

**BYLAWS
OF
APPLE RIDGE SUBDIVISION HOMEOWNERS ASSOCIATION**

The name of the corporation shall be Apple Ridge Subdivision Homeowners Association, a Colorado nonprofit corporation (hereinafter referred to as the "Association").

ARTICLE 1
Object and Definitions

1.1 Purpose. The business, objectives, and purposes for which the Association is formed are as follows:

(a) To be and constitute the "Association" to which reference is made in the declaration of Protective Covenants and Restrictions for Apple Ridge Subdivision (hereinafter the "Declaration") recorded or to be recorded in the office of the Clerk and Recorder of El Paso County, Colorado, relating to a land subdivision project (hereinafter the "Development") in El Paso County, Colorado.


(b) To manage, control, maintain, repair and improve the drainage improvements, and the Development entry features and project signs ("Common Properties").

1.2 Assent. All present or future owners of the individual lots within the Development ("Lot Owners") and tenants of Lot Owners are subject to the regulations set forth in these Bylaws. The mere acquisition or rental of any one of the subdivided lots, (hereinafter referred to as a "Lot") of the Development or the mere act of occupancy of the Lot shall constitute ratification of and consent to be governed by, these Bylaws.

1.3 Definitions. Unless otherwise specified, the following terms shall have the same meaning in these Bylaws as such terms shall have in the Declaration and/or Articles of Incorporation of Apple Ridge Subdivision Homeowners Association: Lot, Development, Common Properties, Owners, Lot Owners, Members, membership, designate, and Directors.

ARTICLE 11
Membership, Voting
Majority of Owners, Quorum, Proxies

2.1 Membership. The Association shall be a membership corporation without certificates or shares of stock. There shall be one membership in the Association for each Lot within the Development as defined in the Declaration which shall be held by the owner of record of each such Lot including the successors and assigns of any Lot located in the Development. The total number of memberships shall be equal to the number of Lots as may exist from time to time. Membership voting rights shall be based upon the number of memberships owned.

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All Members shall be entitled to vote on all matters, as provided above. Cumulative voting is prohibited. No person or entity other than a Lot Owner may be a Member of the Association. Members shall have no preemptive rights to purchase other Lots or the memberships appurtenant thereto.

If title to a Lot is held by more than one person or by a firm, corporation, partnership, association, or other legal entity, or any combination thereof, such Lot Owners shall designate one individual to be the Member for purposes of voting at meetings of the Association. The name and address of such designated Member shall be recorded with the Secretary of the Association. Such designation shall be effective and remain in force unless voluntarily revoked or amended by notice to the Secretary or sooner terminated by operation of law. Within 30 days after such revocation, amendment, or termination thereof, however, the Lot Owner shall reappoint one individual to be the Member for such purposes.

A membership in the Association and the share of a Member or Lot Owner in the assets of the Association shall not be assigned, encumbered, or transferred in any manner except as an appurtenance to transfer of title to the Lot to which the membership pertains; provided, however, the rights of membership may be assigned to the holder of a mortgage, deed of trust, or other security instrument on a Lot as further security for a loan secured by a lien on such Lot.

A transfer of membership shall occur automatically upon the transfer of title to the Lot to which the membership pertains. These Bylaws may, however, contain reasonable provisions and requirements with respect to recording such transfer on the books and records of the Association.

The Association may suspend the voting rights of a member for failure to comply the rules and regulations or these Bylaws or with any other obligations of the Lot Owners under Declaration or any agreement created thereunder.

These Bylaws may contain provisions, not inconsistent with the foregoing, setting forth the rights, privileges, duties, and responsibilities of the Members and Lot Owners.

2.2 Classes of Membership. There shall be one class of membership.

2.3 Voting Rights. There shall be afforded one vote for each membership owned.

2.4 Majority of Lot Memberships. As used in these Bylaws, the term "majority of Members" shall mean and refer to Members representing more than 50% of the total number of memberships.

2.5 Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of more than 25% of the membership shall constitute a quorum. An affirmative vote of a majority of Members entitle to vote at a meeting, determined by the presence of the voters or by proxy, shall be required to transact business.

