, rules and regulations from

time to time in effect. Notwithstanding the foregoing, Declarant, for itself and its successors, assigns, and/or designees (which assigns may be more than one, including, without limitation, developers of certain portions of the Property), hereby retains a right to maintain on any Lot or Lots sales offices, management offices or model residences at any time or from time to time so long as Declarant, or its successors or assigns continues to own an interest in a Lot. The use by Declarant, or its successors, specific assigns or designees, of any Lot as a model residence, office or other use shall not affect the Lot's designation as a separate Lot.

ARTICLE 4 ASSOCIATION FUNCTIONS AND DUTIES

Section 4.1 Property Maintenance Function. The Association shall provide for the care, operation, management, maintenance, improvement, repair and replacement of all Common Area, which Common Area may include without limitation, the Trail Easement and the Recreation Easement. Moreover, the Association may provide for the care and maintenance of other areas of the Property if provided for in this Declaration (such as the possibility of Association maintenance of wells), or the Executive Board, in its reasonable discretion, deems such care and maintenance to be necessary or desirable for access to the boundary of or full utilization of any Lot or any improvements within Timber Springs, subject to the rights of the Owners and the Districts. The Executive Board shall be the sole judge as to the appropriate maintenance, operation, repair and management of the improvements or property described in this section and the level of service to be provided to the Owners hereunder. The cost of the maintenance and other services described above shall be funded in accordance with Article 10.

Section 4.2 Public Health and Safety Function. The Association may, but shall not be obligated to, provide public health and safety services within Timber Springs, including but not limited to, health care services and facilities, security personnel, security systems, fire protection facilities and a fire water system which may include periodic fire prevention inspections and equipment certifications. NEITHER THE ASSOCIATION, DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE PROPERTY. NEITHER THE ASSOCIATION, THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE FOR FAILURE TO PROVIDE ADEQUATE SECURITY OR FOR THE INEFFECTIVENESS OF ANY SECURITY MEASURE UNDERTAKEN. ALL OWNERS AND OCCUPANTS OF ANY LOT, AND ALL TENANTS, GUESTS AND INVITEES OF ANY OWNER, ACKNOWLEDGE THAT THE ASSOCIATION AND ITS EXECUTIVE BOARD, DECLARANT AND ANY SUCCESSOR DECLARANT, DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM, OR OTHER SECURITY SYSTEM DESIGNATED BY OR INSTALLED ACCORDING TO THE DESIGN GUIDELINES OR OTHERWISE MAY NOT BE COMPROMISED OR CIRCUMVENTED; OR THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP OR OTHERWISE; OR THAT FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. ALL OWNERS AND

OCCUPANTS OF ANY LOT AND ALL TENANTS, GUESTS, AND INVITEES OF ANY OWNER ASSUME ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO IMPROVEMENTS ON THE LOTS, AND TO THE CONTENTS WITHIN SUCH IMPROVEMENTS, AND FURTHER ACKNOWLEDGE THAT THE ASSOCIATION, ITS EXECUTIVE BOARD AND COMMITTEES, DECLARANT OR ANY SUCCESSOR DECLARANT HAVE MADE NO REPRESENTATIONS OR WARRANTIES, NOR HAS ANY OWNER, OCCUPANT, OR ANY TENANT, GUEST OR INVITEE OF ANY OWNER RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTY.

Section 4.3 Transportation Function. The Association may, but shall not be obligated to, provide for the operation, maintenance and repair of one or more transportation systems within Timber Springs. The Association, as it deems necessary, may extend such transportation systems to areas outside of Timber Springs to provide transportation to and from Timber Springs. Such transportation systems may include, but are not limited to, bus or automobile systems and any other facilities deemed necessary or appropriate for the proper operation and maintenance of such systems.

Section 4.4 Vehicular Access Limitation Function. The Association may provide control over vehicular access to Timber Springs which it deems necessary or desirable for the health, safety or welfare of persons residing, visiting or doing business within Timber Springs. Such function may include, without limitation, constructing, operating and maintaining access road control gates (at such location(s) as the Association may from time to time determine to be appropriate), restricting non-commercial vehicular traffic within Timber Springs except for Owners, and their lessees, guests, invitees or visitors who have overnight accommodations at, and restricting commercial vehicular traffic within Timber Springs. All Owners may be required to keep the Association informed of all persons who have overnight accommodations at such Owner's property in order to appropriately enforce the rules and regulations which may be adopted by the Association.

Section 4.5 Roads.

4.5.1 Access to the Property may be by public road, by easement access through private property owned by a third party and/or by easement through the Property as depicted on the Map, Exhibits B-1 through B-8, and Exhibit C-1. To the extent that any of the Roads are not owned and/or maintained by Eagle County, one of the Districts or other third party, the Association shall maintain and keep the Roads in good repair, and the cost of such maintenance shall be funded as provided in Article 10. This maintenance shall include, but shall not be limited to, upkeep, repair and replacement of the Roads (which shall include without limitation snow removal services). The Association's responsibility for Road maintenance under this Section applies whether or not such Roads lie on a Common Area, on an easement created by this Declaration or separate recorded document across any Lot or property owned by a third party, or some other area of the Property. The Association may contract for these services with any public or private entity. Declarant intends that this Function shall be delegated to one or more of the Districts, and the Association shall,

immediately upon the request of the Declarant, delegate this Function to such District(s). In the event the Association does not maintain or repair the Roads, Declarant shall have the right, but not the obligation, to do so at the expense of the Association.

4.5.2 With respect to Roads owned by the Association, if any, if the Executive Board deems it advisable, the Association may, at any time, enter into a written agreement to dedicate or convey its interest in the Roads to one or more of the Districts or to Eagle County. In the event a dedication to Eagle County is made under this Section, the Roads must meet all Eagle County road and trail plan standards applicable at the time of such dedication. EAGLE COUNTY SHALL HAVE NO OBLIGATION TO ACCEPT THE OWNERSHIP OF THE INTEREST IN THE ROADS OR THE RESPONSIBILITY TO MAINTAIN THE ROADS. After any dedication made pursuant to this Section, the responsibility for the maintenance and upkeep of the Roads shall be that of the entity to which the Roads are dedicated.

Section 4.6 Marketing Function. The Association may provide suitable and continuing programs to promote Timber Springs as a first class residential community, including but not limited to, stimulating and coordinating major events, advertising and placing articles in news and other media, establishing uniform standards for promotional programs of individual members, involvement in lecture tours, and publishing a newsletter. The Association may undertake or fulfill its obligations hereunder in whole or in part in conjunction with or through any organization which may be engaged in the promotion of the above-referenced activities.

Section 4.7 Animal Control Function. The Association may provide for regulations, facilities, personnel and funds to enforce animal control or exclude animals from all or any portion of Timber Springs and may cooperate with the appropriate governmental body regarding enforcement of animal control regulations.

Section 4.8 Environmental Function. The Association may monitor air, soil and water quality in Timber Springs to determine trends and to detect violations of federal, state or local environmental laws. Neither Declarant, the Association, nor any of their respective directors, officers, agents or employees shall be required to undertake such monitoring, nor shall such parties be liable to any third party for any action which they take, or failure to act, in connection with the inspection or monitoring of air, soil or water quality in Timber Springs.

Section 4.9 Owner's Maintenance Function.

4.9.1 Subject to the Association responsibilities set forth in this Article 4 and subject to satisfaction of the Design Guidelines and the provisions of Article 14, each Owner shall be responsible for all maintenance and repair of any improvements on his Lot, including the exterior and interior of any residence, garage or utility structure, including all fixtures and improvements and all utility lines and equipment located therein or in, on or upon his Lot. Each Owner is required to maintain his Lot and any landscaping and improvements located thereon in a condition of good order and repair and in a clean and litter free condition. No Owner shall unreasonably damage the value of other Lots such as by shoddy upkeep of such Owner's Lot or any structures located on the Lot.

4.9.2 Owners shall be responsible for all maintenance and repairs of utility service lines, connections, facilities and related equipment providing service only to such Owner's Lot (and to no other Lot) and the residence and other buildings and improvements constructed upon such Lot, and which are located within such Owner's Lot. The Owner's responsibility for maintenance of utilities shall begin at the point where (a) a utility provider or other entity ceases responsibility for maintenance and repair for a particular utility, or (b) if the Association maintains such service (such as may possibly be the case for wells), a line commences to service only a single Lot, and not multiple Lots. All such expenses and liabilities shall be borne solely by the Owner of such Lot.

4.9.3 If any Owner fails to maintain his Lot or related improvements or property or fails to perform any acts of maintenance or repair required under this Declaration, the Association may provide, by the affirmative vote of a majority of the members of the Executive Board, exterior maintenance and repair upon such property after thirty (30) days' notice of such failure to the Owner of such Lot. In addition, the Association may, without notice, make such emergency repairs and maintenance as may in its judgment be necessary for the safety of any person or to prevent damage to any other property. The cost of such exterior maintenance and repairs of a Lot shall be assessed against the Owner of such Lot and shall be a lien and obligation of the Owner pursuant to Article 10. For the purpose of performing the exterior maintenance authorized by this Section, the Association, through its duly authorized agents or employees, shall have the right, after reasonable notice to any Owner, to enter upon such Lot during reasonable hours on any day. The Association and their designees are hereby granted an irrevocable license over all property in Timber Springs to inspect (in a reasonable manner) property within Timber Springs in order to determine whether any maintenance or repair is necessary under this Section.

4.9.4 Neither Declarant, the Association, nor any of their respective directors, members, officers, agents or employees shall be liable for any incidental or consequential damages for failure to inspect any Lot or improvements or portion thereof or to repair or maintain the same. Declarant, the Association or any member of the general public, firm or corporation undertaking such repairs or maintenance shall not be liable for any personal injury or other incidental or consequential damages occasioned by any act or omission in the repair or maintenance of any Lot or improvements or portion thereof.

4.9.5 The Association is hereby authorized to undertake exterior maintenance with respect to any property which is not subject to this Declaration upon the terms and conditions of a separate agreement and/or easement between the Association and the owner of such other property. The Association shall be obligated to accept an agreement negotiated by Declarant (but Declarant shall not be obligated to obtain such an agreement).

Section 4.10 Television Function. The Association may provide for the installation, operation, maintenance, improvement, repair and replacement of community satellite dishes, cable television equipment and related facilities.

Section 4.11 Telephone Function. The Association may provide for the installation, operation, maintenance, improvement, repair and replacement of telephone or other communication lines and related equipment and facilities.



Section 4.12 Right to Make Rules and Regulations. The Association shall be authorized to and shall have the power to adopt, amend and enforce rules and regulations applicable within Timber Springs with respect to any Common Area or Function, and to implement the provisions of this Declaration, including but not limited to, rules and regulations to prevent or reduce fire hazard; to prevent disorder and disturbances of the peace; to regulate pedestrian and vehicular traffic; to regulate animals; to protect wildlife; to regulate signs; to regulate weed and pest control on the Lots and on undeveloped property within Timber Springs; to regulate use of any and all Common Area to assure fullest enjoyment of use; to promote the general health, safety and welfare of persons residing, visiting and doing business within Timber Springs; and to protect and preserve property and property rights. The Executive Board may, by a majority of the voting Directors, make and amend reasonable rules and regulations governing the use and operation of the Common Area. All rules and regulations shall comply with the Association Documents, and supplemental declarations of land use restrictions for Timber Springs. The rules and regulations shall be reasonable and shall be uniformly applied, except such rules may differentiate between reasonable categories of Lots, Owners, lessees, guests or members of the general public. In addition, such rules and regulations shall, when applied to each of the Lots considering the use of such Lot, be equitable and reasonable as applied to the Lot with respect to the use thereof. The Association may provide for enforcement of any such rules and regulations through reasonable and uniformly applied fines and penalties, through exclusion of violators from Common Area or from enjoyment of any Functions, or otherwise. Each Owner, lessee, guest and member of the general public shall be obligated to and shall comply with and abide by such rules and regulations and pay such fines or penalties upon failure to comply with or abide by such rules and regulations and such unpaid fines and penalties shall be enforceable in accordance with Article 10.

Section 4.13 Charges for Use of Common Area. Notwithstanding the provisions of Section 4.15, the Association may establish charges for use of the Common Area to assist the Association in offsetting the costs and expenses of the Association, including depreciation and capital expenses. All charges established under this Section shall be reasonable and shall be uniformly applied, except such charges may reasonably differentiate between reasonable categories of Lots, Owners, lessees, guests or members of the general public. Each Owner, lessee, guest and member of the general public shall be obligated to and shall pay such charges for use.

Section 4.14 Charges for Functions. Notwithstanding the provisions of Section 4.15, the Association may establish charges for providing any service as required or permitted by any Function on a regular or irregular basis to an Owner, lessee, guest or member of the general public to assist the Association in offsetting the costs and expenses of the Association, including depreciation and capital expenses. All charges established under this Section shall be reasonable and shall be uniformly applied, except such charges may differentiate between reasonable categories of Lots, Owners, lessees, guests or members of the general public. Each Owner, lessee, guest and member of the general public shall be obligated to and shall pay any such charges for such services.

Section 4.15 Taxes. The Association shall pay all ad valorem real estate taxes, special improvement and other assessments (ordinary and extraordinary), ad valorem personal property taxes and all other taxes, duties, charges, fees and payments required to be made to any governmental or



public authority which shall be imposed, assessed or levied upon, or arise in connection with, any Common Area or Functions.

Section 4.16 Right to Dispose of Common Area; Third Party Rights in Common Area. Subject to the provisions of Section 4.19.8 below, the Association shall have the full power and authority to sell, lease, grant easements, rights-of-way, licenses, leases or concessions in or to, transfer, encumber, abandon or dispose of any Common Area. The Association shall be entitled to contract with third parties, including, without limitation, other residential or recreational associations or individuals, allowing such persons the use and enjoyment of all or a portion of the Common Area under such terms and for such charges as may be acceptable to the Executive Board.

Section 4.17 Governmental Successor. Subject to applicable laws, any Common Area and any Function may be turned over to a quasi-governmental entity including the Districts and/or any other special district or metropolitan district which is willing to accept and assume the same upon such terms and conditions as the Association shall deem to be appropriate.

Section 4.18 Records. The Association shall keep sufficiently detailed financial records concerning statements of unpaid assessments. All financial and other records shall be made available for examination by any Owner or such Owner's authorized agents during normal business hours and under other reasonable circumstances. The Association shall make available for inspection by Owners, upon request, during normal business hours or under other reasonable circumstances current copies of the Association Documents and the books, records, and financial statements of the Association prepared pursuant to the Bylaws. The Association may charge a reasonable fee for copying such materials.

Section 4.19 Implied Rights of the Association. The Association shall give and may exercise any right or privilege given to it expressly in this Declaration or, except to the extent limited by the terms and provisions of this Declaration, given to it by law and shall have and may exercise every other right, privilege, power and/or authority necessary or desirable to fulfill its obligations under this Declaration, including without limitation the rights to:

4.19.1 adopt and amend the Bylaws and rules and regulations of the Association;

4.19.2 adopt and amend budgets for revenues, expenditures and reserves and collect assessments, including without limitation assessments for Common Expenses, from Owners;

4.19.3 hire and terminate Managing Agents and other employees, agents and independent contractors (and the hiring and firing of such agents, employees and contractors shall be specifically delegated to the Executive Board). The Managing Agent shall not have the authority to make expenditures except upon prior approval and direction by the Executive Board. The Executive Board shall not be liable for any omission or improper exercise by a Managing Agent of any duty, power or function so delegated by written instrument executed by or on behalf of the Executive Board;

4.19.4 institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Owners on matters affecting Timber Springs;

4.19.5 make contracts and incur liabilities;

4.19.6 regulate the use, improvement, maintenance, repair, replacement and modification of the Common Area and any other property to be maintained as set forth in this Declaration;

4.19.7 cause additional improvements to be made as part of the Common Area, including the construction of any capital asset, in whole or in part, for the benefit of some or all of the Lots, Owners, lessees, guests and members of the general public, including without limitation, streets, access roads, paths, walkways, snowmelt systems, sidewalks and trails; any facilities necessary or useful for transit purposes, including means of transportation to and from Timber Springs; bus stops and related structures and signage; mailbox structures; newspaper racks; gardens, sprinkler systems and other landscaping changes, improvements (including without limitation, removal of trees and other vegetation) and appurtenances; ponds and water tanks; drainage facilities; monuments; recreational areas and facilities, including picnic areas, playgrounds, shelters, exercise equipment, viewing stands and trash enclosures; parking areas; ducts, shafts and flues; conduit installation areas; storage facilities for supplies and equipment; earth walls, retaining walls and other road supports; lighting; signage; and the additional right to construct any and all types of structures, facilities and improvements that the Declarant or the Districts may be empowered by law from time to time to construct;

4.19.8 acquire, hold, encumber and convey in its own name any right, title or interest in real or personal property; provided, however, that the fee interest of a Common Area may not be conveyed or subjected to a security interest unless (a) such action receives approval of Owners holding a majority of the total voting interest in the Association; (b) such action is evidenced by a written agreement, or a written ratification of an agreement, executed in the same manner as a deed by the required number of Owners; and (c) such action does not deprive any Lot of its rights of ingress, egress and support;

4.19.9 impose and receive any payments, fees or charges for the use, rental or operation of Common Area;

4.19.10 impose and receive charges for late payments of Assessments, recover reasonable attorney's fees and disbursements and other costs of collection for Assessments and other actions to enforce the rights of the Association, regardless of whether or not suit was initiated, and after notice and opportunity to be heard, levy reasonable fines and penalties for violations of the Association Documents;

4.19.11 impose and receive reasonable charges for the preparation and recordation of amendments to the Declaration or statements of unpaid Assessments;

4.19.12 provide for the indemnification of the Association's officers and Directors and maintain Directors' and officers' liability insurance;

4.19.13 assign its right to future income, including without limitation, its right to receive Assessments;

4.19.14 obtain and pay for legal, accounting and other professional services;

4.19.15 perform any Function by, through or under contractual arrangements, licenses, or other arrangements with any governmental, quasi-governmental or private entity as may be necessary or desirable; and

4.19.16 enjoy and exercise any other power or authority which similar associations may now or hereafter enjoy or exercise in the State of Colorado.

Section 4.20 Association Documents. Each Owner shall comply with and may benefit from each term, provision, covenant, condition, restriction, reservation and easement contained in the Association Documents. The obligations, burdens and benefits of membership in the Association touch and concern the Property and are, and shall be, covenants running with each Lot for the benefit of all other Lots and the Common Area.

Section 4.21 Third-Party Use and Access. The Association may grant such rights in the Common Area as the Executive Board deems appropriate. The rights which may be granted hereunder may be subject to whatever conditions the Executive Board deems necessary and/or appropriate, including, without limitation, appropriate indemnifications.

Section 4.22 Indemnification. The Association shall be obligated to and shall indemnify and defend Declarant and hold it harmless from all liability, loss, cost, damage and expense, including without limitation attorneys' fees and disbursements, arising with respect to any operations of the Association or any Common Area or any Functions undertaken by the Association pursuant to this Declaration.

Section 4.23 Owner's Negligence. In the event that the need for maintenance, repair or replacement of all or any portion of the Common Area is caused through or by the negligent or willful act or omission of an Owner or an Owner's guest or lessee, then the expenses incurred by the Association for such maintenance, repair or replacement shall be a personal obligation of such Owner; and, if an Owner fails to repay the expenses incurred by the Association within seven (7) days after notice to the Owner of the amount owed, then the failure to so repay shall be a default by the Owner under the provisions of this Declaration, and such expenses shall automatically become a default Assessment determined and levied against such Lot, enforceable by the Association in accordance with Sections 10.7, 10.8 and 10.9 below.

Section 4.24 Enforcement of Association Documents. The Association or any aggrieved Owner may take judicial action against any Owner to enforce compliance with the Association Rules and with the other provisions of the Association Documents to obtain damages for noncompliance or for injunctive relief, or both, all to the extent permitted by law.

Section 4.25 Cooperation with Other Associations. The Association may contract or cooperate with other homeowners' associations or entities as convenient or necessary to provide services and privileges and to fairly allocate costs among the parties utilizing such services and privileges which may be administered by the Association or such other organizations, for the benefit

of Owners and their lessees and guests. The costs associated with such efforts by the Association (to the extent not chargeable to other organizations) shall be a Common Expense.

Section 4.26 LIMITATION OF LIABILITY OF ASSOCIATION. NOTWITHSTANDING THE DUTY OF THE ASSOCIATION TO MAINTAIN AND REPAIR THE COMMON AREA AND PROPERTY WITHIN THE LOTS AS DESCRIBED IN THIS DECLARATION, AND EXCEPT TO THE EXTENT COVERED BY ASSOCIATION INSURANCE AS DESCRIBED IN ARTICLE 9, THE ASSOCIATION SHALL NOT BE LIABLE TO OWNERS FOR INJURY OR DAMAGE, OTHER THAN FOR THE COST OF MAINTENANCE AND REPAIR OF SUCH PROPERTY, CAUSED BY ANY LATENT CONDITION OF THE PROPERTY TO BE MAINTAINED AND REPAIRED BY THE ASSOCIATION OR CAUSED BY THE ELEMENTS OR OTHER OWNERS OR PERSONS.

Section 4.27 Association Standard of Care. The duty of care which the Association owes to the Owners is that of a landowner to a licensee, notwithstanding the interest which the Owners hold in the Common Area through their membership in the Association.

ARTICLE 5 MEMBERSHIP AND VOTING RIGHTS

Section 5.1 The Association. Every Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot. The vote for such Lot shall be exercised by one person or alternate persons (who may be a tenant of the Owners) appointed by proxy in accordance with the Bylaws. In the absence of a proxy, the vote allocated to the Lot shall be suspended in the event more than one person or entity seeks to exercise the right to vote on any one matter. Any Owner of a Lot which is leased may assign his voting right to the tenant, provided that a copy of a proxy appointing the tenant is furnished to the Secretary of the Association prior to any meeting in which the tenant exercises the voting right.

Section 5.2 Transfer of Membership. An Owner shall not transfer, pledge, encumber or alienate his membership in the Association in any way, except upon the sale or encumbrance of his Lot and then only to the purchaser or mortgagee of his Lot.

Section 5.3 Membership and Voting. When more than one person holds an interest in any Lot, all such persons shall be Members. Each Lot shall be allocated one (1) vote on Association matters.

Section 5.4 Declarant Control. Notwithstanding anything to the contrary provided for herein or in the Bylaws, Declarant shall be entitled to appoint and remove the members of the Association's Executive Board and officers of the Association so long as Declarant owns an interest in any Lot or as otherwise permitted by law. The specific restrictions and procedures governing the exercise of Declarant's right to so appoint and remove Directors and officers shall be set out in the Bylaws. Declarant may voluntarily relinquish such power evidenced by a notice executed by Declarant and recorded in the Office of the Clerk and Recorder for Eagle County, Colorado but, in such event, Declarant may at its option require that specified actions of the Association or the



Executive Board as described in the recorded notice, during the period Declarant would otherwise be entitled to appoint and remove Directors and officers, be approved by Declarant before they become effective.

Section 5.5 Compliance with Association Documents. Each Owner shall abide by and benefit from each provision, covenant, condition, restriction and easement contained in the Association Documents. The obligations, burdens, and benefits of membership in the Association concern the land and shall be covenants running with each Owner's Lot for the benefit of all other Lots and for the benefit of Declarant's adjacent properties.

ARTICLE 6 PROPERTY RIGHTS

Section 6.1 Common Area. Every Owner shall have a right and non-exclusive easement of use, access, and enjoyment in and to the Common Area, subject to:

6.1.1 This Declaration and any other applicable covenants;

6.1.2 Any restrictions or limitations contained in any deed conveying such property to the Association;

6.1.3 The right of the Executive Board to adopt rules regulating the use and enjoyment of the Common Area, including rules limiting the number of guests who may use the Common Area;

6.1.4 The right of the Executive Board to suspend the right of an Owner to use facilities within the Common Area (i) for any period during which any charge or Assessment against such Owner's Lot remains delinquent, and (ii) for a period not to exceed ninety (90) days for a single violation or for a longer period in the case of any continuing violation of the Declaration, the Bylaws or the Association Rules;

6.1.5 The right of the Executive Board to impose reasonable membership requirements and charge reasonable membership, admission, use or other fees for the use of any facility situated upon the Common Area;

6.1.6 The right of the Executive Board to permit the use of any facilities situated on the Common Area by persons other than Owners, their families, lessees and guests;

6.1.7 The right and obligations of the Declarant and the Association, acting through its Executive Board, to restrict, regulate or limit Owners' and occupants' use of the Common Area for environmental preservation purposes, including, without limitation, wetlands (whether currently existing, or created or existing in the future), wildlife corridors, winter wildlife ranges and natural wildlife habitat; and

6.1.8 Any governmental or quasi-governmental rules, regulations or statutes.

Any Owner may extend his or her right to use and enjoyment to the members of his or her immediate family, lessees, and social invitees, as applicable, subject to reasonable regulation by the Executive Board. An Owner who leases his or her Lot shall be deemed to assign all such rights to the lessee of such Lot.

