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**SECOND RESTATED AND AMENDED DECLARATION OF
PROTECTIVE COVENANTS FOR WILDCAT RANCH**

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SECOND RESTATED AND AMENDED DECLARATION OF PROTECTIVE COVENANTS FOR WILDCAT RANCH

1. Second Restated Declaration - Purposes.

1.1 Restatement. This instrument (the "Second Restated Declaration") is an amendment and restatement of the Restated Declaration of Protective Covenants for Wildcat Ranch recorded March 9, 1994 in Book 743 at Page 946 as amended by First Amendment thereto recorded March 24, 1994 in Book 745 at Page 555 (the "Restated Declaration").

1.2 General Purposes. Wildcat Ranch Ltd., a Colorado limited partnership is the developer of a private ranch community known as Wildcat Ranch, substantially all of which is located in the Town of Snowmass Village, Colorado and portions of which (i.e., portions of Homesteads 7, 9 and 10 and all of Homestead 12) are located in unincorporated Pitkin County, Colorado. Wildcat Ranch, Ltd. and Wildcat Ranch Association, a Colorado non-profit corporation, intend that all owners, trust deed beneficiaries, mortgagees and any other persons or entities now or hereafter acquiring any interest in Wildcat Ranch shall hold such interest subject to all the rights, privileges, obligations and restrictions set forth in this instrument. In addition, Wildcat Ranch Association has been created to perform certain obligations described herein and to own, hold, operate and manage property for the common benefit of all owners of Wildcat Ranch.

1.3 Authority to Restate. This instrument is published and adopted by Wildcat Ranch, Ltd. and Wildcat Ranch Association in accordance with Section 19 Restatement of Declaration of the Restated Declaration.

1.4 Authority to Amend. In accordance with Section 13.2 Amendments to the Restated Declaration, eighty percent (80%) or greater of the Owners of all Homesteads have voted for the amendments appearing in this instrument. Evidence of the requisite votes of Owners approving such amendments is on file with the Association.

1.5 Purpose of Amendments. On June 20, 1994 the Town of Snowmass Village, Colorado (the "Town") annexed all of Wildcat Ranch

lying outside of Snowmass Creek Valley. The area annexed into the Town consists of Wildcat Ranch Homesteads 1, 2, 3, 4, 5, 6, 8, 11 and 13; the Ranch Manager's Parcel; BLM Parcels 87, 90 and 91 and substantially all of Homesteads 7, 9 and 10. None of Homestead 12 has been annexed into the Town. In connection with the annexation, the Town, granted land use approvals to the Wildcat Ranch lands annexed into the Town which resulted in adjustments to the lot lines of Homesteads 7, 8 and 9; BLM Parcel 91 being incorporated into Homestead 7; new Homestead 13 being created out of BLM Parcel 90 and portions of Homestead 6; BLM Parcel 87 being incorporated into Homestead 11 and 80 acres of Homestead 11 being subdivided off and deeded to the Town. The land use approvals granted by the Town also made amendments to earlier land use approvals given to Wildcat Ranch by Pitkin County. With respect to the Wildcat Ranch lands annexed into the Town, this Second Restated Declaration is adopted in compliance with and pursuant to the land use approvals granted Wildcat Ranch by the Town.

1.6 Second Restated Declaration. To further the purposes herein expressed: (a) Wildcat Ranch, Ltd. for itself, its successors and assigns, with respect to the Wildcat Ranch lands located in the Town of Snowmass Village as defined and described in the Final P.U.D. Plan recorded in Plat Book 26, at Page 3 and with respect to Wildcat Ranch lands located in unincorporated Pitkin County as defined and described in the Amended Exemption Plat recorded in Plat Book 31 at Page 1 and (b) Wildcat Ranch Association, for itself, its successors and assigns with respect to the Ranch Manager's Parcel which is located in the Town of Snowmass Village and is described in Deeds recorded in Book 644 at Page 116, Book 703 at Page 769 and Book 703 at Page 816 hereby declare that all said lands shall at all times be owned, held, used and conveyed subject to the terms, provisions, conditions and restrictions contained in this instrument, which terms, provisions, conditions and restrictions shall constitute covenants running with the land and shall be binding upon and inure to the benefit of Wildcat Ranch, Ltd., Wildcat Ranch Association and all owners, trust deed beneficiaries and mortgagees of Wildcat Ranch Homesteads as to their respective interests and to any person or legal entity acquiring any interest in any of said lands.

2. DEFINITIONS AND AREA DESIGNATIONS.

2.1 Annual Assessments shall mean the charges levied and assessed each year against a Homestead pursuant to Section 5.2 below.

2.2 Articles shall mean Articles of Incorporation and any amendments thereto for Wildcat Ranch Association, a Colorado nonprofit corporation.

2.3 Assessments means both Annual (or regular) Assessments and Special Assessments.

2.4 Association means Wildcat Ranch Association, a Colorado nonprofit corporation formed and incorporated to be and constitute the Association to which reference is made in this instrument to further the common interests of Owners of all Homesteads within Wildcat Ranch.

2.5 Board or Board of Directors means the governing board of the Association.

2.6 Common Expenses means estimated and actual expenditures made or to be made by or on behalf of the Association, together with any allocations to reserve or sinking funds.

2.7 County shall mean Pitkin County, Colorado.

2.8 County Approval Resolutions shall mean Pitkin County Approval Resolution No. 90-154 captioned "Resolution of the Board of County Commissioners of Pitkin County, Colorado Approving General Submission for Subdivision Exemption, 1041 Hazard Review, GMQS Exemption, Boundary Line Adjustment and Employee Dwelling Units for the Wildcat Ranch" recorded in Book 641 at Page 323 of the real estate records of Pitkin County, Colorado as amended by Resolution No. 92-389 recorded in Book 700 at Page 351 and any amendments thereto; Resolution No. 91-39 captioned "Resolution of the Board of County Commissioners of Pitkin County, Colorado Granting Final Plat Approval for the Wildcat Ranch Subdivision Exemption, 1041 Hazard Review, Employee Dwelling Units and Boundary Line Adjustment" recorded in Book 644 at Page 738 of the real estate records of Pitkin County, Colorado, as amended by Resolution No. 91-176 recorded

in Book 666 at Page 510 and Resolution No. 92-381 recorded in Book 694 at Page 618 and any amendments thereto; and Resolution No. 90-113 captioned "Resolution of Board of County Commissioners of Pitkin County, Colorado Granting 1041 Hazard Review Approval of an Accessory Boathouse Structure on the Ranch Manager 35 Acre Parcel on the Wildcat Ranch" recorded in Book 644 at Page 116 of the real estate records of Pitkin County, Colorado, and any amendments thereto; and Resolution No. 92-16 captioned "Resolution of the Board of County Commissioners of Pitkin County, Colorado Rezoning the Wildcat Ranch From AF-1 and RS-30 to RS-160, Provision One" recorded in Book 694 at Page 635 and any amendments thereto. The County Approval Resolutions only affect those portions of Wildcat Ranch located outside the Town.

2.9 CPI means Consumer Price Index, All Urban Consumers, U.S. City Average, All Items as promulgated by the U.S. Department of Labor, Bureau of Labor Statistics. If the CPI becomes unavailable or in the reasonable determination of Wildcat Ranch, Ltd. ceases to be a valid measure of the purchasing power of the consumer dollar, Wildcat Ranch, Ltd. may designate a substitute index of recognized authority.

2.10 Declarant means collectively Wildcat Ranch, Ltd., a Colorado limited partnership, and Wildcat Ranch Association, a Colorado nonprofit corporation, and any party designated as a successor or assign of the Declarant by a written instrument duly recorded in the real estate records of Pitkin County, Colorado, which instrument, to be effective, need only be signed by Wildcat Ranch, Ltd. Such instrument may specify the extent and portion of the rights or interests being assigned by Declarant, in which case Wildcat Ranch, Ltd. (and Wildcat Ranch Association to the limited extent set forth in this Second Restated Declaration) shall retain all other rights of Declarant not so assigned. Wildcat Ranch Association joins in this Second Restated Declaration for the purpose of subjecting the Ranch Manager's Parcel to the terms, provisions, conditions and restrictions of this instrument.

Unless otherwise provided hereunder, all privileges, rights, interests, entitlements, duties, obligations, functions and responsibilities of Declarant shall belong to and be carried out solely by Wildcat Ranch, Ltd.

2.11 Development Activity Envelope means one or more areas shown on the Final P.U.D. Plan, or in the case of Homestead 12, the Hazard Review (1041) Plat thereof within which principal development activity may occur. Procedures are set forth in Section 7.4 below whereby the Owner of a Homestead shall select a particular Development Activity Envelope. With respect to Homesteads 1 through 11 and 13 (other than those portions of Homesteads 7, 9 and 10 within the County), no development activities or changes in the natural conditions of any lands shall occur outside Development Activity Envelopes except as allowed by the Town Land Use Ordinance, Final P.U.D. Plan, Wildlife Management and Enhancement Plan or elsewhere in this Second Restated Declaration. With respect to Homestead 12 (and those portions of Homesteads 7, 9 and 10 within the County), no development activity or changes in the natural conditions of any lands shall occur outside Development Activity Envelopes except as allowed by the County Approval Resolutions, Exemption Plat, Wildlife Management and Enhancement Plan or elsewhere in this Second Restated Declaration.

2.12 Development Guidelines means guidelines adopted by the Site and Architectural Review Committee to provide persons desiring to build homes, to construct other improvements or carry on any other development activity on Homesteads with site and development design criteria.

2.13 Eligible Mortgage Holder shall mean the holder of any first priority Mortgage encumbering a Homestead that has given written notice to the Association of said Mortgage. Such notice shall include a true copy of the Mortgage as recorded.

2.14 Exemption Plat shall mean the Amended Exemption Plat for Wildcat Ranch recorded in Plat Book 31 at Page 1 of the real estate records of Pitkin County, Colorado, and any amendments thereto as may be duly approved by the County. The Exemption Plat shall only be applicable to Homestead 12 and those portions of Homesteads 7, 9 and 10 not annexed into the Town.

2.15 Final Annexation Agreement shall mean the Final Annexation Agreement between Wildcat Ranch, Ltd., the Association and the Town,

notice of which is given by Memorandum recorded July 29, 1994 in Book 757 at Page 33.

2.16 Final P.U.D. Plan shall mean the Final P.U.D. Plan for Wildcat Ranch recorded in Book 36 at Page 3. The Final P.U.D. Plan affects all of Wildcat Ranch excepting Homestead 12 and excepting those portions of Homesteads 7, 9 and 10 outside the boundaries of the Town.

2.17 Hazard Review (1041) Plat for Homesteads shall mean the plat evidencing the 1041 Hazard Review approval for one or more Development Activity Envelopes located on a particular Homestead and any amendments thereto that may be duly approved by the County. The only County plats evidencing 1041 Hazard Review approvals that remain in effect as to Wildcat Ranch is the plat for Homestead 12 and the plat for Development Activity Envelope 9(g) located on Homestead 9.

2.18 Homestead or Homesteads means fee ownership subdivided parcels of land designated by number on the Final P.U.D. Plan or Exemption Plat as applicable.

2.19 Member or Members means either: (a) Owners who are Members of the Association and who, by virtue of such ownership, are entitled to Class "A" memberships, or (b) holders of Class "B" or Class "C" memberships in the Association, all as provided in Section 3.5 below.

2.20 Mortgage means any mortgage, deed of trust or other security instrument creating a real property security interest in any Homestead, excluding any statutory, tax or judicial liens.

2.21 Mortgagee means any grantee or beneficiary of a Mortgage.

2.22 Mortgagor means any grantor or trustor of a Mortgage.

2.23 Owner means the person or persons or legal entity holding record fee simple title to a Homestead. Declarant shall be entitled to treat the record title holder of a Homestead as the Owner thereof for all purposes.

2.24 Primary Access means access to Wildcat Ranch from State Highway 82 via Lake Wildcat Road (formerly Besancon Road) in the northeast corner of the property.

2.25 Property Conveyed by Declarant means any real or personal property which Wildcat Ranch, Ltd. sells, grants, assigns or conveys to the Association including, but not limited to, buildings, other improvements, roads, trails, utilities, water rights, which water rights may include but not be limited to, wells, ditches, reservoirs or shares of stock in any ditch or reservoir company, signage, security gates, equipment, inventory, furniture, fixtures, fences, lighting, trucks or other vehicles. The Association shall be obligated to and shall accept title to or interests in any property which may be sold, assigned, granted or conveyed to the Association by Wildcat Ranch, Ltd. All property to be sold, assigned, granted or conveyed by Wildcat Ranch, Ltd. to the Association will be an outright conveyance, sale, assignment, grant or conveyance of all the interest of Wildcat Ranch, Ltd. therein, subject only to such reservations, restrictions and conditions as Wildcat Ranch, Ltd. may reasonably provide and none of such property, to the extent owned by Wildcat Ranch, Ltd., will be leased to the Association.

2.26 Ranch Manager means a person or other entity who may or may not be an employee of the Association who shall be primarily responsible for the operation of Wildcat Ranch, which operation may include, but not be limited to, irrigation of pasture lands, wildlife enhancement, maintenance and repair of roads and operation of the water treatment plant and distribution system.

2.27 Ranch Manager's Parcel means the lands described in Deeds recorded in Book 644 at Page 116, Book 703 at Page 769 and Book 703 at Page 816 of the real estate records of Pitkin County, Colorado, which parcel includes a residence for the Ranch Manager and outbuildings, a portion of Lake Wildcat Road, a portion of Wildcat Lake, the boathouse, dam and water treatment plant.