2.6 Proxies. Votes may be cast in person or by proxy. Proxies shall be in writing and the signatures must be witnessed_or_acknowledged. Proxies must be filed with the

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Secretary before the appointed time of each meeting. Such proxy shall be effective and remain in force unless voluntarily revoked or amended by notice to the Secretary of the Association or sooner terminated by operation of law.

2.7 Voting by Mail. The Board of Directors may decide that voting of the Members shall be by mail with respect to any properly noticed matter or to any particular election of Director or with respect to adoption of any proposed amendment to the Articles of Incorporation, or adoption of any proposed plan of merger, consolidation, or dissolution.

In case of election of Directors by mail, the existing Board of Directors shall nominate candidates and shall advise the Secretary in writing of the names of nominated Directors sufficient to constitute a full Board of Directors and of the date at least 50 days after such advice is given by which all votes are to be received. The Secretary, within 5 days after such advice is given, shall give written notice of the number of Directors to be elected and of the names of the nominees to all Members. The notice shall state that any such Member may nominate an additional candidate or candidates, not to exceed the number of Directors to be elected, by notice in writing to the Secretary at the specified address of the principal office of the Association, to be received on or before a specified date 15 days from the date the notice is given by the Secretary. Within 5 days after such specified date, the Secretary shall give written notice to all Members, stating the number of Directors to be elected, stating the names of all persons nominated by the Board of Directors and by the Members on or before said specified date, stating that each Member or its proxy of record may cast a vote by mail and stating the date established by the Board of Directors by which such votes must be received by the Secretary at the address of the principal office of the Association, which shall be specified in the notice. Votes received after that date shall not be effective. All persons elected as Directors pursuant to such an election by mail by receipt of the number of votes required by applicable law shall take office effective on the date specified in the notice for receipt of such votes.

In the case of a vote by mail relating to any properly noticed matter or to any proposed amendment to the Articles of Incorporation or adoption of a proposed plan or merger, consolidation, or dissolution, the Secretary shall give notice to all Members and shall further give notice to all first mortgagees of Lots within the Development of record, which notices shall include a proposed written resolution setting forth the description of the proposed action, and shall state that such persons are entitled to vote by mail for or against such proposal and stating a date not less than 20 days after the date such notice shall have been given on or before which all votes must be received and stating that they must be sent to the specified address of the principal office of the Association. Votes received after that date shall not be effective. Any such proposal shall be adopted if approved by the affirmative vote of not less than 50% of the votes entitled to be cast on the question.

Delivery of a vote in writing to the principal office of the Association shall be equivalent to receipt of a vote by mail at such address for the purposes of this Section 11.7.

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ARTICLE 111
Administration, Meetings of Members

3.1 Association Responsibilities. The Members will constitute the Association, who will have the responsibility of administering the Development through a Board of Directors.

3.2 Place of Meetings. Meetings of the Association shall be held at such place as the Board of Directors may determine.

3.3 Annual Meeting. The annual meeting of the Association shall be held within 120 days following the end of the Association's fiscal year, as such fiscal year is determined by the Board of Directors. At each annual meeting there shall be elected by ballot of the Members, Directors in accordance with the requirements of these Bylaws. The Members may also transact such other business of the Association as may properly come before them.

3.4 Special Meetings. The President shall call a special meeting of the Members when so directed by resolution of the Board of Directors or upon presentation to the Secretary of a petition signed by at least 10% of the Members. No business shall be transacted at a special meeting except as stated in the notice unless by consent of 25% of the membership either in person or by proxy.

3.5 Notices. Notices of annual and special meetings shall be given by the President or Secretary of the Association by regular mail addressed to the registered address of the Members at least 5 days prior to the date set for such meeting. Any such notice shall state the date, time and place of the meeting, and if the meeting is a special meeting, the purposes thereof. Waiver of notice, either in person or by proxy, and signed either before, at or after any meeting, shall be a valid substitute for service. The certificate of the President or Secretary that notice was duly given shall be prima facie evidence thereof.