Section 6.2 No Dedication to the Public. Nothing in this Declaration or the other Association Documents will be construed as a dedication to public use, or a grant to any public municipal or quasi-municipal authority or utility, or an assumption of responsibility for the maintenance of any Common Area by such authority or utility, absent an express provision to that effect in this Declaration or an express written agreement to that effect.

Section 6.3 Private Amenities. Access to and use of the Private Amenities is strictly subject to the rules and procedures of the respective owners of the Private Amenities, and no Person gains any right to enter or to use those facilities by virtue of membership in the Association or ownership or occupancy of a Lot.

ALL PERSONS, INCLUDING ALL OWNERS, ARE HEREBY ADVISED THAT NO REPRESENTATIONS OR WARRANTIES, EITHER WRITTEN OR ORAL, HAVE BEEN MADE OR ARE MADE BY DECLARANT OR ANY OTHER PERSON WITH REGARD TO THE NATURE OR SIZE OF IMPROVEMENTS TO, OR THE CONTINUING OWNERSHIP OR OPERATION OF, THE PRIVATE AMENITIES. NO PURPORTED REPRESENTATION OR WARRANTY, WRITTEN OR ORAL, IN REGARD TO THE PRIVATE AMENITIES SHALL EVER BE EFFECTIVE WITHOUT AN AMENDMENT HERETO EXECUTED OR JOINED INTO BY DECLARANT.

FURTHER, ALL PERSONS, INCLUDING ALL OWNERS, ARE HEREBY ADVISED THAT THE ASSOCIATION WILL NOT OWN ANY GOLF COURSE OR ANY PORTION OF GOLF FACILITIES (INCLUDING, WITHOUT LIMITATION, PUTTING GREENS, DRIVING RANGE OR OTHER PRACTICE FACILITIES). IT IS CONTEMPLATED THAT ALL SUCH PRIVATE AMENITIES SHALL BE OWNED AND ADMINISTERED BY THIRD PARTIES.

The ownership or operational duties of and as to the Private Amenities may change at any time and from time to time by virtue of, but without limitation, (i) the sale to or assumption of operations by an independent entity, (ii) conversion of the membership structure to an "equity" club or similar arrangement whereby the members of the club that owns and operates any Private Amenity or an entity owned or controlled thereby become the owner(s) and/or operator(s) of the Private Amenity, or (iii) the conveyance of a Private Amenity to one or more affiliates, shareholders, employees, or independent contractors of Declarant. No consent of the Association or any Owner shall be required to effectuate such a transfer or conversion.

Rights to use the Private Amenities will be granted only to such Persons, and on such terms and conditions, as may be determined by their respective owners. Such owners shall have the right, from time to time in their sole and absolute discretion and without notice, to amend or waive the terms and conditions of use of their respective Private Amenities and to terminate use rights altogether.

Neither the Declarant, the Association nor the owner or operator of any golf course or any other Private Amenity guarantees or represents that any view will be preserved without impairment.

ARTICLE 7 MECHANIC'S LIENS

Section 7.1 No Liability. If any Owner shall cause any material to be furnished to his Lot or any labor to be performed therein or thereon, no Owner of any other Lot shall under any circumstances be liable for the payment of any expense incurred or for the value of any work done or material furnished. All such work shall be at the expense of the Owner causing it to be done, and such Owner shall be solely responsible to contractors, laborers, materialmen and other persons furnishing labor or materials to his or her Lot. Nothing herein contained shall authorize any Owner or any person dealing through, with or under any Owner to charge the Common Area or any Lot other than the Lot of such Owner with any mechanic's lien or other lien or encumbrance whatsoever. On the contrary (and notice is hereby given), the right and power to charge any lien or encumbrance of any kind against the Common Area or against any Owner or any Owner's Lot for work done or materials furnished to any other Owner's Lot is hereby expressly denied.

Section 7.2 Indemnification. If, because of any act or omission of any Owner, any mechanic's or other lien or order for the payment of money shall be filed against the Common Area or against any other Owner's Lot or an Owner or the Association (whether or not such lien or order is valid or enforceable as such), the Owner whose act or omission forms the basis for such lien or order shall at his own cost and expense cause the same to be cancelled and discharged of record or bonded by a surety company reasonably acceptable to the Association, or to such other Owner or Owners, within twenty (20) days after the date of filing thereof, and further shall indemnify and save all the other Owners and the Association harmless from and against any and all costs, expenses, claims, losses or damages including, without limitation, reasonable attorneys' fees resulting therefrom.

Section 7.3 Association Action. Labor performed or materials furnished for the Common Area, if duly authorized by the Association in accordance with this Declaration or the Bylaws, shall be deemed to be performed or furnished with the express consent of each Owner and shall be the basis for the filing of a lien pursuant to law against the Common Area. Any such lien shall be limited to the Common Area, and no lien may be effected against an individual Lot or Lots.

ARTICLE 8 PROPERTY RIGHTS OF OWNERS AND RESERVATIONS BY DECLARANT

Section 8.1 Owners' Easement of Enjoyment. Every Owner has a right and easement of enjoyment in and to the Common Area, which shall be appurtenant to and shall pass with the title to every Lot. Certain third persons may also have access to areas within the Property if so delegated in accordance with the terms of this Declaration. Every Owner shall have a right of access to and from his Lot. No Owner shall hinder or permit his guest to hinder reasonable access by any other Owner and his guest or other permittees to the Lots.

Section 8.2 Recorded Easements. The Property shall be subject to all easements, licenses, covenants and restrictions as shown on the Map and Exhibits B-1 through B-8 affecting the Property, any other easements of record or of use as of the date of recordation of this Declaration and those easements set forth in this Article or otherwise contemplated by this Declaration. Declarant reserves the right to record any additional easements or other instruments which it deems reasonable or necessary with respect to any portion of the Property prior to the conveyance of such portion of the Property.

Section 8.3 Declarant's Rights Incident to Construction. Declarant, for itself and its successors and specific assigns, and their respective officers, agents, employees, and assigns, hereby reserves an easement for construction, utilities, drainage, ingress and egress over, in, upon, under and across the Common Area, together with the right to store materials on the Common Area, to build and maintain temporary walls, and to make such other use of the Common Area as may be reasonably necessary or incident to any construction of improvements on the Property or other real property owned by Declarant, or other properties abutting and contiguous to the Property; provided, however, that no such rights shall be exercised by Declarant in a way which unreasonably interferes with the occupancy, use, enjoyment or access to Timber Springs by the Owners.

Section 8.4 Utility Easements.

8.4.1 Declarant hereby grants, reserves and declares a perpetual non-exclusive easement and perpetual right of ingress and egress over, under, upon, above, across and through all of the Property, including without limitation, the Access Easement, the Trail Easement and the Recreation Easement, as the same may be relocated from time to time, excepting only those portions lying within the Building Envelopes (the "Blanket Utility Easement"), for the benefit of Declarant, Declarant's affiliates (defined as persons or entities controlling, controlled by or under common control with Declarant), Declarant's successors and specific assigns, the Districts and their successors and assigns, the Association and its successors and assigns, any Owner requiring the use of property beyond the boundaries of his Lot for a utility purpose to the extent Declarant (or other owner of the property being used) assigns all or a portion of this easement expressly for such purpose, and any public or quasi-public utility or governmental or quasi-governmental agency, authority or entity to which Declarant may grant, delegate or dedicate all or any portion of its rights hereunder and their respective officers, agents, employees, and assigns, for the purposes of (i) construction, operation, maintenance, repair and/or replacement (and access to said facilities for such purposes) of water, wastewater and/or septic tanks and leach fields, natural and/or propane gas, electric, irrigation, telephone, cable television and/or other utility systems and drainage systems, including, without limitation, underground utility lines, above-ground utility lines, meter boxes, vaults, transformers, pump stations and other facilities related to the provision of any of such utility services, and storm drainage facilities and ditches, (ii) drainage of water from other lands, and (iii) ingress and egress of construction and maintenance vehicles and equipment relating to the utilities and facilities described herein. The grant, reservation and declaration of this Blanket Utility Easement shall not obligate Declarant to construct any or all of the aforementioned utilities or to provide utility service to any Owner's improvements from the boundary of a Lot, nor is this easement limited to utilities which benefit one or more of the Lots.



8.4.2 Declarant reserves the right to grant and convey to the local water service provider, wastewater service provider, electric company, natural gas supplier, cable television supplier, communications systems supplier and/or suppliers of any other utilities or systems whatsoever easements over, across, under and through any portion of the Blanket Utility Easement and through such portions of the Property located within the Building Envelopes as are reasonably necessary to install such utility services to service any dwelling units or other buildings within the respective Building Envelope or elsewhere. Should any entity furnishing a service covered by the general easement granted herein request a specific easement by separate recordable document, Declarant shall have the right to grant such easement over the Blanket Utility Easement without conflicting with the terms hereof and regardless of the record title holder of the respective Lot.

Section 8.5 Well Access Easements. Declarant hereby grants, reserves and declares an easement over, under, upon, across and through the Property, excepting only those portions lying within the Building Envelopes, for the benefit of Declarant, Declarant's affiliates (defined as persons or entities controlling, controlled by or under common control with Declarant), Declarant's successors and specific assigns, the Association and its successors and assigns, Declarant's designees, any Owner requiring the use of property beyond the boundaries of his Lot for well purposes to the extent Declarant (or other owner of the property being used) assigns all or a portion of this easement expressly for such purpose, and any public or quasi-public utility or governmental or quasi-governmental agency, authority or entity (including any of the Districts) to which Declarant may grant, delegate or dedicate all or any portion of its rights hereunder and their respective officers, agents, employees, and assigns, for the purposes of (i) installation and maintenance of storage tanks, (ii) drilling, installation and maintenance of well casing, surface pipe and all related improvements for a well or multiple wells, and (iii) construction, operation, maintenance, repair and/or replacement (and access to said facilities for such purposes) of utilities, service lines, water pumping and distribution facilities, and all related improvements to allow distribution from any well or wells on a given Lot to other parcels of real property of any water reserved by Declarant from the well or wells located on such Lot. Declarant, or any party to which Declarant assigns or delegates its rights and obligations under this Section, may transfer to an Owner of a Lot a well or wells which serve only such Owner's Lot and all equipment and facilities used in conjunction therewith, and from the time of such assignment or delegation forward, such Owner shall be responsible for all maintenance, repair and replacement of the wells and their related facilities.

In order to serve each Lot with water, Declarant may determine that it will construct a sufficient number of wells in order for each Lot to be connected to a well located on the Property. Such wells may serve a single Lot or serve multiple Lots by lines extending from a well on one Lot to the other Lots being served. If wells are constructed, each well and any related facilities which serve only a single Lot will be operated, maintained, repaired and replaced by the Owner of such Lot being served. Wells which are shared and serve the Owner of the Lot on which the well is located and additionally serve the Owners of other Lots shall, together with any related piping, valving, metering or other facilities, be operated, maintained, repaired and replaced by the Association. Notwithstanding the foregoing, an Owner shall be responsible for all maintenance and repairs of a line from a well commencing at the point at which such line serves only that single Owner's Lot, regardless of whether such place within the line is within or outside of the boundaries of such Owner's Lot. Where an Owner has maintenance and repair obligations for a line located within one



or more other Owners' Lots, an Owner shall be deemed to have an easement over, under, across and through such Lot(s) for the purpose of installing, maintaining, repairing and replacing such line or improvements for which the Owner has responsibility.

Any costs and expenses associated with the services rendered by the Association in connection with a common well will be charged to the Owners using the common well in proportion to the usage of each Owner. Declarant shall in its discretion be able to provide water to some or all Owners by a waterline system in lieu of or in conjunction with drilling wells.

Section 8.6 Access Easement.

8.6.1 Declarant hereby grants, reserves and declares a perpetual non-exclusive easement and right-of-way over, under, upon, above, across and through the Property in the area labeled on the Map, Exhibits B-1 through B-8, and Exhibit C-1 as "Access and Utility Easement" (the "Access Easement") (a) for the benefit of Declarant, Declarant's affiliates (defined as persons or entities controlling, controlled by or under common control with Declarant), Declarant's successors and specific assigns, the Association and its successors and assigns, and any governmental or quasi-governmental agency, authority or entity (including any of the Districts) to which Declarant may grant, delegate or dedicate all or any portion of its rights hereunder and their respective officers, agents, employees, and assigns, for the purposes of construction, operation, maintenance, repair and/or replacement of a Road or Roads and an entry feature (including, without limitation, gates or other access structures, signage, lighting, landscaping, irrigation and any other related improvements) within the Access Easement, and (b) for the benefit of the Owners from time to time of the Lots, their families, tenants, guests and invitees, for ingress and egress to the Lots, the Trail Easement, the Recreation Easement and any other Common Area. In addition, Declarant or such parties to which the Access Easement is granted for roadway purposes shall have the right within ten (10) feet on either side of the Access Easement, except for Building Envelopes, to enter such areas for the purposes of cutting and filling during any construction and repairs of the improvements within the Access Easement and to perform maintenance, repairs and replacement of such improvements at such time as Declarant or other beneficiaries of the Access Easement for roadway purposes deem reasonable and necessary.

8.6.2 Declarant, Declarant's affiliates (defined as persons or entities controlling, controlled by or under common control with Declarant), Declarant's successors and specific assigns, the Association and its successors and assigns, and/or any governmental or quasi-governmental agency, authority or entity (including any of the Districts) to which Declarant may grant, delegate or dedicate all or any portion of its rights hereunder for the purposes of construction, operation, maintenance, repair and/or replacement of a Road, and their respective officers, agents, employees, and assigns, may at any time hereafter and from time to time construct, maintain, operate, repair and/or replace a Road or Roads within the Access Easement. The Road or Roads may be of any width and any number of lanes.

Section 8.7 Trail Easement. Declarant hereby reserves a perpetual non-exclusive easement and right-of-way over, under, upon, above, across and through all of the Property, excepting only those portions lying within the Building Envelopes, for the benefit of Declarant,



Declarant's affiliates (defined as persons or entities controlling, controlled by or under common control with Declarant), and Declarant's successors and specific assigns, for the purposes of construction, operation, maintenance, repair and/or replacement of a trail system, including, without limitation, a walkway, pathway or trail for pedestrian, equestrian or non-motorized vehicular use. Declarant grants and declares a perpetual non-exclusive easement and right-of-way over, under, upon, above, across and through (a) the area which is twenty-five (25) feet from the centerline of the natural course of any creek or stream running through the Property, including any such area which falls within a private driveway serving an Owner's improvements, but excluding any area which may lie within a Building Envelope, and (b) along any trail system constructed by Declarant or other parties to which the easement is reserved in this Section above, for the benefit of Declarant, Declarant's affiliates (defined as persons or entities controlling, controlled by or under common control with Declarant), Declarant's successors and specific assigns, the Association and its successors and assigns, the Owners from time to time of the Lots, any of the Districts and their successors and assigns to which Declarant or the Association may grant rights with respect to the operation and maintenance of such easement, and any governmental or quasi-governmental agency, authority or entity to which Declarant may grant, delegate or dedicate all or any portion of its rights hereunder, and their respective officers, agents, employees and assigns, for the purposes of use, construction, operation, maintenance, repair and/or replacement of a trail system, including, without limitation, a walkway, pathway or trail for pedestrian, equestrian or non-motorized vehicular use by the Owners, their families, tenants, guests and invitees, and any other authorized users based on the delegation of rights by Declarant as described hereunder. The foregoing reservation and grant of easements described in this Section shall be referred to in this Declaration as the "Trail Easement." The grant, reservation and declaration of the Trail Easement shall not obligate Declarant to construct any part of the aforementioned trail system within the Trail Easement.

Declarant, Declarant's affiliates (defined as persons or entities controlling, controlled by or under common control with Declarant), Declarant's successors and specific assigns, any of the Districts to which rights have been delegated and their successors and assigns, the Association and its successors and assigns, and/or any governmental or quasi-governmental agency, authority or entity to which Declarant may grant, delegate or dedicate all or any portion of its rights hereunder for the purposes of construction, operation, maintenance, repair and/or replacement of the permitted improvements within the Trail Easement and their respective officers, agents, employees, and assigns, may at any time hereafter and from time to time construct, maintain, operate, repair and/or replace a trail or pathway within the Trail Easement as described in this Section.

Section 8.8 Recreation Easement. Declarant hereby reserves a perpetual non-exclusive easement and right-of-way over, under, upon, above, across and through the Property, in the area designated on the Map and Exhibits B-1 through B-8 as "Recreation Easement" (the "Recreation Easement"), for the benefit of Declarant, Declarant's affiliates (defined as persons or entities controlling, controlled by or under common control with Declarant), Declarant's successors and specific assigns, the Association and its successors and assigns, the Owners from time to time of the Lots, and any governmental or quasi-governmental agency, authority or entity (including any of the Districts) to which Declarant may grant, delegate or dedicate all or any portion of its rights hereunder and their respective officers, agents, employees, and assigns, for the purposes of fishing, hiking and pedestrian uses, picnicking and general recreation uses (provided that the use of motorized vehicles



shall be prohibited except within any existing right-of-way shown on the Map and Exhibits B-1 and B-2) within the Recreation Easement by the beneficiaries of the Recreation Easement, and the operation, maintenance, repair and/or replacement of the Recreation Easement and the improvements located therein. Declarant, Declarant's affiliates (defined as persons or entities controlling, controlled by or under common control with Declarant), Declarant's successors and specific assigns, the Association and/or any governmental or quasi-governmental agency, authority or entity (including any of the Districts) to which Declarant may grant, delegate or dedicate all or any portion of its rights hereunder, and their respective officers, agents, employees and assigns, may at any time hereafter and from time to time, but shall not be required to construct, maintain, operate, repair and/or replace any improvements such as a picnic area, shelter, trash and/or restroom facilities within the Recreation Easement. The improvements related to the Recreation Easement must be fully located within the Recreation Easement. The grant, reservation and declaration of this Recreation Easement shall not obligate Declarant to construct the aforementioned improvements.

Section 8.9 General Maintenance Easement. An easement is hereby reserved to Declarant for the benefit of the Declarant, Declarant's affiliates (defined as persons or entities controlling, controlled by or under common control with Declarant) and Declarant's successors and specific assigns, and granted to the Districts and their successors and assigns, the Association, any member of the Executive Board, the Managing Agent, and their respective officers, agents, employees, and assigns, upon, across, over, in, and under the Property to make such use of the Property as may be necessary or appropriate to make emergency repairs or to perform the duties and Functions which such parties are obligated or permitted to perform pursuant to the Association Documents.

Section 8.10 Support Easement. Each Lot is subject to a blanket easement for support and a blanket easement for the maintenance of the structures or improvements presently situated, or to be built in the future, on each such Lot and all other Lots, including, but not limited to, irrigation structures, utility structures, trails, etc.

Section 8.11 Association as Attorney-in-Fact. Each Owner, by his acceptance of a deed or other conveyance vesting in him an interest in a Lot, does irrevocably constitute and appoint the Association and/or Declarant with full power of substitution in the Owner's name, place and stead to deal with the Owner's interest in order to effectuate the rights reserved by Declarant or granted to the Association, as applicable, with full power, right and authorization to execute and deliver any instrument affecting the interest of the Owner and to take any other action which the Association or Declarant may consider necessary or advisable to give effect to the provisions of this Article and this Declaration generally. The foregoing grant and power of attorney appointment shall be deemed to be coupled with an interest. If requested to do so by the Association or Declarant, each Owner shall execute and deliver a written, acknowledged instrument confirming such appointment. No Owner shall have any rights against the Association or Declarant or any of their officers or Directors with respect thereto except in the case of fraud or gross negligence.

Section 8.12 Delegation of Use. Any Owner may delegate his right of enjoyment to the Common Area to the members of his immediate family, his tenants, guests, licensees, and invitees, but only in accordance with and subject to the limitations of the Association Documents.



Section 8.13 Emergency Access Easement. A general easement is hereby granted to all police, sheriff, fire protection, ambulance, animal control, wildlife protection and other similar emergency agencies or persons to enter upon the Property in the proper performance of their duties.

Section 8.14 Easements for Lakes, Ponds and Wetlands. Declarant hereby grants, reserves and declares a perpetual non-exclusive easement and perpetual right of ingress and egress over, under, upon, above, across and through all of the Property, including without limitation, the Recreation Easement, excepting only those portions lying within the Building Envelopes, for the benefit of Declarant, Declarant's affiliates (defined as persons or entities controlling, controlled by or under common control with Declarant), Declarant's successors and specific assigns, the Association and its successors and assigns, and any public or quasi-public utility or governmental or quasi-governmental agency, authority or entity (including any of the Districts) to which Declarant may grant, delegate or dedicate all or any portion of its rights hereunder, and their respective officers, agents, employees, and assigns, for the purposes of construction, operation, maintenance, repair and/or replacement of a wetlands site.

Declarant reserves for the benefit of the parties listed above and their respective officers, agents, employees, and assigns the non-exclusive right and easement, but not the obligation, to enter upon the lakes, ponds, streams and wetlands (including any wetlands created as a result of compliance with wetlands laws) located within the Common Area and the Lots to (a) install, keep, maintain, and replace such lakes, ponds, streams and wetlands and any pumps in order to provide water for the irrigation of any of the Common Area or the Lots; (b) construct, maintain and repair any bulkhead, wall, dam or other structure retaining water; (c) remove trash and other debris therefrom and fulfill their maintenance responsibilities as provided in this Section; and (d) build roads, install utilities and construct trails in accordance with their rights under this Declaration. Declarant and its designees shall have an access easement over and across any of the Property, excepting only those portions lying within the Building Envelopes, abutting or containing any portion of any of the lakes, ponds, streams, or wetlands to the extent reasonably necessary to exercise their rights under this Section.

There is further reserved herein for the benefit of the parties listed above and their respective officers, agents, employees, and assigns, a perpetual, non-exclusive right and easement of access and encroachment over the Common Area and Lots (but not the Building Envelopes thereon) adjacent to or within fifty (50) feet of lake beds, ponds and streams within the Property, in order to (a) temporarily flood and back water upon and maintain water over such portions of the Property; (b) fill, drain, dredge, deepen, clean, fertilize, dye and generally maintain the lakes, ponds, streams and wetlands within the Common Area and the Lots; (c) maintain and landscape the slopes, banks and surrounding areas pertaining to such lakes, ponds, streams, and wetlands; and (d) enter upon and across such portions of the Property for the purpose of exercising their rights under this Section. All persons entitled to exercise these easements shall use reasonable care in, and repair any damage resulting from, the intentional exercise of such easements. The exercise of such easements is subject to the superior rights of the holders of water rights as set forth in Section 15.9 herein and as determined by law. Nothing herein shall be construed to make Declarant or any other Person liable for damage resulting from water runoff or from flooding due to heavy rainfall or other natural disasters or for damage due to the change of the natural course of water within the Property.

Section 8.15 Easement for District Activities. The Declarant, Declarant's affiliates (defined as persons or entities controlling, controlled by or under common control with Declarant), Declarant's successors and specific assigns, their respective officers, agents, employees and assigns, the Districts and their members (regardless of whether such members are Owners hereunder), their respective guests, invitees, employees, agents, contractors and designees shall at all times have a right and non-exclusive easement of access and use over all roadways located within the Property reasonably necessary to travel from/to the entrance to the Property and other facilities owned, managed or controlled by the Declarant or the Districts, respectively, and over those portions of the Property (whether Common Area or otherwise) reasonably necessary for the improvement, operation, maintenance, repair, and replacement of the facilities owned, managed or controlled by the Declarant or the Districts.

Section 8.16 Easements for Encroachments. To the extent that any improvement or utilities whether presently existing or hereinafter constructed within the Common Area (including, without limitation, any portion of the Roads) encroaches on any Lot, either currently existing or as a result of any addition or improvement pursuant to this Declaration, a valid easement for such encroachments and for the maintenance of same, so long as they exist, shall and does exist. In the event any such improvement is partially or totally destroyed, and then rebuilt, the Owners agree that minor encroachments of parts of such rebuilt improvements shall be permitted and that a valid easement for said encroachment and the maintenance thereof shall exist so long as the improvements shall stand.

Section 8.17 Declarant's Right of Assignment. Declarant reserves the right to assign any or all of its rights, obligations or interest as Declarant by recording an assignment or deed of record executed by both Declarant and the transferee or assignee in the Office of the Clerk and Recorder of Eagle County, Colorado designating such party as a Successor Declarant. Upon such recording, Declarant's rights and obligations under this Declaration shall cease and terminate to the extent provided in such document.

