

RESTRICTIONS ON PROPERTY



These Restrictions on Property are entered into by Red Creek Ranch, Inc. ("RCR"), a Colorado corporation, as of JANUARY 1, 2000, for the real property described on Exhibit A hereto (the "Property").

RECITALS

1. **Introduction.** RCR owns the Property and will be subdividing the Property into smaller parcels or lots. RCR desires that each parcel or lot be subject to the terms and restrictions of this document, because the quality of development on the Property is essential to RCR's overall ownership scheme. RCR is aware of the Declaration of Covenants, Conditions, and Restrictions and Easements dated May 23, 1994, as recorded in Book 2735, Page 103 of the records of Pueblo County (the "Declaration"), and as subsequently amended, and intends that the restrictions and conditions of this document be in addition to and more restrictive than those terms and conditions of the Declaration.

2. **Restrictions.** The following terms, conditions, covenants and restrictions shall be binding upon the Property:

- a. Each dwelling unit permitted under Section 2.1 of the Declaration shall contain no less than 1,500 square feet of heated floor area devoted to living purposes (ie., exclusive of roofed or unroofed porches, patios, terraces, basements or garages). No dwelling which is not built on site shall be permitted on any portion of the Property (including any parcel or lot which is created within it), which prohibition shall include but not be limited to any and all types of manufactured homes, modular homes, and mobile homes. RCR intends that all residential units built upon any portion of the Property (or any parcels or lots created within it) shall be custom built on site.
- b. The terms "natural or earth tone coloring" as used in Section 3.3 of the Declaration shall mean colors which are based in brown, beige and green and tones thereof, and of a color spectrum such that the use of the colors will not be obtrusive or visible at a distance greater than 500 yards from any structure, and shall generally blend in with the colors of earth, rocks and plants naturally existing on the Property.
- c. Notwithstanding anything to the contrary in the Declaration or herein, and without limitations as to duration, RCR hereby reserves to itself and its successors and assigns all grass, forage and grazing rights on the Property, except on any portion of the Property (or any lot or parcel created within it) as to which it is fenced out pursuant to Colorado law, and specifically retains the full right to lease, sell, convey, or otherwise market and transfer all grass and grazing rights upon such portions of the Property.

3. Applicability. The terms of these restrictions shall apply to all of the Property, regardless of how it may be subdivided, and to any individual or entity having any interest in the Property after the date hereof. These restrictions shall run with and burden the Property.

4. Amendment. Notwithstanding that some portions of the Property may be conveyed to third parties, these restrictions may be amended or terminated in writing by RCR, its successors or assigns, as to all or any portion of the Property, until such time as all of the Property shall be owned by persons or entities other than RCR. When the entire Property is owned by persons or entities other than RCR, these restrictions may be amended in writing by 100% of the then-owners of the Property. Any amendment or termination shall be effective when recorded with the Clerk and Recorder of Pueblo County, Colorado.

5. Violations. Upon any violation of any of the terms and conditions of this document, RCR may, at its option, either seek the specific enforcement of these restrictions, or obtain the reversion to it of all right, title and interest in and to the Property or portion thereof which is in violation (including any parcel, lot, or other area which has been subdivided out of the Property). In any such action, RCR shall be entitled to recovery of its attorney's fees, costs and expenses.

6. Law. This Agreement shall be construed and governed under the laws of the State of Colorado. Exclusive jurisdiction for any matter arising hereunder shall be in Pueblo County, Colorado.

7. Intent. It is intended that the terms of this document be more restrictive upon the Property than the Declaration. In the event of any conflict between the Declaration and this document, this document shall be interpreted to be consistent with such intent and, to the extent possible, shall control.

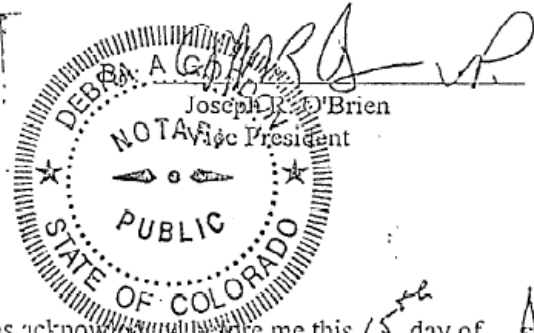
8. Successors and Assigns. RCR may assign its rights and authority hereunder by an express assignment referring to this document, duly recorded. Any reference in this document to RCR shall also mean any successors of RCR pursuant to such assignment.

9. Terms. These restrictions, and any amendments to them, shall remain in effect until January 1, 2050, and shall automatically be renewed for successive 10-year periods, unless, prior to the expiration of the initial term or any 10-year extension of it, an instrument stating that there is no extension, signed and acknowledged by at least 60% of the then-owners of the Property, is filed of record with the Clerk and Recorder of Pueblo County, Colorado.

IN WITNESS WHEREOF, RCR has executed this document as of the day and year first above written.