3.6 Adjourned Meeting. If any meeting of the Members cannot be organized because a quorum has not attended, the Members who are present either in person or by proxy may adjourn the meeting to a time not less than 48 hours from the time the original meeting was called.

3.7 Order of Business. The order of business at all annual meetings of the Members shall be as follows:

- (a) Roll call
- (b) Proof of notice of meeting or waiver of notice
- (c) Reading of minutes of preceding meeting
- (d) Reports of officers
- (e) Reports of committees
- (f) Election of Directors
- (g) Unfinished business
- (h) New business

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The order of business at all special meetings of the Members shall be stated in the notice of special meeting pursuant to 4.5 above.

ARTICLE 1V
Board of Directors

4.1 Number and Qualification. The affairs of this Association shall be governed by a Board of Directors composed of not less than three person selected by the Members as provided herein. The initial Board shall consist of three persons, who shall act in such capacity and shall manage the affairs of the Association until their successors are elected, appointed or designated and qualify or until there is a decrease in the number of Directors.

4.2 Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the Development.

4.3 Other Powers and Duties. The Board of Directors shall be empowered and shall have the following duties:

(a) To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations, and all other provisions set forth in the Declaration referred to in Section 1.1.

(b) To establish, make and enforce compliance with such reasonable rules and regulations as may be necessary for the operation of the Common Properties with the right to amend same from time to time.

(c) To keep, or cause to be kept, in good order, condition and repair all of the Common Properties and all times of common personal property, if any.

(d) To fix, determine, levy and collect monthly or other prorated installments of annual assessments to be paid by each of the Lot Owners towards the gross expenses of the Association, and by majority vote of the Board of Directors to adjust, decrease or increase the amount of the assessments or installments thereof. The Board of Directors, or its agent, may establish any reasonable system for collection periodically of common expenses, in advance or arrears as deemed desirable. Initially, assessments for the estimated common expenses on an annual basis shall be made by the Board of Directors and shall be payable in equal monthly installments in advance on the first day of each calendar month. At the end of each calendar year the Board of Directors shall determine actual expenses and either assess each Lot Owner or credit against future assessments, as the case may be. Assessments made shall be based upon the estimated cash requirements deemed to be such aggregate sum as the Board of Directors shall, from time to time, determine to be paid by all of the Lot Owners. Estimated expenses include the costs of maintenance and operation of the Common Properties, expenses of management, taxes and special assessments unless separately assessed, insurance premiums for insurance coverage as deemed desirable or necessary by the Board of Directors, landscaping and care of ground, common lighting, repairs and renovations, wages, common water and utility charges, legal and accounting fees, management fees, expenses and liabilities incurred by the Board of Directors, and officer or Managing Agent under or by reason of the Declaration and these Bylaws, payment of any deficit remaining from a previous assessment period, the creation of a reasonable contingency

or other reserve or surplus fund, as well as other costs and expenses relating to the Common Properties and the purposes and powers of this Association. All assessments shall be in itemized statement form, shall be set forth in reasonable detail the various expenses for which the assessments are being made, and shall be mailed to the registered mailing address of each Lot Owner not later than 15 days prior to the date such assessment is payable.

(e) To collect delinquent assessments or installments thereof by suit, foreclosure or otherwise and to enjoin and seek damages from a Lot Owner as is provided in the Declaration and these Bylaws.

(f) To protect and defend the Association from loss and damage by suit or otherwise.

(g) To borrow funds and to execute all such instruments evidencing such indebtedness.

(h) To enter into contracts within the scope of their duties and powers.

(i) To establish a bank account for the common treasury and for all separate funds which are required or may be deemed advisable by the Board of Directors.

(j) To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof by the Lot Owners or their mortgagees at convenient weekday business hours.

(k) To prepare and deliver annually to each Lot Owner a statement showing in at least summary form all receipts, expenses or disbursements since the last such statement.

(l) To meet at least semi-annually.

(m) To designate and remove personnel necessary for the maintenance, operation, repair and replacement of the Common Properties.

