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DECLARATION OF PROTECTIVE COVENANTS

BY

ARCHULETA COUNTY ECONOMIC

DEVELOPMENT ASSOCIATION

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Declaration of Protective Covenants

This declaration made this 17th day of September 1996 by the Archuleta County Economic Development Association, Post Office Box 305, Pagosa Springs, Colorado 81147-0305, hereinafter called "Declarant".

Article I Recitals

- 1.1) The Declarant is the present owner of that certain real property known as Cloman Industrial Park, AKA Industrial Park, situated in the County of Archuleta, State of Colorado, as set forth in the Plat of said Industrial Park recorded in the records of the Archuleta County Clerk and Recorder's Office under Reception No. 1996 00 6938 on 9/17/96. Hereinafter referred to as property.
- 1.2) Declarant is desirous of subjecting the property to the conditions, covenants, restrictions and reservations hereinafter set forth to insure proper use and appropriate development and improvement of said property.

Article II

2.1) Definition of Terms

- A. "Lots" shall mean any contiguous plot of land the size and dimensions of which shall be established by the legal description in the original conveyance from Declarant to the first fee owner of said plot of land, other than Declarant. A Lot may also be established by Declarant by an instrument in writing, executed, acknowledged and recorded by the Declarant, which designates a plot of land as a lot for purposes of these covenants. Two or more lots may, at the option of said owner, be combined and treated as a single lot for purposes of the Covenants contained herein. Consolidation of lots must be approved by the County.
- B. "Improvements" shall mean and include but not be limited to buildings, parking areas, loading areas, fences, walls, hedges, landscaping, mass plantings, poles, signs, and any structures of any type or kind.
- C. "Declarant" shall mean Archuleta County Economic Development Association, its successors and assigns.
- D. "Owner" shall mean the party or parties owning fee title to a lot; provided, however, that an Owner may, upon written notice to Declarant, assign all or part of his rights but not his duties hereunder to Owner's tenant.
- E. "Property Used in Common" shall mean and refer to those areas of the Property devoted to the Common Use and enjoyment of the owners of the lots, including, but not limited to parks, median strips, private streets, entrance parks and drainage areas.
- F. "Visible to Neighboring Property" shall mean, with respect to an object on a site, that such object will be visible to a person who is six feet tall and has 20/20 vision, if such person stands on any other site at an elevation no higher than the elevation of the base of such object.

Article III
Purpose

3.1) The property is hereby subject to the following conditions, covenants, restrictions and reservations, all of which shall be deemed to run with the Property and each and every parcel thereof, to insure proper use and appropriate development and improvement of said premises so as to:

- (a) protect the Owners and tenants of lots against such improper development and use of surrounding lots as will depreciate the value and use of their lots;
- (b) prevent the erection on the Property of structures constructed of improper or unsuitable materials or with improper quality and methods of construction;
- (c) insure adequate and reasonably consistent development of the property;
- (d) encourage and insure the erection of attractively designed permanent improvements appropriately located within the property in order to achieve harmonious appearance and function;
- (e) provide adequate off-street parking and loading facilities, and;
- (f) generally promote the welfare and safety of the occupants, tenants and owners of lots.

Article IV
Permitted Uses and Performance Standards

4.1) No noxious or offensive trades, services or activities shall be conducted on the lot nor shall anything be done thereon which may be or become an annoyance or nuisance to the owner, tenant or occupant of other lots within the Property by reason of unsightliness or the excessive emission of fumes, odors, glare, vibration, gasses, radiation, dust, liquid waste, smoke or noise.

4.2) Lots shall be utilized only for engineering, research facilities, laboratories, light industrial uses, offices, warehousing, manufacturing, construction yards, industrial uses, and such other related uses as the Architectural Review Committee shall permit in its sole discretion. Uses may be segregated within the boundaries of the subdivision by designating certain areas to be used for certain purpose only and such designation shall be made by Declarant, in its sole discretion.