2.28 Roads means those roads shown on the Final P.U.D. Plan or Exemption Plat as applicable (i.e., Lake Wildcat Road, Wildcat Way and

Popish Road). Roads also means access roads to Wildcat Ranch facilities such as the boathouse, water treatment plant and water storage tank.

2.29 Second Restated Declaration means this Second Restated and Amended Declaration of Protective Covenants for Wildcat Ranch as recorded in the real estate records of Pitkin County, Colorado, and as amended from time to time. This Second Restated Declaration shall at all times and for all purposes be relied upon by Declarant, Owners, Members, Mortgagees, any prospective purchaser of a Homestead in Wildcat Ranch and any title company insuring any owner, mortgagee or any other interest in Wildcat Ranch.

2.30 Secondary Access means (a) access to Wildcat Ranch from the Town of Snowmass Village via Sinclair Road at the eastern edge of the property, and (b) access to Wildcat Ranch via Wildcat Way from Snowmass Creek Road at the northwest corner of the property. Secondary Access to Wildcat Ranch is limited in accordance with the terms and conditions of any easements or other agreements creating such access, other restrictions of record, applicable land use approvals or as set forth in this instrument.

2.31 Site and Architectural Review Committee, sometimes referred to as the SARC, shall mean either the Board of Directors or a committee appointed by the Board of Directors of the Association for the purpose of reviewing and approving any improvements or changes to lands within Wildcat Ranch.

2.32 Special Assessments means any special or extra-ordinary Assessment levied and assessed pursuant to Section 5.3 below.

2.33 Subsidiaries shall mean one or more non-profit corporations or other entities that are subsidiaries of the Association to which certain Wildcat Ranch or Association rights, properties or appurtenances may be leased or transferred and thereafter held, owned, operated, leased, managed or otherwise dealt by such subsidiary in furtherance of the interests of Wildcat Ranch.

2.34 Town means the Town of Snowmass Village, Colorado.

2.35 Town Land Use Ordinance shall mean Snowmass Village Town Council Ordinance No. 8, Series of 1994 (an Ordinance Approving the Rezoning of Wildcat Ranch to Planned Unit Development (PUD) and Adoption of a Final Planned Unit Development Plan for Those Properties) recorded in Book 755 at Page 247.

2.36 Wildcat Ranch means all the property shown on the Exemption Plat or Final P.U.D. Plan as applicable for thirteen (13) Homesteads, the Ranch Manager's Parcel and any additions thereto as permitted under this Second Restated Declaration.

2.37 Wildcat Ranch Use and Maintenance Agreement means an agreement between parties including Wildcat Ranch, Ltd. and the Town providing for, among other things, controlled access from Wildcat Ranch to the Town via Sinclair Road, which agreement is recorded in Book 638 at Page 455 of the real estate records of Pitkin County, Colorado and any amendments thereto.

2.38 Wildcat Lake means a reservoir on Wildcat Ranch covering approximately fifty (50) acres.

2.39 Wildlife Management and Enhancement Plan means a plan dated April 5, 1991 and recorded in Book 699 at Page 47 prepared by Baharav Environmental Consulting or any amendments thereto providing for the ongoing implementation, improvement, management and monitoring of wildlife habitats in Wildcat Ranch.

2.40 Wildlife Management Agreement means an agreement between the Association and the Town recorded in Book 774 at Page 199 of the real estate records of Pitkin County, Colorado which obligates the Association to perform the Wildlife Management and Enhancement Plan for Wildcat Ranch. Reference is made to a prior Wildlife Management Agreement between Wildcat Ranch, Ltd. and the County recorded in Book 649 at Page 39 (the "Prior Wildlife Agreement"). The Prior Wildlife Agreement shall remain in effect as to those portions of Wildcat Ranch within the County.

3. ASSOCIATION MEMBERSHIP.

3.1 Formation of Association. The Association shall be a nonprofit Colorado corporation charged with the duties and invested with the powers prescribed by law and as set forth in its Articles, Bylaws and this Second Restated Declaration. Neither the Articles nor Bylaws of the Association shall, for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with this Second Restated Declaration.

3.2 Board of Directors and Officers. The affairs of the Association shall be conducted by the Board and such officers as the Board may elect or appoint in accordance with its Articles and Bylaws as the same may be amended from time to time. The Association by and through the Board shall govern and manage all Property Conveyed or Leased by Declarant and any other Association property and shall enforce the provisions of this Second Restated Declaration. The initial Board shall be composed of three members. The Board may also appoint various committees. The Board will employ, or otherwise contract with, the Ranch Manager who shall, subject to the direction of the Board or the terms of the Ranch Manager's Contract, be responsible for the operation of Wildcat Ranch. The Board shall determine the compensation to be paid to the Ranch Manager or any employee of the Association. Wildcat Ranch, Ltd. shall have the right to appoint and remove members of the Board until the sooner of: (i) the sale of the first nine (9) Homesteads or (ii) one (1) year after the sale of the first seven (7) Homesteads by Wildcat Ranch, Ltd. By instrument signed by Wildcat Ranch, Ltd. and duly recorded in the real estate records of Pitkin County, Colorado, Wildcat Ranch, Ltd. may sooner relinquish this right to appoint and remove members of the Board.

3.3 Association Rules. The Association may from time to time adopt, amend and repeal rules and regulations to be known as the "Wildcat Ranch Association Rules" by a majority vote of the Board. The purpose of the Association Rules shall be to implement, supplement or otherwise carry out the purposes and intentions of this Second Restated Declaration. The Association Rules shall not be inconsistent with this Second Restated Declaration.

3.4 Limited Liability. Neither the Association, any Subsidiary, nor their past, present or future, officers or directors, nor the Ranch Manager (but

only in the case the Ranch Manager shall be an employee of the Association) nor any employee, agent or committee member of the Association or any Subsidiary shall be liable to any Owner or to any other person for any damage, act, omission to act, simple negligence or other matter of any kind or nature, except gross negligence. As to employees of the Association including the Ranch Manager (but only in the case the Ranch Manager shall be an employee of the Association) or employees of any Subsidiary, the limits of liability set forth in the sentence immediately preceding shall only apply where: (i) such persons were employees of the Association or Subsidiary (as opposed to independent contractors) at the time of alleged damage, act, omission to act, simple negligence or other matter of any kind or nature, except gross negligence and, (ii) said employee was acting within the scope of his or her job or responsibility. Without limit to the foregoing, neither the Association nor the Board nor any Subsidiary or its board shall be liable to any party for any action or for any failure to act with respect to any matter if the action taken or failure to act was in good faith and without malice. Acts taken upon the advice of legal counsel, certified public accountants, registered or licensed engineers, architects or surveyors shall conclusively be deemed to be in good faith and without malice. To the extent insurance carried by the Association for such purposes shall not be adequate, the Owners, subject to Section 5.10 of this Second Restated Declaration, agree in equal shares to indemnify the Association or Board or any Subsidiary or its board against loss resulting from such action or failure to act, provided that the Association and the Board and any Subsidiary or its board acted or failed to act in good faith and without malice.

3.5 Membership. This Association shall be a membership association without certificates or shares of stock. The members of the Association shall be: (i) those persons or entities, including Wildcat Ranch, Ltd., who are the Owners, from time to time, of Homesteads in Wildcat Ranch as shown on the Exemption Plat, (ii) adjacent property owners that may be granted membership in the Association pursuant to agreements made or to be made between the Association and said adjacent property owners, and (iii) Wildcat Ranch, Ltd., as to a special membership, after it shall cease to be the owner of any Homesteads in Wildcat Ranch. Other than Wildcat Ranch, Ltd., membership in the Association shall automatically terminate when an Owner of one of the Homesteads or any adjacent property ceases to be an owner of

such Homestead or adjacent property. There shall be three classes of membership in the Association: (i) Owners of Homesteads 1 through 13 and any "Additional Homesteads" as described in Section 14 below shall have a Class "A" voting membership, (ii) any adjacent property owners that may be granted membership in the Association shall have a Class "B" nonvoting membership, and (iii) Wildcat Ranch, Ltd. shall have a class "C" nonvoting membership that shall be activated at such time as Wildcat Ranch, Ltd. ceases to be the owner of any Homesteads and may be relinquished at any time thereafter upon written notice to the Association. Nothing herein shall create any right on the part of adjacent property owners (i.e., owners of property outside Wildcat Ranch) to membership in the Association unless pursuant to binding agreements signed by the Association.

3.6 Voting. Except as otherwise provided in this Second Restated Declaration, a Class "A" Member shall have one (1) vote for each Homestead such Member may own. The affirmative vote of a majority of the total of all Members entitled to vote on any matter shall constitute approval of such matter. Where there is more than one record Owner of a Homestead, the several record Owners of such Homestead shall be required to designate, by prior written notice to the Association, the particular Owner who shall cast the one vote appurtenant to that Homestead. If the several Owners of any Homestead are unable or unwilling to designate a particular Owner to vote, then the membership appurtenant to that Homestead shall not be entitled to vote on any Association affairs until such designation is made. Subject to the right reserved in Wildcat Ranch, Ltd. as set forth in Section 3.2 above to appoint and remove members of the Board, in any election of the Board, every Owner entitled to vote (multiple Owners of one Homestead being entitled collectively to one vote) shall have a number of votes for each Homestead owned times the number of Board members to be elected. The candidates receiving the highest number of votes, up to the number of Board members to be elected, shall be deemed elected.

3.7 Binding Effect. Each Owner, his lessees, their families and guests, the heirs, successors or assigns of an Owner, or any Mortgagee, and any other persons using or occupying a Homestead, shall be bound by and shall strictly comply with the provisions of this Second Restated Declaration,

the By-laws, the Articles, any deed restrictions and covenants and all rules, regulations and agreements lawfully made by the Association.

3.8 Enforcement. The Association and Wildcat Ranch, Ltd. shall each have the right and power to bring suit in their respective names for legal or equitable relief for any lack of compliance with any provisions of this Second Restated Declaration or rules promulgated by the Board or SARC. In addition, the Association shall have the right to impose on any Owner monetary fines for any lack of compliance with provisions of this Second Restated Declaration or rules promulgated by the Board or SARC and where such fines are not paid within the time provided, such fines may be collected as an Assessment Lien as more fully described in Section 5.1 below. The failure of the Association or Wildcat Ranch, Ltd. to insist upon the strict performance of any such provisions or to exercise any right or option available to it, or to serve any notice or to institute any action, shall not be a waiver or a relinquishment for the future of any such provision or the enforcement thereof. Any Owner aggrieved by a lack of compliance by another Owner may also bring suit for legal and equitable remedies. If any court proceedings are instituted in connection with the rights of enforcement and remedies provided in this Second Restated Declaration, the prevailing party shall be entitled to reimbursement of its costs and expenses, including reasonable attorneys' fees, in connection therewith.

3.9 Power of the Association. Each Owner agrees that the Association has all the powers granted it by: (i) the Colorado Nonprofit Corporation Act and any amendments thereto or replacements thereof and (ii) CCIOA, as defined in Section 15.22 below, to the extent such legislation is applicable and any amendments thereto or replacements thereof. Such powers shall include, without limitation, levying Assessments against Owners, imposing a lien on Homesteads for any unpaid or uncollected Assessments or penalties, and foreclosing any such liens, enforcing any deed restrictions and covenants, acquiring, holding, owning, leasing, mortgaging and disposing of property (excepting as such disposing of property may be limited in accordance with Paragraph 3.13 below), the adoption of rules and regulations, the defending, prosecuting or intervention in litigation on behalf of all Members, the borrowing of monies for Association purposes and the right to pledge future income in order to secure such borrowings. The term "pledge

of future income" shall include the right to impose a Special Assessment for repayment of such borrowings and to assign such Special Assessment (and all lien and collection rights appurtenant thereto) to the lender as security for repayment thereof provided however, the right to impose a Special Assessment hereunder shall at all times be subject to the limitations of Section 5.3 of this Second Restated Declaration. The Association may exercise any other right, power or privilege given to it expressly by this Second Restated Declaration, the Articles and By-laws, or by law, and every other right, power or privilege reasonably to be implied from the existence of any right, power or privilege given to it herein or reasonably necessary to effectuate any such right, power or privilege. Association functions and assets may be held, owned, operated, performed, or carried out by one or more Subsidiaries; provided however, any acts, operations or activities of any Subsidiary shall at all times be in compliance with this Second Restated Declaration. The Association may promulgate reasonable rules and regulations regarding guests which balance the rights of Owners to the full use and benefit of their property against the objective of preserving Wildcat Ranch as an exclusive private reserve with reasonably restricted access. To this end, the Association may, where necessary to prevent interference with other Owners use and enjoyment of their property, adopt reasonable rules and regulations which: (i) control the use by guests of common area facilities and easements across other Homesteads and/or (ii) limit the number of guests and the duration of their stay on Wildcat Ranch over extended periods of time; provided however, that no limits on the number of guests or the duration of their stay shall be enacted or revoked unless approved by seventy-five (75%) percent of the Members of the Association.