(n) On 10 days' notice and for receipt of a reasonable fee not to exceed \$50.00 from the requesting party to furnish a certificate of the Lot Owner's account setting forth the amount of any unpaid amounts or other charges due and owing from such Lot Owner.

(o) In general, to carry on the administration of this Association and to do all of those things necessary and reasonable in order to carry out the communal aspect of Lot ownership.

4.4 Management Agent. The Board of Directors may employ for the Association a management agent at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 4.3 hereof. The employment and designation of a management agent ("Managing Agent") shall not relieve the Board of Directors from its responsibility herein pursuant to the Declaration.

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Any contracts entered into by the Association dealing with the management of the project shall be for a term not to exceed three years, and may be renewable by agreement of the parties for successive one year periods, and must contain a provision allowing the contract to be terminable by the Association for cause upon 30 days written notice, and a further provision allowing either party to cancel the contract with or without cause and notice. Any management contract entered into by Declarant must be for a period not to exceed 5 years.

4.5 Election and Term of Office. The Directors shall be elected annually at the annual meeting of Members by a vote of the Members representing 50% of the membership interests present in person or by proxy.

4.6 Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by the remaining Members.

4.7 Removal of Directors. Directors may be removed only by approval of Members representing 50% of the membership interests at a special meeting called for that purpose and the meeting notice shall state that the purpose of the meeting is removal of a Director, and a successor may then and there be elected to fill the vacancy thus created.

4.8 Organization Meeting. The first meeting of a newly elected Board of Directors shall be held immediately following the annual meeting of Members and no notice shall be necessary to the newly elected Directors in order legally to constitute such a meeting.

4.9 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least two such meetings shall be held during each fiscal year and one such meeting shall be held immediately following the annual meeting of Members. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone, or telegraph, at least three days prior to the day named for such meeting.

4.10 Special Meetings. Special meetings of the Board of Directors may be called by the President on three days' notice to each Director, given personally, or by mail, telephone, or telegraph, which notice shall state the time, place (as hereinabove provided), and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on notice on the written request of a Director.

4.11 Waiver of Notice. Before, at, or after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

4.12 Quorum. At all meetings of the Board of Directors, a majority thereof shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, any meeting of the Board of Directors, there is less than a quorum present, the

majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

4.13 Director's Fees. Each Director shall receive transportation expenses for attendance at any regular or special meeting of the Board of Directors, such expenses to be deemed common expenses.

ARTICLE V Officers

5.1 Designation. The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors.

5.2 Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board and shall hold office at the pleasure of the Board. Any person may hold concurrently any two offices, except that the same person may not concurrently hold the offices of President and Secretary. The office of Vice-President need not be filled.

5.3 Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, with or without cause, and his or her successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

5.4 President. The President shall be the chief executive officer of the Association and shall be elected from among the members of the Board of Directors. The President shall preside at all meetings of the Association and the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of the President of a nonprofit corporation including, but not limited to, the power to appoint committees from among the Members from time to time as the President may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association.

5.5 Vice-President. A Vice-President shall have all the powers and authority and perform all of the functions and duties of the President in the absence of the President or his or her inability for any reason to exercise such powers and functions or perform such duties.

5.6 Secretary. The Secretary shall keep the minutes of meetings of the Board of Directors and minutes of meetings of the Association. The Secretary shall have charge of such books and papers as the Board of Directors may direct, and shall in general perform all the duties incident to the office of the Association a complete list of Members and their registered mailing addresses. Such list shall also show opposite each Member's name the number or other appropriate designation of the Lot represented by such Member. Such list shall be open to inspection by members and other persons lawfully entitled to inspect the same at reasonable times during regular business hours.

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5.7 Assistant Secretary. The Board of Directors may appoint one or more Assistant Secretaries to perform all of the duties of the Secretary in the absence of the Secretary.

5.8 Treasurer. The Treasurer shall have responsibility for Association funds and shall be responsible for keeping full and accurate financial records and books of account of the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board of Directors. The Treasurer may also serve as Secretary in the event the Secretary and all Assistant Secretaries, if any, are absent.