4.3) The sites within the subdivision are restricted as to use as set forth on Exhibit "A" attached hereto and by reference incorporated herein.

Article V
Regulation of Improvements

5.1) **Improvements, Generally.** No improvements shall be constructed, erected, placed, altered, maintained or permitted on any lot until plans and specifications therefor have been approved by the Architectural Review Committee as more fully set forth in Article VI, Paragraph 6.2 of these Covenants.

5.2) **Setbacks.** No building or structure shall at any time be erected on any lot within twenty (20) feet from the boundary line of any street rights of way adjoining the same, or within twenty (20) feet from the side boundary line of any lot, or within twenty-five (25) feet from the rear boundary line of any lot. Any variation of the above may be done only with the prior written approval of the Architectural Review Committee.

5.3) **Off-Street Parking.** No parking shall be permitted on any street or at any place other than the paved parking (i.e. asphalt, concrete, or equal) spaces provided for and described hereinbelow. Each Owner and tenant shall be responsible for compliance with the foregoing by his employees and visitors. Adequate off-street parking shall be provided by each Owner and tenant for customers and visitors. The location, number and size of parking spaces shall be subject to approval by the Architectural Review Committee pursuant to Article VI hereof. The minimum standard shall be the total of the following:

- A. One parking space for each 250 square feet of gross floor area used for offices.
- B. One parking space for each 1,000 square feet of gross floor area used for warehouse purposes.
- C. One parking space for each 500 square feet of gross floor area used for manufacturing or light industrial purposes.
- D. One parking space for each 250 square feet of gross floor area used for any other permitted purposes.

All off-street parking and access drives and loading areas shall be properly graded to assure proper drainage. Parking shall not be permitted within twenty (20) feet of any public street right of way. Proper visual screening must be provided between any parking lot and any public street.

5.4) **Loading Areas.** Proper visual screening must be provided upon substantial completion of construction of truck loading and receiving areas between any such truck loading and receiving areas and any public street.

5.5) **Outside Storage.** No materials, supplies, equipment, finished or semi-finished products or articles of any nature shall be stored or permitted to remain on any lot outside of the building unless adequately screened. Waste and rubbish storage facilities shall be properly screened and shall not be installed, constructed or utilized without prior written consent of the Architectural Review Committee which consent shall not be unreasonable withheld.

5.6) Landscaping.

A. All lots shall be landscaped only in accordance with a plan submitted to and approved in writing by the Architectural Review Committee and in accordance with FAA Regulations prior to any development of the lot. Such landscaping plan shall include information regarding the type of sodding, the type of seeding, types of trees, hedges and shrubs and information regarding other customary landscape treatment for the entire site, including fences, walls and screening. All landscaping plans shall also include an underground lawn sprinkling system where applicable. Further, it shall be the responsibility of the Owner of a lot to landscape and maintain the area between the lot lines of said owner's lot and the right-of-way traveled adjacent to such lot. All landscaping shall be undertaken and completed in accordance with such approved plan and said plan may not be altered, amended or revised without submitting the revised landscaping plan for prior written approval by the Architectural Review Committee.