ARTICLE 9 INSURANCE AND FIDELITY BONDS

Section 9.1 General Insurance Provisions. The Association shall maintain, to the extent reasonably available:

9.1.1 Property insurance on the Common Area for broad form covered causes of loss, except that the total amount of insurance must be not less than the full insurable replacement costs of the insured property less reasonable deductibles at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations, paving areas, landscaping and other items normally excluded from property policies; and

9.1.2 Commercial general liability insurance, including, without limitation, medical payments insurance, insuring the Association, and its officers, members of the Executive Board, and any Managing Agent, and the employees and agents of the Association and the Managing Agent against liability for death, bodily injury, slander, false arrest, invasion of privacy and property



damage arising out of or in connection with the ownership, maintenance and use of the Common Area and other areas, if any, under the supervision of the Executive Board. Limits of liability will be determined by the Executive Board and will be at least \$5,000,000 for any injuries or death sustained by any person in any single occurrence, and at least \$1,000,000 for property damage resulting from each occurrence. Such policy will include coverage for contractual liability, liability for non-owned and hired automobiles, and such other risks as are customarily covered with respect to developments similar to Timber Springs in construction, location and use. The Owners will be included as additional insureds, but only for claims and liabilities arising in connection with the ownership, existence, use or management of the Common Area.

9.1.3 The Association may carry such other and further insurance that the Executive Board considers appropriate, including insurance on Lots, or insurance covering the acts or omissions of officers, directors, employees or agents of the Association, or other insurance that the Association is not obligated to carry to protect the Association or the Owners.

Section 9.2 Cancellation. If the insurance described in Section 9.1 is not reasonably available, or if any policy of such insurance is cancelled or not renewed without a replacement policy therefor having been obtained, the Association promptly shall cause notice of that fact to be hand delivered or sent prepaid by United States mail to all Owners.

Section 9.3 Policy Provisions. Insurance policies carried pursuant to Section 9.1 must, to the extent available, provide that:

9.3.1 Each Owner is an insured person under the policy with respect to liability arising out of such Owner's membership in the Association;

9.3.2 The insurer waives its rights to subrogation under the policy against any Owner or member of his household;

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

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

Section 9.4 Insurance Proceeds. Any loss covered by the property insurance policy described in Section 9.1 must be adjusted with the Association, but the insurance proceeds for that loss shall be payable to any insurance trustee designated for that purpose, or otherwise to the Association, and not to any holder of a security interest. The insurance trustee or the Association shall hold any insurance proceeds in trust for the Owners as their interests may appear. Subject to the provisions of Section 9.7 below, the proceeds must be disbursed first for the repair or restoration of the damaged property, and the Association and Owners are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the damaged property has been completely repaired or restored or the regime created by this Declaration is terminated.



Section 9.5 Association Policies. The Association may adopt and establish written nondiscriminatory policies and procedures relating to the submittal of claims, responsibility for deductibles, and any other matters of claims adjustment. To the extent the Association settles claims for damages to real property, it shall have the authority to assess negligent Owners causing such loss or benefiting from such repair or restoration all or any equitable portion of the deductibles paid by the Association.

Section 9.6 Insurer Obligation. To the extent the following is available, an insurer that has issued an insurance policy for the insurance described in Section 9.1 shall issue certificates or memoranda of insurance to the Association and, upon request, to any Owner. To the extent reasonably available, unless otherwise provided by statute, the insurer issuing the policy may not cancel or refuse to renew it until thirty (30) days after notice of the proposed cancellation or nonrenewal has been mailed to the Association and to each Owner to whom a certificate or memorandum of insurance has been issued at their respective last-known addresses.

Section 9.7 Repair and Replacement.

9.7.1 Any portion of the Common Area for which insurance is required under this Article which is damaged or destroyed must be repaired or replaced promptly by the Association unless:

9.7.1.1 The regime created by this Declaration is terminated;

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

9.7.1.3 Seventy-five percent (75%) of the Owners vote not to rebuild; or

9.7.1.4 Prior to the conveyance of any Lot to a person other than Declarant, the party holding a deed of trust or mortgage on the damaged portion of the Common Area rightfully demands all or a substantial part of the insurance proceeds.

9.7.2 The cost of repair or replacement in excess of insurance proceeds and reserves is a Common Expense. If the entire Common Area is not repaired or replaced, the insurance proceeds attributable to the damaged Common Area must be used to restore the damaged area to a condition compatible with the remainder of Timber Springs, and except to the extent that other persons will be distributees, the insurance proceeds must be distributed to all the Owners, as their interests may appear, in proportion to the Common Expense liabilities of all the Lots.

Section 9.8 Common Expenses. Premiums for insurance that the Association acquires and other expenses connected with acquiring such insurance are Common Expenses.

Section 9.9 Fidelity Insurance. Fidelity bonds must be maintained by the Association to protect against dishonest acts on the part of its Directors, officers, trustees, and employees and on the part of all others who handle or are responsible for handling the funds belonging to or administered by the Association in an amount not less than two months' current Assessments plus reserves as

calculated from the current budget of the Association. In addition, if responsibility for handling funds is delegated to a Managing Agent, such bond may be obtained for the Managing Agent and its officers, employees and agents, as applicable. Any such fidelity coverage shall name the Association as an obligee, and such bonds shall contain waivers by the issuers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms or expressions.

Section 9.10 Worker's Compensation Insurance. The Executive Board shall obtain worker's compensation or similar insurance with respect to its employees, if applicable, in the amounts and forms as may now or hereafter be required by law.

Section 9.11 Other Insurance. The Association shall also maintain insurance to the extent reasonably available and in such amounts as the Executive Board may deem appropriate on behalf of Directors against any liability asserted against a Director or incurred by him in his capacity of or arising out of his status as a Director. The Executive Board may obtain insurance against such other risks of a similar or dissimilar nature as it shall deem appropriate with respect to the Association's responsibilities and duties.

Section 9.12 Insurance Obtained by Owners. Each Owner shall obtain and at all times maintain physical damage and liability insurance for such Owner's benefit, at such Owner's expense, covering the full replacement value of the Owner's residence and personal property, and personal liability insurance in a limit of not less than One Million Dollars (\$1,000,000.00) in respect to bodily injury or death to any number of persons arising out of one accident or disaster, or for damage to property, and if higher limits shall at any time be customary to protect against tort liability, such higher limits shall be carried. In addition, an Owner may obtain such other and additional insurance coverage on the Lot and residence as such Owner in his sole discretion shall conclude to be desirable; provided, however, that none of such insurance coverage obtained by the Owner shall operate to decrease the amount which the Executive Board, on behalf of all Owners, may realize under any policy maintained by the Executive Board or otherwise affect any insurance coverage obtained by the Association or cause the diminution or termination of that insurance coverage. Any insurance obtained by an Owner shall include a provision waiving the particular insurance company's right of subrogation against the Association and other Owners, including Declarant, should Declarant be the Owner of any Lot. No Owner shall obtain separate insurance policies on the Common Area.

All Owners are required to maintain on file copies of all such current policies with the Association to evidence their obligations hereunder and to facilitate recovery of all appropriate awards or proceeds by the Association.

ARTICLE 10 ASSESSMENTS

Section 10.1 Obligation. Each Owner, including Declarant, by accepting a deed for a Lot, is deemed to covenant to pay to the Association (i) the Annual Assessments imposed by the Executive Board as necessary to meet the Common Expenses of maintenance, operation, and management of the Common Area and to perform the Functions of the Association; (ii) Special



Assessments for capital improvements and other purposes as stated in this Declaration; and (iii) Default Assessments which may be assessed against a Lot for the Owner's failure to perform an obligation under the Association Documents or because the Association has incurred an expense on behalf of the Owner under the Association Documents. No Owner may waive or otherwise escape personal liability for the payment of the Assessments provided for in this Declaration by not using the Common Area or the facilities contained in the Common Area or abandoning or leasing his Lot.

Section 10.2 Purpose of Assessments. The Assessments shall be used exclusively to promote the health, safety and welfare of the Owners and occupants of Timber Springs, for the improvement and maintenance of the Common Area and other areas of Association responsibility referred to herein, as more fully set forth in this Article below.

Section 10.3 Budget. Within thirty (30) days after the adoption of any proposed budget for the Association, the Executive Board shall mail, by ordinary first-class mail, or otherwise deliver a summary of the budget to all Owners and shall set a date for a meeting 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 at least sixty percent (60%) of all votes entitled to be cast on Association matters reject the budget, the budget is ratified, whether or not a quorum is present. In the event that the proposed budget is rejected, the periodic budget last ratified in accordance with this Section must be continued until such time as the Owners ratify a subsequent budget proposed by the Executive Board. The Executive Board shall adopt a budget and submit the budget to a vote as provided herein no less frequently than annually. The Executive Board shall levy and assess the Association's annual Assessments in accordance with the annual budget.

Section 10.4 Annual Assessments. Annual Assessments for Common Expenses made shall be based upon the estimated cash requirements as the Executive Board shall from time to time determine to be paid by all of the Owners, subject to Section 10.3 above. Estimated Common Expenses shall include, but shall not be limited to, the cost of routine maintenance and operation of the Common Area and other property to be maintained by the Association in accordance with this Declaration (including the cost of maintenance of common wells, if any); expenses of management; taxes and special governmental assessments pertaining to the Common Area and insurance premiums for insurance coverage as deemed desirable or necessary by the Association; landscaping and care of grounds within the Common Area and the Lots as described in this Declaration; routine repairs and renovations within the Common Area and Lots as described in this Declaration; wages; common water and utility charges for the Common Area; legal and accounting fees; management fees; expenses and liabilities incurred by the Association under or by reason of this Declaration; payment of any default remaining from a previous assessment period; and the creation of a reasonable contingency or other reserve or surplus fund for general, routine maintenance repairs, and replacement of improvements within the Common Area or, as determined by the Association, the Lots on a periodic basis, as needed.

Annual Assessments shall be payable on a prorated basis each year in advance and shall be due on the first day of each month, calendar quarter or year, as determined by the Executive Board; provided, however, any expenses incurred by the Association for services rendered to one or more Owners which are intended to be passed through directly to such Owner(s) may be billed to the



responsible Owner(s) at any time as determined by the Executive Board. The omission or failure of the Association to fix the Annual Assessments for any assessment period shall not be deemed a waiver, modification or release of the Owners from their obligation to pay the same. The Association shall have the right, but not the obligation, to make prorated refunds of any Annual Assessments in excess of the actual expenses incurred in any fiscal year. In the alternative, the Executive Board may elect to allocate any such excess Assessments to an Association working capital fund or to an Association reserve fund.

Section 10.5 Apportionment of Annual Assessments. The Common Expenses shall be divided equally among all Owners, and each Owner will therefore be responsible for that Owner's one-eighth (1/8th) share of the Common Expenses, subject to the following provisions. Notwithstanding any terms in this Section to the contrary, (a) the Executive Board, with the assistance of any company providing insurance for the benefit of the Owners under Article 9, may reasonably adjust the allocation to each Owner of the cost of premiums for any insurance carried for, and to be charged to, a particular Owner, as more fully detailed in Article 9; and (b) in the event any expense incurred by the Association in accordance with its obligations under this Declaration may more directly benefit a certain Lot or group of Lots in excess of the assessment obligation otherwise payable by each Owner, or in the event the Association has provided services to such Lot or group of Lots in excess of those provided to other Lots within the Property, the rate of Assessments levied with respect to such item or services may be modified to reflect such additional benefit at the sole and exclusive discretion of the Executive Board. For example, the Owners of Lots sharing the use of a common well shall bear the expense of operating, maintaining, repairing and replacing such well, any piping, valving, metering and other related improvements in proportion to such Owners' use of the water from such well on an annual basis.

Section 10.6 Special Assessments. In addition to the annual Assessments authorized above, the Executive Board may at any time and from time to time determine, levy and assess in any fiscal year (without the vote of the members of the Association) a Special Assessment applicable to that particular fiscal year (and for any such longer period as the Executive Board may determine). Any amounts determined, levied and assessed pursuant to this Section shall be assessed to the Lots in the same manner as described with respect to Annual Assessments in Section 10.5 above. Such Special Assessment(s) shall be due and payable as determined by the Executive Board.

Section 10.7 Default Assessments. All monetary fines assessed against an Owner pursuant to the Association Documents, or any expense of the Association which is the obligation of an Owner or which is incurred by the Association on behalf of the Owner pursuant to the Association Documents, shall be a Default Assessment and shall become a lien against such Owner's Lot which may be foreclosed or otherwise collected as provided in this Declaration. Notice of the amount and due date of such Default Assessment shall be sent to the Owner subject to such Assessment at least thirty (30) days prior to the due date.

Section 10.8 Effect of Nonpayment; Assessment Lien. Any Assessment installment, whether pertaining to any Annual, Special, or Default Assessment, which is not paid within thirty (30) days after its due date shall be delinquent. If an Assessment installment becomes delinquent, the Association, in its sole discretion, may take any or all of the following actions:



10.8.1 Assess a late charge for each delinquency in such amount as the Association deems appropriate;

10.8.2 Assess an interest charge from the date of delinquency at the yearly rate of three points above the prime rate charged by the Association's bank, or such other rate as the Executive Board may establish, not to exceed eighteen percent (18%) per annum;

10.8.3 Suspend the voting rights of the Owner during any period of delinquency;

10.8.4 Accelerate all remaining Assessment installments so that unpaid Assessments for the remainder of the fiscal year shall be due and payable at once;

10.8.5 Bring an action at law against any Owner personally obligated to pay the delinquent Assessments; and

10.8.6 Proceed with foreclosure as set forth in more detail below.

Assessments chargeable to any Lot shall constitute a lien on such Lot. The Association may institute foreclosure proceedings against the defaulting Owner's Lot in the manner for foreclosing a mortgage on real property under the laws of the State of Colorado. In the event of any such foreclosure, the Owner shall be liable for the amount of unpaid Assessments, any penalties and interest thereon, the cost and expenses of such proceedings, the cost and expenses for filing the notice of the claim and lien, and all reasonable attorney's fees incurred in connection with the enforcement of the lien.

The Association shall have the power to bid on a Lot at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. While a Lot is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be levied on it; and (c) each other Lot shall be charged, in addition to its usual Assessment, its equal pro rata share of the Assessment that would have been charged such Lot had it not been acquired by the Association.

The lien of the Assessments will be superior to and prior to any homestead exemption provided now or in the future by the law of the State of Colorado, and to all other liens and encumbrances except liens and encumbrances recorded before the date of the recording of this Declaration, and liens for governmental assessments or charges imposed against a Lot by a Colorado governmental or political subdivision or special taxing district or any other liens made superior by statute.

Section 10.9 Personal Obligation. The amount of any Assessment chargeable against any Lot shall be a personal and individual debt of the Owner of same. No Owner may exempt himself from liability for the Assessment by abandonment of his Lot or by waiver of the use or enjoyment of all or any part of the Common Area. Suit to recover a money judgment for unpaid Assessments, any penalties and interest thereon, the cost and expenses of such proceedings, and all reasonable

attorney's fees in connection therewith shall be maintainable without foreclosing or waiving the Assessment lien provided in this Declaration.

Section 10.10 Successor's Liability for Assessments. The lien of the Assessments shall represent a prior and senior lien and shall enjoy priority over any mortgage, deed of trust or other security instrument recorded subsequent to the recording of the Declaration.

Section 10.11 Statement of Status of Assessment Payment. Upon payment of a reasonable fee set from time to time by the Executive Board and upon fourteen (14) calendar days' written request to the Managing Agent or the Association's registered agent, any Owner or prospective purchaser of a Lot shall be furnished with a written statement setting forth the amount of the unpaid Assessments, if any, with respect to such Lot. Unless such statement shall be issued by personal delivery or by certified mail, first class postage prepaid, return receipt requested, to the inquiring party (in which event the date of posting shall be deemed the date of delivery) within fourteen (14) calendar days, the Association shall have no right to assert a lien upon the Lot over the inquiring party's interest for unpaid Assessments which were due as of the date of the request.

ARTICLE 11 ASSOCIATION AS ATTORNEY-IN-FACT

Each Owner hereby irrevocably appoints the Association as the Owner's true and lawful attorney-in-fact for the purposes of dealing with any improvements covered by insurance written in the name of the Association pursuant to Article 9 upon their damage or destruction as provided in Article 12, or a complete or partial taking as provided in Article 13 below. The foregoing grant and attorney-in-fact appointment shall be deemed to be coupled with an interest. Acceptance by a grantee of a deed or other instrument of conveyance from Declarant or any other Owner conveying any portion of the Property shall constitute appointment of the Association as the grantee's attorney-in-fact, and the Association shall have full authorization, right and power to make, execute and deliver any contract, assignment, deed, waiver or other instrument with respect to the interest of any Owner which may be necessary to exercise the powers granted to the Association as attorney-in-fact.

ARTICLE 12 DAMAGE OR DESTRUCTION

Section 12.1 The Role of the Executive Board. Except as provided in Section 12.6, in the event of damage to or destruction of all or part of any Common Area improvement, or other property covered by insurance written in the name of the Association under Article 9, the Executive Board shall arrange for and supervise the prompt repair and restoration of the damaged Property (the Property insured by the Association pursuant to Article 9 is sometimes referred to as the "Association-Insured Property").

Section 12.2 Estimate of Damages or Destruction. As soon as practicable after an event causing damage to or destruction of any part of the Association-Insured Property, the Executive Board shall, unless such damage or destruction shall be minor, obtain an estimate or estimates that it deems reliable and complete of the costs of repair and reconstruction. "Repair and reconstruction" as



used in this Article shall mean restoring the damaged or destroyed improvements to substantially the same condition in which they existed prior to the damage or destruction. Such costs may also include professional fees and premiums for such bonds as the Executive Board or the Insurance Trustee, if any, determines to be necessary.

Section 12.3 Repair and Reconstruction. As soon as practical after the damage occurs and any required estimates have been obtained, the Association shall diligently pursue to completion the repair and reconstruction of the damaged or destroyed Association-Insured Property. As attorney-in-fact for the Owners, the Association may take any and all necessary or appropriate action to effect repair and reconstruction of any damage to the Association-Insured Property, and no consent or other action by any Owner shall be necessary. Assessments of the Association shall not be abated during the period of insurance adjustments and repair and reconstruction.

Section 12.4 Funds for Repair and Reconstruction. The proceeds received by the Association from any hazard insurance carried by the Association shall be used for the purpose of repair and reconstruction of the Association-Insured Property.

If the proceeds of the Association's insurance are insufficient to pay the estimated or actual cost of such repair and reconstruction, or if upon completion of such work the insurance proceeds for the payment of such work are insufficient, the Association may, pursuant to Section 10.6 but subject to applicable law, levy, assess, and collect in advance from the Owners, without the necessity of a special vote of the Owners, a Special Assessment sufficient to provide funds to pay such estimated or actual costs of repair and reconstruction. Further levies may be made in like manner if the amounts collected prove insufficient to complete the repair and reconstruction.

Section 12.5 Disbursement of Funds for Repair and Reconstruction. The insurance proceeds held by the Association and the amounts received from the Special Assessments provided for above constitute a fund for the payment of the costs of repair and reconstruction after casualty. It shall be deemed that the first money disbursed in payment for the costs of repair and reconstruction shall be made from insurance proceeds and the balance from the Special Assessments. If there is a balance remaining after payment of all costs of such repair and reconstruction, such balance shall be distributed to the Owners in proportion to the contributions each Owner made as Special Assessments, then in equal shares per Lot, if any, to the Owners thereof, as their interests appear or, in the reasonable discretion of the Executive Board, the balance may be paid to any maintenance or working capital reserves maintained by the Executive Board.

Section 12.6 Decision Not to Rebuild Common Area. If Owners representing at least seventy-five percent (75%) of the total allocated votes in the Association, all directly adversely affected Owners and Declarant (to the extent Declarant still owns an interest in a Lot) agree in writing not to repair and reconstruct improvements within the Common Area and if no alternative improvements are authorized, then and in that event the damaged property shall be restored to its natural state and maintained as an undeveloped portion of the Common Area by the Association in a neat and attractive condition.



**ARTICLE 13
CONDEMNATION**

Section 13.1 Rights of Owners. Whenever all or any part of the Common Area shall be taken by any authority having power of condemnation or eminent domain or whenever all or any part of the Common Area is conveyed in lieu of a taking under threat of condemnation by the Executive Board acting as attorney-in-fact for all Owners under instructions from any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice of the taking or conveying. The Association shall act as attorney-in-fact for all Owners in the proceedings incident to the condemnation proceeding, unless otherwise prohibited by law.

Section 13.2 Partial Condemnation; Distribution of Award; Reconstruction. The award made for such taking shall be payable to the Association as trustee for those Owners for whom use of the Common Area was conveyed, and the award shall be disbursed as follows:

If the taking involves a portion of the Common Area on which improvements have been constructed, then, unless within sixty days after such taking Declarant (to the extent Declarant still owns an interest in a Lot) and Owners who represent at least seventy-five percent (75%) of the votes of all of the Owners shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Area to the extent lands are available for such restoration or replacement in accordance with plans approved by the Executive Board and the Design Review Board. If such improvements are to be repaired or restored, the provisions in Article 12 above regarding the disbursement of funds in respect to casualty damage or destruction which is to be repaired shall apply. If the taking does not involve any improvements on the Common Area, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be distributed in equal shares per Lot among the Owners, as their interests appear.

Section 13.3 Complete Condemnation. If all of the Property is taken, condemned, sold or otherwise disposed of in lieu of or in avoidance of condemnation, then the regime created by this Declaration shall terminate, and the portion of the condemnation award attributable to the Common Area shall be distributed as provided in Section 12.5 above.

**ARTICLE 14
DESIGN GUIDELINES AND DESIGN REVIEW BOARD**

Section 14.1 Design Review Board and Guidelines. There is hereby established a Design Review Board (the "Design Review Board"), which will be responsible for the establishment and administration of Design Guidelines to facilitate the purpose and intent of this Declaration.

Section 14.2 Purpose and General Authority. The Design Review Board will review, study and either approve or reject proposed improvements on the Property, all in compliance with this Declaration and as further set forth in the Design Guidelines and such rules and regulations as the Design Review Board may establish from time to time to govern its proceedings. No improvement will be erected, placed, improved, reconstructed, replaced, repaired or otherwise altered, nor will any



construction, repair or reconstruction be commenced until plans for the improvements shall have been approved by the Design Review Board; provided, however, improvements that are completely within a dwelling structure may be undertaken without such approval.

Section 14.3 Board Discretion. The Design Review Board will exercise its best judgment to see that all improvements conform and harmonize with any existing structures as to external design, quality and type of construction, seals, materials, color, location on the building site, height, grade and finished ground elevation, landscaping, and the schemes and aesthetic considerations set forth in the Design Guidelines and other Association Documents. The Design Review Board, in its sole discretion but in compliance with the County Documents, this Declaration, and other restrictions and easements to which the Property is subject, may excuse compliance with such requirements as are not necessary or appropriate in specific situations and may permit compliance with different or alternative requirements. The approval by the Design Review Board of improvements on the Property shall carry no precedential weight when reviewing subsequent requests for approvals, and the Design Review Board shall not be required to approve requests for the same or similar improvements.

Section 14.4 Design Guidelines. The Design Guidelines may include, among other things, at the sole discretion of the Design Review Board, the restrictions and limitations set forth below:

14.4.1 Procedures and necessary fees for making application to the Design Review Board for design review approval, including the documents to be submitted and the time limits in which the Design Review Board must act to approve or disapprove any submission.

14.4.2 Time limitations for the completion, within specified periods after approval, of the improvements for which approval is required under the Design Guidelines.

14.4.3 Minimum and maximum square foot areas of living space that may be developed on any Lot.

14.4.4 Landscaping regulations, with limitations and restrictions prohibiting the removal or requiring the replacement of existing trees, the type and use of plants, and other practices benefiting the protection of the environment, conservation of water, aesthetics and architectural harmony of Timber Springs.

14.4.5 General instructions for the construction, reconstruction, refinishing or alteration of any improvement, including any plan to excavate, fill or make any other temporary or permanent change in the natural or existing surface contour or drainage or any installation or utility lines or conduits on the Property, addressing matters such as loading areas, waste storage, trash removal, equipment and materials storage, grading, transformers and meters.

14.4.6 Requirements for and restrictions on the location of a leach field for any Lot to assure that there is no interference with the use of another Owner's well.

The Design Review Board may amend, repeal and augment the Design Guidelines from time to time, in the Design Review Board's sole discretion. The Design Guidelines will be binding on all



Owners and other persons governed by this Declaration. Notwithstanding the foregoing, the Design Review Board is empowered in its discretion to grant variances from the requirements of the Design Guidelines under unique or unusual circumstances. The Design Review Board is authorized to adopt different Design Guidelines to apply to different portions of the Property within Timber Springs at the discretion of the Design Review Board.