3.10 Other Association Functions. The Association may undertake, to the extent the Board in its sole discretion so elects, to provide Wildcat Ranch functions or services for the benefit of all, or some, Members on such basis as the Board may reasonably determine. Such functions may be provided by the Association's employees or an independent contractor retained by the Association. With respect to any Wildcat Ranch functions or services, the Board may establish "cost centers" for the operation thereof. A cost center shall mean the identification and aggregation of all costs reasonably estimated by the Board to be attributable to a particular function or service. Where cost centers are established, the Board shall have the

discretion, based on benefits received, to determine which Members shall be charged for such benefits and what amounts shall be paid by each such Member. Except for functions or services relating to water (including ditches, reservoir, domestic and irrigation) and roads, no Owner shall, without the consent of such Owner having been first obtained, be charged a disproportionate or unequal share for any cost center functions or services greater than what such share would have been if the cost center function was charged equally to all Owners. No cost center functions or services shall be deemed disproportionate or unequal solely because Homestead 12 is not included therein or Homestead 12 is charged a disproportionate or unequal share.

3.11 Notice to Maintain. An Owner shall immediately report to the Association, in writing, the need for any maintenance, repair or replacement which is the Association's responsibility to provide. In the event of any disagreement as to the need for, or the responsibility of the Association to provide the said maintenance, repair or replacement, the good faith decision of the Board shall be final.

3.12 Mechanics' Liens. Wildcat Ranch, Ltd. shall be responsible for the release of all mechanics' liens filed with respect to the Association property, or any part thereof, if any such liens arise or are alleged to arise from labor performed or materials furnished at the instance of Wildcat Ranch, Ltd., its agents, contractors or subcontractors. Except as the result of labor performed or materials furnished at the instance of the Board, no labor performed or materials furnished with respect to Association property or Homesteads shall be the basis for filing a lien against any Association property. No labor performed or materials furnished at the instance of the Board shall be the basis for filing a lien against any Homestead.

3.13 Special Provisions Regarding Association Property. The Ranch Manager's Parcel and all improvements thereon, Property Conveyed or Leased by Declarant and any other Association property, including but not limited to, the Roads, trail and utility easements and water rights shall, at all times, be owned, operated, maintained and exercised by the Association or a Subsidiary consistent with the provisions of this Second Restated Declaration and in trust for the use, benefit and enjoyment of Owners of all

Homesteads of Wildcat Ranch and their family members, guests and invitees. To the fullest extent permitted by law, creditors of the Association or any Subsidiary, whether as a lienholder, mechanic lienor, judgement creditor or otherwise, shall, in the event such creditor shall become the owner of any Association property or the property of any Subsidiary, have no right to cause such property to be utilized, appropriated, consumed or otherwise used, except to the benefit of Wildcat Ranch and in accordance with this Second Restated Declaration. Except as to sales or leases in the ordinary course of Wildcat Ranch operations; any agreements with the Snowmass Water and Sanitation District permitted in Section 10.5 below; dispositions of worn, obsolete or damaged property or dispositions upon threat of condemnation or transfers or leases to, from or among Subsidiaries, there shall be no sales, leases or other dispositions of Association property, except upon the prior written consent of all Owners and all Eligible Mortgage Holders, and notwithstanding the provisions of Section 12.2 below, no amendment to this Second Restated Declaration may repeal or change this requirement, except upon the written consent of all Owners and all Eligible Mortgage Holders. Further, but only if there shall be a legal requirement to do so, not less than thirty (30) days prior to any sale of water rights, the Association shall give the County: (i) written notice of such sale, including a description of the particular water rights to be sold; and (ii) a report prepared by a reputable water engineer demonstrating that after such sale there shall remain in the Association sufficient water rights to adequately satisfy the commitments made by Wildcat Ranch, Ltd. to the County in connection with the County Approval Resolutions relative to residential, agricultural and wildlife uses. The requirements of the sentence immediately preceding shall not be changed without the written consent of the County. In the event the two sentences immediately preceding shall be binding on the Association, then to the extent it may be lawful to do so, said sentences shall only apply to water rights of the Association located or benefitting Wildcat Ranch lands outside the boundaries of the Town.

4. ARCHITECTURAL CONTROLS.

4.1 Site and Architectural Review Committee. The SARC shall be composed of at least three (3) natural persons appointed by the Board. Persons serving on the SARC shall serve at the pleasure of the Board. The

Board may remove a member of the SARC and appoint a new member at any time, provided there shall at all times be at least three (3) persons serving on the SARC. The members of the SARC may or may not be Board members or Owners and may include one or more professionals such as an architect paid by the Association to perform such services. The SARC shall have and exercise all the powers, duties and responsibilities set out in this Second Restated Declaration. The SARC may at the expense of the Association hire any professionals or a secretary or other personnel to perform administrative, clerical and other functions. So long as Wildcat Ranch, Ltd. elects a majority of the Board of the Association, then Wildcat Ranch, Ltd. may also act as the SARC hereunder.

4.2 Authority. Except as otherwise provided in this Second Restated Declaration, no improvements of any kind or changes in the natural condition of any property including, but not limited to, the construction of dwellings or other structures, outbuildings, well enclosures and pipelines, fences, grading, planting, ponds, parking areas, walls, garages, roads, driveways, antennae, satellite dishes, flag poles or the like, shall be erected, altered or permitted to remain on any Homesteads, or within any Development Activity Envelopes, or elsewhere on Wildcat Ranch, nor shall any excavating, clearing or landscaping be done thereon unless complete architectural plans and specifications and a site plan showing the location and orientation for such construction or alteration or landscaping are approved by the SARC prior to the commencement of such work. The SARC shall also be mandated to assure that no development activity will cause any diminution or interference with irrigation of agricultural areas of Wildcat Ranch. Any work performed by or on behalf of Wildcat Ranch, Ltd. to any of Wildcat Ranch including, but not limited to, construction of Wildcat amenities, subdivision infrastructure and the like, shall not require approval of the SARC.

4.3 Preliminary Approval. Owners or other entities who anticipate constructing improvements on lands within Wildcat Ranch shall submit preliminary sketches with a site plan of such improvements to the SARC for informal and preliminary approval or disapproval. All preliminary site and architectural sketches shall be submitted in at least four (4) sets, and shall contain sufficient general information on those matters required to be in the complete architectural and site development plans and specifications to allow

the SARC to act intelligently in giving an informed preliminary approval or disapproval. Persons contemplating the purchase of any Homestead may submit preliminary sketches with site plans for purposes of obtaining an informal approval hereunder. The SARC shall not be committed or bound by any preliminary or informal approval or disapproval.

4.4 Final Approval. At least four (4) complete sets of the architectural and site development plans and specifications shall be submitted to the SARC along with a complete list of all materials and colors to be used. All copies of the complete plans and specifications shall be signed for identification by the Owner or his architect. The SARC shall have the right to request whatever additional specific information, plans, specifications, reports and the like it deems necessary to evaluate the development proposal throughout the approval and construction process. The SARC shall certify to the Owner, in writing, when the submittal is complete. The majority vote of the members of the SARC shall be required for approval of plans; provided, however, that in the event the SARC fails to take any action within sixty (60) days after four (4) copies of the complete architectural and site development plans, specifications, materials and colors have been submitted to it and the submittal has been certified in writing by the SARC as complete, all of such submitted architectural plans shall be deemed to be approved. The SARC shall not unreasonably disapprove architectural plans. The SARC shall disapprove any architectural and site development plans submitted to it which do not contain sufficient information for it to exercise the judgment required of it by these covenants.

4.5 Building Permit. An Owner may apply for a building permit from the County at any time; provided, however, the plans submitted to the County shall not differ in any way from the plans approved by the SARC. If the plans submitted to the County differ in any way from the plans approved by the SARC, all approvals of the SARC shall be deemed automatically revoked.

4.6 Variances. The SARC may, by an affirmative vote of a majority of the members of the SARC, allow variances as to any of the architectural controls contained in this Second Restated Declaration and/or policies or rules promulgated by the SARC or contained in the Development Guidelines, on

such terms and conditions as it shall require. Further, any matter requiring a variance from the County or Town land use, building or zoning regulations shall also require an approval from SARC. Every Owner shall be given written notice of any meeting of SARC where a request for a variance is to be considered, such notice to be given not less than twenty (20) days before the date of the meeting and to include a copy of the variance request or application and any other relevant information.

4.7 General Standards. The SARC shall evaluate, among other things: (i) the materials to be used on the outside of buildings or structures, (ii) exterior colors, (iii) harmony of architectural design with other structures within Wildcat Ranch, (iv) height and other design features, (v) location with respect to topography and finished grade elevations, and (vi) harmony of landscaping with the natural setting and native vegetation, and (vii) consistency with the Development Guidelines.

4.8 Rules and Regulations. The SARC may promulgate and adopt rules and regulations necessary to implement these covenants. These rules and regulations may include submission requirements concerning the type of information, reports, plans and specifications and the like which need to be submitted with any application, site specific limitations or restrictions for each Development Activity Envelope, and may also include guidelines governing the development of each Development Activity Envelope. These rules and regulations need not be uniform for each Development Activity Envelope and shall take into account the unique character of each Development Activity Envelope. By way of illustration only and without requirement to do so, the SARC rules and regulations may address and the SARC shall have the power and authority to regulate any or all of the following: application procedures and processing fees; charges by any outside professionals or other costs incident to evaluating any application, bonds in the form of cash deposit, letter of credit or otherwise regarding damage to Roads or other subdivision infrastructure and for revegetation and restoration of lands; color and materials, including, but not limited to, roofs, chimneys, siding, masonry and glazing; setbacks, height limitations, building profiles and driveway locations; construction staging, construction hours which may be controlled during certain times of the year, storage for construction materials, location of temporary construction facilities such as trailers, dumpsters and toilets;

routing of utility extensions; drainage, grading and erosion control; landscape and vegetation, fencing, lighting, signage, and trails; concerns or objectives regarding maintenance of agricultural lands and preservation of wildlife; and privacy and visual characteristics. Such rules and regulations shall be adopted, amended or replaced by affirmative vote of a majority of the SARC and the approval of Wildcat Ranch, Ltd.; however, Wildcat Ranch, Ltd.'s approval shall no longer be required at such time as Wildcat Ranch, Ltd. ceases to be the Owner of any Homesteads in Wildcat Ranch and Wildcat Ranch, Ltd. may, upon written notice to the SARC, sooner waive and release the requirement to obtain such approval as to any rules or regulations to be adopted, amended or replaced.

4.9 Site and Architectural Review Committee Not Liable. Neither the SARC, the Board, the Association or any of its Members shall be liable for damages to any person submitting any plans for approval, or to any Owner or owners of lands within the Wildcat Ranch, by reason of any action, failure to act, approval, disapproval or failure to approve or disapprove with regard to such plans. The SARC shall have no liability or responsibility for any representations made to any Owner or prospective owner by any third parties. The decision of the SARC shall be governed by these covenants and any rules or regulations duly adopted by the SARC pursuant to these covenants.

4.10 Written Records. The SARC shall keep and safeguard complete and permanent written records of all approved applications, including one set of the finally approved architectural and site development plans, and of all actions of approval or disapproval and all other formal actions taken by it under the provisions of this instrument. The records of the SARC shall be maintained by the Ranch Manager at the residence located on the Ranch Manager's Parcel.

4.11 Inspection and Compliance. The SARC shall have no duty or obligation to make inspections of any construction; however, nothing herein shall prevent the SARC from making inspections prior to or after completion. Upon the completion of any work for which approved plans and specifications are required, the Owner shall give written notice of completion to the SARC. Within thirty (30) days after receipt of such notice, the SARC may inspect the work to determine its compliance with the approved plans. If the SARC finds

that the work was not done in substantial compliance with the approved plans or any construction or change in natural conditions on any Homestead was undertaken without first obtaining approval from SARC, written notice shall be sent by the Board to such Owner specifying the noncompliance and requiring the Owner to cure such noncompliance within thirty (30) days or any extension thereof granted. If the Owner fails to cure the noncompliance or to enter into an agreement to cure on a basis satisfactory to SARC within said thirty (30) day period or any extension thereof as may be granted, the Board may, at its option, cause the noncomplying improvement to be removed or the noncompliance to be cured. Upon demand, the Owner shall reimburse the Association for all costs and expenses incurred by the SARC in taking corrective action, plus all costs incurred in collecting amounts due, including reasonable attorneys' fees and costs and any amounts not paid may, without waiver of any other right or remedy, be collected as an Assessment Lien. The Owner shall be personally liable for all such costs and expenses, and the Association shall also have a lien against the noncomplying Homestead for the amount of all such costs and expenses. Such lien shall be (i) evidenced by a statement executed by the Association and recorded in the real estate records of Pitkin County, Colorado, (ii) subordinate only to the first Mortgage, and (iii) subject to foreclosure in the manner provided by Colorado law for mortgages upon real property. Notwithstanding any other provision hereof, the SARC shall not be responsible for: (a) determining that any construction or construction documents conform to applicable building codes, zoning or other land use regulations, (b) for the accuracy or content of any construction documents or specifications prepared by any architect, engineer or any other person, (c) construction means, methods, techniques, sequences or procedures, safety precautions or subsequent loss, damage or failures due to soil or any other natural or man-made conditions that may exist, or (d) any failure to carry out any construction in accordance with plans or specifications.

4.12 Exemptions. Notwithstanding any other provisions of this Section 4, no Owner of Homestead 12 with respect to any Development Activity Envelope thereon or the Owner of Homestead 9 with respect to Development Activity Envelope 9(g) shall be required to obtain approval from the SARC or Wildcat Ranch, Ltd. in order to construct improvements or alter or add to said improvements or otherwise change natural conditions;

provided, however, said Homestead 12 and any Owner selecting Development Activity Envelope 9(g) shall still be subject to all the terms, provisions, conditions and obligations of this Second Restated Declaration, the County Approval Resolutions and applicable plats. Further, the Owner of Homestead 12 and any Owner selecting Development Activity Envelope 9(g) shall be required to obtain from the County, or any other governmental authority having jurisdiction, building or other permits required for the construction of such improvements, alterations or additions, or any other changes in natural conditions.

