

LIMITED ASSIGNMENT AND AGREEMENT ON DECLARANT'S RIGHTS

THIS LIMITED ASSIGNMENT AND AGREEMENT ON DECLARANT'S RIGHTS (hereinafter, "Assignment and Agreement") is made by and between **SHADOWROCK CONSTRUCTION, LLC**, a Colorado limited liability company ("Assignee") and **SHADOWROCK TOWNHOME ASSOCIATION, INC.**, a Colorado non profit corporation ("Assignor"), to be effective as of the date of recording of this Assignment in the real property records of Eagle County, Colorado (the "Records").

RECITALS

- A. Assignor received a certain Assignment of Declarant's Rights, as recorded on March 7, 2012 in the real estate records of Eagle County, Colorado at Reception No. 201204567, from El Jebel Townhomes Borrower, LLC as a successor Declarant under one or more declarations of covenants, conditions and restrictions or other documents, including, but not limited to: that certain Townhome Declaration of Covenants, Condition and Restrictions recorded on April 25, 2007, at Reception No. 200710597; Notice of Applicability of Shadowrock Townhomes recorded December 21, 2007 at Reception No. 200733270 and February 13, 2008, at Reception No. 200803155 and March 4, 2008, at Reception No. 200804527; Notice of Applicability of Shadowrock Townhomes recorded May 2, 2008 at Reception No. 200809372; Notice of Applicability of Shadowrock Townhomes recorded June 4, 2008 at Reception No. 200811755; Notice of Applicability of Shadowrock Townhomes recorded August 20, 2008 at Reception No. 200817645; and that certain Shadowrock Townhomes Community Manual recorded on December 21, 2007, at Reception No. 200733271, as the same have been or may be further amended and supplemented from time to time (hereinafter "Declaration").
- B. On October 31, 2013, Assignee acquired all rights, title and interest in that real property described on **Exhibit A**, attached hereto and incorporated herein, (the "Property") from First-Citizens Bank and Trust Company, a North Carolina chartered commercial bank (the "Bank") which had earlier foreclosed upon the Property.
- C. As part of Assignee's acquisition of the Property from the Bank, Assignee received a certain assignment of Declarant's Rights to the Property.
- D. Assignor and Assignee wish to resolve any conflict in the issue of Declarant's Rights so that it is clear Assignor holds the Declarant's Rights to the Property, subject to certain rights which will be held by Assignee which are expressly set forth below.
- E. Assignor has agreed to assign Assignor's right, title and interest under the Declaration to Assignee except as specifically set forth below and pursuant to

the terms hereof, subject to any liens of record in Eagle County, Colorado affecting Assignor's rights as Declarant or successor Declarant thereunder.

ASSIGNMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Assignment. Assignor assigns to Assignee Assignor's rights pursuant to the Declaration, including, without limitation, all development rights, Declarant rights, and all other rights of Assignor as Declarant under the Declaration with respect to the Property ("Declarant's Rights"), except as specifically set forth below. This Assignment shall be effective immediately upon (but not before) recordation in the Records (hereinafter, "Effective Date"). This Assignment is made subject to all the liens of record on the Property.
2. Board of Directors. Notwithstanding anything to the contrary in section 6.3 of the Declaration, the parties hereto agree that Assignee shall only be entitled to appoint or remove one member of the Board of Directors for the Shadowrock Townhome Association, Inc. (hereinafter, "HOA").
3. Architectural Control Committee. Assignee agrees as Declarant under section 12.03 (c) of the Declaration to delegate decisions regarding architectural control in the association to an Architectural Control Committee composed of three members, two of whom shall be appointed by the Assignee as Declarant and one of whom shall be appointed by the HOA. Assignee further agrees that the architectural design of new buildings built by Assignee and brought into the HOA shall be compatible with the architectural design of buildings already included in the HOA.
4. Acceptance. Assignee accepts such assignment from and after the effective date and assumes and agrees to perform the obligations of Declarant as they apply to the Property under the Declaration from and after the Effective Date.
5. Assignee's Indemnity. Assignee agrees to indemnify, protect, defend and hold Assignor harmless from and against any and all claims, damages, losses, costs or expenses, including reasonable attorney's fee, asserted against or suffered or incurred by Assignor as a result of Assignee's failure to comply with its obligations as Declarant under the Colorado Common Interest Ownership Act after the Effective Date. Assignee has no liability for any claims, damages, losses, costs or expenses arising out of the acts or omissions of any prior declarants.
6. Contract Services. Assignee may not contract with service vendors on behalf of Owners to provide services to all Dwellings.