Section 14.5 Design Review Board Membership. The Design Review Board will be composed of not less than three (3) persons nor more than five (5) persons. The Design Review Board need not include any Member of the Association. All of the members of the Design Review Board will be appointed, removed and replaced by Declarant, in its sole discretion, until all the Lots comprising the Property are sold unless required otherwise by Law, or such earlier time as Declarant may elect to voluntarily waive this right by notice to the Association, and at that time the Executive Board will succeed to Declarant's right to appoint, remove or replace the members of the Design Review Board. The Declarant, so long as it is appointing the Design Review Board, and subsequently the Executive Board may appoint the members of another functioning design review entity as the Design Review Board of Timber Springs on the terms and conditions established between those parties. The members of such other design review entity who may act as the Design Review Board for Timber Springs will be bound by the terms of this Declaration and the Design Guidelines created for the Property.

Section 14.6 Organization and Operation of Design Review Board.

14.6.1 The term of office of each member of the Design Review Board, subject to Section 14.5, will be one year, commencing January 1 of each year, and continuing until his successor shall have been appointed. Should a Design Review Board member die, retire or become incapacitated, or in the event of a temporary absence of a member, a successor may be appointed as provided below.

14.6.2 So long as Declarant appoints the Design Review Board, Declarant will appoint the chairman. At such time as the Design Review Board is appointed by the Executive Board, the chairman will be elected annually from among the members of the Design Review Board by a majority vote of such members. In the absence of a chairman, the party responsible for appointing or electing the chairman may appoint or elect a successor, or if the absence is temporary, an interim chairman.

14.6.3 The Design Review Board chairman will take charge of and conduct all meetings and will provide reasonable notice to each member of the Design Review Board prior to any meeting. The notice will set forth the time and place of the meeting, and notice may be waived by any member.

14.6.4 In order to formally conduct business, a majority of members of the Design Review Board must attend any meeting called for the Design Review Board. In addition, the affirmative vote of a majority of the members of the Design Review Board will govern its actions and be the act of the Design Review Board.



14.6.5 The Design Review Board may avail itself of other technical and professional advice and consultants as it deems appropriate, and the Design Review Board may delegate its plan review responsibilities, except final review and approval, to one or more of its members or to consultants retained by the Design Review Board.

Section 14.7 Expenses. Except as provided in this Section below, all expenses of the Design Review Board will be paid by the Association and will constitute a Common Expense. The Design Review Board will have the right to charge a fee for each application submitted to it for review, in an amount which may be established by the Design Review Board from time to time, and such fees will be collected by the Design Review Board and remitted to the Association to help defray the expenses of the Design Review Board's operation. The Design Review Board may, in its discretion, determine that the submitting Owner shall cover all costs and expenses of an application so that few or no expenses are passed through to other Owners as Assessments for Common Expenses. The Design Review Board may retain the services of a third party consultant to assist the Design Review Board in reviewing a particular application. In such event, the Design Review Board may charge the applicant for the professional fees incurred in retaining such consultant.

Section 14.8 Other Requirements. Compliance with the Association's design review process is not a substitute for compliance with Eagle County building, zoning and subdivision regulations, and each Owner is responsible for obtaining all approvals, licenses, and permits as may be required prior to commencing construction.

Further, the establishment of the Design Review Board and procedures for architectural review will not be construed as changing any rights or restrictions upon Owners to maintain and repair their Lots and improvements as otherwise required under the Association Documents.

Section 14.9 Limitation of Liability. The Design Review Board will use reasonable judgment in accepting or disapproving all plans and specifications submitted to it. Neither the Design Review Board nor any individual Design Review Board member will be liable to any person for any official act of the Design Review Board in connection with submitted plans and specifications, except to the extent the Design Review Board or any individual Design Review Board member acted with malice or wrongful intent. Approval by the Design Review Board does not necessarily assure approval by the appropriate governmental body or commission for Eagle County. Notwithstanding that the Design Review Board has approved plans and specifications, neither the Design Review Board nor any of its members will be responsible or liable to any Owner, developer or contractor with respect to any loss, liability, claim or expense which may arise by reason of such approval of the construction of the improvements. Neither the Executive Board, the Design Review Board, nor any agent thereof, nor Declarant, nor any of its partners, employees, agents or consultants will be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the provisions of the Association Documents, or for any structural or other defects in any work done according to such plans and specifications. In all events the Design Review Board will be defended and indemnified by the Association in any such suit or proceeding which may arise by reason of the Design Review Board's decisions. The Association, however, will not be obligated to indemnify each member of the Design Review Board to the extent that any such member of the Design Review Board is adjudged to be liable for malice or wrongful intent in the



performance of his duty as a member of the Design Review Board, unless and then only to the extent that the court in which such action or suit may be brought determines upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expense as such court shall deem proper.

Section 14.10 Enforcement.

14.10.1 Any member or authorized consultant of the Design Review Board, or any authorized officer, Director, employee or agent of the Association may enter upon any Lot at any reasonable time after notice to the Owner, without being deemed guilty of trespass, in order to inspect improvements constructed or under construction on the Lot to determine whether the improvements have been or are being built in compliance with the Association Documents and the plans and specifications approved by the Design Review Board.

14.10.2 Before any improvements on a Lot may be occupied, the Owner of the Lot will be required to obtain a temporary certificate of compliance issued by the Design Review Board indicating substantial completion of the improvements in accordance with the plans and specifications approved by the Design Review Board, and imposing such conditions for issuance of a final certificate of compliance issued by the Design Review Board as the Design Review Board may determine to be appropriate in its reasonable discretion. Without limiting the generality of the preceding sentence, the Design Review Board may require that the Owner deposit with the board at any time (including prior to commencement of construction) such sums as may be necessary to complete the construction and landscaping on the Lot by a specified date. If the construction and landscaping is not completed as scheduled, the Design Review Board may apply the deposit to cover the cost of completing the work and enforce such other remedies as are available to the Association for the failure of the Owner to comply with these covenants, including without limitation the remedies set forth in this Section.

14.10.3 Upon completion of construction, the Design Review Board will issue an acknowledged certificate of compliance setting forth generally whether, to the best of the Design Review Board's knowledge, the improvements on a particular Lot are in compliance with the terms and conditions of the Design Guidelines.

14.10.4 Every violation of these covenants is hereby declared to be and to constitute a nuisance, and every public or private remedy allowed for such violation by law or equity against a Member will be applicable. Without limiting the generality of the foregoing, these covenants may be enforced as provided below:

14.10.5 The Design Review Board may adopt a schedule of fines for failure to abide by the Design Review Board rules and the Design Guidelines, including fines for failure to obtain any required approval from the Design Review Board.

14.10.6 The Association, upon request of the Design Review Board and after reasonable notice to the offender and, if different, to the Owner, may enter upon any Lot at any reasonable time, without being deemed guilty of trespass, and remove any improvement constructed,

reconstructed, refinished, altered or maintained in violation of these covenants. The Owner of the improvement will immediately reimburse the Association for all expenses incurred in connection with such removal. If the Owner fails to reimburse the Association within thirty (30) days after the Association gives the Owner notice of the expenses, the sum owed to the Association will bear interest at the default rate from the date of the advance by the Association through the date of reimbursement in full, and all such sums and interest will be a Default Assessment enforceable as provided in Article 10.

14.10.7 All improvements commenced on the Property will be prosecuted diligently to completion and will be completed within two (2) years after commencement, unless an exception is granted in writing by the Design Review Board. If an improvement is commenced and construction is then abandoned for more than ninety (90) days, or if construction is not completed within the required two (2) year period, then after notice and opportunity for hearing, the Association may impose a fine of \$1,000 per day (or such other reasonable amount as the Association may set) to be charged against the Owner of the Lot until construction is resumed, or the improvement is either completed or removed so that the Lot is put back in its natural state, as applicable, unless the Owner can prove to the satisfaction of the Executive Board that such abandonment is for circumstances beyond the Owner's control. Such charges will be a default Assessment and lien as provided in Article 10.

Section 14.11 Binding Effect. The actions of the Design Review Board in the exercise of its discretion, by its approval or disapproval of plans and other information submitted to it or with respect to any other matter before it, will be conclusive and binding on all interested parties.

ARTICLE 15 PROPERTY USE RESTRICTIONS

Section 15.1 Intent and Purpose. The primary purpose of this Article is to describe the standards, restrictions and regulations which govern development and land use within the Property subject to this Declaration. Additionally, the purpose of this Article is to ensure that Timber Springs is developed as a comprehensively planned residential community. Timber Springs is intended to be an exclusive neighborhood containing eight (8) residential Building Envelopes, each carefully placed within a Lot of thirty-five (35) acres or more in size. The Building Envelopes are sited to allow for the creation of large areas of open space. This residential neighborhood will provide for protection for wildlife habitats and retain much of the character of the natural environment.

This Declaration is intended to supplement the standard zoning provisions contained in the Eagle County Land Use Regulations, as amended, and is not intended to supersede or replace any portion thereof or any other applicable law, regulation or ordinance regarding use of the Property. The Declaration supplements the standard zoning provisions of Eagle County with site specific restrictions that are more appropriate to the specific conditions of lands contained within the development of Timber Springs.

Section 15.2 General Restriction. The Property will not be used for any purpose other than as set forth in these covenants, the Design Guidelines and the other Association Documents, any



applicable ordinances of Eagle County, the laws of the State of Colorado and the United States, or other specific recorded covenants affecting all or any part of the Property. In all cases where there is a conflict between such documents, the more restrictive provision shall prevail.

Section 15.3 Enforcement. The provisions of this Article are enforceable by the authority and powers of the Association; provided, however, any provisions or regulations set forth in the County Documents are also enforceable by Eagle County. All provisions set forth in this Article and in this Declaration shall run in favor of the Owners and occupants of the Property within Timber Springs to the extent expressly provided in this Declaration and in accordance with its terms and conditions.

Section 15.4 Building Envelopes. Each Lot within Timber Springs shall have a building envelope as described and shown on Exhibits B-1 through B-8 (the "Building Envelope"). No structures or other improvements of any kind, including, without limitation, a residence, garage or ancillary structures, shall be constructed or allowed to exist on any Lot except within the Building Envelope for such Lot, except for (i) fences, driveways and associated bridges (for stream crossings), entrance monuments, address markers, utility structures, wells, well houses, leach fields, domestic irrigation structures, trails, footpaths, permitted signs, existing improvements and any other uses as approved by the Design Review Board, and (ii) roads, trails, footpaths and utility improvements to be constructed hereunder by or at the instance of Declarant. Declarant reserves the right, as to any Lot(s) of which it is the record owner, to amend the Building Envelope of such Lot(s) by executing and filing for record an amendment to this Declaration, which amendment need be signed by Declarant only.

Section 15.5 Building Envelope Adjustments. An amendment to the Building Envelope on any Lot may occur only if approved by the Design Review Board in accordance with the following process:

15.5.1 The applicant must submit the following information with their request for a Building Envelope amendment:

15.5.1.1 a properly executed application clearly stating the reason for the requested change;

15.5.1.2 a list of all Owners and other property owners within seventy-five (75) feet of the outer boundaries of the Lot in which the Building Envelope adjustment is being proposed (along with letters of approval from any of the described property owners);

15.5.1.3 building site plans describing all boundaries of the Lot and old and new Building Envelopes; and

15.5.1.4 five (5) copies of a proposed amendment to this Declaration (together with a revised Exhibit B of the relevant Lot) and a survey of the Lot which defines the current Building Envelope, the proposed change and the percentage change of acreage of the Building Envelope.



The foregoing shall collectively constitute the "Amendment". The Amendment will be referred to members of the Design Review Board for review and comment. The Design Review Board will review the Amendment and submittal information to determine the following:

15.5.1.5 that the proposed Amendment will not substantially impact in an adverse manner the view corridor of any property owner to whom notice of the proposed Amendment has been sent, or is required by geologic or other hazard considerations;

15.5.1.6 that the envelope change does not materially and adversely affect wetlands or riparian areas;

15.5.1.7 that the envelope change does not adversely impact ridgelines nor create any increase in impacts to ridgelines;

15.5.1.8 that the Amendment is not inconsistent with the intent of the overall layout of Timber Springs; and

15.5.1.9 that the Amendment is not an alteration of a restrictive plat note or other type of restriction of record.

15.5.2 Upon determination that the above criteria has been met, the Design Review Board will request that the Amendment be executed. Appeals to the Design Review Board's decision may be made to the Association's Executive Board. Once approved, the Association and the Owner will execute the Amendment which will then be recorded in the real property records of Eagle County, Colorado.

Section 15.6 Use of Lots. Subject to Section 15.36, which permits certain business uses of a Lot, and Section 3.5.6, which permits model residences and offices under certain circumstances, each Lot may be used only for single family residential purposes in accordance with the restrictions applicable to a particular Lot contained in the Association Documents, the Map, the Design Guidelines and the County Documents.

Section 15.7 Building Height. Building height is restricted pursuant to the Design Review Guidelines and the Eagle County Land Use Regulations, as amended, whichever is more restrictive.

Section 15.8 Parking. The following parking restrictions shall apply, unless further restricted by the Eagle County Land Use Regulations, as amended:

15.8.1 Single-family residences require a minimum of two (2) parking spaces.

15.8.2 All parking must be located within the Building Envelope.

15.8.3 For each dwelling unit there shall be provided a minimum of one (1) parking space within a fully enclosed garage.

15.8.4 The back-up space in front of one (1) garage parking stall may count as one (1) parking space.

15.8.5 The minimum size of an outside parking space shall be nine (9) feet x seventeen (17) feet.

15.8.6 A space equal in area to twenty-five percent (25%) of the parking and driveway areas shall be available for snow storage.

Section 15.9 No Interference with Water Rights. Each Owner acknowledges that water which lies within or travels through his Lot may not be owned by such Owner or the Association and that water sources within the Property shall generally be owned by third parties. NOTWITHSTANDING THE TERMS OF SECTION 8.14 OR ANY OTHER PROVISIONS IN THIS DECLARATION TO THE CONTRARY, THE OWNERS AND THE ASSOCIATION SHALL TAKE NO ACTIONS WHICH MAY OR SHALL INTERFERE WITH THE FLOW OF WATER AS MAY EXIST FROM TIME TO TIME, NOR SHALL SUCH PARTIES BE ENTITLED TO REMOVE, MODIFY, OPERATE, INTERFERE WITH OR HANDLE IN ANY MANNER THE IMPROVEMENTS RELATED TO ANY SUCH WATER RIGHTS WHICH EXIST FROM TIME TO TIME ON THE PROPERTY, INCLUDING THE LOTS.

Section 15.10 Compliance with Wetlands Laws. Some or all of the Lots contain wetlands which may be regulated or protected or the use of which may be restricted or prohibited under local, state and/or federal laws, rules and regulations. The Owners from time to time of the Lots agree to abide by any permits, regulations, restrictions or prohibitions on the use and/or alteration of such portion of any of the Lots as may be classified or considered as wetlands which may be imposed from time to time under such local, state or federal laws, rules and regulations, including, without limitation, the terms of those certain permits for stream crossings by private driveways for Owners to access their Lots.

Section 15.11 Excavation. No excavation will be made except in connection with improvements approved as provided in the Design Guidelines, the Association Documents and the County Documents. For purposes of this Section, "excavation" means any disturbance of the surface of the land which results in a removal of earth, rock, trees or other substance a depth of more than eighteen (18) inches below the natural surface of the land.

Section 15.12 Oil and Gas Wells. No well from which oil or gas is produced will be dug, nor will storage tanks, reservoirs or other facilities related to oil and gas production be made or operated, anywhere on the Property.

Section 15.13 Antennae. To the extent allowed under current Federal Communications Commission regulations and other applicable laws, no exterior radio, television, microwave or other antennae or signal capture and distribution device will be permitted without appropriate screening and the prior written consent of the Design Review Board, and satellite dishes shall be appropriately regulated by the Design Review Board.

Section 15.14 Animals and Pets. No Owner shall keep, raise or breed any animals, livestock, or poultry of any kind on any portion of the Property, except dogs, cats or other household pets permitted by the Design Guidelines.

The number of dogs is limited to two (2) and offspring up to three (3) months old. Residents will be prohibited from harboring dogs on their property unless they have adequate facilities (i.e., a fenced yard, dog run, or kennel) to contain the animals. Enclosed runs must be located immediately adjacent to the home, within the Lot's Building Envelope and shall not exceed 1,000 square feet. Homeowners are encouraged to enclose runs to protect dogs from possible mountain lion predation. At no time are dogs to be allowed to run freely. When dogs move beyond their Owner's property line, the dog must be controlled by a leash of no more than 12 feet in length, under the direct control of its Owner or authorized representative, unless the dog is legally hunting with its Owner or authorized representative, or is being trained for such a purpose. Visitors should not bring dogs on-site. Guests of homeowners shall comply with all Timber Springs dog control measures.

Contractors, subcontractors, guests (other than those of Owners), visitors, delivery people, etc. shall be prohibited from bringing dogs onto the Property, even if dogs would be kept inside vehicles. Violation of the dog policy by a person(s) other than a resident shall result in the immediate eviction of the dog and the dog's owner or representative from Timber Springs. In the event of a second violation by the same dog and/or the same dog's owner, the dog and the dog's owner or representative shall be immediately evicted from Timber Springs, and the offending person in question shall be prohibited from Timber Springs for the following seven (7) consecutive calendar days. In the event of a third violation, the offending person in question shall be prohibited from Timber Springs for the following six (6) consecutive calendar months.

Animals which, in the sole discretion of the Executive Board, make objectionable noise, endanger the health or safety of, or constitute a nuisance or inconvenience to, the occupants of other Lots or wildlife shall be removed upon request of the Executive Board. If the animal owner fails to honor such request, the Executive Board may remove the animal.

Section 15.15 Wildlife Measures. The following measures will be required to reduce potential bear and mountain lion problems:

15.15.1 There shall be no outside storage of any trash or garbage, no matter how briefly (e.g., overnight), at any residence or anywhere within the development, unless it is contained within individual bear-proof containers which meet North American Bear Society, Colorado Department of Wildlife, or U.S. National Park Service specifications. They are non-mobile and are generally cemented on a stand at the junction of a resident's driveway and the local road.

15.15.2 Prior to disposal, any refuse that might attract bears should be kept within the garage in a suitable receptacle with a tight-fitting lid. Refuse should not be kept within detached garages or sheds because these structures are more likely to be broken into by bears. Trash containers should be taken to the collection points (e.g., the end of driveways) the morning of collection.

15.15.3 There shall be no dumps or underground disposal of refuse within the development. Buried garbage will attract bears.

15.15.4 Residents will be prohibited from using a garden compost pile, unless the compost pile is bear-proof, meeting North American Bear Society, Colorado Department of Wildlife, or U.S. National Park Service specifications. Residents will also be educated that household and garden waste contributions to compost piles compose the materials that can attract bears and create problems. Compost yard waste consisting of leaves, grass, small branches, etc. do not usually attract bears.

15.15.5 Pets shall not be fed outside. Bowls of pet food left on the back deck will attract bears and other predators (e.g., coyotes) and nuisance species (e.g., skunks) of wildlife. Some of these wildlife species may carry disease that can be transmitted to pets.

15.15.6 With the exception of bird feeders, the feeding, baiting, salting, or other means of attracting wildlife to individual yards will be prohibited.

Section 15.16 Landscape Plans.

15.16.1 Landscape plans must be reviewed and approved by the Design Review Board prior to construction.

15.16.2 Landscape plans may be submitted to Eagle County along with building permit applications as may be required.

15.16.3 All fencing is subject to Design Review Board approval.

15.16.4 Homeowners will be permitted a privacy fence to enclose up to 5,000 square feet (e.g., around a hot tub), provided it is immediately adjacent to the house and it is entirely within the designated Building Envelope. Fencing is also permitted around a swimming pool and garden, provided it is also clustered within the Building Envelope. Fencing may be subject to more restrictive provisions as stated in the Design Guidelines or other documents related to the Property.

Section 15.17 Signs. The following sign code shall apply, unless further restricted by the Eagle County Land Use Regulations, as amended:

15.17.1 All real estate signs are subject to the Design Review Board's approval and may be prohibited.

15.17.2 All signs, entry features and address signs within Timber Springs must comply with the Eagle County Land Use Regulations, as amended, and receive the Design Review Board's approval before installation or placement.

15.17.3 If in compliance with the Eagle County Land Use Regulations, as amended, signs may be lighted by directed spot or flood lights or may be lit by back or surrounding lights. No bulbs may be visible from any other Lot within Timber Springs.

15.17.4 A sign permit shall be obtained from the Eagle County Planning Department for all signs, unless otherwise exempted by the Eagle County Land Use Regulations, as amended.

Section 15.18 Drainage. No Owner will do or permit any work, place any landscaping or install any other improvements or suffer the existence of any condition whatsoever which will alter or interfere with the drainage pattern for the Property, except to the extent such alteration and drainage pattern is approved in writing by the Executive Board and the Design Review Board. In addition, rights are reserved to Declarant to alter or change drainage patterns.

Section 15.19 Construction Regulations of the Design Guidelines. All Owners and contractors will comply with the portions of the Design Guidelines regulating construction activities. Such regulations may affect, without limitation, the following: trash and debris removal; sanitary facilities; parking areas; outside storage; restoration of damaged property; conduct and behavior of builders, subcontractors and Owners' representatives on the Property at any time; the conservation of landscape materials; and fire protection. All land surface disturbed by construction or erosion must be satisfactorily revegetated. The Design Review Board may require additional revegetation work, if it deems it necessary.

Section 15.20 Temporary Structures. No temporary structures will be permitted except as may be determined to be necessary during construction and as specifically authorized by the Design Review Board.

Section 15.21 No Conversion. No Owner shall construct or convert any carport, garage, attic or other unfinished space, other than a basement, to finished space for use as an apartment or other integral part of the living area on any residence without approval of the Design Review Board, the Association and the Eagle County Building Department.

Section 15.22 No Outside Clotheslines. No laundry or wash will be dried or hung outside on the Property.

Section 15.23 Motorized Vehicles. The recreational use of snowmobiles, all-terrain vehicles, off-road motorcycles and other similar motorized vehicles are prohibited within Timber Springs. No trucks, trail bikes, recreational vehicles, motor homes, motor coaches, snowmobiles, campers, trailers, boats or boat trailers or similar vehicles other than passenger automobiles or pickup or utility trucks with a capacity of three-quarter ton or less or any other motorized vehicles will be parked, stored or in any manner kept or placed on any portion of the Property except in an enclosed garage or as otherwise expressly permitted in the Design Guidelines. This restriction, however, will not be deemed to prohibit commercial and construction vehicles and construction mobile offices, in the ordinary course of business, from making deliveries or otherwise providing services to the Property or for Declarant or the other Owners.

Section 15.24 Parking and Auto Repair. No automobiles or other vehicles will be parked in any Road or upon any portion of the Property except within garages, carports or designated parking areas except as provided herein or in the Design Guidelines. No work on automobiles or other

vehicle repair will be performed in any visible or exposed portion of the Property except in emergencies.

Section 15.25 Abandoned, Inoperable or Oversized Vehicles. No abandoned or inoperable vehicles of any kind will be stored or parked on any portion of the Property, other than within enclosed garages, except as provided below or in the Design Guidelines. "Abandoned or inoperable vehicle" is defined as any vehicle which has not been driven under its own propulsion for a period of three weeks or longer; provided, however, this will not include vehicles parked by Owners while on vacation or residing away from Timber Springs. A written notice describing the "abandoned or inoperable vehicle" and requesting its removal may be personally served upon the Owner or posted on the unused vehicle. If such vehicle has not been removed within seventy-two (72) hours after notice has been given, the Association will have the right to remove the vehicle without liability, and the expense of removal will be a Default Assessment charged against the Owner as provided in Article 10. All unsightly or oversized vehicles or equipment may be required by Declarant or the Executive Board to be stored at a designated location or locations. "Oversized" vehicles, for purposes of this Section, will be vehicles which are too high to clear the entrance to a residential garage.

Section 15.26 Outside Burning. There will be no exterior fires, except barbecues, outside fireplaces, braziers and incinerator fires contained within facilities or receptacles and in areas designated and approved by the Design Review Board. No Owner will permit any condition upon its portion of the Property which creates a fire hazard or is in violation of fire prevention regulations. No Owner shall emit from his Lot any noxious or offensive smoke or fumes.

Section 15.27 Noise. No exterior horns, whistles, bells or other sound devices except security devices used exclusively to protect the security of the Property or improvements, will be placed or used on any portion of the Property.

Section 15.28 Lighting. All exterior lighting of the improvements and grounds on the Property, or interior lighting visible outside of any building, will be for safety purposes only and will be subject to regulation by the Design Review Board.

Section 15.29 Camping and Picnicking. No camping or picnicking will be allowed within the Property except in those areas, if any, designated within the Common Area for those purposes. The Executive Board, in its discretion, may ban or permit public assemblies or events within the Property.

Section 15.30 Nuisance. No obnoxious or offensive activity will be carried on within the Property, nor will anything be done or permitted which will constitute a public nuisance. No noise or other nuisance will be permitted to exist or operate upon the Property so as to be offensive or detrimental to any other part of the Property or its occupants.