5. ASSESSMENTS.

5.1 Purpose of Assessments; Assessment Lien. All Members of the Association hereby covenant and agree, and each Owner by acceptance of a deed to a Homestead, including public trustee or sheriff's deed, is deemed to covenant and agree, to pay the Association both Annual Assessments and Special Assessments, all such Assessments and charges to be established and collected as hereinafter provided. Annual Assessments and Special Assessments, together with interest, costs, and reasonable attorneys' fees, shall be secured by a lien (the "Assessment Lien") on the Homestead to which they relate in favor of the Association, which shall be a continuing servitude and lien upon the Homestead against which each such Assessment or charge is made. The Assessment Lien shall be a charge on the Homestead, shall attach from the date when the unpaid Assessment or charge shall become due, shall be a continuing lien upon the Homestead, together with interest, costs and reasonable attorneys' fees, and shall be the personal obligation of the Owner of such Homestead at the time the Assessment became due. Where there is more than one Owner, each shall be jointly and severally liable for all Assessments. The Assessment Lien may be foreclosed by the Association in the same manner as a mortgage on real property upon the recording of a Notice of Delinquent Assessment or charge as set forth in Section 5.7 hereof. The Association shall be entitled to purchase the Homestead at any foreclosure sale. The grantee of any Homestead (i.e., purchaser or other transferee) shall be jointly and severally liable with his grantor (i.e., seller or other transferor) for all unpaid Assessments or other proper charges due the Association prior to, as well as subsequent to, the date of the recording of the conveyance without prejudice to the rights of said grantee to recover from

grantor any Assessments paid. Notwithstanding the preceding, no Mortgagee shall be personally liable for any Assessment or other proper charges due the Association, except in the event such Mortgagee shall acquire title to the Homestead through a foreclosure or deed in lieu of foreclosure or otherwise and under such circumstances, the Mortgagee shall then be liable for Assessments or other proper charges due the Association arising on or subsequent to the date such Mortgagee became the record owner of the Homestead.

5.2 Annual Assessments. An Annual Assessment shall be made against each Homestead based upon an annual budget approved by the Board for the purpose of paying Common Expenses, cost center functions or services allocated to certain or all Homesteads, including but not limited to, water service, reserves for operating deficiencies, a sinking fund for capital improvements or any other matters reasonably determined by the Board to be the subject of an Annual Assessment.

5.3 Special Assessments. In addition to the Annual Assessment authorized above, the Association may levy, in any Assessment period, a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement, or for other extraordinary expenses, provided that any Special Assessment in excess of Thirty-Five Thousand and No/100 Dollars (\$35,000.00) shall (except in the event of an emergency where there shall be no such limit) have the approval of eighty percent (80%) of the Owners of all Homesteads voting in person or by proxy at a meeting duly called for such purpose. For purposes of this Section, the term "emergency" shall mean any loss or damage, actual or threatened, to persons or property. The limit on the amount (i.e. \$35,000.00) of the Special Assessment that may, except in emergencies, be levied by the Association without obtaining approval of the Owners is a total amount for all of Wildcat Ranch and not an amount applicable to each Homestead. Prior to adopting any emergency Special Assessment, the Association shall make reasonable efforts, via telephone or facsimile, to notify each Owner of the amount and purpose of the emergency Special Assessment to be levied.

5.4 Funding for Wildlife Enhancements. Implementation of the Wildlife Management and Enhancement Plan shall be a financial obligation of the Association to be funded through a continuing Annual Assessment chargeable to each Homestead. In furtherance of this obligation, the Association does hereby declare, levy and impose an assessment to pay for the implementation of the Wildlife Management and Enhancement Plan. The obligations of the Association with respect to the Wildlife Management and Enhancement Plan include, but are not limited to, payment for the services of a wildlife consultant (the "Wildlife Consultant") to assist in the implementation of the Wildlife Management and Enhancement Plan. After the expiration of the initial implementation period (i.e., five years) under the Wildlife Management and Enhancement Plan, there shall be an ongoing obligation on the part of the Association to continue activities on Wildcat Ranch for purposes of monitoring, maintaining and improving wildlife habitat. The extent of this obligation shall be determined by the Association and the Wildlife Consultant prior to the expiration of said initial implementation period, with the object being to preserve wildlife enhancements implemented during the initial implementation period. With respect to those portions of Wildcat Ranch within the Town, the Town shall be an additional beneficiary of each of the terms and conditions of this Section 5.4 and no provision of this Section may be modified without the consent of the Town being first obtained, nor may the obligation of any Homestead to pay assessments for the implementation of the Wildlife Management and Enhancement Plan be released or otherwise compromised without the consent of the Town having been first obtained. The Association hereby assumes and agrees to perform all the obligations of Wildcat Ranch, Ltd. under both the Wildlife Management Agreement and Wildlife Management and Enhancement Plan. With respect to the Wildcat Ranch lands within the County, and only if there shall be a legal requirement to do so, the Prior Wildlife Agreement shall apply and the County shall be an additional beneficiary of each of the terms and conditions of this Section 5.4 and no provision of this section affecting Wildcat Ranch lands within the County may be modified without the consent of the County being first obtained, nor may the obligation of any Homestead to pay assessments for the implementation of the Wildlife Management and Enhancement Plan be released or otherwise compromised without the consent of the County having been first obtained.

5.5 Rate of Assessment. Except as otherwise provided herein, Annual Assessments and Special Assessments shall be fixed based on the amount of the Assessment divided by the number of Homesteads that are obligated to pay Assessments, and may be collected on a yearly basis or more often as the Board so determines. Where special cost centers are established as described in Section 3.10 above, assessments will be charged to Homesteads participating in or receiving benefits on such basis as the Board may determine. Further, special arrangements shall exist for the payment of assessments by: (i) Homestead 12, which arrangements are described in Section 5.12 below, and (ii) the holders of Class "B" memberships in accordance with agreements made with the Association relative to such memberships. The Class "C" membership reserved to Wildcat Ranch, Ltd. shall not have any obligation to pay assessments.

5.6 Establishment of Annual Assessment Period. The period for which the Annual Assessment is to be levied (the "Assessment Period") shall be the calendar year. The Board in its sole discretion from time to time may change the Assessment Period. The Board shall fix the amount of the Annual Assessment against each Homestead at least thirty days in advance of the end of each Assessment Period. Written notice of the Annual Assessment shall be sent to each Member. Failure of the Association to timely fix the Annual Assessment or to send a bill to any Member shall not relieve the Member of liability for payment of any Assessment or charge. The due dates for payment of any Assessments shall be established by the Board.

5.7 Effect of Nonpayment. Any Assessment or charge or installment thereof not paid when due shall be deemed delinquent and, in the discretion of the Board, may bear interest from and after the due date until paid at a rate set by the Association, but in no event greater than applicable law. The delinquent Member shall also be liable for all costs, including attorneys' fees, which may be incurred by the Association in collecting a delinquent Assessment. The Board may also record a Notice of Delinquent Assessment or charge against any Homestead as to which an Assessment or charge is delinquent. The Notice shall be executed by an officer of the Board, shall set forth the amount of the unpaid Assessment, the name of the delinquent Owner and a description of the Homestead and shall, upon recording, constitute an Assessment Lien. The Board may establish a fixed fee to reimburse the

Association for the Association's cost in preparing and recording such notice, processing the delinquency and recording a release of said lien, which fixed fee shall be treated as part of the delinquent Assessment secured by the Assessment Lien. The Association may bring an action at law against the Owner personally obligated to pay the delinquent Assessment and/or foreclose the lien against said Owner's Homestead. No Owner may waive or otherwise avoid liability for the Assessments provided for herein by non-use of the benefits derived from Assessments or abandonment of his Homestead. No delinquent Member shall be entitled to vote on any Association matters until the assessment due, with interest and all other costs, shall be paid in full. Where assessments due from any Member are more than six (6) months delinquent, the Association may temporarily cut off any or all Association services or benefits, including water service to such Homestead, until all delinquent assessments are fully paid.

5.8 Priority of Lien. The Assessment Lien provided for herein shall be subordinate to:

- (a) Liens for taxes and other public charges.
- (b) Any first Mortgage lien.

(c) Except as set forth in 5.8(a) and 5.8(b) above, no sale or other transfer of any Homestead shall affect, extinguish or terminate an Assessment Lien.

5.9 Statement From Association. Upon written request and payment of such reasonable fee as may be set by the Association, the Association shall issue a written statement to any grantee or Mortgagee verifying the status of all Assessments or charges affecting the Homestead. Any statement as to the existence or amount of any delinquencies shall, absent manifest error, conclusively bind the Association.

5.10 Assessments for Tort Liability. In the event of any tort liability against the Association which is not covered completely by insurance, only those Owners, if any, directly responsible for the negligent or willful acts or omissions giving rise to such tort liability shall be obligated to contribute for

the payment of such excess liability as a Special Assessment. Owners, if any, liable for a Special Assessment hereunder may be assessed by the Association in the same or different proportions based on legal and equitable principals regarding liability for negligent or willful acts or omissions. Notwithstanding the preceding, in the event of any tort liability against the Association which is not covered completely by insurance and for which none of the Owners are directly responsible, each Owner may be charged a Special Assessment (such assessment to be charged equally to all Owners) of up to \$250,000.00 per Owner to cover such excess liability. For acts or omissions of the Association, its officers, directors, agents and employees the insurance carried by the Association shall be primary with regard to any other insurance.

5.11 Sinclair Road. In accordance with the Wildcat Ranch Use and Maintenance Agreement as amended, Homestead 12 only is obligated to make annual payments of One Thousand and No/100 Dollars (\$1,000.00) to the Town for the improvement, care, repair, maintenance, snowplowing and replacement of primarily Sinclair Road and secondarily Meadow Road. The Association does hereby declare, levy and impose a continuing Annual Assessment against Homestead 12 to make the foregoing payments for so long as the obligation shall remain in effect under the Wildcat Ranch Use and Maintenance Agreement. Commencing with the year 1996 and every five (5) years thereafter, this annual assessment for Homestead 12 shall be subject to adjustment by reason of increases in the CPI. In the event the Wildcat Ranch Use and Maintenance Agreement shall ever be further amended or terminated, the provisions of this Second Restated Declaration relating thereto shall likewise be amended or terminated automatically. The obligations of the Owner of Homestead 12 hereunder shall be deemed Annual Assessments for so long as such obligations shall continue. In the event Homestead 12 shall be annexed into the Town, this Section 5.11 shall be automatically deleted from this Second Restated Declaration, and Homestead 12 shall have no further obligation to make an annual payment to the Town hereunder.

5.12 Homestead 12 Assessments. Homestead 12 shall not be obligated to pay any assessments attributable to the domestic water system for Wildcat Ranch. No domestic or irrigation water will be furnished or supplied to Homestead 12 by the Association. Notwithstanding the preceding, Homestead

12 shall be permitted an individual well under Section 10.4 below and, for irrigation purposes, shall have certain rights of Wildcat Ranch, Ltd. in and to the Powell-McKenzie Ditch.

6. INSURANCE.

6.1 Types of Insurance. The Association shall obtain and keep in full force and effect the following insurance coverage:

(a) Property and fire insurance with extended coverage and standard all-risk endorsements, including vandalism and malicious mischief, on Property Conveyed or Leased by Declarant or any other Association property. The total amount of insurance, after application of deductibles, shall be 100% of the replacement value of the insured property exclusive of land, foundations and other items normally excluded from property policies.

(b) Public liability and property damage insurance, including medical payments insurance, in an amount to be determined by the Board, covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the ownership, operation, maintenance or other use of Association property. This policy shall also cover operation of automobiles or other vehicles or equipment on behalf of the Association. This policy shall extend to Lake Wildcat and the Wildcat Ranch trail system. The minimum public liability insurance to be carried by the Association shall be Ten Million Dollars and No Cents (\$10,000,000.00) and limits of coverage shall be reviewed annually to determine whether the Association should carry public liability insurance in excess of this minimum amount. The maximum deductible amount for the insurance required by this subsection (b) shall be \$25,000.00.

(c) Workmen's compensation and employer's liability insurance in the amounts and in the forms required by law.

(d) Fidelity coverage against the dishonesty of employees, destruction or disappearance of money or securities, and forgery. This policy shall also cover persons who serve the Association without compensation.

(e) Coverage of members of the Board and officers of the Association against libel, slander, false arrest, invasion of privacy and errors and omissions and other forms of liability generally covered in officers and directors liability policies.

(f) Coverage against such other risks of a similar or dissimilar nature as the Board deems appropriate, including, but not limited to, loss or damage to persons or property for ditch or dam failure.

(g) With respect to Subsidiaries, any or all of the insurance coverage described in this Section 6.1.

(h) Notwithstanding the preceding, the Association shall be permitted to omit any of the coverage described in (d) above where premiums are unreasonably expensive or the coverage is not available in this geographic area or the coverage is not offered by a carrier of sufficient credit rating.