B. All landscaping required hereunder or otherwise to be provided on any lot shall be completed (completion for such purposes shall include payment therefor) within sixty (60) days after the substantial completion of construction of any buildings to be constructed on the lot; provided, however, if weather conditions do not at such time permit, then such landscaping shall be completed as soon thereafter as weather conditions permit. If any Owner fails to undertake and complete his landscaping within the time limit previously set forth herein, Declarant may, at its option, after giving the Owner ten (10) days written notice forwarded to Owner (unless within said ten (10) day period the Owner of the lot shall proceed and thereafter pursue with diligence the completion of such landscaping), undertake and complete the landscaping of the lot in accordance with the landscaping plan. If Declarant undertakes and completes such landscaping because of the failure of owner to complete the same, the costs of such landscaping shall be assessed against the Owner, and if said assessment is not paid within thirty (30) days after written notice of such assessment from Declarant, said assessment will constitute a lien on the lot and may be enforced as set forth in Article VII 7.3 hereof. In addition to the foregoing, each Owner shall deliver to Declarant no later than ten (10) days subsequent to the approval of the landscaping plans by the Architectural Review Committee, an irrevocable letter of credit in form satisfactory to Declarant, issued by a commercial bank or savings and loan association approved by Declarant, in the amount of the estimated cost of the landscaping. Said letter may be drawn upon by Declarant to pay the costs of completion of the landscaping, in the event that the landscaping is not completed within the time schedule previously described herein and Declarant elects to undertake and complete the same. Upon completion of the landscaping in accordance with the approved plans, the letter of credit shall be promptly returned by Declarant to Owner. Notwithstanding the above, an Owner may, with prior written approval by Declarant, furnish other security satisfactory to Declarant to insure completion of the landscaping plans as approved or Declarant may, in its sole discretion, waive in writing the foregoing requirements for such letter of credit or security in the case of any Owner. The granting of such waiver to any Owner shall not be construed to require Declarant to grant such waiver to any other Owner.

C. If any Owner, tenant or occupant of any lot fails to provide reasonable grounds maintenance of their separate lot, Declarant shall promptly give written notice thereof to such Owner, tenant or occupant stating in detail in what respects reasonable grounds maintenance as required hereunder is not being provided and demanding that such Owner, tenant or occupant comply with the maintenance requirement contained herein. In the event such Owner, tenant or occupant stating in detail in what respects reasonable grounds maintenance as required hereunder is not being provided and demanding that such Owner, tenant or occupant fails to comply with such demand within forty-five (45) days after the date of such notice, Declarant may, in its sole discretion, enter upon the lot and undertake such landscaping maintenance. All costs of such

5.10) Height Restrictions. No building nor appurtenance, including but not limited to, water tower, standpipes, penthouses, elevators or elevator equipment, stairways, ventilating fans or similar equipment required to operate and maintain any building, fire or parapet walls, skylights, tanks, cooling or other towers, wireless radio or television masts, or flagpoles shall exceed a height of fifty (50) feet above finished building grade established by the Architectural Review Committee without the prior approval thereof. No improvements within the Subdivision will be allowed which violate F.A.R., Part 77 height and setback restrictions. An Avigation Easement will be required when obtaining a Building Permit.

5.11) On-Site Drainage. Each lot Owner shall be required to provide adequate drainage facilities, including on-site ponds and control of storm water runoff resulting from precipitation. The amount of ponding shall be at least equivalent to the estimated change in storm water runoff resulting from the placement of buildings and parking areas on building sites.

The change in storm water runoff between historical (undeveloped conditions) and developed conditions shall be measured as the increased flow resulting from changes in coefficient of storm water runoff and the time of concentration. An engineer's report comparing the before and after conditions and recommending methods of detention and adequate methods of drainage shall be submitted by the Owner to the Architectural Review Committee for approval at the same time as submission of plans and specifications for any building as herein provided. Detention may be accomplished by providing ponding storage of storm water on roof tops, in parking areas, in the landscaping areas, in graded drainage swales and by such other methods as may be approved by the Architectural Review Committee.

5.12) Lighting. All plans for exterior lighting must be submitted to the Architectural Review Committee to insure that there are no conflicts with Regulations governing the Archuleta County Airport.

5.13) Fencing. Archuleta County Economic Development Association shall be responsible for providing fencing around the perimeter of the property and providing maintenance upon such until which time a Property Owner's Association is set up.

Article VI
Approval of Plans

6.1) **Architectural Review Committee.** There, is hereby established an Architectural Review Committee appointed by the Declarant. This Committee shall consist of five (5) members including, one member from a local financial institution, one from Joint Utilities Committee, one from Archuleta County Economic Development Association, one from the Archuleta County Airport Authority, and one from the County. Members of the Architectural Review Committee shall serve at the pleasure of Declarant. The vote of three members shall constitute the action of the Architectural Review Committee.