Section 15.31 Hazardous Materials. No Owner will dispose or allow any person under the Owner's control or direction to release, discharge or emit from the Property or dispose of any

material on the Property that is designated as hazardous or toxic under any federal, state or local law, ordinance or regulation.

Section 15.32 General Practices Prohibited. The following practices are prohibited at Timber Springs:

15.32.1 Allowing construction suppliers and contractors to clean their equipment other than at a location designated for that purpose by the Design Review Board;

15.32.2 Removing any rock, plant material, top soil or similar items from any property of others;

15.32.3 Allowing noxious weeds to grow without control and elimination;

15.32.4 Allowing dead or downed vegetation which may contribute to wildfire hazard to accumulate without elimination by the Lot Owner;

15.32.5 Use of surface water for construction;

15.32.6 Careless disposition of cigarettes and other flammable materials;

15.32.7 Capturing, trapping, harassing or killing of wildlife within the Property, except in circumstances posing an imminent threat to the safety of persons using the Property and except as may be permitted by law; or

15.32.8 Any activity which materially disturbs, threatens or destroys the vegetation, wildlife, wetlands, or air quality within the Property or which uses excessive amounts of water or which results in unreasonable levels of sound or light pollution.

Section 15.33 Partition or Combination of Lots. No part of a Lot may be partitioned or separated from any other part thereof. No Lots may be combined, but the Owner of two or more contiguous Lots may build one single family dwelling unit on the contiguous Lots, upon complying with all applicable requirements of Eagle County and with all applicable Design Guidelines.

The fact that two or more contiguous Lots may be owned by one person and developed with one single family dwelling unit will not affect the number of votes or the amount of Assessments allocated to the Lots. If the Owner is required by Eagle County or any other governmental authority to replat the Lots in order to construct improvements thereon, the number of votes and the allocation of Assessments to the Lots after replatting will equal the sum of the votes and Assessments allocated to the Lots before replatting. Each Lot will be conveyed, transferred, gifted, devised, bequeathed, encumbered or otherwise disposed of, as the case may be, with all appurtenant rights and interests created by law or by this Declaration, including the Owner's membership in the Association and the right to use the Common Area, and with the appropriate allocation of voting rights and liability for Assessments established for the Lot as provided in this Declaration.

Section 15.34 No Timeshare. No timesharing, fraction-sharing, or similar program whereby the right to exclusive use of a Lot rotates among participants in the program on a fixed or floating time schedule over a period of years shall be created with respect to any Lot without the prior approval of the Association.

Section 15.35 Leasing. The Owner of a Lot will have the right to lease his Lot, subject to the following conditions:

15.35.1 All leases will be in writing.

15.35.2 The lease shall be specifically subject to the Association Documents, and any failure of a tenant to comply with the Association Documents will be a default under the lease, enforceable by the Association. The lease shall contain a provision which states that it shall be subject to the Association Documents and that breach of same shall be an event of default under the Lease enforceable by the Association.

15.35.3 Any default by the Owner's tenant under any provision of this Declaration, the Bylaws or the Association Rules shall be deemed a default by the Owner thereunder and shall entitle the Association to all remedies for such default as provided in this Declaration as against the Owners and such Owner's tenant. The Owner shall be liable for any violation of the Association Documents committed by the Owner's tenant, without prejudice to the Owner's right to collect any sums paid by the Owner on behalf of the tenant.

Section 15.36 Businesses. No Owner shall conduct any business, trade, garage sale, moving sale, rummage sale or similar activity on any Lot, except in compliance with the Association Documents and the County Documents. An Owner or occupant residing on a Lot may conduct typical "home-office" business activities within the residence so long as: (a) the existence or operation of the business activity is undetectable to the senses of sight, sound or smell from outside the residence; (b) the business activity conforms to all zoning requirements for the Property; (c) the business activity may be carried out within the confines of the residence and is free from regular visitation of the residence by clients, customers, suppliers or other business invitees or door-to-door solicitation of residents of the Property; and (d) the business activity is consistent with the residential character of the Property. Without limiting the generality of the foregoing, in no event shall any Lot be used for any mechanical repair business, manufacturing business, or other similar industrial use. In addition, operating a bed and breakfast accommodation is specifically prohibited in Timber Springs.

This subsection shall not apply to any activity conducted by the Declarant or a builder approved by the Declarant with respect to the development and sale of the Property, or the Declarant's use of any Lot.

Section 15.37 Compliance with Laws. Subject to the rights of reasonable contest, each Owner will promptly comply with the provisions of all applicable laws, regulations, ordinances, and other governmental or quasi-governmental regulations with respect to all or any portion of the Property, including, without limitation, the County Documents.

Section 15.38 Enforcement. Notwithstanding anything in the foregoing to the contrary, the Executive Board may prohibit any activity, business or otherwise, which, in the sole direction of the Executive Board, constitutes a nuisance, or a hazardous or offensive use, or threatens the value of the Property or any Lot or the security, safety, or quiet enjoyment of other residents of the Property. The Association may take such action as it deems advisable to enforce these covenants as provided in this Declaration. In addition, the Association will have a right of entry on any part of the Property for the purposes of enforcing these covenants, and any costs incurred by the Association in connection with such enforcement (including, without limitation, attorneys' and legal assistants' fees and expenses and costs of suit) which remain unpaid thirty (30) days after the Association has given notice of the cost to the Owner will be subject to interest at the default rate from the date of the advance by the Association through the date of payment in full by the Owner, and will be treated as a Default Assessment enforceable as provided in Article 10.

Section 15.39 Use of the Word "Timber Springs" or Logo. No Person shall use the word "Timber Springs" or any derivative of any of them, or any other name given to the Property by the Declarant, or the logo of the development in any printed or promotional material without Declarant's prior written consent. Any breach of this agreement by an Owner shall entitle the Declarant to immediate injunctive relief and reasonable attorneys' fees as determined by the court. However, Owners may use the terms "Timber Springs" in printed or promotional matter where such term is used solely to specify that particular property is located within Timber Springs, and the Association shall be entitled to use the words "Timber Springs" in its name.

ARTICLE 16 DURATION OF COVENANTS AND AMENDMENT

Section 16.1 Term. The covenants and restrictions of this Declaration shall run with and bind the land in perpetuity.

Section 16.2 Amendment. This Declaration, or any provision of it, may be amended at any time by a vote of seventy percent (70%) of the Owners of Lots at a meeting of the Owners called for that purpose or by written consent; provided, however, (a) any provision of this Declaration requiring a vote of more than seventy percent (70%) of the Owners of Lots to be effective may only be amended by a vote of the applicable number of Owners or aggregate voting interest stated in such provision, and (b) any amendment which materially adversely affects one or more Owners shall require the consent of such Owner(s). Any amendment must be executed by the President of the Association and recorded, and approval of such amendment may be shown by attaching a certificate of the Secretary of the Association to the recorded instrument certifying the approval of a sufficient number of Owners of the amendment. No amendment to the Declaration which affects the rights of Declarant reserved hereunder shall be valid without the written consent of Declarant. Notwithstanding the foregoing, Declarant, acting alone, reserves to itself the right and power to modify and amend this Declaration and/or the Map to correct clerical, typographical or technical errors, or to comply with the requirements, standards, or guidelines of recognized secondary mortgage markets, the Department of Housing and Urban Development, the Federal Housing Administration, the Veterans Administration, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or the Federal National Mortgage Association.



Section 16.3 Revocation. This Declaration shall not be revoked or terminated, except as provided in Article 13 regarding total condemnation, without the consent of ninety percent (90%) of the Owners at a meeting of the Owners called for that purpose or by written consent, evidenced by a written instrument duly recorded.

ARTICLE 17 DISTRICTS

The Association shall have the power, and is hereby authorized, to contract with and to cooperate with the Districts in order to ensure that their respective responsibilities are discharged. The Association is further authorized to act on behalf of its Members to ensure that the level of services provided by the Districts, if created, is consistent with the community-wide standard.

Each Owner, by acceptance of his or her deed or recorded contract of sale, is deemed to covenant and consent to (a) the creation of and/or inclusion within the Districts, and (b) execute a separate document so consenting to the creation of and/or inclusion within the Districts, if requested to do so by the Declarant.

ARTICLE 18 ALTERNATIVE DISPUTE RESOLUTION

Section 18.1 Agreement to Avoid Costs of Litigation and to Limit Right to Litigate Disputes. Declarant, the Association, its officers, directors and committee members, all persons subject to this Declaration, and any person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, "Bound Parties") agree to encourage the amicable resolution of disputes involving the Property without the emotional and financial costs of litigation. Accordingly, each Bound Party covenants and agrees that those claims, grievances or disputes described herein ("Claims") shall be resolved using the procedures set forth below in lieu of filing suit in any court or initiating proceedings before any administrative tribunal seeking redress or resolution of such Claim.

Section 18.2 Claims. Unless specifically exempted below, all claims, grievances or disputes arising out of or relating to the interpretation, application or enforcement of the Association Documents, or the rights, obligations and duties of any Bound Party under the Association Documents or relating to the design or construction of improvements on the Property shall be subject to the provisions of this Section.

Notwithstanding the above, unless all parties thereto otherwise agree, the following shall not be Claims and shall not be subject to the provisions of this Section:

18.2.1 Any suit by the Association against any Bound Party to enforce the provisions of Article 10 (Assessments);

18.2.2 Any suit by the Association to obtain a temporary restraining order (or equivalent emergency equitable relief) and such other ancillary relief as the court may deem

necessary in order to maintain the status quo and preserve the Association's ability to enforce the architectural standards and use restrictions and rules;

18.2.3 Any suit between Owners, which does not include Declarant or the Association as a party, seeking redress on the basis of a Claim which would constitute a cause of action under federal law or the law of the State of Colorado in the absence of a claim based on the Declaration, Articles, Bylaws, Association Rules or other Association Documents, if the amount in controversy exceeds \$25,000.00;

18.2.4 Any suit by the Association in which similar or identical claims are asserted against more than one Bound Party;

18.2.5 Any suit by a Bound Party for declaratory or injunctive relief which seeks a determination as to applicability, clarification or interpretation of any provision of this Declaration;

18.2.6 Any suit in which any indispensable party is not a Bound Party; and

18.2.7 Any suit as to which any applicable statute of limitations would expire within 180 days of giving the notice required below.

With the consent of all parties thereto, any of the above may be submitted to the alternative dispute resolution procedures set forth below.

Section 18.3 Notice. Any Bound Party having a Claim ("Claimant") against any other Bound Party ("Respondent") (collectively, the "Parties") shall notify each Respondent in writing (the "Notice"), stating plainly and concisely:

18.3.1 The nature of the Claim, including the Persons involved and Respondent's role in the Claim;

18.3.2 The legal basis of the Claim (i.e., the specific authority out of which the Claim arises);

18.3.3 Claimant's proposed remedy; and

18.3.4 That Claimant will meet with Respondent to discuss in good faith ways to resolve the Claim.

Section 18.4 Negotiation and Mediation.

18.4.1 The Parties shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If requested in writing, accompanied by a copy of the Notice, the Executive Board may appoint a representative to assist the Parties in resolving the dispute by negotiation. If the Parties do not resolve the Claim within thirty (30) days of the date of the Notice (or within such other period as may be agreed upon by the Parties) ("Termination of Negotiations"), Claimant shall have thirty (30) additional days to submit the Claim

to mediation under the auspices of a reputable and knowledgeable mediation group providing such services in Eagle County, or if the Parties otherwise agree, to an independent agency providing dispute resolution services in the Eagle County, Colorado area.

18.4.2 If Claimant does not submit a claim to mediation within thirty (30) days after Termination of Negotiations, or does not appear for the mediation, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to any person other than the Claimant.

18.4.3 Any settlement of the Claim through mediation shall be documented in writing by the mediator. If the Parties do not settle the Claim within thirty (30) days after submission of the matter to the mediation process, or within such time as determined by the mediator, the mediator shall issue a notice of termination of the mediation proceedings ("Termination of Mediation"). The Termination of Mediation notice shall set forth the date of the thirty (30) day deadline, and that the Parties are at an impasse and did not reach a settlement by such deadline.

18.4.4 Within five (5) days of the Termination of Mediation, the Claimant shall make a final written settlement demand ("Settlement Demand") to the Respondent, and the Respondent shall make a final written settlement offer ("Settlement Offer") to the Claimant. If the Claimant fails to make a Settlement Demand, Claimant's original Notice shall constitute the Settlement Demand. If the Respondent fails to make a Settlement Offer, Respondent shall be deemed to have made a "zero" or "take nothing" Settlement Offer.

Section 18.5 Final and Binding Arbitration.

18.5.1 If the Parties do not agree in writing to a settlement of the Claim within fifteen (15) days of the Termination of Mediation, the Claimant shall have fifteen (15) additional days to submit the Claim to arbitration to the same agency providing mediation services above (unless such agency does not perform arbitration, in which event arbitration shall be performed by a reputable and knowledgeable arbitration group providing such services in Eagle County, or if the Parties otherwise agree, to an independent agency providing dispute resolution services in the Eagle County, Colorado, area). Such Claim shall be made in accordance with the rules of arbitration as may be required by the agency providing the arbitrator. If not timely submitted to arbitration or if the Claimant fails to appear for the arbitration proceeding, the Claim shall be deemed abandoned, and Respondent shall be released and discharged from any and all liability to Claimant arising out of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to persons other than Claimant.

18.5.2 This subsection is an agreement to arbitrate and is specifically enforceable under the applicable arbitration laws of the State of Colorado. The arbitration award (the "Award") shall be final and binding, and judgment may be entered upon it in any court of competent jurisdiction to the fullest extent permitted under the laws of the State of Colorado.



Section 18.6 Allocation of Costs of Resolving Claims.

18.6.1 Subject to Section 18.6.2 below, each Party shall bear its own costs, including any attorneys' fees incurred, and each Party shall share equally all charges rendered by the mediator(s) and all filing fees and costs of conducting the arbitration proceeding ("Post Mediation Costs").

18.6.2 Any Award, which is equal to or more favorable to Claimant than Claimant's Settlement Demand, shall add Claimant's Post Mediation Costs to the Award, such costs to be borne equally by all Respondents. Any Award, which is equal to or less favorable to Claimant than any Respondent's Settlement Offer, shall award to such Respondent its Post Mediation Costs.

Section 18.7 Enforcement of Resolution. After resolution of any Claim, if any Party fails to abide by the terms of any agreement or Award, then any other Party may file suit or initiate administrative proceedings to enforce such agreement or Award without the need to again comply with the procedures set forth in this Section. In such event, the Party taking action to enforce the agreement or Award shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement or Award including, without limitation, attorneys' fees and court costs.

Section 18.8 Claim for Damages. Damages alleged or awarded in connection with a Claim shall be limited to actual damages. No punitive, incidental, consequential or other damages shall be claimed or awarded.

Notwithstanding anything contained herein to the contrary, any claims, grievances or disputes against Declarant arising out of or relating to the design or construction of improvements on the Property shall require notification to Declarant in writing and provide for a reasonable amount of time for Declarant to correct the defect before any Claim may be made.

**ARTICLE 19
GENERAL PROVISIONS**

Section 19.1 Restriction on Declarant Powers. Notwithstanding anything to the contrary herein, to the extent the Act is deemed to apply to Declarant or Timber Springs other than as stated herein, no rights or powers reserved to Declarant hereunder, if any, shall exceed the time limitations or permissible extent of such rights or powers as restricted under the Act. Any provision in this Declaration in conflict with the requirements of the Act shall not be deemed to invalidate such provision as a whole but shall be adjusted as is necessary to comply with the Act.

Section 19.2 Enforcement. Except as otherwise provided in this Declaration, the Executive Board, Declarant, or any Owner (provided the Executive Board fails to take action after reasonable notice is given to the Executive Board by such 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 the Executive Board of the Association, Declarant, or 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. The prevailing party in any legal action arising under this Declaration shall be entitled to reimbursement of all costs of such action including, without limitation, reasonable attorneys' fees.

Section 19.3 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.

Section 19.4 Conflicts Between Documents. In case of conflict between this Declaration and the Articles and the Bylaws, this Declaration shall control. In case of conflict between the Articles and the Bylaws, the Articles shall control.



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Page: 54 of 78
06/20/2001 03:59F
Sara J Fisher Eagle, CO 135 R 390.00 D 0.00

JOINDER OF LENDER

Residential Funding Corporation, a Delaware corporation ("Lender"), the beneficiary under that certain Deed of Trust recorded December 11, 1995 in Book 683 at Page 306 in the Office of the Clerk and Recorder of Eagle County, Colorado for itself and its successors and assigns, approves the foregoing Declaration of Covenants, Conditions, Restrictions and Easements for Timber Springs, which affects the property encumbered by the Deed of Trust, and agrees that no foreclosure or other enforcement of any remedy pursuant to any Deed of Trust of which Lender is a beneficiary shall impair, invalidate, supersede or otherwise affect the covenants, conditions, restrictions and easements established by that Declaration or any amendment or supplement thereto.

Executed this 18th day of June, 2001.

RESIDENTIAL FUNDING CORPORATION,
A Delaware corporation

By: Scott K. Ellingson
Name: Scott K. Ellingson
Title: Director

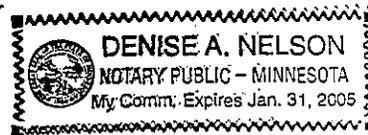
STATE OF MD)
) ss.
COUNTY OF Montgomery)

The foregoing instrument was acknowledged before me this 18th day of June, 2001, by Scott K. Ellingson, as Vice President of Residential Funding Corporation, a Delaware corporation.

WITNESS MY HAND AND OFFICIAL SEAL.

MY COMMISSION EXPIRES: 01-31-2005

Denise A. Nelson
Notary Public



760130
Page: 56 of 78
06/20/2001 03:59F
D 0.00

Sara J Fisher Eagle, CO

135

R 390.00

D 0.00

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

LOTS 1, 2, 3, 4, 5, 6, 7 AND 8, AS SHOWN ON THE LAND SURVEY PLAT, TIMBER SPRINGS, RECORDED ON JUNE 11, 2001, AS RECEPTION NO. 759274 IN THE OFFICE OF THE CLERK AND RECORDER OF EAGLE COUNTY, COLORADO.



760130

Page: 57 of 78

06/20/2001 03:59P

Sara J Fisher Eagle, CO

135

R 390.00

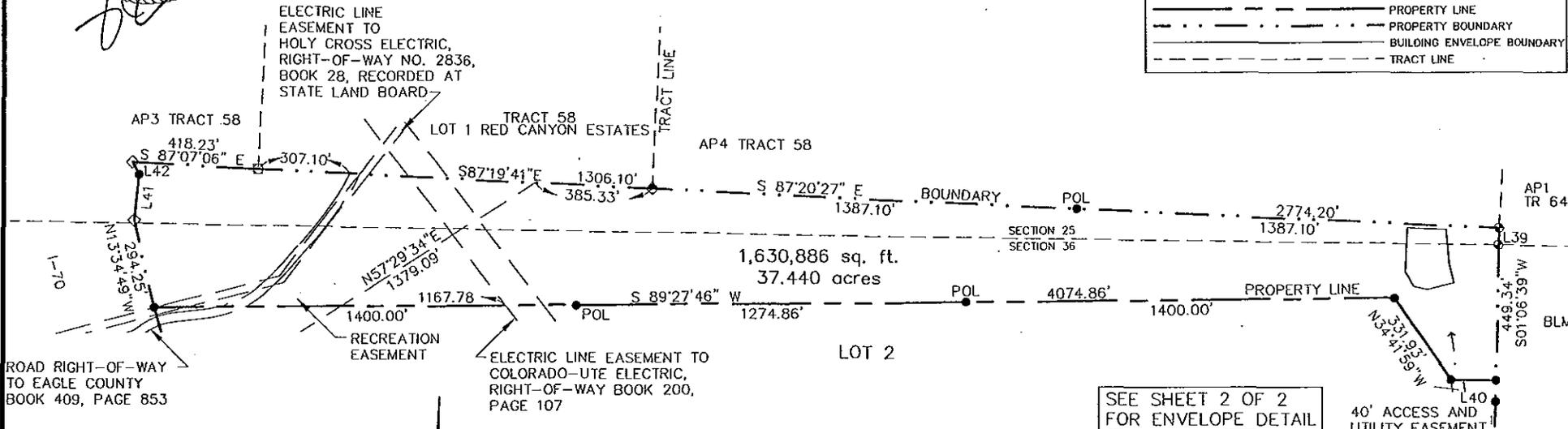
D 0.00



LOT 1 TIMBER SPRINGS

LOCATED IN TRACT 64, SECTIONS 25 AND 36, TOWNSHIP 4 SOUTH, RANGE
83 WEST OF THE 6TH PRINCIPAL MERIDIAN
COUNTY OF EAGLE, STATE OF COLORADO

LEGEND	
□	2-1/2" AL. CAP ON 2" PIPE LS 26967
◇	REBAR WITH COLORADO DEPARTMENT OF HIGHWAYS CAP
●	SET BY BENCHMARK ENGINEERING W/ 33428 CAP
◆	3-1/4" AL. CAP LS 16836 ON 2" PIPE
⊠	2-1/2" USGLO BOUNDARY CORNER
---	EASEMENTS
---	PROPERTY LINE
---	PROPERTY BOUNDARY
---	BUILDING ENVELOPE BOUNDARY
---	TRACT LINE



LINE TABLE		
LINE	DIRECTION	DISTANCE
L39	S 01°19'21" W	55.26'
L40	N 88°53'21" W	146.55'
L41	N 06°22'48" E	152.10'
L42	N 27°44'50" W	45.67'

760130
Page: 59 of 78
06/20/2001 03:59F
Sara J Fisher Eagle, CO 135 R 390.00 D 0.00

NOTICE:
According to Colorado law you MUST commence any legal action based upon any defect in this survey within three years after you first discover such defect. In no event may any action based on any defect in this survey be commenced more than ten years from the date of certification shown herein.

ADDRESS: 800 TIMBER SPRINGS DRIVE

SHEET 1 OF 2

		DRAWN BY: JRM JOB#: 01-011 DATE: MAY 2001	EXHIBIT B-1 TIMBER SPRINGS COUNTY OF EAGLE STATE OF COLORADO	BENCHMARK ENGINEERING SERVICES PO BOX 4619 422 MCINTIRE STREET #4 EAGLE, COLORADO 81631 970-328-2111 FAX 970-328-2113	
--	--	---	---	--	--

-010 TIMBER SPRINGS.dwg 01-011 exhibits.dwg, 06/07/01 05:03:07 PM

LEGEND

-  IRRIGATION DITCH
-  EASEMENTS
-  STREAM CENTERLINE
-  PROPERTY LINE
-  PROPERTY BOUNDARY
-  BUILDING ENVELOPE BOUNDARY
-  RECOMMENDED DRIVEWAY CENTERLINE
-  APPROXIMATE WETLANDS BOUNDARY
-  APPROXIMATE WETLAND FILL



LOT 1 ENVELOPE DETAIL

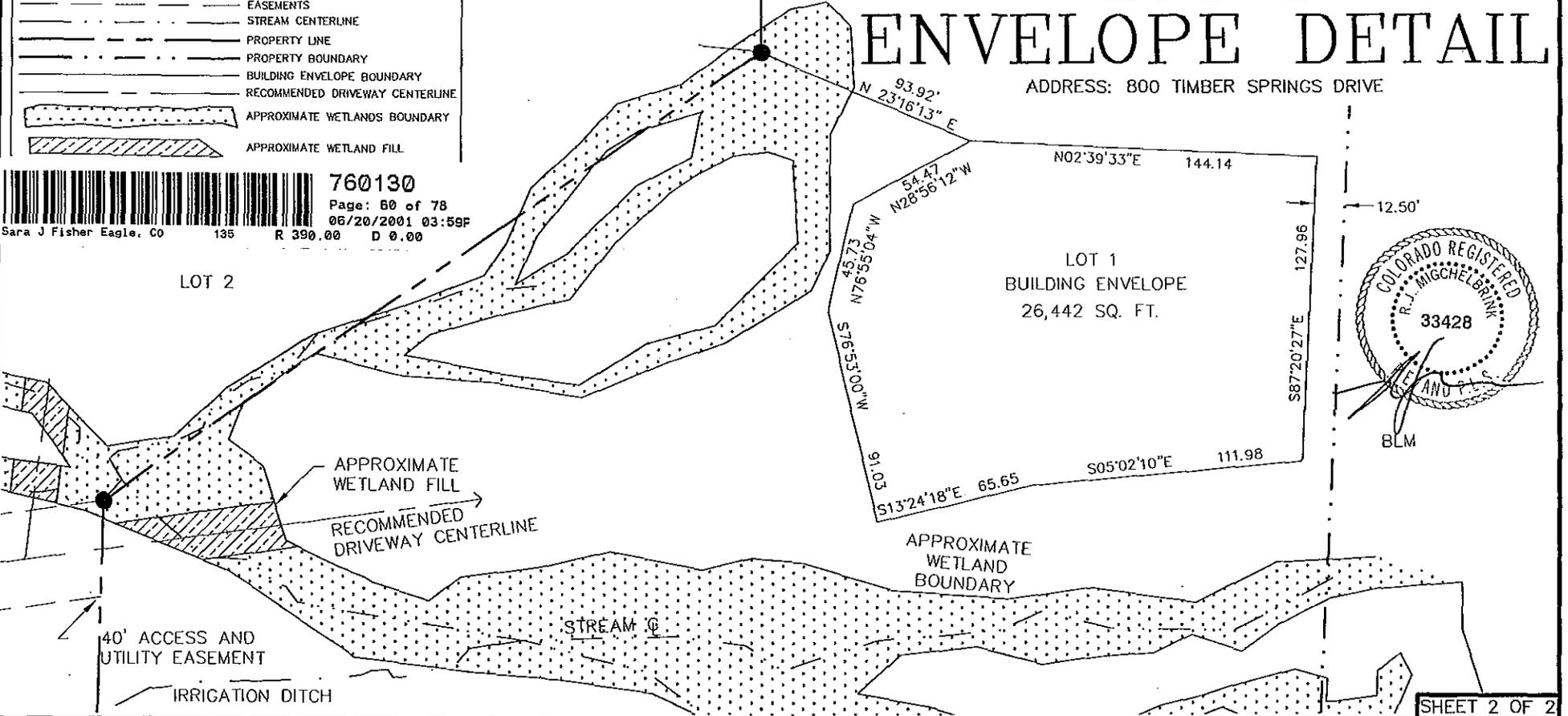
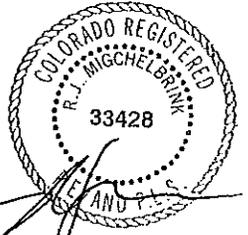
ADDRESS: 800 TIMBER SPRINGS DRIVE



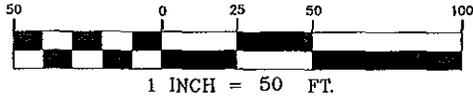
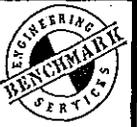
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Page: 60 of 78
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Sara J Fisher Eagle, CO 135 R 390.00 D 0.00

LOT 2

LOT 1
BUILDING ENVELOPE
26,442 SQ. FT.