6.2 Named Insured and Interests. The Association shall be the named insured under each of said policies. Where appropriate, the named insured may be any ditch or reservoir company owned or controlled by the Association or the officers and directors of the Association or the officers and directors of any ditch or reservoir company owned or controlled by the Association. Policies of insurance shall also name Wildcat Ranch, Ltd. as an insured so long as it shall retain any interest in Wildcat Ranch. Separate Owners shall be named insureds. The certificate or memoranda of insurance, duplicate originals of all policies and renewals, and proof of payment of premiums shall be issued to the Association, and upon request, to Wildcat Ranch, Ltd. and to any Owner who is a named insured or to any Eligible Mortgage Holder. Provided that such arrangements can be made with the Association's insurers and provided further there shall be no additional cost to the Association (other than a nominal cost not to exceed \$100.00 per policy annually) each policy shall provide that twenty (20) days written notice will be given to each Owner prior to any cancellation of such policy. The Association shall promptly report, in writing, to all Owners any claims made against the Association which report shall contain the name of the claimant, date the Association received notice of the claim, amount of the claims, if known, and a brief description of the nature of the claim. Notwithstanding

the provisions of Section 12.2 of this Second Restated Declaration, Section 5.10, the last sentence of Section 6.1(b), Section 6.1(f) and the fourth and sixth sentences of this Section 6.2 shall not be amended without the prior written consent of all Owners having been first obtained.

6.3 Insurance Proceeds. The Association shall receive the proceeds of any insurance purchased by the Association. In the event of damage or destruction due to fire or other disaster, if the insurance proceeds are sufficient to reconstruct the improvements, the Association shall promptly cause such reconstruction to occur. If the insurance proceeds are not sufficient for such purpose, the Association may levy a Special Assessment against the Owners for such deficiency.

7. GENERAL RESTRICTIONS.

7.1 Residential Uses. Each Homestead shall be used only for residential purposes and such accessory or incidental uses thereto as may be permitted under applicable zoning, consistent with this Second Restated Declaration. No commercial activities may be conducted on any Homestead. Notwithstanding the preceding, "home occupations" as defined and permitted by the Town's land use regulations (or in the case of Homestead 12, by County land use regulations) now or hereafter in effect shall be allowed on Homesteads. On each Homestead there may be constructed only one single family residence, one employee dwelling, one guesthouse and such accessory or incidental structures as may be permitted by the Town (or in the case of Homestead 12 and Development Activity Envelope 9(g), by the County) in accordance with its land use regulations and as approved by the SARC. Other than Homestead 12 and Development Activity Envelope 9(g), all improvements constructed on any Homestead and the use thereof shall be in accordance with the terms, provisions and conditions of the Final P.U.D. Plan, the Town Land Use Ordinance and any amendments thereto. All improvements constructed on Homestead 12 and Development Activity Envelope 9(g) and the use thereof shall be in accordance with the terms, provisions and conditions of the Exemption Plat, applicable Hazard Review (1041) Plat, County Approval Resolutions and any amendments thereto.

7.2 Development Activity Envelope. No development activity or changes in natural conditions of any lands shall occur outside Development Activity Envelopes except as may be approved in writing by the SARC consistent with the Development Guidelines or as otherwise specifically permitted in this Second Restated Declaration and the Town Land Use Ordinance (or in the case of Homestead 12 and Development Activity Envelope 9(g), the County Approval Resolutions) With regard to all Wildcat Ranch Homesteads other than Homestead 12 and Development Activity Envelope 9(g), all development activity shall occur within the Development Activity Envelope selected, or where a Homestead has only one envelope within such envelope, except: (i) subdivision infrastructure such as roads, utilities and ditches; driveways and utility connections; Wildcat Ranch operations and amenities; (ii) easements, rights-of-way and other conditions noted on the Final P.U.D. Plan or created, reserved or granted under this Second Restated Declaration, (iii) those structures, improvements or activities which may be situated outside Development Activity Envelopes as allowed by the provisions of Town Land Use Ordinance and (iv) activities in furtherance of the Wildlife Management and Enhancement Plan including, but not limited to, vegetation manipulation, ponds and other wildlife enhancements. With regard to Homestead 12 and Development Activity Envelope 9(g), activities that may occur outside the Development Activity Envelope include, but are not necessarily limited to: (a) all purposes and uses described in the easements created, reserved or granted under Section 8 of this Second Restated Declaration and the Exemption Plat, (b) Wildcat Ranch operations, and (c) as allowed under the Wildlife Management and Enhancement Plan. There shall be no development activity restrictions on the Ranch Manager's Parcel except as provided in this Second Restated Declaration or in accordance with the Final P.U.D. Plan.

7.3 Selection of Development Activity Envelopes. The issuance of a building permit for the construction of a residence within a particular Development Activity Envelope shall constitute the irrevocable and exclusive selection by the Owner of the Homestead of that particular Development Activity Envelope. In the event the plat requirement described above for selection of a Development Activity Envelope is modified or released, then the provisions of this Section shall automatically be modified or released accordingly.

7.4 Relocation of Development Activity Envelopes. Subject to the requirement to obtain any requisite approvals from the Town (or in the case of Homestead 12 and Development Activity Envelope 9(g), the County), Wildcat Ranch, Ltd. reserves the right as to any Homestead owned by Wildcat Ranch, Ltd. to relocate Development Activity Envelopes, or any access thereto, or to delete existing Development Activity Envelopes or designate new Development Activity Envelopes, including access thereto. All Owners of Homesteads in Wildcat Ranch and SARC: (i) hereby consent to said relocation, deletion or designation of new Development Activity Envelopes by Wildcat Ranch, Ltd. or any access thereto, and (ii) waive and relinquish any right to oppose, directly or indirectly, any land use application processed by Wildcat Ranch, Ltd. for the approval of any relocation or deletion of a Development Activity Envelope or the designation of a new Development Activity Envelope or access thereto, as the case may be. Owners of Homesteads shall also have the right to obtain any requisite approvals from the Town (or in the case of Homestead 12 and Development Activity Envelope 9(g), the County) to relocate, delete or designate new Development Activity Envelopes; provided, however: (a) each of Wildcat Ranch, Ltd. and SARC shall first approve, in writing, such proposed relocation, deletion or designation of a new Development Activity Envelope, and (b) Owners of Homesteads adjacent to the Owner desiring to obtain such approvals shall not be deemed to have waived or relinquished any right to oppose any land use application filed by such Owner, and (c) no land use application filed by an Owner may change, relocate or in any way interfere with Wildcat Ranch roads, including access to Development Activity Envelopes on other Homesteads, or interfere with Wildcat Ranch utilities, trails or water rights.

7.5 Dog Restrictions for Those Portions of Wildcat Ranch Within the Town. As to the portions of Wildcat Ranch located within the Town, dogs shall be permanently allowed subject to the following restrictions:

(a) No more than two (2) dogs shall be allowed on any Homestead. Dogs must be maintained inside residences or within escape proof kennels constructed inside Development Activity Envelopes. The term "escape proof kennels" shall extend to electric containment systems, which shall enclose an area of no more than three (3) acres. No kennel may be

constructed unless the precise location, design, materials and color shall first be approved by the Association or SARC. Approved kennels shall be kept in good repair. Owners may take dogs outside kennels or residences provided that a leash is used at all times to keep the dog under positive control. Working ranch dogs may be maintained and used by the Wildcat Ranch Manager or employees of the Association in connection with ranching or livestock operations. Under no circumstances may dogs be allowed to run at large or harass wildlife. Notwithstanding any of the preceding, dogs may be prohibited temporarily or seasonally from any area of Wildcat Ranch other than Development Activity Envelopes or the Ranch Manager's Parcel, if necessary to further the objectives of the Wildcat Ranch Wildlife Management and Enhancement Plan. Workers at construction sites on any Homesteads, as well as guest, employees or caretakers of owners are all strictly prohibited from bringing any dogs onto Wildcat Ranch. Dogs shall not be allowed in any caretaker unit.

(b) Reference is made to that certain License Agreement between the Association and the Town recorded in Book 774 at Page 192 granting the Town a license to enter upon Wildcat Ranch in order to enforce any of the restrictions set forth herein with respect to dogs. Enforcement on the part of the Town may include the capture or destruction of any dogs running at large in Wildcat Ranch. Owners of dogs running at large shall upon demand reimburse the Town for all costs incurred in the capture or destruction of such dogs.

(c) The Wildcat Ranch Manager or any other employees of the Association are hereby authorized to enforce any of the restrictions with respect to dogs, including the capture or destruction of dogs running at large and the right to obtain reimbursement from owners for all costs incurred in the capture or destruction of such dogs.

(d) In addition to the capture or destruction of dogs, the Association shall promulgate a schedule of fines to be imposed on owners for violations of these restrictions. Except as otherwise provided herein, the minimum first time fine for any violation of these restrictions shall be Five Hundred Dollars and No Cents (\$500.00); the minimum fine for a second violation shall be One Thousand Dollars and No Cents (\$1,000.00) and the

minimum fine for a third violation shall be One Thousand Five Hundred Dollars and No Cents (\$1,500.00). With regard to any third violation, the dog must forthwith permanently removed from Wildcat Ranch. The first time fine payable by an owner, where a construction worker, guest, employee or caretaker of an owner brings a dog onto Wildcat Ranch shall be One Thousand Dollars and No Cents (\$1,000.00). The second time any construction worker, guest, employee or caretaker of an owner brings a dog onto Wildcat Ranch the fine to be paid by the owner shall be Two Thousand Dollars and No Cents (\$2,000.00). The third time that a worker, guest, employee or caretaker of an owner shall bring a dog onto Wildcat Ranch the fine to be paid by owner shall be Three Thousand Dollars and No Cents (\$3,000.00). In the event of a third violation involving a construction worker all further construction on that site shall cease until a meeting of SARC shall occur for purposes of implementing additional procedures at that particular construction site to assure that no workers will again bring dogs onto the site. Fines collected by the Association above shall be remitted to the Town to be expended by the Town for animal control purposes.

(e) The Association may, from time to time, promulgate rules and regulations to supplement the above restrictions or provide additional enforcement procedures or to further restrict dogs on Wildcat Ranch.

7.6 Dog Restrictions for Those Portions of Wildcat Ranch Within the County. The provisions of this Section 7.6 only apply to those portions of Wildcat Ranch within the County. Subject to the restrictions hereinafter set forth, no more than two (2) dogs shall be allowed on any Homestead. Dogs may be maintained by Owners inside residences or within escape proof kennels constructed inside Development Activity Envelopes. No kennel may be constructed unless the precise location, design, materials and color shall first be approved by the SARC in accordance with the procedures set forth in Section 4 above. Approved kennels shall be kept in good repair by Owners. Owners may take dogs outside kennels or residences provided that a leash is used at all times to keep the dog under positive control. Working ranch dogs may be maintained and used by the Ranch Manager or employees of the Association in connection with ranching or livestock operations. Under no circumstances may dogs be allowed to run at large or harass wildlife. Notwithstanding any of the preceding, dogs may be prohibited temporarily or

seasonally from any area of Wildcat Ranch other than Development Activity Envelopes or the Ranch Manager's Parcel, if necessary to further the objectives of the Wildlife Management and Enhancement Plan. Workers at construction sites on any Homesteads, as well as guests, employees or caretakers of Owners are all strictly prohibited from bringing any dogs onto Wildcat Ranch. All the foregoing restrictions on dogs shall be vigorously enforced by the Association and in order to assure compliance, the following procedures shall be followed:

(a) Representatives of the Colorado Division of Wildlife (the "DOW") and the County are hereby granted a license to enter upon Wildcat Ranch in order to enforce any of the restrictions set forth in these Covenants with respect to dogs. Enforcement on the part of the DOW or the County may include the capture or destruction of any dogs running at large in Wildcat Ranch. Owners of dogs running at large shall upon demand reimburse the DOW or the County for all costs incurred in the capture or destruction of such dogs.

(b) In addition to representatives of the County trained to carry out animal control activities and a County Zoning Enforcement Officer, a County official or in place of such official an impartial designee in the event one is appointed by the County, shall be granted the same privileges as representatives of the Colorado Division of Wildlife to enter upon Wildcat Ranch solely for purposes of monitoring compliance with these restrictions regarding dogs. Provided however, nothing herein shall preclude enforcement, by County officials, of County laws and regulations generally or the enforcement of any conditions of approval for Wildcat Ranch. The County shall have satisfied its obligation hereunder to appoint an impartial designee if after making such inquiries as the County deems necessary, the County is reasonably satisfied that such designee can fulfill his or her duties in an impartial fashion. The Association shall be notified by the County in writing of the County official or in place of such official the designee appointed by the County or subsequent changes in such appointments.

(c) The Ranch Manager or any other employees of the Association are hereby authorized to enforce any of the restrictions set forth in these Covenants with respect to dogs, including the capture or destruction

of dogs running at large and the right to obtain reimbursement from Owners for all costs incurred in the capture or destruction of such dogs. The Ranch Manager shall keep a log or other written records of dog control activities at Wildcat Ranch, which records shall be provided to the County in connection with the annual review of the Wildlife Management and Enhancement Plan.

(d) Owners hereby assume any risk of loss including injury or destruction with respect to dogs within Wildcat Ranch. Owners of dogs further agree to protect, indemnify and hold harmless the DOW, representatives of the County, Ranch Manager or other employees of the Association with respect to the performance of their duties hereunder. No Owner or any guest, employee or caretaker of any Owner may harass or in any way interfere with the Ranch Manager or any employee of the Association in the performance of their duties hereunder. Further, neither the Ranch Manager nor any employee of the Association shall be subject to job termination, reduction in salary or benefits or any other form of penalty, reprimand or discipline by the Association solely by reason of the performance of their duties hereunder.