6.2) No improvements shall be constructed, erected, placed, altered, specifications with respect there to in manner and form satisfactory to the Architectural Review Committee showing the proposed improvements, plot layout, floor plan, and all exterior elevations, materials and colors, signs and landscaping, traffic engineering, number and size and layout of parking spaces, grading, easements and utilities, proposed building use and such other information as may be requested by said Committee has been submitted to and approved in writing by the Architectural Review Committee. Such plans and specifications shall conform to the Uniform Building Code, American National Standards Institute, Inc., and other applicable state and local codes and Archuleta County Avigation Easement F.A.R.-Part 77. and be submitted in writing over the signature of the Owner of the lot or the Owner's authorized representative.

6.3) Approval shall be based, among other things on adequacy of lot dimensions, conformity and harmony of external design with neighboring structures, effect of location and use of improvements on neighboring lots, operations and uses, relation of topography, bird and wildlife attraction, grade and finished ground elevation of the lot being improved to that of neighboring lots; proper facing of main elevation with respect to nearby streets, and conformity of the plans and specification to the purpose and general plan and intent of these restrictions. The Architectural Review Committee shall not arbitrarily or unreasonably withhold its approval of such plans and specifications.

6.4) If the Architectural Review Committee fails either to approve or disapprove such plans and specifications (including resubmission of disapproved plans and specifications which have been revised) within thirty (30) days after the same have been submitted (provided that all required information has been submitted), it shall be conclusively presumed that said plans and specifications have been approved subject, however, to the restrictions contained in Article IV hereof. The Architectural Review Committee shall notify the Owner in writing upon receipt of all required plans and specifications and the aforesaid thirty-day period shall commence on the date of such notifications.

6.5) Neither the Architectural Review Committee nor Declarant or their respective successors or assigns shall be liable in damages to anyone submitting plans to them for approval, or to any owner of land affected by this Declaration, by reason of mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval of, or disapproval of, or failure to approve any such plans and specifications. Every person who submits plans to the Architectural

Review Committee or Declarant to recover any such damages.

6.6) Nothing contained herein shall prevent an applicant from bringing suit for specific performance on the ground of unreasonably withheld approval of plans theretofore submitted or a suit for declaratory judgment, but no such suit may contain a claim for monetary damages.

6.7) An architectural review fee shall be paid to Declarant at such time as plans and specifications are presented to the Architectural Review Committee for approval. The architectural review fee shall be a reasonable amount and such amount shall be set by Declarant annually at no less than \$100.00 and no more than 1/100th of the estimated cost of construction pursuant to the plans reviewed. The initial fee for a period extending through _____ shall be \$100.00 for each set of plans submitted.

ARTICLE VII ENFORCEMENT

7.1) Abatement and Suit. The conditions, covenants, restrictions and reservations herein contained shall run with the land, and be binding upon and inure to the benefit of the Declarant and the Owners of every lot on the Property. These conditions, covenants, reservations and restrictions may be enforced as provided hereinafter by Declarant acting for itself, the Architectural Review Committee, and as trustee on behalf of all of the Owners of lots. Each Owner by acquiring an interest in the Property shall appoint irrevocably the Declarant as his attorney in-fact for such purposes; provided, however, that if a lot Owner notifies Declarant of a claimed violation of these conditions, covenants, restrictions and reservations and Declarant fails to act in a timely manner likely to correct such violation within thirty (30) days after receipt of such notification, then, and in that event only, an Owner may separately, at his own cost and expense, enforce the conditions, covenants, restrictions and reservations herein contained. Violation of any condition, covenant, restriction or reservation herein contained shall, after thirty-day prior written notice of such violation given by Declarant to the Owner of the lot where such violation exists, give the Declarant the right to enter upon the portion of the Property wherein said violation or breach continues to exist and to summarily abate and remove at the expense of the Owner any structure, thing or condition that may be or exists thereon contrary to the intent and meaning of the provisions hereof, or to prosecute a proceeding at law or in equity against the person or persons who have violated or are attempting to violate any of these conditions, covenants, restrictions and reservations to enjoin or prevent them from doing so, to cause said violation to be remedied or to recover damages for said violation.