5.9 Assistant Treasurer. The Board of Directors may appoint one or more Assistant Treasurers to perform all of the duties of the Treasurer in the absence of the Treasurer.

ARTICLE VI Indemnification of Officers and Directors

6.1 Indemnification. The Association shall indemnify every Director or officer, and his or her heirs, executors, and administrators against all loss, cost, and expense, including counsel fees, reasonably incurred by him or her in connection with any action, suit, or proceeding to which he or she may be made a party by reason of his or her being or having been a Director or officer of the Association, except as to matters as to which he or she shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his or her duty as such Director or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such Director or officer may be entitled. All liability, loss, damage, costs and expense incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses. Nothing contained in this Section 6.1, shall, however, be deemed to obligate the Association to indemnify any Member or Lot Owner who is or has been a Manger or officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration as a Member or Lot Owner covered thereby.

ARTICLE VII Obligation of the Lot Owners

7.1 Assessments. Except as otherwise provided in the Declaration, all Lot Owners shall be obligated to pay the assessments imposed by the Association to meet the common expenses, and other payment of any installments thereof shall be made not later than the 10th day following the due date. The assessments shall be made equally as against all Lots and installments thereof shall be due annually as determined from time to time by the board. A Member shall be deemed to be in good standing and entitled to vote at any annual or special meeting of Members, within the meaning of these Bylaws, if, and only if, the Lot Owner shall have full paid all assessments and installments thereof made or levied against such Lot Owner and the Lot owned by such Lot Owner who is represented by such Member. The annual average assessment liability of each Lot and Lot Owner for expenses associated with the

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Association's purposes as provided in it's Articles of Incorporation and Section 601 above, exclusive of any optional user fees and any insurance premiums paid by the Association, shall not exceed \$400 per year for each Lot, as adjusted from time to time pursuant to C.R.S. Sec. 38-33.3-116(3), and any amendments thereto.

7.2 Maintenance and Repair. A Lot Owner shall be obligated to reimburse the Association or another Lot Owner upon receipt of a statement for any expenditures incurred by the Association or other Lot Owner or both in repairing or restoring the Common Properties or any part of a Lot damaged as a result of negligent or other tortious conduct of such Owner, a member of his or her family, his or her agent, employee, invitee, licensee, or tenant.

7.3 Mechanic's Lien. Each Lot Owner agrees to indemnify and to hold each of the other Lot Owners harmless from any and all claims of any mechanic's lien filed against other Lots for labor, materials, services, or other products incorporated in the Owner's Lot. In the event suit for foreclosure of a mechanic's lien is commenced, then within 90 days thereafter, such Lot Owner shall be required to deposit with the Association cash for negotiable securities equal to the amount of such claim, plus interest for one year together with the sum of \$100. Such sum or securities shall be held by the Association pending final adjudication or settlement of the claim or litigation and shall be returned, with interest, in the event the owner takes the steps necessary to remove said lien of foreclosure. Disbursements of such funds or proceeds shall be made by the Association to insure payment of or on account of such final judgment or settlement. Any deficiency shall be paid forthwith by the subject Owner.

7.4 General.

(a) Each Lot Owner shall comply strictly with the provisions of the Declaration.

(b) Each Lot Owner shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which the Association was established.

7.5 Use of Common Properties. Each Lot Owner shall use the Common Properties in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other Lot Owners.

7.6 Right of Entry. A Lot Owner shall permit the Managing Agent or other person authorized by the Board of Directors the right of access to the Owner's Lot and Common Properties from time to time during reasonable hours as may be necessary for the maintenance, and repair of the Common Properties or at any time deemed necessary by the Managing Agent or Board of Directors for the making of emergency repairs or to prevent damage to any of the Common Properties.

7.7 Destruction or Obsolescence. Each Lot Owner shall, upon becoming a Lot Owner, execute a power of attorney in favor of the Association, irrevocably appointing the Association attorney-in-fact to maintain, repair, and improve the Common Properties. The purpose of such execution shall be more fully to evidence such appointment, but failure to execute such power of attorney shall in no way derogate from the appointment in the Declaration.