(e) In addition to the capture or destruction of dogs, the Association shall promulgate a schedule of fines to be imposed on Owners for violations of these restrictions. Except as provided in subsection (f) below, the minimum first time fine for any violation of these restrictions shall be Five Hundred Dollars and No Cents (\$500.00); the minimum fine for a second violation shall be One Thousand Dollars and No Cents (\$1,000.00) and the minimum fine for a third violation shall be One Thousand Five Hundred Dollars and No Cents (\$1,500.00). With regard to any third violation, the dog must forthwith be permanently removed from Wildcat Ranch.

(f) The first time fine payable by an Owner, where a construction worker, guest, employee or caretaker of an Owner brings a dog onto Wildcat Ranch shall be One Thousand Dollars and No Cents (\$1,000.00). The second time any construction worker, guest, employee or caretaker of an Owner brings a dog onto Wildcat Ranch the fine to be paid by the Owner shall be Two Thousand Dollars and No Cents (\$2,000.00). The third time that a worker, guest, employee or caretaker of an Owner shall bring a dog onto Wildcat Ranch the fine to be paid by Owner shall be Three

Thousand Dollars and No Cents (\$3,000.00) In the event of a third violation involving a construction worker all further construction on that site shall cease until a meeting of SARC shall occur for purposes of implementing additional procedures at that particular construction site to assure that no workers will again bring dogs onto the site.

(g) Fines collected by the Association under subsections (e) and (f) above shall be remitted to the County to be expended by the County for animal control purposes.

(h) The Association may, from time to time, promulgate rules and regulations to supplement these restrictions or provide additional enforcement procedures or to further restrict dogs on Wildcat Ranch.

Reference is made to County Resolution No. 92-389 captioned "Resolution of the Board of County Commissioners of Pitkin County, Colorado Granting Approval for a Modification to Condition 3.e.3) of Resolution 90-154 and Covenants of Wildcat Ranch Pertaining to the Restriction of Dogs" recorded in Book 700 at Page 351 of the real estate records of Pitkin County, Colorado. Said Resolution No. 92-389 sets forth conditions under which dogs may be permitted on Wildcat Ranch, including review of such conditions by the County, which review might result in changes to such conditions or a complete prohibition of dogs at Wildcat Ranch. Notwithstanding any provisions of the Second Restated Declaration to the contrary, Wildcat Ranch, Ltd., until the closing, (i.e. recording of the deed) on the sale of the first nine (9) Homesteads, and thereafter the Association, shall have the right, without requirement to obtain the consent of any Owner or Mortgagee, to further amend the provisions of this Paragraph 7.6 Dogs only to comply with, carry out or enforce any changes made by the County in conditions regarding dogs at Wildcat Ranch. In the event of a complete prohibition against dogs, Owners then maintaining dogs at Wildcat Ranch prior to the effective date of said prohibition shall have a reasonable period of time, not to exceed ninety (90) days, to remove their dogs from Wildcat Ranch.

7.7 Other Pets. Pets, other than dogs, shall be permitted subject to obtaining the prior approval of the Association, which approval may include conditions or rules as to maintaining such pets. The Association may prohibit

altogether the maintenance of certain pets on Wildcat Ranch lands. Further, any other pets that are inconsistent with the objectives of the Wildlife Management and Enhancement Plan shall be prohibited.

7.8 Horses. Owners shall be entitled to maintain horses on their Homesteads and to utilize agricultural lands on their Homestead for pasture, subject, however, to any restrictions set forth in the Wildlife Management and Enhancement Plan. Further, the Association may, with respect to each Homestead, promulgate rules as to the number and location of horses that may be kept on each Homestead and such other matters relative to maintaining horses and the utilization of agricultural lands as the Association shall reasonably determine. At a minimum, Owners shall be permitted to maintain at least two (2) horses on each Homestead.

7.9 Other Livestock. No livestock, other than horses, shall be permitted on any Homestead without first obtaining the approval of the Association. Nothing herein shall obligate the Association to approve livestock, other than horses, on any Homestead. Any approval granted by the Association shall be subject to such conditions as the Association may reasonably determine and shall at all times be consistent with the Wildlife Management and Enhancement Plan. Notwithstanding the preceding, the Association, through the Ranch Manager, and consistent with the Wildlife Management and Enhancement Plan, may maintain livestock on all Wildcat Ranch lands, other than Development Activity Envelopes.

7.10 Further Subdivision. Except as allowed by the Town Land Use Ordinance or in Sections 7.11, 7.12 or 14 below, no Homestead shown on the Plat shall ever in the future be subdivided by an Owner into smaller parcels or conveyed or encumbered in any less than the full dimensions shown on the Plat; provided, however, conveyances, easements or dedications for utilities may be made with regard to less than a Homestead. Notwithstanding the preceding, there is reserved to Wildcat Ranch, Ltd. the right to further subdivide, convey or encumber in less than full dimensions any Homestead in Wildcat Ranch owned by Wildcat Ranch, Ltd.; provided, however, no such subdivision or conveyance may increase the development density allowed under the County Approval Resolutions or Town Land Use Ordinance as applicable now in effect or hereafter amended.

7.11 Boundary Line Adjustments by Owners. Notwithstanding the provisions of Section 7.10 above, a boundary line adjustment by Owners between two Homesteads shall be permitted provided that:

(a) The approval of the Association and the Town (or the County in the case of those portions of Wildcat Ranch located in the County) is first obtained;

(b) No Development Activity Envelope is affected; and

(c) The Owners desiring such adjustment shall pay all reasonable costs incident thereto, including preparation, approval and recording of an amended plat as may be required by the Town or County as applicable and Wildcat Ranch, Ltd.

(d) Boundary line adjustments between Homesteads and the Ranch Manager's Parcel shall also be permitted; provided however, there is compliance with subsections (a), (b) and (c) above and the approval of Wildcat Ranch, Ltd. is obtained.

(e) In the event of any boundary line adjustments as permitted in this Section or under Section 7.12 below, and subject to requirements of Section 8.17, if applicable, it shall be sufficient for any amended plat to be signed solely by the Owners of the properties whose boundaries are affected thereby and any Eligible Mortgage Holders and in the case of any property adjacent to Wildcat Ranch lands, the owner thereof and any lienholder affecting such adjacent property.

7.12 Boundary Line Adjustments by Wildcat Ranch, Ltd. Notwithstanding the provisions of Section 7.10 above, the following boundary line adjustments by Wildcat Ranch, Ltd. shall be permitted:

(a) As between the boundary of any Homesteads owned by Wildcat Ranch, Ltd.

(b) As between the boundary of any Homesteads owned by Wildcat Ranch, Ltd. and the Ranch Manager's parcel.

(c) As between the boundary of any Homesteads owned by Wildcat Ranch, Ltd. and property adjacent to Wildcat Ranch lands abutting such Homesteads.

(d) As to any boundary line adjustment under this Section, Wildcat Ranch, Ltd. shall obtain any requisite approvals required by the Town (or the County in the case of those portions of Wildcat Ranch located in the County) and shall pay all reasonable costs incident thereto, including preparation, approval and recording of an amended plat.

7.13 Utilities. With respect to development by Owners on any Homestead, all domestic water, electrical, telephone and other utility pipes or lines shall be buried underground and shall not be carried on overhead poles or above the surface of the ground. Any areas of natural vegetation or terrain disturbed by the burying of utility lines shall be revegetated to SARC standards by and at the expense of the Owner causing the installation of the utilities no later than the next growing season following such installation. Notwithstanding any other provision hereof, there is reserved to Wildcat Ranch, Ltd. the right to temporarily install overhead poles, towers or above ground pipes for utilities.

7.14 Enclosure of Unsightly Facilities and Equipment. Except as to the Ranch Manager's Parcel, all unsightly facilities, equipment and other items, including, but not limited to those specified below, shall be enclosed within a covered structure. With respect to the Ranch Manager's Parcel, it shall be sufficient to screen any unsightly facilities, equipment or other items. Any motor home, trailer, boat, truck, tractor, garden equipment and any similar items shall be kept at all times, except when in actual use, in an enclosed garage, excepting the Ranch Manager's Parcel where screening of such items shall be sufficient. Any refuse or trash containers, utility meters or other facilities, service areas, or storage piles shall be enclosed within a structure or appropriately screened from view by planting or fencing approved by the SARC and adequate to conceal the same. No lumber, metals, boat materials, scrap, refuse or trash shall be kept, stored or allowed to accumulate on any Homestead, except building materials during the course of construction and only for such reasonable periods of time as is necessary prior to their collection or disposal. With regard to the Ranch Manager's Parcel, lumber,

scrap or other materials may be screened, however, no refuse or trash shall be permitted to accumulate thereon.

7.15 Satellite Dishes. Satellite dishes shall be permitted on Homesteads subject to obtaining any requisite Town or County land use approvals as applicable. Owners desiring to install satellite, relay, up-link or other communication dishes or facilities shall first obtain approval from the SARC. Any proposal for a dish or other facilities by Owner shall also include a plan for berming, screening, fencing and planting so as to conceal the dish or other facilities. Plans for any dish or other facilities shall include details as to location, size, color, installation, maintenance and other specifications as the SARC may reasonably require.

7.16 Hunting and Firearms. The discharge or shooting of firearms is prohibited, except: (a) the Ranch Manager or other employees or agents of the Association shall be permitted to use firearms on any Homestead in connection with wildlife management or predator control; provided, however, that any Owner shall be given reasonable notice of entry, except in the case of emergency, or (b) where hunting is approved by the Association, consistent with the Wildlife Management and Enhancement Plan and the consent of the Owner of the Homestead has been obtained. Any approval of hunting by the Association shall specify the species that may be hunted, specific firearms or primitive weapons allowed, dates and areas where hunting may occur, manner of take and total harvest numbers by Homesteads or by Wildcat Ranch wildlife population. Notwithstanding any approval by the Association, Owners or their guests shall still be required to comply with all applicable State or local laws regarding hunting, including the obtaining of any required licenses.

7.17 Drainage and Erosion Control. No Owner shall do anything which shall impair or adversely affect the natural drainage on any Homestead, or divert drainage or irrigation water onto another Homestead, or deprive any other Homestead of its natural drainage course, or otherwise deprive any Homestead of its irrigation water. No Homestead improvements may cause new erosion or exacerbate existing erosion or draining patterns where such changes are, in the opinion of the Association, detrimental to Wildcat Ranch lands. Each Owner shall install culverts where driveways cross road ditches,

irrigation channels and other drainage ways as required by the SARC. The minimum size of any culvert and the construction methods utilized in installing any culvert shall also be approved by the SARC. The Association retains the right over and across all Homesteads, other than Development Activity Envelopes, to engage in any drainage, soil or erosion control activities.

7.18 Pest Control. No Owners may engage in any pest control activities outside of residences or other structures without having first obtained the written approval of the Association. The Association, consistent with this Second Restated Declaration, may grant or withhold any such approvals. In the granting of any approval, the Association may impose conditions on any pest control, including the techniques, devices or chemicals that may be employed. All pest control shall be implemented at the expense of such Owner. Further, any pest control techniques inconsistent with the Wildlife Management and Enhancement Plan shall be prohibited. None of the foregoing restrictions shall apply to pest control activities contained wholly within residences or other structures.

7.19 Noxious or Offensive Activity. No noxious or offensive activity or sound shall be conducted on any portion of Wildcat Ranch at any time, nor shall anything be done or permitted which may become a nuisance to, or unreasonably disturb, Owners of other Homesteads, or be injurious to the reputation of Wildcat Ranch.

7.20 No Mining, Drilling or Quarrying.

(a) Mining, quarrying, tunnelling, excavating or drilling for any substances within the earth, including oil, gas, minerals, gravel, sand, rock and earth, shall not be permitted within the limits of Wildcat Ranch except as allowed by this Section.

(b) Drilling for water by Wildcat Ranch, Ltd. its successors and/or assigns, for domestic, agricultural or recreational purposes is hereby expressly permitted within the limits of the Wildcat Ranch, excluding Development Activity Envelopes.

(c) Drilling of individual water wells shall be permitted by Owners of Homesteads in accordance with the provisions of Section 10.4 below.

(d) Excavation of rock or earth shall be permitted by Wildcat Ranch, Ltd. or the Association to the extent necessary in the performance of their respective obligations under this Second Restated Declaration and in the case of Wildcat Ranch, Ltd. with respect to the construction and installation of Wildcat Ranch infrastructure, amenities or as otherwise required by the County Approval Resolutions or the Town Land Use Ordinance as applicable.

7.21 Irrigated Lands. Subject to water availability, historically irrigated lands on Wildcat Ranch shall continue to be irrigated. The Association's determination of what constitutes "historically irrigated lands" shall be conclusive. The development of any Homestead shall not result in the dry up of historically irrigated lands except as may be approved by the Association. The development of any Homestead may add to irrigated agricultural acreage so long as such additions are approved by the Association and are not detrimental to existing Wildcat Ranch water rights or historically irrigated lands.

The primary Wildcat Ranch direct flow water rights currently consist of the McKenzie-Wildcat, Snowmass and Wildcat Ditches (the "Ditches"). The Ditches shall continue to be used to irrigate the respective lands that these Ditches have historically irrigated. The McKenzie-Wildcat Ditch is also used to furnish water to Wildcat Reservoir. These irrigation and storage uses are the principal uses of the Ditches. Other than the principal uses, water from the Ditches may also be used as follows:

(a) Water from the Snowmass Ditch may be used in whole or in part, directly or by exchange, to maintain water levels in Wildcat Reservoir or irrigate Wildcat Ranch lands other than the lands historically irrigated by the Snowmass Ditch when the Association demonstrates that:

(i) The lands historically irrigated by the Snowmass Ditch on Homesteads 3 and 10 have an adequate soil moisture content to meet historic crop evapotranspiration requirements; or

(ii) Water is made available as a result of the temporary cessation of irrigation for normal cropping practices, such as harvesting. In such event, the water made available will be calculated on a pro rata basis for the acreage under the Snowmass Ditch temporarily removed from irrigation to permit harvesting; or

(iii) Water is made available by improvements or other facilities that reduce transit losses in the Snowmass Ditch; or

(iv) Water is made available by the installation of sprinklers on the lands historically irrigated by the Snowmass Ditch; or

(v) Water is made available by the development of additional water rights or water supplies.