7.2) Deemed to Constitute a Nuisance. Every violation of these constitute a nuisance, and every public or private remedy allowed therefor by law or equity against an Owner, tenant or occupant shall be applicable against every such violation and may be exercised by Declarant.

- A. In any civil or equitable proceeding for the enforcement or to restrain the violation of this limitation provision hereof, the losing party or parties shall pay the reasonable attorneys fees of the prevailing party or parties in the amount as may be fixed by the Court in such proceedings. All remedies provided herein or at law or in equity shall be cumulative and not exclusive.
- B. The failure of the Declarant to enforce any of the conditions, covenants, restrictions or reservations herein contained shall in no event be deemed to be a waiver of the right to do so for subsequent violations or of the right to enforce any other conditions, covenants, restrictions or reservations, and Declarant shall not be liable therefor if Declarant acted or failed to act in good faith.

7.3) Enforcement of Maintenance Assessments. The Owner of each lot shall within thirty (30) days after the date on which a notice of assessment with respect to landscaping maintenance of said Owner's lot and maintenance of the Property Used in Common is mailed or delivered, remit the amount of such assessment to Declarant. Any assessment not paid within the aforesaid thirty-day period from the date of such notice shall bear interest after said thirty-day period at twelve percent (12%) per annum until paid. All assessments not paid as set forth herein, plus

accrued interest shall constitute a lien on the lot superior and prior to all other liens and encumbrances, except those liens for general taxes and special assessment liens, and all liens unpaid on any mortgage of record. To evidence such lien, Declarant shall prepare a written notice ("the Notice") setting forth the amount of such unpaid assessment, the name of the Owner or the reputed Owner of the lot and a legal description of such lot. The Notice shall be signed by an officer of Declarant and shall be recorded in the office of the Clerk and Recorder of Archuleta County, Colorado, after having been mailed not less than thirty (30) days prior to such recording to the Owner or reputed Owner of the lot in default. The lien for the unpaid assessment shall attach from the date of the recording of the Notice. Any such lien may be enforced by the foreclosure upon the lot with respect to which the assessment has not been paid in like manner as a mortgage on real property is foreclosed under the laws of the State of Colorado. In any such foreclosure, the Owner of the lot which is being foreclosed shall be required to pay the cost, expenses and reasonable attorneys' fees incurred in connection with the foreclosure. Declarant shall have the power to bid in the lot being foreclosed upon. Declarant shall notify any mortgagee of the lot being foreclosed, if such encumbrancer has its address of record in the encumbrance document or otherwise furnishes its address in writing to the Declarant. Any mortgagee holding a lien on the lot may, but shall not be required to, pay any unpaid assessment and upon such payment, such encumbrancer shall have a lien on the area or tract for the amount paid, of the same rank as the lien of Declarant. The amount of the assessment assessed against each lot shall also be the personal and individual debt of the Owner thereof at the time the assessment is made and suit to recover money judgment (together with reasonable attorneys' fees and costs as aforesaid) for unpaid assessments may be maintainable without foreclosing or waiving the liens securing the same.