SHEET 2 OF 2



DRAWN BY: JRM
JOB#: 01-011
DATE: MAY 2001

EXHIBIT B-1
TIMBER SPRINGS
COUNTY OF EAGLE
STATE OF COLORADO

BENCHMARK ENGINEERING SERVICES
PO BOX 4619
422 MCINTIRE STREET #4
EAGLE, COLORADO 81631
970-328-2111 FAX 970-328-2113



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LOT 2 TIMBER SPRINGS

LOCATED IN TRACT 64, SECTIONS 25 AND 36, TOWNSHIP 4 SOUTH, RANGE
83 WEST OF THE 6TH PRINCIPAL MERIDIAN
COUNTY OF EAGLE, STATE OF COLORADO

LEGEND	
	REBAR WITH COLORADO DEPARTMENT OF HIGHWAYS' CAP
	SET BY BENCHMARK ENGINEERING W/ 33428 CAP
	EASEMENTS
	PROPERTY LINE
	PROPERTY BOUNDARY
	BUILDING ENVELOPE BOUNDARY
	TRACT LINE



760130
Page: 61 of 78
06/20/2001 03:59P

SEE SHEET 2 OF 2
FOR ENVELOPE DETAIL

ELECTRIC LINE EASEMENT
TO HOLY CROSS ELECTRIC,
RIGHT-OF-WAY NO. 2836,
BOOK 28, RECORDED AT
STATE LANDBOARD

ROAD RIGHT-OF-WAY
TO EAGLE COUNTY
BOOK 409, PAGE 853

LOT 1

1,537,347 sq. ft.
35.293 acres

LOT 3

ELECTRIC LINE EASEMENT TO
COLORADO-UTE ELECTRIC,
RIGHT-OF-WAY BOOK 200,
PAGE 107

LINE TABLE		
LINE	DIRECTION	DISTANCE
L40	N88°53'21"W	146.55'
L43	S01°06'39"W	71.27
L44	N88°53'21"W	135.39
L45	S07°47'11"E	23.16
L46	S84°50'14"W	183.73
L47	N69°07'29"W	110.93

40' ACCESS AND
UTILITY EASEMENT

R=55.00
Δ=70°53'18"
T=39.15
L=68.05
CH=63.79
CB=S27°39'33"W

R=4408.70
Δ=4°27'18"
T=171.49
L=342.81
CH=342.72
CB=N17°08'24"W

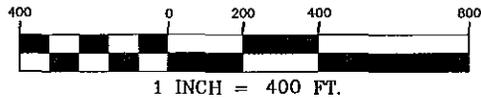
RECREATION
EASEMENT



NOTICE:
According to Colorado law you MUST commence any legal
action based upon any defect in this survey within three
years after you first discover such defect. In no event
may any action based on any defect in this survey be
commenced more than ten years from the date of
certification shown hereon.

ADDRESS: 700 TIMBER SPRINGS DRIVE

SHEET 1 OF 2



DRAWN BY: JRM
JOB#: 01-011
DATE: MAY 2001

EXHIBIT B-2
TIMBER SPRINGS
COUNTY OF EAGLE
STATE OF COLORADO

BENCHMARK ENGINEERING SERVICES
PO BOX 4619
422 MCINTIRE STREET #4
EAGLE, COLORADO 81631
970-328-2111 FAX 970-328-2113



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 Page: 62 of 78
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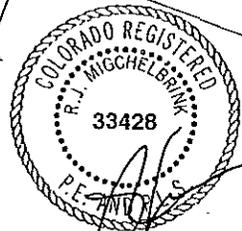
Sara J Fisher Eagle, CO 135 R 390.00 D 0.00

LOT 2 ENVELOPE DETAIL

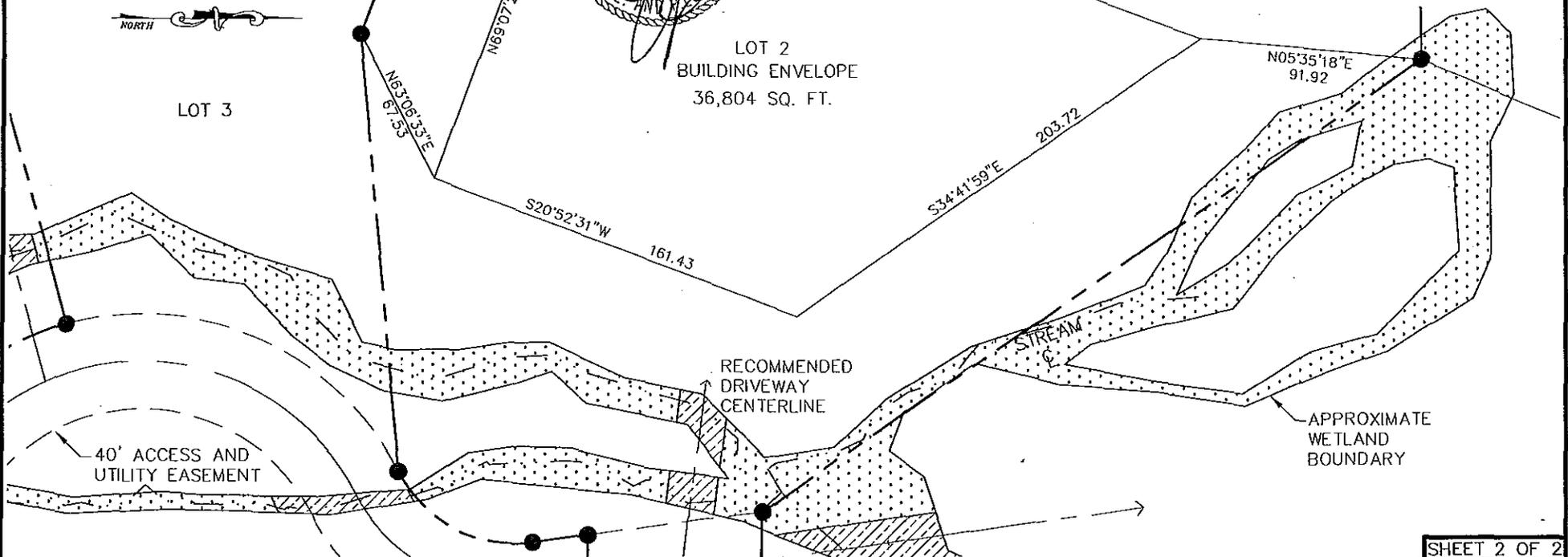
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LEGEND

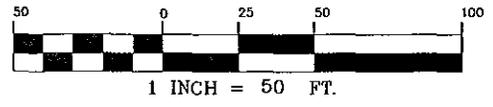
- EASEMENTS
- STREAM CENTERLINE
- PROPERTY LINE
- PROPERTY BOUNDARY
- BUILDING ENVELOPE BOUNDARY
- RECOMMENDED DRIVEWAY CENTERLINE
- APPROXIMATE WETLANDS BOUNDARY
- APPROXIMATE WETLAND FILL



LOT 2
BUILDING ENVELOPE
36,804 SQ. FT.



SHEET 2 OF 2



DRAWN BY: JRM
 JOB#: 01-011
 DATE: MAY 2001

EXHIBIT B-2
 TIMBER SPRINGS
 COUNTY OF EAGLE
 STATE OF COLORADO

BENCHMARK ENGINEERING SERVICES
 PO BOX 4619
 422 MCINTIRE STREET #4
 EAGLE, COLORADO 81631
 970-328-2111 FAX 970-328-2113



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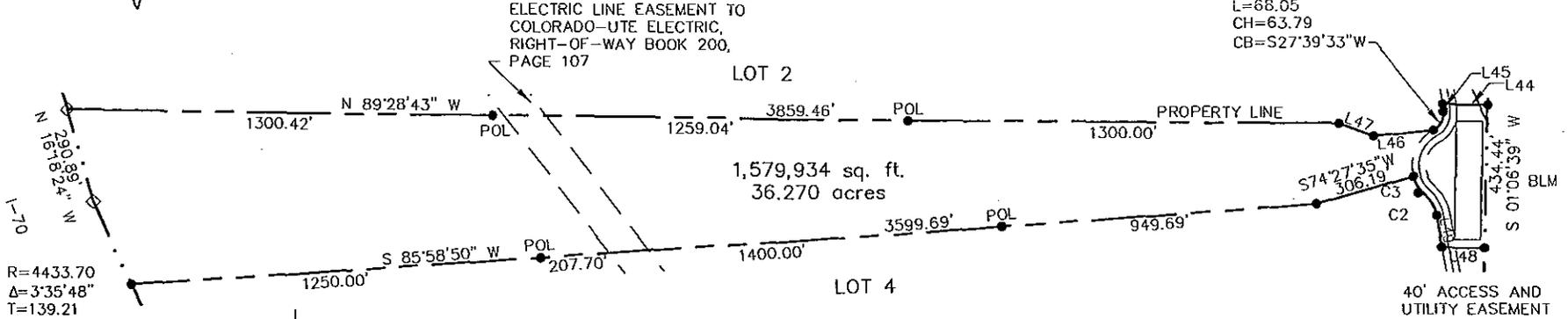
LOT 3 TIMBER SPRINGS

LOCATED IN TRACT 64, SECTIONS 25 AND 36, TOWNSHIP 4 SOUTH, RANGE
83 WEST OF THE 6TH PRINCIPAL MERIDIAN
COUNTY OF EAGLE, STATE OF COLORADO

760130
Page: 63 of 78
06/20/2001 03:59F
Sara J Fisher Eagle, CO 135 R 390.00 D 0.00

LEGEND	
◊	REBAR WITH COLORADO DEPARTMENT OF HIGHWAYS'S CAP
●	SET BY BENCHMARK ENGINEERING W/ 33428 CAP
---	EASEMENTS
---	PROPERTY LINE
---	PROPERTY BOUNDARY
---	BUILDING ENVELOPE BOUNDARY
---	TRACT LINE

R=55.00
Δ=70°53'18"
T=39.15
L=68.05
CH=63.79
CB=S27°39'33"W



R=4433.70
Δ=3°35'48"
T=139.21
L=278.33
CH=278.28
CB=N24°53'03"W

LINE TABLE		
LINE	DIRECTION	DISTANCE
L44	N88°53'21"W	135.39
L45	S07°47'11"E	23.16
L46	S84°50'14"W	183.73
L47	N69°07'29"W	110.93
L48	N88°53'21"W	127.98
L49	N09°43'17"W	98.53

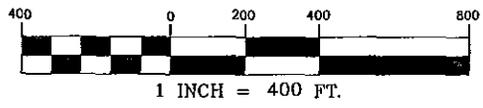
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C2	105.00	38°49'37"	71.15	37.00	69.80	N29°08'05"W
C3	120.00	33°00'29"	69.13	35.55	68.18	N32°02'40"W

SEE SHEET 2 OF 2
FOR ENVELOPE DETAIL

NOTICE:
According to Colorado law you MUST commence any legal action based upon any defect in this survey within three years after you first discover such defect. In no event may any action based on any defect in this survey be commenced more than ten years from the date of certification shown hereon.

ADDRESS: 600 TIMBER SPRINGS DRIVE

SHEET 1 OF 2



DRAWN BY: JRM
JOB#: 01-011
DATE: MAY 2001

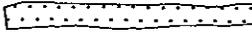
EXHIBIT B-3
TIMBER SPRINGS
COUNTY OF EAGLE
STATE OF COLORADO

BENCHMARK ENGINEERING SERVICES
PO BOX 4619
422 MCINTIRE STREET #4
EAGLE, COLORADO 81631
970-328-2111 FAX 970-328-2113



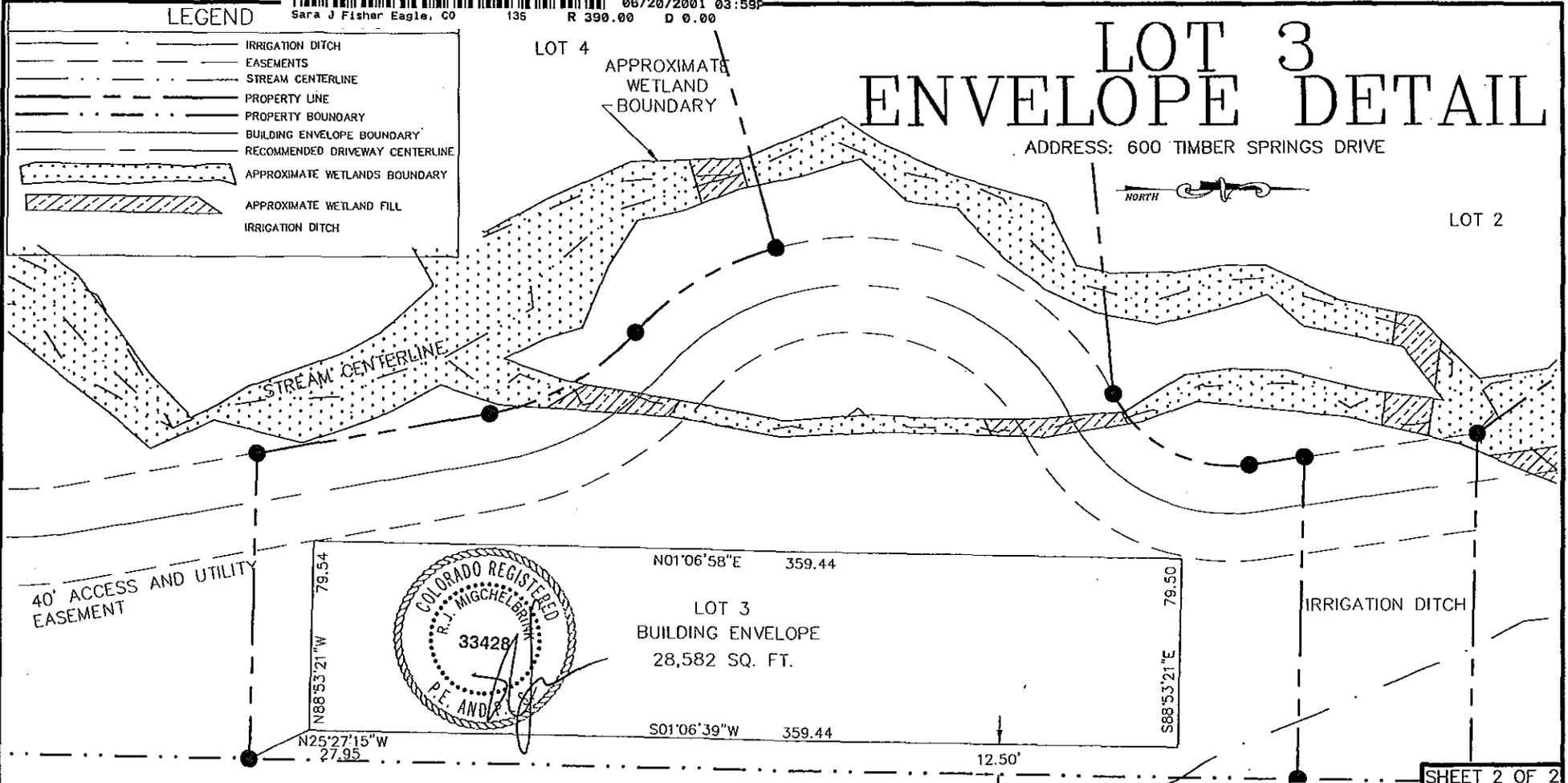
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LEGEND

-  IRRIGATION DITCH
-  EASEMENTS
-  STREAM CENTERLINE
-  PROPERTY LINE
-  PROPERTY BOUNDARY
-  BUILDING ENVELOPE BOUNDARY
-  RECOMMENDED DRIVEWAY CENTERLINE
-  APPROXIMATE WETLANDS BOUNDARY
-  APPROXIMATE WETLAND FILL
-  IRRIGATION DITCH

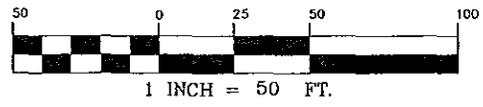
LOT 3 ENVELOPE DETAIL

ADDRESS: 600 TIMBER SPRINGS DRIVE



LOT 3
 BUILDING ENVELOPE
 28,582 SQ. FT.

SHEET 2 OF 2



DRAWN BY: JRM
 JOB#: 01-011
 DATE: MAY 2001

EXHIBIT B-3
 TIMBER SPRINGS
 COUNTY OF EAGLE
 STATE OF COLORADO

BENCHMARK ENGINEERING SERVICES
 PO BOX 4619
 422 MCINTIRE STREET #4
 EAGLE, COLORADO 81631
 970-328-2111 FAX 970-328-2113

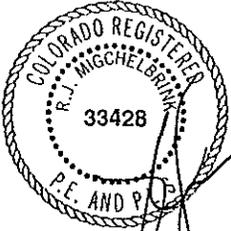


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LOT 4 TIMBER SPRINGS

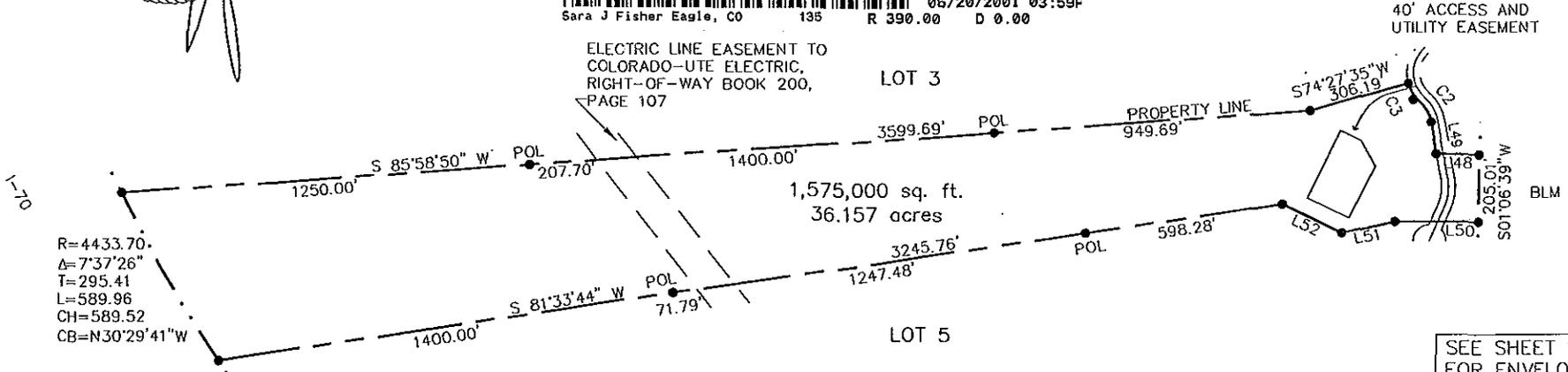
LOCATED IN TRACT 64, SECTIONS 25 AND 36, TOWNSHIP 4 SOUTH, RANGE
83 WEST OF THE 6TH PRINCIPAL MERIDIAN
COUNTY OF EAGLE, STATE OF COLORADO

LEGEND	
● SET BY BENCHMARK ENGINEERING W/ 33428 CAP	---
---	EASEMENTS
---	PROPERTY LINE
---	PROPERTY BOUNDARY
---	BUILDING ENVELOPE BOUNDARY
---	TRACT LINE



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Page: 65 of 78
06/20/2001 03:59P
Sara J Fisher Eagle, CO 135 R 390.00 D 0.00

ELECTRIC LINE EASEMENT TO
COLORADO-UTE ELECTRIC,
RIGHT-OF-WAY BOOK 200,
PAGE 107



R=4433.70
Δ=7°37'26"
T=295.41
L=589.96
CH=589.52
CB=N30°29'41"W

SEE SHEET 2 OF 2
FOR ENVELOPE DETAIL

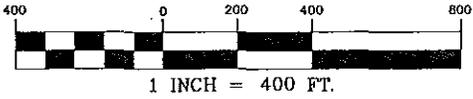
LINE TABLE		
LINE	DIRECTION	DISTANCE
L48	S88°53'21"E	127.98
L49	N09°43'17"W	98.53
L50	N89°27'57"W	252.40
L51	S77°34'18"W	161.11
L52	N63°09'55"W	198.48

CURVE TABLE						
CURVE	RADIUS	DELTA	LENGTH	TANGENT	CHORD	BEARING
C2	105.00	38°49'37"	71.15	37.00	69.80	N29°08'05"W
C3	120.00	33°00'29"	69.13	35.55	68.18	N32°02'40"W

NOTICE:
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action based upon any defect in this survey within three
years after you first discover such defect. In no event
may any action based on any defect in this survey be
commenced more than ten years from the date of
certification shown hereon.