(b) Water from the McKenzie-Wildcat Ditch may be used in whole or in part, directly or by exchange, to irrigate Wildcat Ranch lands other than lands historically irrigated by the McKenzie-Wildcat Ditch when the Association demonstrates that:

(i) The lands historically irrigated by the McKenzie Wildcat Ditch on Homesteads 4, 5, 6, 7, 8 and 9 have an adequate soil moisture content to meet historic crop evapotranspiration requirements and Wildcat Reservoir is full; or

(ii) Water is made available as a result of the temporary cessation of irrigation for normal cropping practices, such as harvesting. In such event, the water made available will be calculated on a pro rata basis for the acreage under the McKenzie Wildcat Ditch temporarily removed from irrigation to permit harvesting; or

(iii) Water is made available by improvements or other facilities that reduce transit losses in the McKenzie-Wildcat Ditch; or

(iv) Water is made available by the installation of sprinklers on the lands historically irrigated by the McKenzie-Wildcat Ditch; or

(v) Water is made available by the development of additional water rights or water supplies.

(c) Water from the Wildcat Ditch may be used in whole or in part, directly or by exchange, to irrigate Wildcat Ranch lands other than lands historically irrigated by the Wildcat Ditch when the Association demonstrates that:

(i) The lands historically irrigated by the Wildcat Ditch on Homesteads 4, 8, 9 and the Ranch Manager's Parcel have an adequate soil moisture content to meet historic crop evapotranspiration requirements; or

(ii) Water is made available as a result of the temporary cessation of irrigation for normal cropping practices such as harvesting. In such event, the water made available will be calculated on a pro rata basis for the acreage under the Wildcat Ditch temporarily removed from irrigation to permit harvesting; or

(iii) Water is made available by improvements or other facilities that reduce transport losses in the Wildcat Ditch; or

(iv) Water is made available by the installation of sprinklers on the lands historically irrigated by the Wildcat Ditch; or

(v) Water is made available by the development of additional water rights or water supplies.

For purposes herein, the Association's determination of whether the historically irrigated lands "have an adequate soil moisture content to meet historic crop evapotranspiration requirements" shall be guided by a system of piezometric monitoring stations or other devices performing a similar function to be installed by the Association on the relevant irrigated lands at such time as the Association intends to use the water for the purposes stated in any of (a) through (c) above. Only that amount of water may be used pursuant to (a) through (c) above which is in excess of the water necessary to provide an adequate soil moisture content to meet historic crop evapotranspiration requirements, or which is developed as a result of (ii) through (v) of

subsections (a) through (c) above. Any costs to the Association in implementing any of (a) through (c) above shall be charged one-quarter (1/4) equally among all Owners of Homesteads in Wildcat Ranch, and three-quarters (3/4) to the Owners of Homesteads 3 through 10, inclusive, based on a fraction the denominator of which is the total acreage of irrigated lands on Wildcat Ranch and the numerator of which is the irrigated lands located on each Homestead. There is hereby reserved to Wildcat Ranch, Ltd. and the Association perpetual easements over and across all Homesteads for the purpose of the installation of sprinklers, piezometric monitoring stations or ditch improvements or facilities to be located on their Homesteads as contemplated by this Section. Moreover, without limit to the provisions of Section 10.7, Owners shall not develop any independent water supplies and shall have no standing to oppose any water right applications or exchanges regarding the Ditches or Wildcat Reservoir, and shall not otherwise oppose any other efforts that seek to implement the provisions of this Section. This provision shall not act as a bar to the development of allowable exempt wells, or to prohibit the enforcement of this Second Restated Declaration by Owners to the extent allowed.

7.22 Completion of Construction. Any construction activity on any Homestead in Wildcat Ranch shall be completed and fully cleaned up within eighteen (18) months from its commencement or a variance shall be obtained from the SARC to allow for a longer period of construction upon proof of due diligence.

7.23 Fireplaces for Structures in Town. Each Wildcat Ranch Homestead within the Town shall be entitled to two (2) wood burning fireplaces which may be allocated between the primary residence and guest house at the discretion of the Owner thereof. Further, there shall be no limit on the number of gas log fireplaces that may be installed in any of the principal residences, caretaker units, or guest houses.

7.24 Fireplaces for Structures in County. All structures to be constructed within those portions of Wildcat Ranch located in the County shall comply with the fireplace regulations of the County. Wildcat Ranch Ltd. will not object if any Owner applies or receives permission from the County for more than one fireplace within any structure located on a Homestead.

7.25 Driveways.

(a) Driveway design, location, surfacing material and construction methods, including without limitation, application of an approved dust suppressant, shall be approved by the SARC and shall in the case of Wildcat Ranch lands located in the Town be in compliance with the Town Land Use Ordinance and in the case of Wildcat Ranch lands located in the County be in compliance with applicable provisions of the County Approval Resolutions which require, among other things, securing an access permit from the County. The design and construction of driveways shall comply with Town or County standards and specifications as applicable governing driveways.

(b) The Owner whose Homestead is being served by a particular driveway shall be responsible for ongoing dust control of the private driveways and in the case of Wildcat Ranch lands located in the County treat the driveways with dust suppressants approved by the County and in accordance with the Wildcat Ranch fugitive dust control plan described in the County Approval Resolutions.

(c) All access driveways from Roads shall be constructed at the expense of the Owner whose Homestead is being served by that particular driveway. Provided that the access driveway is constructed to SARC approved standards, the Association shall be responsible for the snowplowing of such driveway. Costs of snowplowing access driveways shall be charged as a special cost center to Owners based on the length of (and other conditions peculiar to) each such driveway. The Association shall have no responsibility for snowplowing of any access driveways on Homestead 12. Except as to snowplowing, Owners shall remain responsible for the maintenance and repair of access driveways to their individual homesites.

7.26 Trees and Landscaping. Owners may not cut or alter trees, bushes or natural vegetation except with the approval of the SARC and then only within Development Activity Envelopes. Cutting or alteration of trees, bushes or natural vegetation by the Association or Wildcat Ranch, Ltd. may also occur outside Development Activity Envelopes consistent with the Wildlife Management and Enhancement Plan, as necessary for Wildcat Ranch

operations or for the uses or activities described in the easements created, reserved or granted in Section 8 of this Second Restated Declaration or as shown on the Plat or Final P.U.D. Plan as applicable.

7.27 Damage by Owners. Each Owner is responsible for any damage caused to Roads, ditches, fences, trails, natural draining courses, utilities, Association property, or to other Homesteads or property thereon during the construction of improvements upon his Homestead by any vehicle belonging either to him or any one using the roads of Wildcat Ranch while engaged in any activity benefiting the Owner. Each Owner shall also be responsible for any damage caused by utility cuts in roads, washouts and runoff damage caused by failure to properly install culverts, and to repair any such damage in a timely manner.

7.28 Fences. All fences to be erected by Owners within Development Activity Envelopes shall be approved by SARC and shall be in harmony with the nature, setting and surroundings of Wildcat Ranch and the development on said Homestead and shall not interfere with the ownership, use or operation of Wildcat Ranch water rights. No fences may be erected by Owners outside Development Activity Envelopes, except for the limited purposes of containing horses on irrigated pastures, which fencing shall first be approved by the SARC and shall be consistent with the Wildlife Management and Enhancement Plan. Notwithstanding the preceding, the Association may maintain or construct permanent or temporary fences as part of Wildcat Ranch operations, on all Wildcat Ranch lands other than Development Activity Envelopes. Fencing by the Association in wildlife sensitive areas shall be consistent with the Wildlife Management and Enhancement Plan. In addition to all the foregoing, any fencing of Wildcat Ranch lands, whether within or outside Development Activity Envelopes, shall be consistent with Section 9.5 of this Second Restated Declaration. Notwithstanding the preceding, dog kennels meeting the requirements set forth in Section 7.5 or 7.6 above as applicable shall be permitted subject only to an approval of the kennel design from SARC.

7.29 Secondary Access Limitations. No construction, maintenance or service traffic other than ranch maintenance traffic shall be allowed on any Secondary Access. All construction, maintenance or service traffic to Wildcat

Ranch lands, other than ranch maintenance traffic, shall use the Primary Access. Use of Sinclair Road shall be subject to all the terms provisions and conditions of: (a) the Sinclair Road Use and Maintenance Agreement, (b) the Limited Access Easement between Robert Mosbacher and the Snowmass Corporation recorded in Book 315 at Page 954 and the Easement from Hillary P. Estin to Robert Mosbacher recorded in Book 303 at Page 159, all of the real estate records of Pitkin County, Colorado, and (c) the applicable provisions of the County Approval Resolutions or Town Land Use Ordinance as the case may be. Access to Snowmass Creek Road shall be subject to: (a) the Road Easement attached to that certain Deed recorded in Book 282 at Page 733 to the extent, if any, that the provisions of said Road Easement may be in effect, (b) Access and Utility Easement reserved in Deed from Wildcat Ranch, Ltd. to the Aspen Camp School for the Deaf, Inc. recorded in Book 648 at Page 978, (d) Access and Utility Easement granted by the Aspen Camp School for the Deaf, Inc. for the use of Wildcat Ranch, Ltd. recorded in Book 648 at Page 984, of the real estate records of Pitkin County, Colorado, and (e) the applicable provisions of the County Approval Resolutions or Town Land Use Ordinance as the case may be.

7.30 Sewage Disposal Systems. Each of the homes to be constructed on Homesteads will be on individual sewage disposal systems. Owners will be responsible for the design of their individual systems with due regard for specific soil conditions, percolation rates and the like. All systems within the Town shall meet minimum environmental health requirements of the Town. All systems within the County shall meet the minimum requirements of the Pitkin County Environmental Health Department. In addition, all sewage disposal systems shall:

- (a) Be located entirely within the Development Activity Envelope of a Homestead.
- (b) Blend into the natural landscape and not be located or constructed above grade except where approved by the SARC.
- (c) Not be located, designed or operated so as to encroach upon or otherwise affect any domestic water distribution systems, wells,

ditches or other Wildcat Ranch water rights, natural drainage courses, or any sewer disposal systems on other Homesteads.

7.31 Limits on Certain Vehicles. With respect to all Homesteads: (i) use of snowmobiles and "all-terrain" type vehicles shall be prohibited, except the Ranch Manager may operate such vehicles incident to Wildcat Ranch operations and (ii) pedal bicycles, mountain bikes and other motorcycles shall be allowed only on Wildcat Ranch roads and driveway access as shown on the Exemption Plat. Subject to the foregoing, the Association shall have the authority: (a) to prohibit entirely from Wildcat Ranch certain motor vehicles that may be considered to emit noise or other pollution in excess of levels or standards promulgated by the Association, and (b) to promulgate such other rules and regulations as shall be necessary with respect to the operation of motor vehicles on Wildcat Ranch lands.

7.32 Signs. The Association shall have the right to post signs on any Homestead prohibiting trespassing or hunting, to protect boundary lines or for any other purposes consistent with Wildcat Ranch operations. Owners may not post, maintain or permit on any Homestead "for sale" or "for rent" signs or signs advertising names of contractors, landscapers, brokers, lenders or the like. Except as provided herein, all other signs, including specifically, permanent or temporary identification signs, shall be approved, in writing, by the SARC prior to being erected. Notwithstanding the foregoing, Wildcat Ranch, Ltd. shall be permitted to maintain signs and conduct all other activities permitted in Section 15.5 of this Second Restated Declaration.

7.33 Structures on Homestead 8.

(a) There is located on Homestead 8 an historical structure consisting of a stone barn. The Owner of Homestead 8 shall, at its expense, be responsible for the maintenance, repair and upkeep of this historical structure and no changes thereto can be made without the written consent of SARC first being obtained.

(b) In the event the owner of Homestead 8 elects not to use Development Activity 8(c), continued use of the historic cabin on said Development Activity Envelope 8(c) shall be subject to review by the Town.

7.34 Ponds. Subject to the provisions of this Second Restated Declaration and the requirement to obtain any Town or County land use approvals, as applicable, Owners of Homesteads may, at their expense, construct, operate and maintain ponds within Development Activity Envelopes. Such ponds may only be used consistent with the Wildlife Management and Enhancement Plan for recreational purposes. Prior to any development, the location, size, construction specifications and operational plans for such ponds must be approved by the SARC. The Association shall establish rules and regulations as to the size of the ponds and which of the Wildcat Ranch water rights may be utilized to fill the ponds. Owners shall be solely responsible for obtaining any permits, drilling, operating and obtaining any State Engineer or other approvals for any exempt well for any such on-site recreational ponds.

8. EASEMENTS AND RIGHTS RESERVED.

8.1 Easements Described on Plat. All of Wildcat Ranch is subject to the easements shown, created, reserved or granted on the Final P.U.D. Plan or Exemption Plat as applicable and with respect to Homestead 12, as shown on the Hazard Review (1041) Plat thereof.