7.4) Certificate of Compliance. Upon payment of a reasonable fee not to exceed Twenty Dollars (\$20.00) and upon written request of any Owner, mortgagee, prospective Owner, tenant or prospective tenant of a lot, Declarant shall issue an acknowledged certificate in recordable form setting forth the amounts of any unpaid assessments, if any; whether or not the provisions of Article VIII hereof relating to right of repurchase have been exercised or complied with, and setting forth generally whether or not said Owner is in violation of any of the terms and conditions of these Covenants. Said written statement shall be conclusive upon Declarant in favor of the persons who rely thereon in good faith. Such statement shall be furnished by Declarant within a reasonable time, but not exceed ten (10) days from the receipt of a written request for such written statement. In the event Declarant fails to furnish such statement within said ten (10) days, it shall be conclusively presumed that there are no unpaid assessments relating to the lot as to which the request was made, that the Owner has fully complied with the terms and provisions of Article VIII hereof, and that said lot is in conformance with all of the terms and conditions of these Covenants.

Article VIII
Right of Repurchase

8.1) If any Owner fails to commence construction of a building upon a lot purchased by such Owner within a thirty (30) month period commencing with the date of a conveyance from Declarant to an Owner, other than Declarant, or within such additional period of times granted to such Owner by resolution of the Board of Directors of Declarant, Declarant shall have the right to repurchase the lot at any time within one hundred eighty (180) days after the expiration of said thirty-month period upon giving fifteen (15) days prior written notice of its intention to repurchase to said Owner. The repurchase price shall be the price paid by Owner for the lot when purchased from Declarant plus reimbursement for any real property taxes paid by Owner relating to the lot, less the unpaid balance of any mortgage or deed of trust or other amounts, nonpayment of which may be assessed as liens against the lot. The provisions of this Article shall be specifically enforceable as set forth in Article VII of these Covenants. If Declarant fails to give written notice exercising its right of repurchase within the one hundred eighty (180) day period aforesaid, said right of repurchase shall be deemed waived. "Commencement of Construction of a building" as defined herein means that the Owner of the lot has (1) obtained approval of the Architectural Review Committee as set forth in Article VI hereof; (2) obtained building permits from the appropriate governmental authorities authorizing construction of a building and improvements as approved by the Architectural Review Committee; (3) entered into a construction contract with a contractor licensed to do business in Colorado for construction of a building; and (4) expended at least the sum of Ten Thousand Dollars (\$10,000.00) pursuant to such construction contract for on-site construction work.

Article IX
Term, Termination, Modification and Assignment:

9.1) Term. This Declaration, every provision hereof and every covenant, condition, restriction and reservation contained herein shall continue in full force and effect for a period of twenty-five (25) years from date hereof, and shall thereafter be renewed automatically from year to year unless and until terminated as provided in Article IX, Paragraph 9.2 hereof.

9.2) Termination and Modification. This Declaration or any provision hereof, or any covenant, condition, restriction, or reservation contained herein, may be terminated, extended, modified or amended, as to the whole of said Property or any portion thereof, with the written consent of the Owners of sixty-five percent (65%) (on acreage basis) of the Property (other than Property used in common) subject to these restrictions; provided, however, that during the initial twenty-five (25) year term of these Covenants, no such termination, extension, modification or amendment shall be effective without the written approval of Declarant. Such termination, extension, modification or amendment shall be immediately effective upon recording a proper instrument in writing, executed and acknowledged by such Owners (and by Declarant as required herein) in the office of the Clerk and Recorder of Archuleta County, Colorado.

9.3) Assignments of Declarant's Right and Duties. Any and all rights, powers and reservations of Declarant herein contained may be assigned by Declarant to any person, corporation or association which will assume any and all of the duties of Declarant hereunder, and upon such person, corporation or associations evidencing its consent in writing to accept such assignment, said assignor shall, to the extent of such assignment, assume Declarant's duties hereunder, have the same rights and powers and be subject to the same obligations and duties as are given to and assumed by Declarant herein. Upon such assignment, and to the extent thereof, Declarant shall be relieved from all liabilities, obligations and duties hereunder. The term "Declarant" as used herein includes all such assignees and their heirs, successors and assigns. If at any time Declarant ceases to exist and has not made such an assignment, a successor Declarant may be appointed by the Owners of sixty-five percent (65%) (on acreage basis) of the Property (other than Property used in common) upon compliance with the requirements of Paragraph 9.2 of this Article IX. It is the intent of Declarant to form a non-profit corporation whose sole shareholders will be the Owners of property within Cloman Industrial Park and whose business will be conducted by a Board of Directors elected by the Owners of such property with each Owner to have a pro rata vote in the election of said director. Pro rata being defined as set forth herein above in Article V 5.7 D.

