

4

SECOND AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS
OF
RED MOUNTAIN RANCH

WHEREAS, the undersigned on January 12, 1996, recorded the Declaration of Protective Covenants of Red Mountain Ranch in Book 776 at Page 821 of the Gunnison County records ("Covenants"); and

WHEREAS, by Restrictive Covenant adopting Declaration of Protective Covenants recorded January 12, 1996, in Book 776 at Page 845 of the Gunnison County records, White Buffalo Trading Company, a Colorado corporation, applied the Covenants to the property described therein; and

WHEREAS, by Restrictive Covenant adopting Declaration of Protective Covenants recorded January 23, 1996, in Book 777 at Page 398 of the Gunnison County records, the undersigned applied the Covenants to the Property described therein; and

WHEREAS, by Amendment to Declaration of Protective Covenants of Red Mountain Ranch recorded July 5, 1996 in Book 786 at Page 307 and rerecorded July 15, 1996 in Book 787 at Page 04 of the Gunnison County records the undersigned amended the Covenants ("Amendment"); and

WHEREAS, the undersigned desires to further amend the Covenants;

NOW, THEREFORE, the undersigned hereby amends the Covenants as follows:

1. **Plat Amendments.** Notwithstanding any other provision in the Covenants or Amendments to the contrary, Declarant reserves the right to amend the Plat until completion of all Red Mountain Ranch road construction. Such Plat amendment may include but shall not be limited to relocation of roads, Lot boundaries, Building Sites and stock drive routes and other easements. No Lot Owner shall have any right to review and/or approve any such Plat amendment except that no modification by Declarant of any Building Site shall be effective without the written approval of the Owner of the Lot on which such Building Site is located.

2. **Wetlands.** All driveways, buildings and other improvements shall be located, designed and constructed so as to avoid affecting wetlands to the extent feasible. If it is not feasible to avoid affecting wetlands, the Lot Owner shall be responsible for designing and constructing all appropriate mitigation measures and for obtaining all required permits, including a 404 permit from the United States Army Corps of Engineers. The Architectural Control Committee shall have broad discretion to reject plans and specifications for any Improvements which will impact wetlands. If the Architectural Control Committee reasonably determines that a site inspection is necessary to properly evaluate an application, it shall have the discretion to defer decision until the affected Lot is free from snow to enable the Architectural Control Committee to conduct a thorough inspection of the Lot.

3. **Park Site.** Declarant reserves the right to impose one or more easements for park purposes upon one or more Lots in Red Mountain Ranch. Park easements shall not exceed a total of 6 acres.

4. **Driveways.** To the extent feasible, all driveways shall be located as depicted on the Plat. Notwithstanding any other provision in the Covenants and Amendment to the contrary, the Architectural Control Committee, to minimize impact on wetlands, avoid building constraints, preserve trees or for other good cause, shall have the right to review and approve the precise location of all driveways and relocate the driveways depicted on the Plat including the right to locate or relocate a driveway on an adjacent Lot.

5. **Tree Removal.** Removal of trees and other foliage shall be strictly limited. The Architectural Control Committee shall have broad discretion to restrict removal of trees and other foliage and to require replacement of trees and other foliage.

6. **Building Site.** The main Family Residence shall be located entirely within the Building Site. Notwithstanding any other provision in the Covenants and Amendment to the contrary, the Architectural Control Committee, to minimize impact on wetlands, avoid building constraints, preserve trees or for other good cause, shall have the discretion (A) to allow the Guest House, Garage, Barn, well and/or individual sewage disposal system to be located within or outside of the Building Site, and (B) to adjust the location of the Building Site within the general vicinity of the Building Site as it deems appropriate.

7. **Height.** Section 7 of Article 5 is amended to read as follows:

No Building shall be higher than 3 stories above grade. The maximum height of any Building shall be 35 feet. The height of a Building for the purpose of this Section shall be measured from the lowest point where grade meets the foundation to the highest point of the roof, as determined by the Board.

8. **Dust Retardant.** At least annually, the Association shall apply magnesium chloride or other suitable dust retardant to all Red Mountain Ranch Roads.

9. **Easements.** Declarant hereby reserves easements 20 feet in width for the installation of underground utilities around the perimeter of each Lot in Red Mountain Ranch. Upon completion of any installation or maintenance of utilities, the property disturbed or damaged by such installation or maintenance shall be restored to a condition as near as reasonably possible as it was prior to the installation or maintenance of the utilities. Declarant reserves the right to allow any utility provider to utilize the easements reserved in this paragraph and/or to assign such easements to the Association.

10. **Road Alignment.** Declarant reserves the right to adjust up to 40 feet in each direction the location of any road easement shown on the Plat to minimize impact on wetlands, avoid building constraints, preserve trees or for other good cause.

11. **Reservation of Right to Dedicate Easements.** Declarant reserves the right to dedicate easements for access and utilities 80 feet in width across Lots 6, 14, 16, 31 and/or 32 to serve property adjacent to Red Mountain Ranch. Such access and utility easements shall be located so as to minimize grade, foliage destruction and excavation, as reasonably determined by Declarant.

12. **Pedestrian Easement.** Lacy and Dow LLC reserves for and dedicates to the Owners a 10 foot wide pedestrian easement from the main Red Mountain Ranch road to the southerly boundary of Red Mountain Ranch along the Cattle Drive Easement recorded in Book 334 at Page 117 of the Gunnison County records. Lacy and Dow LLC reserves the right to relocate such Cattle Drive Easement.

