

**THIRD 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, by Second Amendment to Declaration of Protective Covenants of Red Mountain Ranch recorded October 10, 1996 in Book 792 at Page 017 of the Gunnison County records the undersigned further amended the Covenants ("Second Amendment"); and

WHEREAS, the undersigned desires to further amend the Covenants;

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

1. Section 2 of Article 3 of the Covenants is hereby deleted and paragraph 6 of the Second Amendment is amended to read as follows:
6. **Building Site**. The main Family Residence shall be located entirely within the Building Site. Notwithstanding any other provision in the

Covenants, Amendment and Second Amendment to the contrary, to minimize impact on wetlands or avoid building constraints, the Architectural Control Committee, with the written approval of the Owners of all adjacent Lots, shall have the discretion to allow the well and/or individual sewage disposal system to be located within or outside of the Building Site. A Lot separated only by a road shall be deemed adjacent for purposes of this provision.

2. Notwithstanding the provisions of Sections 2 and 3 of Article 12 of the Covenants, Section 9 of Article 13 of the Covenants shall have perpetual duration and shall not be amended.

3. Section 2 of Article 12 of the Covenants is amended by changing 66% to 67%.

Except as modified hereby, the provisions of the Covenants, Amendment and Second Amendment are reaffirmed and ratified.

Signed this 10 day of January, 1997.

Lacy and Dow LLC, a Colorado
limited liability company

By: Billy Joe Lacy
Billy Joe Lacy, Member and
Attorney-in-fact

STATE OF COLORADO)
) ss.
COUNTY OF GUNNISON)

The above and foregoing Second Amendment to Declaration of Protective Covenants was acknowledged before me this 10th day of January, 1997 by Billy Joe Lacy, Member and attorney-in-fact of Lacy and Dow LLC, a Colorado limited liability company.

Witness my hand and official seal. My commission expires September 13, 2000.



[Signature]
Notary Public