7. Construction Activities. Construction activities may only be conducted and performed during normal construction hours if and as required by the rules and regulations of Eagle County, Colorado.
8. Signage. Notwithstanding anything in the Declaration to the contrary, the HOA hereby grants Assignee the right to install reasonable signs within the Common Areas for sale and marketing of the Property and homes to be constructed thereon. All such signs shall comply with the rules and regulations of Eagle County, and shall not unreasonably interfere with the use of the Common Areas by the Owners or the HOA.
9. Manager. The HOA shall determine the Manager for the HOA.
10. Contracts. The Assignee may not enter into Bulk Rate Contracts or other contracts or licenses on behalf of the HOA or all Owners.
11. Attorney-in-Fact. The Assignee is not granted the right to be appointed as Attorney-in-Fact on behalf of the HOA, Mortgagee and/or any Owners.
12. Counterparts. This Assignment and Agreement may be executed in counterparts, each of which will be deemed a duplicate of the original.
13. Amendment. This Assignment and Agreement may not be amended except by a written instrument signed by Assignee and Assignor.
14. Governing Law. This Assignment and Agreement shall be governed by and construed in accordance with the laws of the State of Colorado. Venue shall be proper in Eagle County, Colorado.

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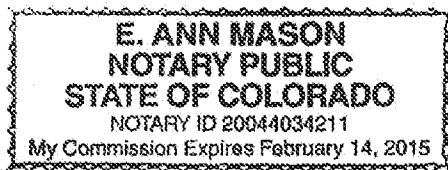
ASSIGNOR:
Shadowrock Townhome Association, Inc. a
Colorado non-profit corporation.

By: Thomas U. Banner
Thomas U. Banner
Its: President

STATE OF COLORADO)
). ss
COUNTY OF EAGLE)

The Foregoing instrument was acknowledged before me this 22 day of
April, 2014 by Thomas Banner as President of Shadowrock Townhome
Association, Inc., a Colorado non-profit corporation.

WITNESS my hand and official seal



E. Ann Mason
Notary Public
My commission expires: 2-14-15

ASSIGNEE:

Shadowrock Construction, LLC, a Colorado limited liability company

By: _____

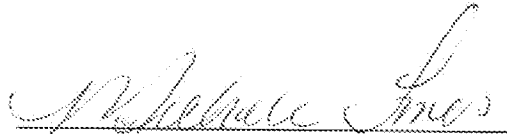
Jacques A. Machol III, Managing Member

STATE OF COLORADO)

COUNTY OF Denver) ss

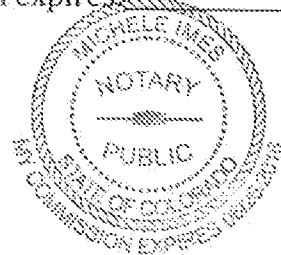
The Foregoing instrument was acknowledged before me this 22nd day of April, 2014 by Jacques A. Machol III as Managing Member of Shadowrock Construction, LLC, a Colorado limited liability company.

WITNESS my hand and official seal



Notary Public

My commission expires: _____



201406326

EXHIBIT A

Tracts E, F, and G, Shadowrock Townhomes Phase I, according to the plat thereof recorded December 18, 2007, at Reception No. 200732940, Eagle County, Colorado

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