RED CREEK RANCH, INC.,
a Colorado corporation

STATE OF COLORADO)
) ss.
COUNTY OF PUEBLO)



The foregoing instrument was acknowledged before me this 15th day of December, 1999, by Joseph R. O'Brien, Vice President of Red Creek Ranch, Inc.

Witness my hand and official seal.

Debra A. Gordon
Notary Public
My commission expires:

Exhibit A⁹
LEGAL DESCRIPTION

RED CREEK RANCH - PHASE I (Revision 10)
PARCEL 1

A parcel of land, being part of the N2 and all of the SW4 of Section 3, and part of the E2 of Section 4, and all of the N2 of Section 10, all within T 21 S, R 67 W of the Sixth Principal Meridian, County of Pueblo, State of Colorado; and being all of "Parcel 1" as shown on a map entitled "Red Creek Ranch, Phase I, Revision 10" recorded June 24, 1996, in Book 2904 at page 213 in the office of the County Clerk, said "Parcel 1" being more particularly described as follows:

Commencing at a point marked by a 3" aluminum pipe with a 3 1/2" aluminum cap at the SE corner of Section 3, T 21 S, R 67 W of the Sixth Principal Meridian, County of Pueblo, State of Colorado, and the TRUE POINT OF BEGINNING;

thence S 00°36'19" E 2540.39 feet along the east line of Section 10, T 21 S, R 67 W of the Sixth Principal Meridian, County of Pueblo, State of Colorado, to a 3" aluminum pipe with a 3 1/2" aluminum cap at the E4 corner of said Section 10;

thence S 89°35'42" W 5265.71 feet along the south line of the N2 of said Section 10 to a #6 rebar with a aluminum cap at the W4 corner of said Section 10;

thence N 01°41'04" W 2638.44 feet along the west line of said Section 10 to a #6 rebar with an aluminum cap at the SE corner of Section 4, T 21 S, R 67 W of the Sixth Principal Meridian, County of Pueblo, State of Colorado;

thence N 89°37'10" W 2656.07 feet along the south line of said Section 4 to a wood corner post at the S4 corner of said Section 4, said point also being on the easterly line of a 75 foot wide private road known as Newton Road;

thence the following eighteen calls along the easterly and southerly line of said Newton Road:

- 1.) N 47°01'17" E 333.34 feet;
- 2.) N 45°18'39" E 750.62 feet;
- 3.) N 40°50'43" E 1943.27 feet;
- 4.) on a curve to the left having a radius of 387.50 feet for a distance of 99.78 feet, said curve having a delta of 14°45'13";
- 5.) N 26°05'30" E 333.10 feet;
- 6.) on a curve to the left having a radius of 303.33 feet for a distance of 99.68 feet, said curve having a delta of 18°49'45";
- 7.) on a curve to the right having a radius of 112.50 feet for a distance of 53.84 feet, said curve having a delta of 27°25'21";
- 8.) N 34°41'07" E 529.42 feet;
- 9.) on a curve to the left having a radius of 372.87 feet for a distance of 225.73 feet, said curve having a delta of 34°41'07";
- 10.) on a curve to the right having a radius of 1012.50 feet for a distance

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- of 486.81 feet, said curve having a delta of 27°32'51";
- 11.) N 27°32'51" E 88.91 feet;
 - 12.) N 78°21'13" E 623.41 feet;
 - 13.) N 79°43'24" E 410.63 feet;
 - 14.) N 75°16'26" E 408.75 feet;
 - 15.) N 63°17'53" E 105.58 feet;
 - 16.) N 42° 25'44" E 117.01 feet;
 - 17.) N 35° 54'56" E 219.27 feet;
 - 18.) N 07°48'10" E 109.39 feet to a point on the southerly line of Colorado State Highway 96 right of way;

thence the following three calls along the southerly of said Right of way:

- 1.) S 82°11'50" E 252.21 feet;
- 2.) on a curve to the left having a radius of 5805.00 feet for a distance of 849.37 feet, said curve having a delta of 08°23'00";
- 3.) N 89°23'42" E 1890.82 feet to a #5 rebar with aluminum cap on the east line of said Section 3;

thence S 00°34'10" E 2468.81 feet along the east line of said Section 3 to a #6 rebar with aluminum cap at the NE corner of the SE4 of said Section 3;

thence N 88°39'40" W 2659.80 feet along the north line of the SE4 of said Section 3 to a #5 rebar with aluminum cap at the NW corner of the SE4 of said Section 3;

thence S 00°27'45" E 2607.45 feet along the west line of the SE4 of said Section 3 to a found stone;

thence S89°24'49" E 2663.74 feet along the south line of the SE4 of said Section 3 to the TRUE POINT OF BEGINNING, Country of Pueblo, State of Colorado.

SAVE AND EXCEPT THEREFROM ALL MINERALS, MINERAL RIGHTS, OIL AND GAS; AND ALL OIL AND GAS RIGHTS, WHICH MAY HAVE BEEN HERETOFORE CONVEYED OR RESERVED.