Article X
Extension of Covenants to Include Additional Property

10.1) Declarant may at any time make subject to these Protective Covenants other properties now or hereafter owned by Declarant by executing an instrument in writing applying these covenants to such other properties and by recording the same in the office of the Clerk and Recorder of Archuleta County, Colorado. Upon such recordation (1) these Covenants shall run with the Property already subject thereto and with such additional property as if such Covenants had always applied to all of said land from the date of inception of these Covenants, and (2) whenever thereafter in construing this Declaration reference is made to "the Property" said term shall mean and include not only the Property described in the Plat of said Industrial Park recorded in the records of the Archuleta County Clerk and Recorder's office Reception No. 1996-006938 on September 17th 1996, but also such additional properties, including all property used in common thereon. Such additional properties may be but need not be contiguous to other properties owned by Declarant and made subject to these covenants.

Article XI
Miscellaneous

11.1) No Waiver. All of the conditions, covenants, restrictions and reservations contained in this Declaration of Protective Covenants shall be construed together, but if it shall at any time be held that any one of said conditions, covenants, restrictions and reservations, or any part thereof, is invalid, or for any reason unenforceable, no other conditions, covenants, restrictions and reservations or any part thereof shall be thereby affected or impaired.

11.2) Owner's Liability Subsequent to Sale. Upon sale of a lot, the Owner so selling shall not have any further liability for the obligations thereon which accrue against the lot sold after the date of the conveyance; provided, however, that nothing herein shall be construed so as to relieve an Owner of any lot from any liabilities or obligations incurred prior to such sale pursuant to this Declaration of Protective Covenants. Furthermore, any such sale shall not enlarge or extend the time for commencement of construction of a building upon a lot nor modify Declarant's right of repurchase pursuant to Article VIII hereof, and any subsequent owner shall have only the time remaining, if any, to comply with Article VIII.

11.3) Benefits and Burdens. The terms and provisions contained in this Declaration of Protective Covenants shall bind and inure to the benefit of the Declarant, the Owners of all lots located within the Property, the Owners of additional Property made subject to this Declaration of Protective Covenants and their respective heirs, successors, personal representatives and assigns.

11.4) Notice. Any notices required or permitted herein shall be in writing and mailed, postage prepaid by registered or certified mail, return receipt requested and shall be directed as follows: If intended for a lot Owner (1) to the address of the lot if improved; (2) if the lot is not improved to the address set forth in the purchase contract or purchase contract application; (3) if none of the foregoing, to the last known address of the Owner. If intended for Declarant, to the address previously set forth herein.

11.5) Singular and Plural. Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, if the context requires.

11.6) Mortgage. The term "mortgage" as used herein shall include deeds of trust and trust deeds.

IN WITNESS WHEREOF, ARCHULETA COUNTY ECONOMIC DEVELOPMENT ASSOCIATION of Pagosa Springs, Colorado, has executed this instrument the day and first above written.

ARCHULETA COUNTY ECONOMIC DEVELOPMENT ASSOCIATION

By Russel Lee
President

ATTEST:

G. Kenneth Brashar
Secretary

STATE OF COLORADO)
) ss.
COUNTY OF ARCHULETA)

The foregoing instrument was acknowledged before me this 17TH day of SEPTEMBER, 1996, by RUSSELL LEE, as President, and G. KENNETH BRASHAR, as Secretary of, and for, ARCHULETA COUNTY ECONOMIC DEVELOPMENT ASSOCIATION, a Colorado corporation.