ADDRESS: 500 TIMBER SPRINGS DRIVE

SHEET 1 OF 2



DRAWN BY: JRM
JOB#: 01-011
DATE: MAY 2001

EXHIBIT B-4
TIMBER SPRINGS
COUNTY OF EAGLE
STATE OF COLORADO

BENCHMARK ENGINEERING SERVICES
PO BOX 4619
422 MCINTIRE STREET #4
EAGLE, COLORADO 81631
970-328-2111 FAX 970-328-2113



S:\BES\01-010 TIMBER SPRINGS\dwg\01-011 exhibits.dwg, 06/08/01 11:53:37 AM



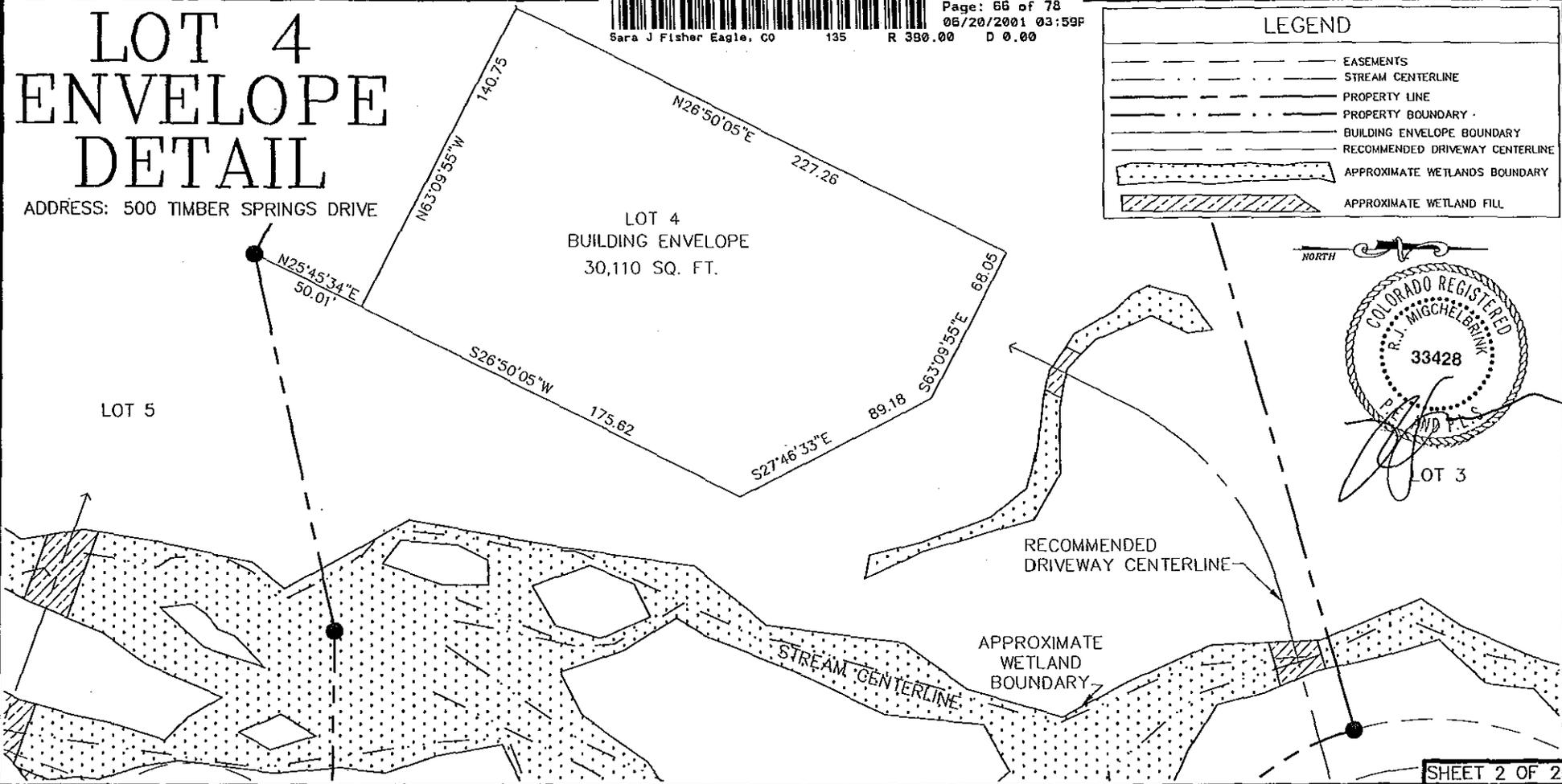
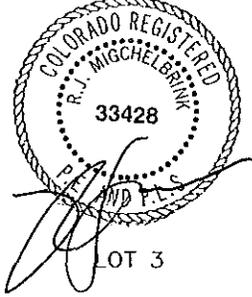
760130
 Page: 66 of 78
 06/20/2001 03:59P
 Sara J Fisher Eagle, CO 135 R 390.00 D 0.00

LOT 4 ENVELOPE DETAIL

ADDRESS: 500 TIMBER SPRINGS DRIVE

LOT 4
BUILDING ENVELOPE
30,110 SQ. FT.

LEGEND	
	EASEMENTS
	STREAM CENTERLINE
	PROPERTY LINE
	PROPERTY BOUNDARY
	BUILDING ENVELOPE BOUNDARY
	RECOMMENDED DRIVEWAY CENTERLINE
	APPROXIMATE WETLANDS BOUNDARY
	APPROXIMATE WETLAND FILL



SHEET 2 OF 2

	<p>1 INCH = 50 FT.</p>	DRAWN BY: JRM JOB#: 01-011 DATE: MAY 2001	EXHIBIT B-4 TIMBER SPRINGS COUNTY OF EAGLE STATE OF COLORADO	BENCHMARK ENGINEERING SERVICES PO BOX 4619 422 MCINTIRE STREET #4 EAGLE, COLORADO 81631 970-328-2111 FAX 970-328-2113	
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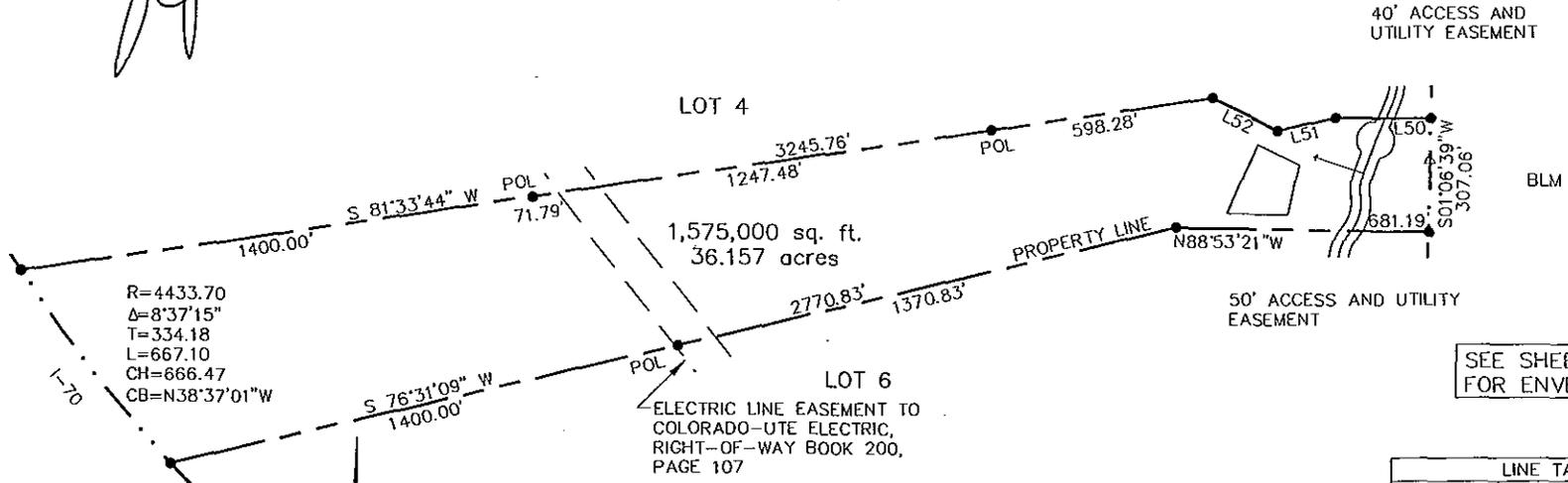
SUBES01-010 TIMBER SPRINGS.dwg 01-011 exhibit.dwg, 06/07/01 06:14:27 PM



LOT 5 TIMBER SPRINGS

LOCATED IN TRACT 64, SECTIONS 25 AND 36, TOWNSHIP 4 SOUTH, RANGE
83 WEST OF THE 6TH PRINCIPAL MERIDIAN
COUNTY OF EAGLE, STATE OF COLORADO

LEGEND	
△ 3-1/4" AL. CAP ON 2" PIPE U.S. DEPT. OF INTERIOR BLM	
● SET BY BENCHMARK ENGINEERING W/ 33428 CAP	
---	EASEMENTS
---	PROPERTY LINE
---	PROPERTY BOUNDARY
---	BUILDING ENVELOPE BOUNDARY
---	TRACT LINE



R=4433.70
Δ=8°37'15"
T=334.18
L=667.10
CH=666.47
CB=N38°37'01"W

SEE SHEET 2 OF 2
FOR ENVELOPE DETAIL

LINE TABLE		
LINE	DIRECTION	DISTANCE
L50	N89°27'57"W	252.40
L51	S77°34'18"W	161.11
L52	N63°09'55"W	198.48

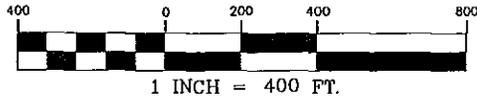
760130
Page: 67 of 78
06/20/2001 03:59P

Sara J Fisher Eagle, CO 135 R 390.00 D 0.00

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ADDRESS: 400 TIMBER SPRINGS DRIVE

SHEET 1 OF 2



DRAWN BY: JRM
JOB#: 01-011
DATE: MAY 2001

EXHIBIT B-5
TIMBER SPRINGS
COUNTY OF EAGLE
STATE OF COLORADO

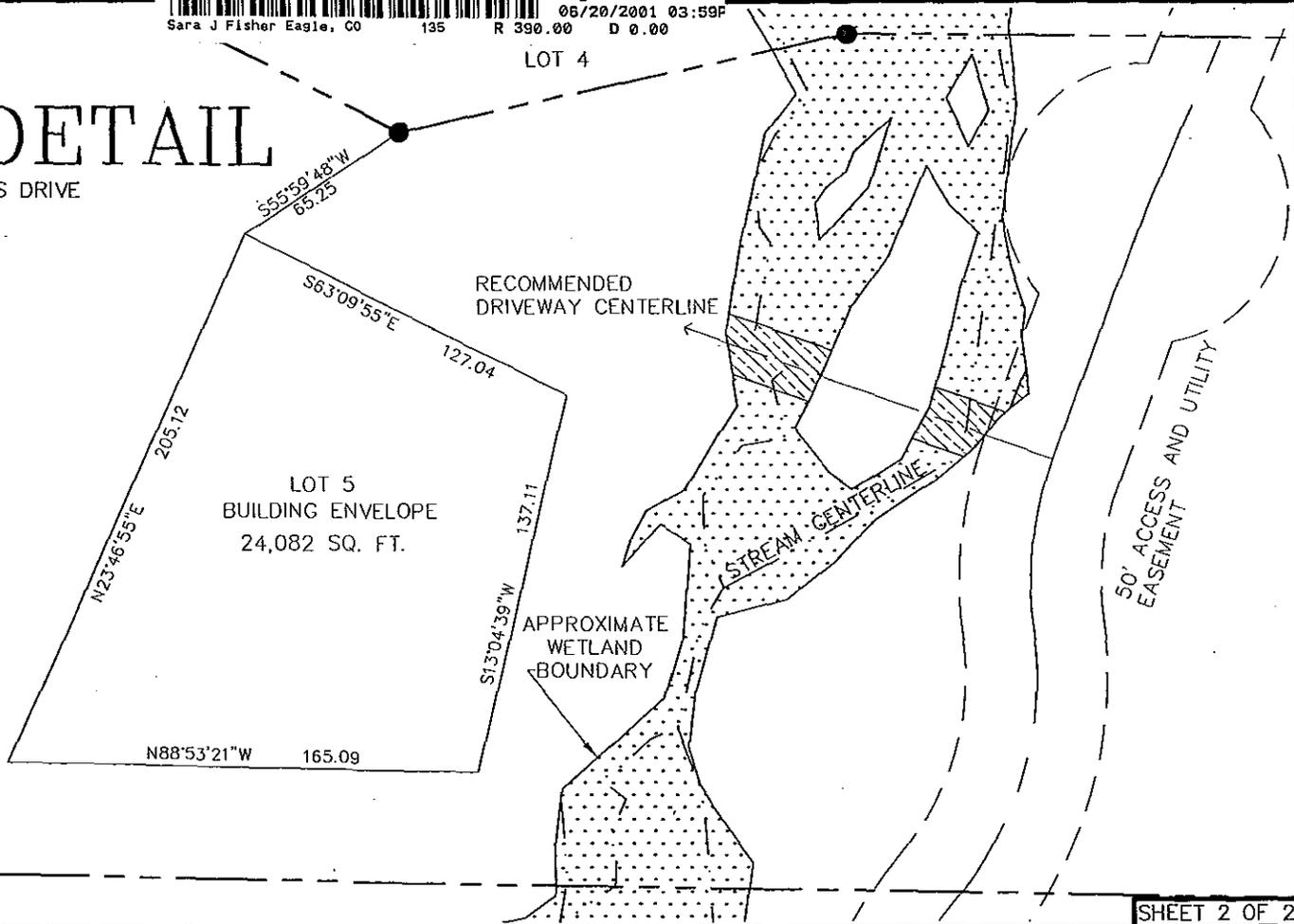
BENCHMARK ENGINEERING SERVICES
PO BOX 4619
422 MCINTIRE STREET #4
EAGLE, COLORADO 81631
970-328-2111 FAX 970-328-2113



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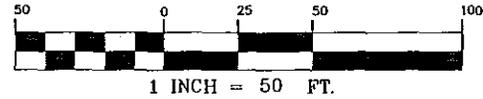
LOT 5 ENVELOPE DETAIL

ADDRESS: 400 TIMBER SPRINGS DRIVE



LEGEND	
	EASEMENTS
	STREAM CENTERLINE
	PROPERTY LINE
	PROPERTY BOUNDARY
	BUILDING ENVELOPE BOUNDARY
	RECOMMENDED DRIVEWAY CENTERLINE
	APPROXIMATE WETLANDS BOUNDARY
	APPROXIMATE WETLAND FILL

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DRAWN BY: JRM
 JOB#: 01-011
 DATE: MAY 2001

EXHIBIT B-5
 TIMBER SPRINGS
 COUNTY OF EAGLE
 STATE OF COLORADO

BENCHMARK ENGINEERING SERVICES
 PO BOX 4619
 422 MCINTIRE STREET #4
 EAGLE, COLORADO 81631
 970-328-2111 FAX 970-328-2113



SHEET 2 OF 2



760130

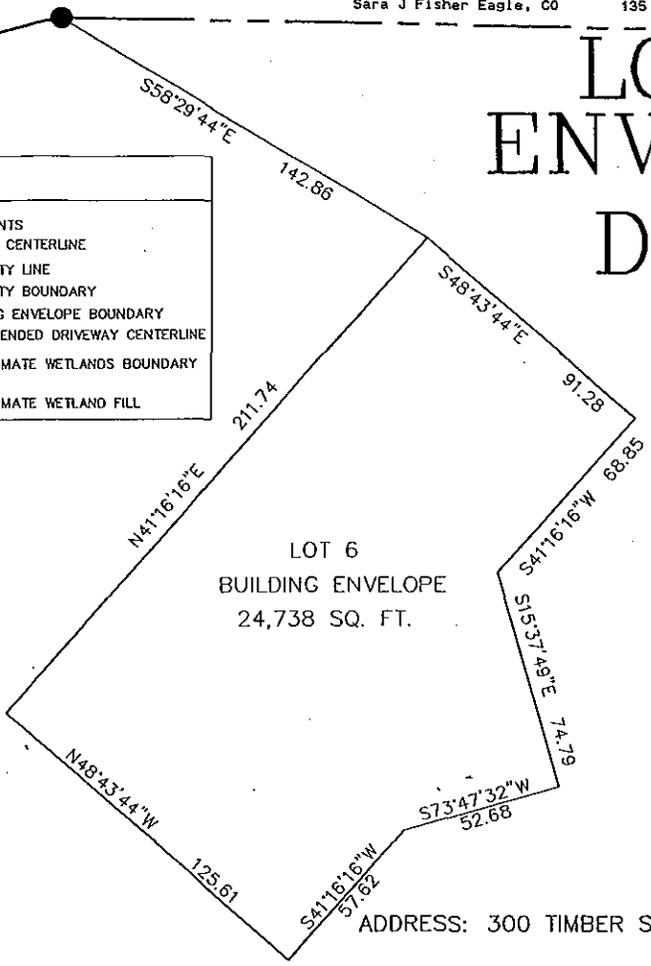
Page: 70 of 78
06/20/2001 03:59F

Sara J Fisher Eagle, CO 135 R 390.00 D 0.00

LOT 5

LOT 6 ENVELOPE DETAIL

LEGEND	
	EASEMENTS
	STREAM CENTERLINE
	PROPERTY LINE
	PROPERTY BOUNDARY
	BUILDING ENVELOPE BOUNDARY
	RECOMMENDED DRIVEWAY CENTERLINE
	APPROXIMATE WETLANDS BOUNDARY
	APPROXIMATE WETLAND FILL

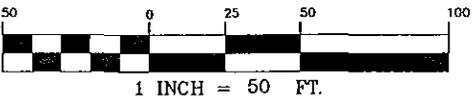


RECOMMENDED DRIVEWAY CENTERLINE

APPROXIMATE WETLAND BOUNDARY

50' ACCESS AND UTILITY EASEMENT

SHEET 2 OF 2



DRAWN BY: JRM
 JOB#: 01-011
 DATE: MAY 2001

EXHIBIT B-6
 TIMBER SPRINGS
 COUNTY OF EAGLE
 STATE OF COLORADO

BENCHMARK ENGINEERING SERVICES
 PO BOX 4619
 422 MCINTIRE STREET #4
 EAGLE, COLORADO 81631
 970-328-2111 FAX 970-328-2113

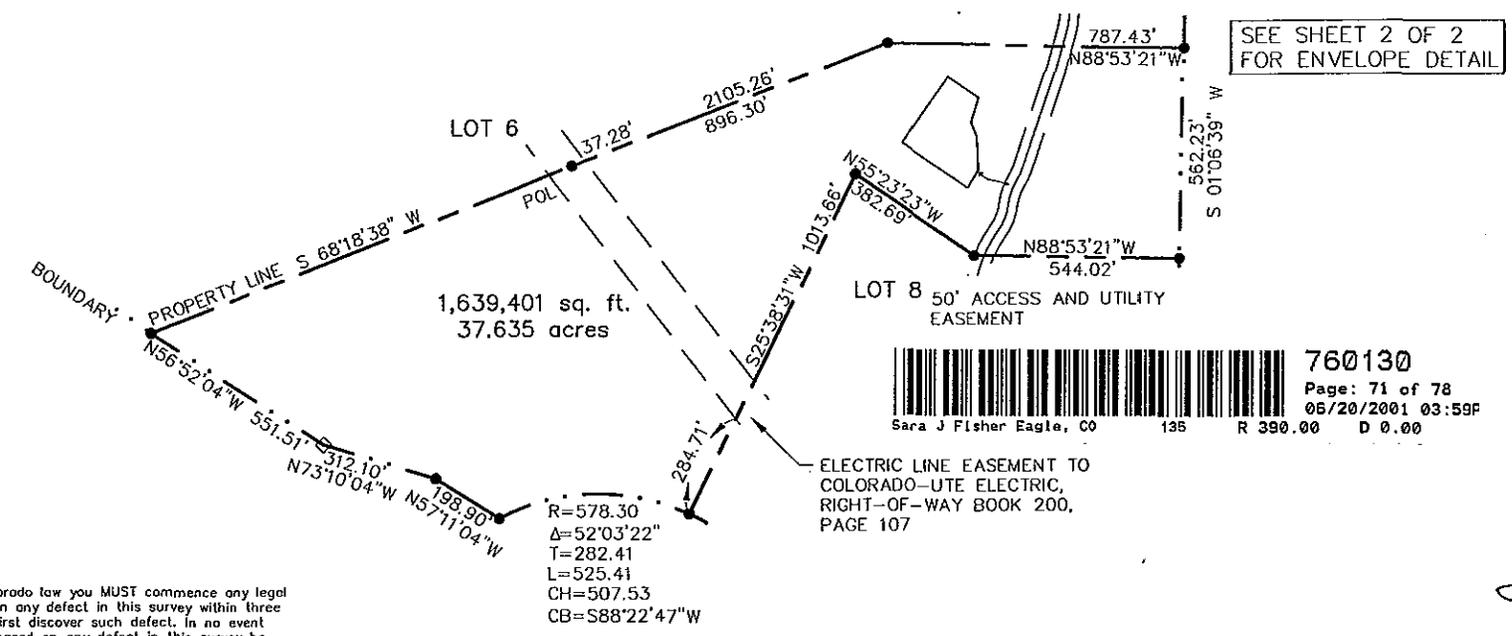


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LOT 7 TIMBER SPRINGS

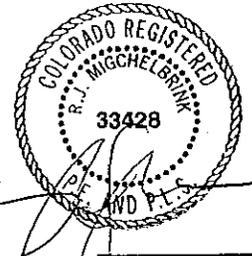
LOCATED IN TRACT 64, SECTIONS 25 AND 36, TOWNSHIP 4 SOUTH, RANGE
83 WEST OF THE 6TH PRINCIPAL MERIDIAN
COUNTY OF EAGLE, STATE OF COLORADO

LEGEND	
◊	REBAR WITH COLORADO DEPARTMENT OF HIGHWAYS CAP
●	SET BY BENCHMARK ENGINEERING W/ 33428 CAP
---	EASEMENTS
---	PROPERTY LINE
---	PROPERTY BOUNDARY
---	BUILDING ENVELOPE BOUNDARY
---	TRACT LINE



760130
Page: 71 of 78
05/20/2001 03:59P
Sara J Fisher Eagle, CO 135 R 390.00 D 0.00

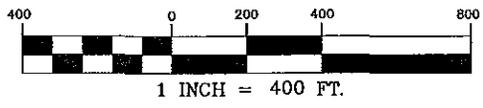
R=578.30
Δ=52°03'22"
T=282.41
L=525.41
CH=507.53
CB=S88°22'47"W



NOTICE:
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ADDRESS: 200 TIMBER SPRINGS DRIVE

SHEET 1 OF 2



DRAWN BY: JRM
JOB#: 01-011
DATE: MAY 2001

EXHIBIT B-7
TIMBER SPRINGS
COUNTY OF EAGLE
STATE OF COLORADO

BENCHMARK ENGINEERING SERVICES
PO BOX 4619
422 MCINTIRE STREET #4
EAGLE, COLORADO 81631
970-328-2111 FAX 970-328-2113



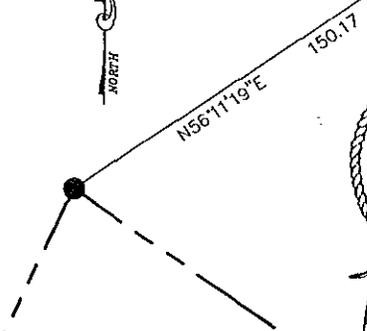
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LOT 7 ENVELOPE DETAIL

ADDRESS: 200 TIMBER SPRINGS DRIVE

LEGEND	
	EASEMENTS
	STREAM CENTERLINE
	PROPERTY LINE
	PROPERTY BOUNDARY
	BUILDING ENVELOPE BOUNDARY
	RECOMMENDED DRIVEWAY CENTERLINE
	APPROXIMATE WETLANDS BOUNDARY
	APPROXIMATE WETLAND FILL



LOT 7
 BUILDING ENVELOPE
 34,531 SQ. FT.

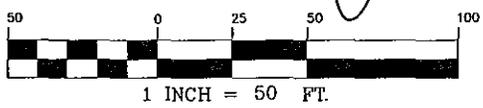
APPROXIMATE
 WETLAND
 BOUNDARY

RECOMMENDED
 DRIVEWAY C

STREAM
 C

50' ACCESS AND UTILITY
 EASEMENT

SHEET 2 OF 2



DRAWN BY: JRM
 JOB#: 01-011
 DATE: MAY 2001

EXHIBIT B-7
 TIMBER SPRINGS
 COUNTY OF EAGLE
 STATE OF COLORADO

BENCHMARK ENGINEERING SERVICES
 PO BOX 4619
 422 MCINTIRE STREET #4
 EAGLE, COLORADO 81631
 970-328-2111 FAX 970-328-2113



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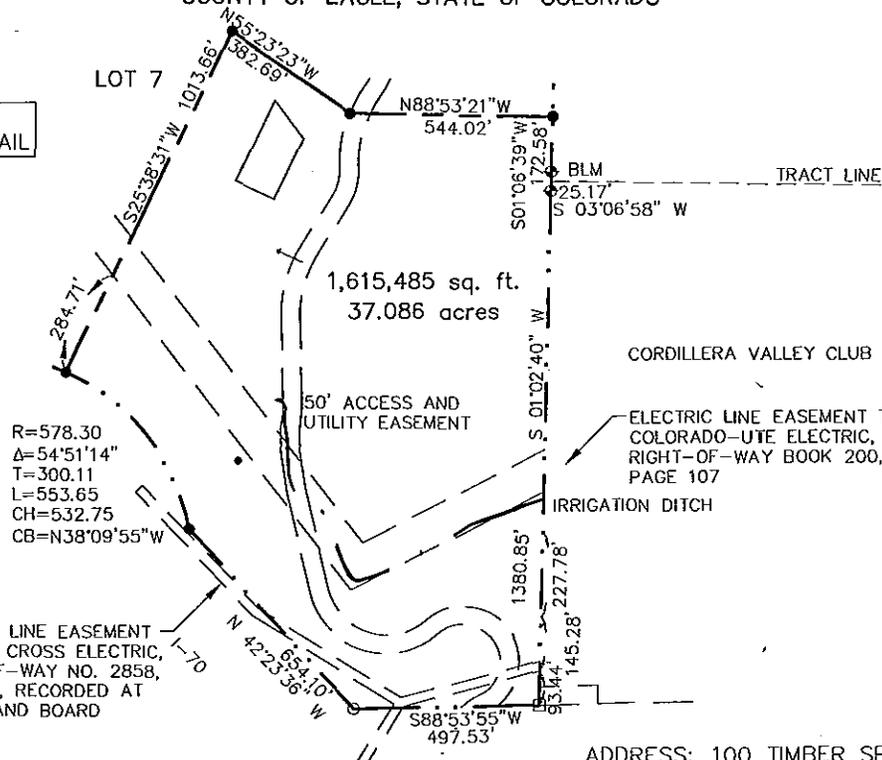
Page: 73 of 78
06/20/2001 03:59F
D 0.00

Sara J Fisher Eagle, CO 135 R 390.00

LOT 8 TIMBER SPRINGS

LOCATED IN TRACT 64, SECTIONS 25 AND 36, TOWNSHIP 4 SOUTH, RANGE
83 WEST OF THE 6TH PRINCIPAL MERIDIAN
COUNTY OF EAGLE, STATE OF COLORADO

SEE SHEET 2 OF 2
FOR ENVELOPE DETAIL



R=578.30
Δ=54°51'14"
T=300.11
L=553.65
CH=532.75
CB=N38°09'55"W

ELECTRIC LINE EASEMENT
TO HOLY CROSS ELECTRIC,
RIGHT-OF-WAY NO. 2858,
BOOK 28, RECORDED AT
STATE LAND BOARD

ELECTRIC LINE EASEMENT TO
COLORADO-UTE ELECTRIC,
RIGHT-OF-WAY BOOK 200,
PAGE 107

NOTICE:
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may any action based on any defect in this survey be
commenced more than ten years from the date of
certification shown hereon.