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ARTICLE VIII
Amendments

Amendments. These Bylaws may be amended by the Board of Directors at a duly constituted meeting for such purpose or at a meeting of Members called for such purpose and approved by Members representing an aggregate interest of at least 80% of the membership interests. The notice of such meeting shall contain a summary of the proposed changes or a copy of such proposed changes. No amendment shall serve to shorten the term of any Director.

ARTICLE IX
Evidence Of Ownership
Registration Of Mailing Address, And Required Proxies

9.1 Proof of Ownership. Any person on becoming a Lot Owner shall furnish to the Managing Agent or Board of Directors a photocopy or a certified copy of the recorded instrument vesting that person or entity with an interest or ownership in the Lot, which instrument shall remain in the files of the Association. A Member shall not be deemed to be in good standing nor shall he, she, it or they be entitled to be represented and have his membership interest voted at any annual or at a special meeting of Members unless this requirement is first met.

9.2 Registration of Mailing Address. The Lot Owners shall have one and the same registered address to be used by the Association for mailing of monthly statements, notices, demands, and all other communications; and such registered address shall be the only mailing address of a person or persons, firm, corporation, partnership, association, or other legal entity or any combination thereof to be used by the Association. Such registered address of a Lot Owner or Lot Owners shall be furnished by such Lot Owner(s) to the Secretary within 5 days after transfer of title; such registration shall be in written form and signed by all of the Lot Owners or by such persons as are authorized by law to represent the interest of (all of) the Lot Owners thereof. If no such address is registered or if all of the Lot Owners cannot agree, then the address of the Lot Owner shall be the last known address is furnished as permitted under this Section. Registered addresses may be changed from time to time by similar designation.

9.3 Completed Requirement. The requirements contained in this Article shall be first met before a Lot Owner shall be deemed in good standing and entitled to be represented and have his membership interest voted at any annual or special meeting of Members.

ARTICLE X
Restrictions

10.1 Nonprofit Corporation. This Association is not organized for profit. No member of the Board of Directors, or person from whom the Association may receive any property or funds shall receive or shall be lawfully entitle to receive any pecuniary profit from the operations thereof, and in no event shall any part of the funds or assets of the Association be paid as salary or compensation to, or distributed to, or inure to the benefit of, any member of the Board of Directors. The foregoing, however, shall neither prevent nor restrict the following: (1) reasonable compensation may be paid to any Member or Director while acting as an agent

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or employee of the Association, and (2) any Member or Director may, from time to time, be reimbursed for his or her actual and reasonable expenses incurred in connection with the administration or the affairs of the Association.

Adopted by Board of Directors on July 22, 2002.

Nancy L. Denton

Nancy L. Denton
Secretary

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NOTICE OF CHANGE OF APPROVING AUTHORITY
TO DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR APPLE RIDGE SUBDIVISION

July 19, 2002

The undersigned Declarant, as sole owner of Subdivision, hereby gives notice under Section 501 of the Declaration of Covenants, Conditions and Restrictions for Apple Ridge Subdivision, recorded May 16, 2002, at Reception No. 202080457 of the records of El Paso County, Colorado, of the appointment of the Approving Authority:

Martin B. Christensen
Nancy L. Denton

Pursuant to Section 402 of the Covenants, all requests, plans and other materials shall be submitted to Chartercraft Homes, c/o Martin B. Christensen, 24 N. Tejon, Colorado Springs, CO 80903.

Effective the date above written.

Chartercraft Homes, Inc.

By Martin B Christensen
Martin B. Christensen, President

STATE OF COLORADO)

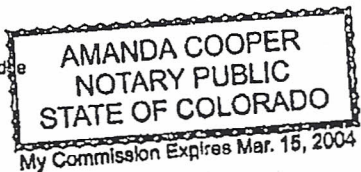
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COUNTY OF EL PASO)

Subscribed and sworn to before me the 4 day of March, 200~~2~~³, by Martin B. Christensen, as President of Chartercraft Homes, Inc.

Amanda Cooper
Notary Public
My Commission Expires 3/15/04

Alexander Range.AppleRidge



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