Angeleene J. Talamante
NOTARY PUBLIC

My Commission Expires: 1/16/00

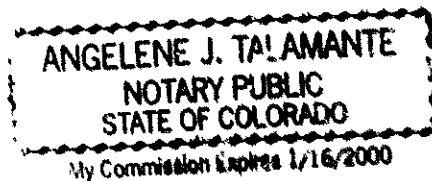


EXHIBIT "A"
Cloman Industrial Park Land Uses

Zone.

- 1.) Light manufacturing, fabrication and warehousing
Permitted Uses:
 - a) The manufacture, fabrication, and/or processing of commodity, with exception, however, of those that usually create excessive amounts of smoke, dust, noise, fumes, vibrations, or any other deleterious effects.
 - b) Cabinet, woodworking or carpenter shops
 - c) Laboratories
 - d) Machine shops
 - e) wholesale storage

- 2.) Heavy equipment storage and sales.
 - a) Repair and reconstruction
 - b) Sales of heavy equipment
 - c) Machine shops
 - d) Trucking terminals
 - e) Lumber yard

- 3.) Service
 - a) Public utilities
 - b) Offices (Professional)
 - c) Printings and publishing shops
 - d) Electronics
 - e) Public Agency Offices

Description of Lots in above zones references pursuant to Official Plat files in Archuleta County for Cloman Industrial Park.

<u>Zone</u>	<u>Lots</u>
1.	Lots 1 - 31
2.	Lots 19,20,21,29,30
3.	Lots 1 - 31



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**AMENDED
DECLARATION OF PROTECTIVE
COVENANTS BY ARCHULETA COUNTY
ECONOMIC DEVELOPMENT ASSOCIATION**

This Amended Declaration of Covenants by Archuleta County Economic Development Association is made this 30th day of July, 2003 by the Declarant, Archuleta County Economic Development Association, a Colorado nonprofit corporation, whose address is P.O. Box 305, Pagosa Springs, Colorado 81147, hereinafter referred to as "Declarant":

WHEREAS, Declarant is the developer of certain real property located in Archuleta County, Colorado known as "Cloman Industrial Park", which real property is subject to a Declaration of Protective Covenants previously recorded in the Office of the Archuleta County Clerk and Recorder on September 17, 1996 as Reception Number 1996006940 ("Covenants"); and

WHEREAS, Article IX, Section 9.2 of the Covenants provides that the said Covenants may be amended with the written consent of the Owners of sixty-five percent (65%) (on acreage basis) of the property; and

WHEREAS, the Declarant owns in excess of sixty-five percent of the of the property and wishes to amend the Covenants, as more fully set forth below;

NOW THEREFORE, the following provisions are hereby modified, amended or deleted from the Covenants:

1. Article IV of the Covenants, entitled "Permitted Uses and Performance Standards" shall be modified to add a new Section 4.4, as follows:

4.4) In addition to the uses set forth in Article IV and Exhibit "A" attached to the Covenants, Lot 27 of Cloman Industrial Park may be used for the purposes of providing access (both ingress and egress) and utilities to an approximate 80-acre parcel adjacent to, and immediately west of, Lot 27 (which is further described in the attached Exhibit "A") through the construction of a roadway across Lot 27 and the installation of utilities to serve the 80-acre parcel. Such permitted uses may include the dedication of a right-of-way across Lot 27 to a public entity. The roadway constructed on Lot 27, including any future modification of such roadway and the installation of utilities on Lot 27 shall not be considered, nor be construed to be "Improvements" or "Property Used in Common" as such terms are defined and used in the Covenants. The additional permitted uses as described herein shall pertain only to the construction and future modifications to the roadway to be constructed on Lot 27 and the installation and maintenance of utilities to serve the 80-acre parcel. All Improvements which may be constructed on Lot 27 (excluding the roadway and installation of utilities) shall be required to comply in all respects with the Covenants.

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