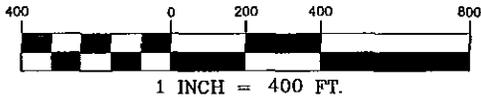
ADDRESS: 100 TIMBER SPRINGS DRIVE

LEGEND

- SET BY BENCHMARK ENGINEERING W/ 33428 CAP
- ⊕ 2-1/2" USGLO BOUNDARY CORNER
- FOUND #5 REBAR
- FOUND MONUMENT W/ LS 16827
- EASEMENTS
- PROPERTY LINE
- - - PROPERTY BOUNDARY
- BUILDING ENVELOPE BOUNDARY
- - - TRACT LINE
- IRRIGATION DITCH



SHEET 1 OF 2



DRAWN BY: JRM
JOB#: 01-011
DATE: MAY 2001

EXHIBIT B-8
TIMBER SPRINGS
COUNTY OF EAGLE
STATE OF COLORADO

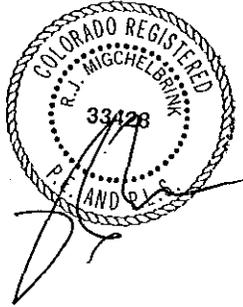
BENCHMARK ENGINEERING SERVICES
PO BOX 4619
422 MCINTIRE STREET #4
EAGLE, COLORADO 81631
970-328-2111 FAX 970-328-2113



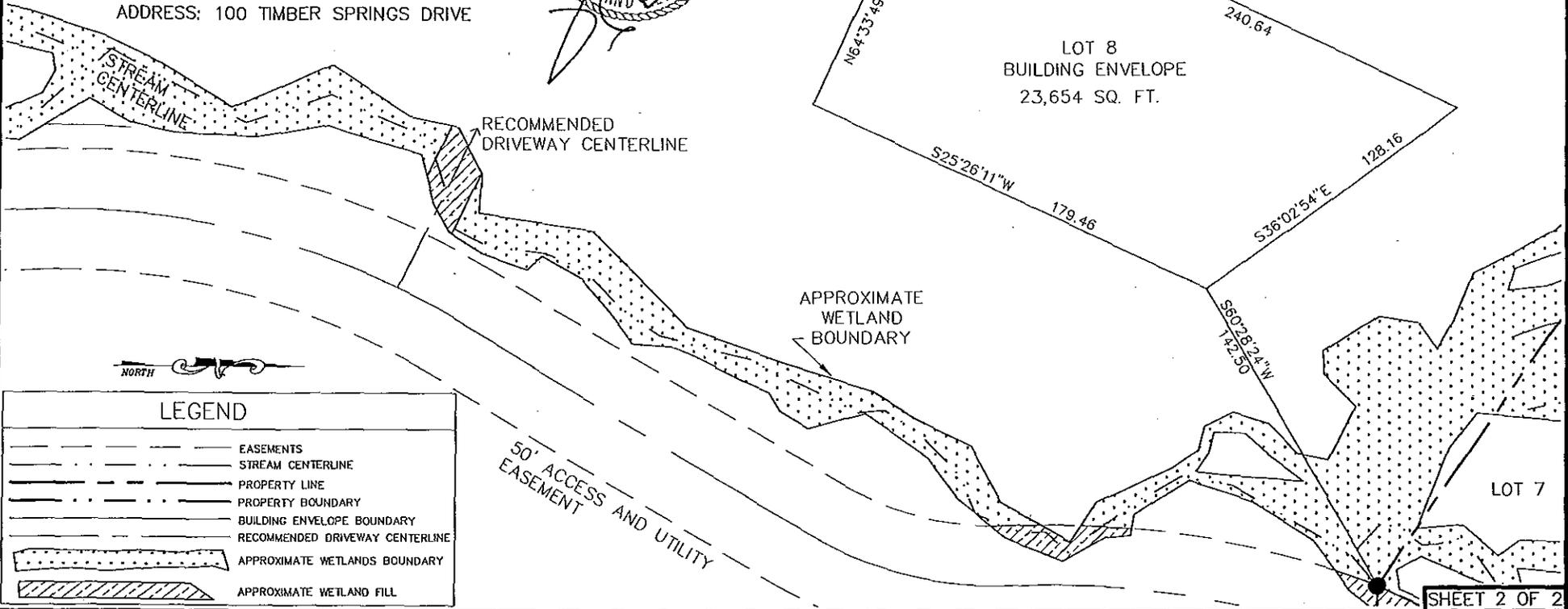
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LOT 8 ENVELOPE DETAIL

ADDRESS: 100 TIMBER SPRINGS DRIVE

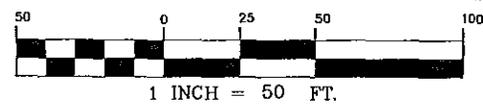


760130
Page: 74 of 78
06/20/2001 03:59P



LEGEND

- EASEMENTS
- STREAM CENTERLINE
- PROPERTY LINE
- PROPERTY BOUNDARY
- BUILDING ENVELOPE BOUNDARY
- RECOMMENDED DRIVEWAY CENTERLINE
- APPROXIMATE WETLANDS BOUNDARY
- APPROXIMATE WETLAND FILL



DRAWN BY: JRM
JOB#: 01-011
DATE: MAY 2001

EXHIBIT B-8
TIMBER SPRINGS
COUNTY OF EAGLE
STATE OF COLORADO

BENCHMARK ENGINEERING SERVICES
PO BOX 4619
422 MCINTIRE STREET #4
EAGLE, COLORADO 81631
970-328-2111 FAX 970-328-2113



SHEET 2 OF 2

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EXHIBIT C-1

DEPICTION OF ACCESS AND UTILITY EASEMENT



760130

Page: 75 of 78

06/20/2001 03:59P

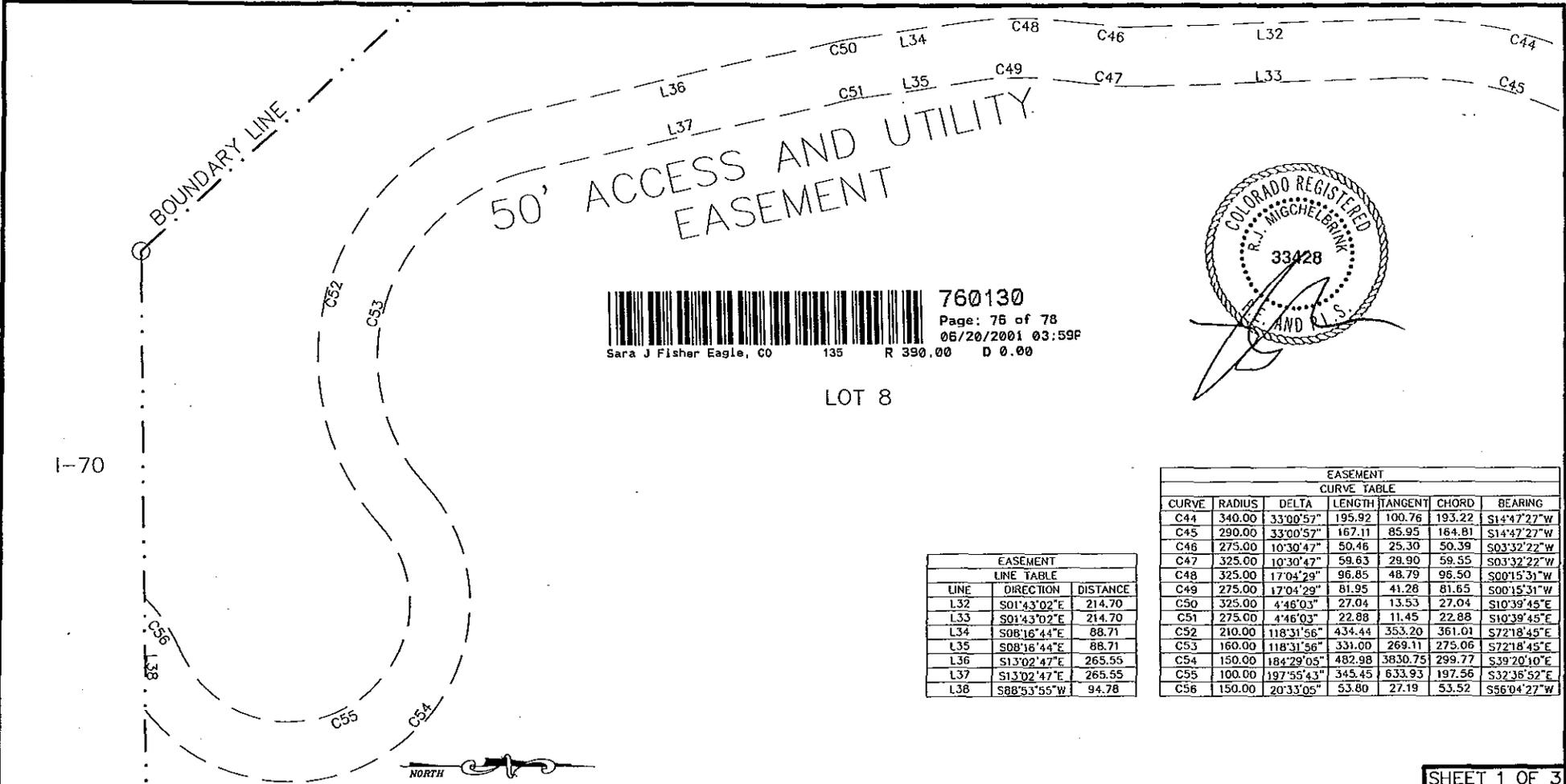
Sara J Fisher Eagle, CO

135

R 390.00

D 0.00

S:\BES01-010 TIMBER SPRINGS\dwg\01-011 exhibit1.dwg, 05/07/01 11:31:50 AM



50' ACCESS AND UTILITY EASEMENT



Sara J Fisher Eagle, CO 135 R 390.00 D 0.00

760130
Page: 76 of 78
05/20/2001 03:59P

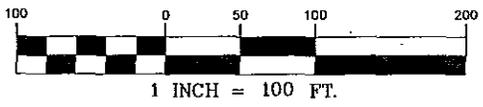
LOT 8



EASEMENT LINE TABLE		
LINE	DIRECTION	DISTANCE
L32	S01°43'02"E	214.70
L33	S01°43'02"E	214.70
L34	S08°16'44"E	88.71
L35	S08°16'44"E	88.71
L36	S13°02'47"E	265.55
L37	S13°02'47"E	265.55
L38	S88°53'55"W	94.78

EASEMENT CURVE TABLE						
CURVE	RADIUS	DELTA	LENGTH	TANGENT	CHORD	BEARING
C44	340.00	33°00'57"	195.92	100.76	193.22	S14°47'27"W
C45	290.00	33°00'57"	167.11	85.95	164.81	S14°47'27"W
C46	275.00	10°30'47"	50.46	25.30	50.39	S03°32'22"W
C47	325.00	10°30'47"	59.63	29.90	59.55	S03°32'22"W
C48	325.00	17°04'29"	96.85	48.79	96.50	S00°15'31"W
C49	275.00	17°04'29"	81.95	41.28	81.65	S00°15'31"W
C50	325.00	4°46'03"	27.04	13.53	27.04	S10°39'45"E
C51	275.00	4°46'03"	22.88	11.45	22.88	S10°39'45"E
C52	210.00	118°31'56"	434.44	353.20	361.01	S72°18'45"E
C53	160.00	118°31'56"	331.00	269.11	275.06	S72°18'45"E
C54	150.00	184°29'05"	482.98	383.75	299.77	S39°20'10"E
C55	100.00	197°55'43"	345.45	633.93	197.56	S32°38'52"E
C56	150.00	20°33'05"	53.80	27.19	53.52	S56°04'27"W

SHEET 1 OF 3



DRAWN BY: JRM
JOB#: 01-011
DATE: MAY 2001

EXHIBIT C-1
TIMBER SPRINGS
COUNTY OF EAGLE
STATE OF COLORADO

BENCHMARK ENGINEERING SERVICES
PO BOX 4619
422 MCINTIRE STREET #4
EAGLE, COLORADO 81631
970-328-2111 FAX 970-328-2113





EASEMENT LINE TABLE		
LINE	DIRECTION	DISTANCE
L20	S27°47'49"W	102.58
L21	S27°47'49"W	102.58
L22	S15°20'14"W	115.06
L23	S15°20'14"W	115.06
L24	S15°20'14"W	54.56'
L25	S15°20'14"W	60.50'
L26	S15°20'14"W	41.88'
L27	S15°20'14"W	73.18'
L28	S18°06'02"W	259.82'
L29	S18°06'02"W	259.82'
L30	S31°17'56"W	170.13
L31	S31°17'56"W	170.13
L57	N88°53'21"W	51.58
L58	N88°53'21"W	53.98

EASEMENT CURVE TABLE							
CURVE	RADIUS	DELTA	LENGTH	TANGENT	CHORD	BEARING	
C24	150.00	25°45'53"	67.45	34.31	66.88	S14°54'53"W	
C25	100.00	25°45'53"	44.97	22.87	44.59	S14°54'53"W	
C26	100.00	13°18'17"	23.22	11.66	23.17	S08°41'05"W	
C27	150.00	13°18'17"	34.83	17.49	34.75	S08°41'05"W	
C28	275.00	2°45'48"	13.26	6.63	13.26	S18°43'08"W	
C29	325.00	2°45'48"	15.67	7.84	15.67	S18°43'08"W	
C30	125.00	14°02'03"	30.62	15.39	30.54	S25°07'04"W	
C31	175.00	14°02'03"	42.87	21.54	42.76	S25°07'04"W	
C32	175.00	25°27'36"	77.76	39.53	77.12	S19°24'18"W	
C33	125.00	25°27'36"	55.54	28.24	55.09	S19°24'18"W	
C34	125.00	29°25'50"	64.21	32.83	63.50	S21°23'25"W	
C35	175.00	29°25'50"	89.89	45.96	88.91	S21°23'25"W	
C36	365.00	38°33'56"	245.68	127.70	241.07	S16°49'22"W	
C37	315.00	38°33'56"	212.03	110.21	208.05	S16°49'22"W	
C38	365.00	14°31'05"	92.49	46.49	92.24	S28°50'48"W	
C39	365.00	24°02'51"	153.19	77.74	152.07	S09°33'49"W	
C40	315.00	11°04'53"	60.92	30.56	60.83	S30°33'54"W	
C41	315.00	27°29'03"	151.10	77.03	149.66	S11°16'55"W	
C42	125.00	33°45'32"	73.85	37.93	72.59	S14°25'10"W	
C43	175.00	33°45'32"	103.11	53.10	101.63	S14°25'10"W	
C44	340.00	33°00'57"	195.92	100.76	193.22	S14°47'27"W	
C45	290.00	33°00'57"	167.11	85.95	164.81	S14°47'27"W	

50' ACCESS AND UTILITY EASEMENT

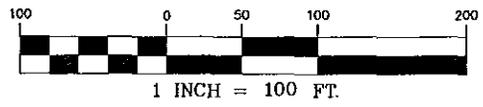
LOT 8

LOT 7

LOT 6



760130
Page: 77 of 78
06/20/2001 03:59P
Sara J Fisher Eagle, CO 135 R 390.00 D 0.00



DRAWN BY: JRM
JOB#: 01-011
DATE: MAY 2001

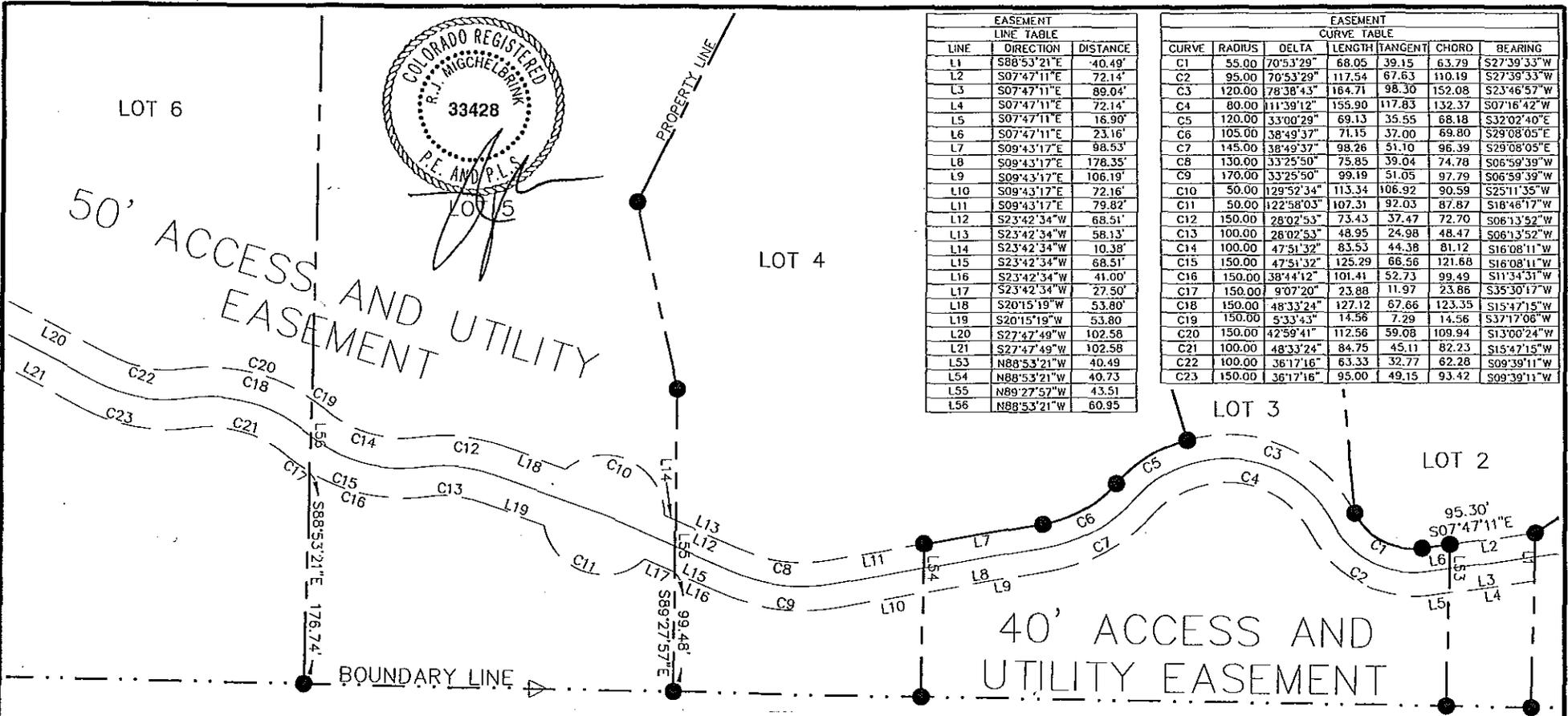
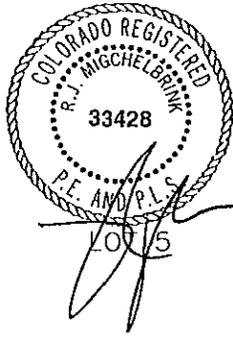
EXHIBIT C-1
TIMBER SPRINGS
COUNTY OF EAGLE
STATE OF COLORADO

BENCHMARK ENGINEERING SERVICES
PO BOX 4619
422 MCINTIRE STREET #4
EAGLE, COLORADO 81631
970-328-2111 FAX 970-328-2113



SHEET 2 OF 3

S:\PROJECT-010\TIMBER SPRINGS\DWG\T-011 EXHIBIT.CWG, VBC\JRM 11:20:41 AM

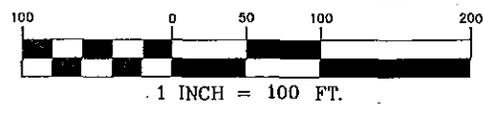


EASEMENT LINE TABLE		
LINE	DIRECTION	DISTANCE
L1	S88°53'21"E	40.49'
L2	S07°47'11"E	72.14'
L3	S07°47'11"E	89.04'
L4	S07°47'11"E	72.14'
L5	S07°47'11"E	16.90'
L6	S07°47'11"E	23.16'
L7	S09°43'17"E	98.53'
L8	S09°43'17"E	178.35'
L9	S09°43'17"E	106.19'
L10	S09°43'17"E	72.16'
L11	S09°43'17"E	79.82'
L12	S23°42'34"W	68.51'
L13	S23°42'34"W	58.13'
L14	S23°42'34"W	10.38'
L15	S23°42'34"W	68.51'
L16	S23°42'34"W	41.00'
L17	S23°42'34"W	27.50'
L18	S20°15'19"W	53.80'
L19	S20°15'19"W	53.80'
L20	S27°47'49"W	102.58'
L21	S27°47'49"W	102.58'
L53	N88°53'21"W	40.49'
L54	N88°53'21"W	40.73'
L55	N89°27'57"W	43.51'
L56	N89°53'21"W	60.95'

EASEMENT CURVE TABLE						
CURVE	RADIUS	DELTA	LENGTH	TANGENT	CHORD	BEARING
C1	55.00	70°53'29"	68.05	39.15	63.79	S27°39'33"W
C2	95.00	70°53'29"	117.54	67.63	110.19	S27°39'33"W
C3	120.00	78°38'43"	164.71	98.30	152.08	S23°46'57"W
C4	80.00	111°38'12"	155.90	117.83	132.37	S07°16'42"W
C5	120.00	33°00'29"	69.13	35.55	68.18	S32°02'40"E
C6	105.00	38°49'37"	71.15	37.00	69.80	S29°08'05"E
C7	145.00	38°49'37"	98.26	51.10	96.39	S29°08'05"E
C8	130.00	33°25'50"	75.85	39.04	74.78	S06°59'39"W
C9	170.00	33°25'50"	99.19	51.05	97.79	S06°59'39"W
C10	50.00	129°52'34"	113.34	106.92	90.59	S25°11'35"W
C11	50.00	122°58'03"	107.31	92.03	87.87	S18°46'17"W
C12	150.00	28°02'53"	73.43	37.47	72.70	S06°13'52"W
C13	100.00	28°02'53"	48.95	24.98	48.47	S06°13'52"W
C14	100.00	47°51'32"	83.53	44.38	81.12	S16°08'11"W
C15	150.00	47°51'32"	125.29	66.56	121.68	S16°08'11"W
C16	150.00	38°14'12"	101.41	52.73	99.49	S11°34'31"W
C17	150.00	9°07'20"	23.88	11.97	23.86	S35°30'17"W
C18	150.00	48°33'24"	127.12	67.66	123.35	S15°47'15"W
C19	150.00	5°33'43"	14.56	7.29	14.56	S37°17'06"W
C20	150.00	42°59'41"	112.56	59.08	109.94	S13°00'24"W
C21	100.00	48°33'24"	84.75	45.11	82.23	S15°47'15"W
C22	100.00	36°17'16"	63.33	32.77	62.28	S09°39'11"W
C23	150.00	36°17'16"	95.00	49.15	93.42	S09°39'11"W



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 Sara J Fisher Eagle, CO 135 R 390.00 D 0.00



DRAWN BY: JRM
 JOB#: 01-011
 DATE: MAY 2001

EXHIBIT C--1
 TIMBER SPRINGS
 COUNTY OF EAGLE
 STATE OF COLORADO

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 422 MCINTIRE STREET #4
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SHEET 3 OF 3



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