8.2 Development of Wildcat Ranch. Wildcat Ranch, Ltd. reserves the right for itself (and to the extent necessary, such right is hereby extended to the Association and any ditch or reservoir company benefitting Wildcat Ranch lands) and their agents, employees and contractors, to enter upon Wildcat Ranch and to do whatever Wildcat Ranch, Ltd. deems necessary or advisable in connection with construction or other work to be performed by Wildcat Ranch, Ltd. for the development of Wildcat Ranch subdivision improvements, including, but without limitation, the construction and installation of a domestic water system, fire protection, drainage, irrigation and water storage facilities, the installation of all utilities, the construction of all roads, grading and landscaping, the construction of all buildings and other improvements to be constructed by Wildcat Ranch, Ltd., including amenities, the erection or placement of such temporary structures as may be reasonably necessary to facilitate such development, and the placement of such sign or signs as Wildcat Ranch, Ltd. may deem advisable in connection with the sale of the Homesteads. The foregoing rights shall remain in Wildcat Ranch, Ltd.

and may also be exercised by Wildcat Ranch, Ltd. as to any Property Conveyed and Leased by Declarant notwithstanding such conveyance to the Association. No rights reserved in this Section 8.2 shall extend into any Development Activity Envelopes on any Homestead after the closing on the sale to an Owner other than Wildcat Ranch, Ltd.

8.3 Ditch Easements. There are hereby created and reserved unto Wildcat Ranch, Ltd. and the Association perpetual easements over and across Wildcat Ranch for all ditches presently in existence, or hereafter constructed to provide any irrigation water, said easements not to exceed fifteen (15) feet on either side of the centerline of said ditches, including the operation, maintenance, repair and replacement of said ditches and ingress and egress thereto. These easements include the right on the part of Wildcat Ranch, Ltd. and the Association to construct, operate, maintain, repair, enlarge, relocate or replace water systems, including but not limited to, gates, splitter boxes, laterals, pipes, pumps, lines, holding ponds and sprinklers across any portions of Wildcat Ranch deemed necessary for such purposes. Owners of Homesteads shall be responsible for any damage to ditches or natural drainage channels caused by any development activity carried on by such Owner and shall, at the expense of such Owner, take all measures necessary to avoid any interference with or damage to ditches, including but not limited to, the installation of necessary culverts.

8.4 Utility Easements. The owner, Wildcat Ranch, Ltd., hereby reserves rights: (a) to grant nonexclusive easements for utilities, ditches, irrigation and drainage purposes, including, without limitation, for the installation, relocation, operation, maintenance, repair and replacement of lines, pumps, pipes, transformers, towers, tanks, wires, conduits, culverts, ditches, ponds and other facilities or systems and for ingress and egress to and from the same over and across the real property described herein other than Development Activity Envelopes for Homesteads, and (b) without extinguishing the aforementioned general easement, from time to time to substitute one or more specific easements for the use by utility companies or others by recording of an instrument in the real estate records of Pitkin County, Colorado. Unless the written consent of Wildcat Ranch, Ltd. is first obtained, utility companies shall have no right to use easements over Wildcat Ranch lands to serve properties adjacent to Wildcat Ranch lands. Where

Wildcat Ranch, Ltd. shall grant any easements to utility companies to serve properties adjacent to Wildcat Ranch, Wildcat Ranch, Ltd. shall be entitled to receive any consideration paid by such adjacent property owner or the utility company for such easement. Where necessary, Wildcat Ranch, Ltd. shall have the right, without obtaining the consent of any Owner, Mortgagee or the Association to amend the Final P.U.D. Plan or Exemption Plat as applicable to reflect any relocations of existing easements shown thereon or the granting of new easements for any of the purposes permitted hereunder. Wildcat Ranch, Ltd. is responsible for the installation of the domestic water system and shall also make necessary arrangements with utility companies to provide electric and telephone service to Wildcat Ranch; provided, however, the domestic water system and electric and telephone service may be extended to Wildcat Ranch in phases. Accordingly, utilities may not be available to all Homesteads at the same time and any Owner, prior to the purchase of a Homestead, shall be responsible for obtaining from Wildcat Ranch, Ltd. a schedule for the phasing of utilities.

8.5 Operations Easements. There is hereby reserved to Wildcat Ranch, Ltd. and the Association the right from time to time to enter upon Homesteads, the Ranch Manager's Parcel or any other portions of Wildcat Ranch to perform or carry out any of the Wildcat Ranch operations, including controlled ditch burning, controlled burning or cutting to enhance wildlife habitat, ditch or fence maintenance or repair or operation of the water system to serve Wildcat Ranch lands or any other actions reasonably required to implement wildlife, agricultural, weed control or livestock control or other Association approved ranch operations.

8.6 Emergency Access Easement. A nonexclusive easement for ingress and egress is hereby granted to all police, sheriff, fire protection, ambulance and other similar emergency agencies or persons, now or hereafter servicing the Wildcat Ranch and its residents and to Wildcat Ranch, Ltd. or the Association, including the Ranch Manager or any Association employees, to enter upon all Roads and driveways located in the Wildcat Ranch and on any Homesteads or other property in the Wildcat Ranch in the lawful performance of their duties. Private security contracts or other security arrangements made by Owners must first be approved by the Association.

8.7 Agricultural Operations. There are hereby reserved to the Association perpetual easements over and across all Homesteads for the purposes of conducting agricultural activities. Unless the written consent of the Owner of the affected Homestead is first obtained, agricultural activities shall be limited to growing, irrigation and cutting of hay or grass, weed control and maintaining or enhancing existing meadow vegetation.

8.8 Avigation Easement. All of Wildcat Ranch is subject to that certain Easement Agreement (for avigation purposes) recorded in Book 649 at Page 5 of the real estate records of Pitkin County, Colorado. Consistent with the Avigation Easement and subject to any applicable laws, the Association may promulgate rules and regulations regarding use and operation of aircraft of all kinds, including but not limited to, hang gliders, parasails and the like, any of which may be prohibited altogether. To the fullest extent permitted by law, no helicopters shall be permitted to land, take off or hover in close proximity to Wildcat Ranch lands.

8.9 Wildlife Management and Enhancement Plan. The Association, through its employees or agents and the Wildlife Consultant, are hereby granted the right to enter upon all Homesteads, other than Development Activity Envelopes, to monitor, implement and carry out the Wildlife Management and Enhancement Plan. Entry may be accomplished on foot or by vehicle, including the Ranch Manager's all terrain type vehicles or snowmobiles.

8.10 Wildcat Trail System. There is hereby created for the use and enjoyment of Owners and their guests and other members of the Association accorded such rights, easements over and across all of Wildcat Ranch, excepting only Development Activity Envelopes, said easements being for trails and a trail system as presently located or relocated or hereafter constructed or enlarged for purposes of hiking, horseback riding, jogging, cross-country skiing, snow shoeing and other activities, consistent with this Second Restated Declaration. Portions of the trail system may be closed periodically to accommodate elk, big game calving, migration or other wildlife concerns. Use of the trail system by the public is prohibited. The trail system shall be operated and maintained by the Association as a Common Expense. The Wildcat Ranch trail system shall be constructed by either

Wildcat Ranch, Ltd. or the Association and thereafter maintained and operated by the Association. Construction and operation of the trail system may include cutting, clearing, stabilizing or maintaining trails, the posting of signs and erosion control. The use of the Wildcat Ranch trail system shall be subject to such rules and regulations as the Association shall from time to time establish. The Association shall indemnify Owners of Homesteads subject to the trail system in regard to any injury or death to persons or damage to property occurred by use of the trails. The Association shall have authority to establish trail set-backs from Development Activity Envelopes. Each Owner, members of their families and their guests or invitees assume all risk in connection with use of the trails. Notwithstanding the provisions of Section 12.2 of this Second Restated Declaration regarding amendments, unless the prior written consent of all Owners is first obtained, no amendment to this Section 8.10 shall be adopted which would limit or impair the right of any Owner to use the Wildcat Ranch Trail System for hiking, horseback riding, cross country skiing or other purposes as allowed in this Second Restated Declaration together with the right to enter upon other Homesteads in Wildcat Ranch for such purposes; provided however, Wildcat Ranch, Ltd. and/or the Association may modify or relocate specific trail locations on any Homestead to accommodate the Owner thereof.

8.11 Road Easements.

(a) Wildcat Ranch, Ltd. and the Association hereby reserve and retain permanent and perpetual easements under, over and across all Roads as shown on the Final P.U.D. Plan or Exemption Plat, as applicable, for purposes of operating, installing, constructing, maintaining and repairing Roads, the water distribution system, other utilities and for such other purposes as are described in this Second Restated Declaration. Wildcat Ranch, Ltd. hereby permanently and perpetually dedicates all Roads for the use, benefit and enjoyment of all Owners, their family members, guests and invitees and for use by employees of the Association. Relative to the construction and maintenance of any Roads, Wildcat Ranch, Ltd. and the Association shall have the right to install cattle guards, gates, including but not limited to, security and entry gates, security gate house, fences, signage, speed bumps or dips, culverts, guard rails and the like. There is further reserved to Wildcat Ranch, Ltd. the right to enlarge the width of any Road

shown on the Final P.U.D. Plan or Exemption Plat as applicable, including any Primary Access or Secondary Access; provided, only, that such enlargement does not encroach into any Development Activity Envelope. With respect to all Homesteads, other than Homestead 9, no Road enlargement shall exceed forty (40') feet on either side of the centerline thereof and with respect to Homestead 9, such enlargement shall not exceed one-hundred fifty (150') feet on either side of the centerline thereof as such centerlines are shown on the Final P.U.D. Plan or Exemption Plat as applicable or as-built if the as-built location shall vary from the Final P.U.D. Plan or Exemption Plat as applicable. In the event Wildcat Ranch, Ltd. shall determine to enlarge the width of any Road, Wildcat Ranch, Ltd. shall have the right to amend the Final P.U.D. Plan or Exemption Plat as applicable for that purpose without requirement to obtain the consent of any Owner, Mortgagee or the Association. The width of any Road may be enlarged for road purposes or to accommodate a security gate house, as long as the width of such enlargement does not exceed the maximum widths set forth herein.

(b) The Association, with respect to the Ranch Manager's Parcel, hereby grants and conveys to Wildcat Ranch, Ltd. and to all Owners, their family members, guests and invitees permanent and perpetual non-exclusive easements for ingress and egress over and across Lake Wildcat Road and Wildcat Way as shown on the Final P.U.D. Plan or Exemption Plat as applicable. Use of Roads over the Ranch Manager's Parcel by Owners, their family members, guests and invitees shall be subject to the terms, provisions, conditions, obligations and limitations set forth in this Second Restated Declaration.

8.12 Easements for Water System Facilities. There is hereby reserved to Wildcat Ranch, Ltd. and the Association over and across Homesteads 7 and 8 as shown on the Final P.U.D. Plan or Exemption Plat as applicable: (a) a thirty (30) foot access and utility easement to the water storage tank, (b) a one hundred fifty (150) foot diameter easement for a water storage tank, and (c) a separate twenty (20) foot utility easement to the water storage tank and, with respect to all the foregoing, the further right to construct, maintain, operate and repair said tank and utilities. The foregoing thirty (30) foot access easement to the water storage tank may also be utilized as a Road and utility access across Homestead 8 to Homestead 7.

8.13 Other Easements for Domestic Water System. There is also reserved in Wildcat Ranch, Ltd. and the Association easements under, over and across all roads shown on the Final P.U.D. Plan or Exemption Plat, as applicable, for purposes of installing, constructing, maintaining, repairing and operating a domestic water system, including but not limited to, pumps, pipes, lines, fire hydrants and the like. It shall be the responsibility of Owners to install, in accordance with specifications approved by the SARC, water lines from Roads to the actual homesites. All water lines installed by Owners to actual homesites, together with easements fifteen (15) feet on either side of the centerline of such lines, shall become the property of Wildcat Ranch, Ltd. (or the Association, if so designated), and such lines shall be operated, maintained, repaired or replaced as part of the water system. The cost of the maintenance, repair or replacement of individual water lines shall be charged to each Owner of such Homestead as a special cost center.

8.14 Wildcat Lake Recreation Easement. There is hereby reserved for the use and enjoyment of Owners and their guests and other members of the Association entitled thereto, a recreation easement over all of Wildcat Lake. The Association, consistent with the Town Land Use Ordinance and this Second Restated Declaration, shall promulgate rules and regulations for the recreational use of Wildcat Lake. The recreational use of Wildcat Lake shall be subject and subordinate to the use of Wildcat Lake for domestic, municipal and irrigation purposes.

8.15 Wildcat Lake Shore Recreation Easement. There is hereby reserved for the use and enjoyment of Owners and their guests or other members of the Association entitled thereto, a non-exclusive recreation easement as shown on the Final P.U.D. Plan captioned "Wildcat Lake Picnic Area and Dock Easement". This recreation easement abuts Lake Wildcat and is located on Homestead 7. Use of this recreation easement shall be solely for the temporary beaching or docking of boats, fishing and picnicking. No tents, overnight camping or fires shall be permitted in the recreation easement areas. Except as to the Association in the performance of its duties and as to Owners of Homesteads burdened thereby, there is no access to this recreation easement other than by temporary beaching or docking of boats. The recreation easement area shall be maintained by the Association. The Association may formulate rules and regulations regarding the use of the

recreation easement area. With regard to the Ranch Manager's Parcel, all of said parcel shall be available to Owners and their guests or other Members of the Association entitled thereto to the extent reasonably necessary in order to use and enjoy Wildcat Lake.

8.16 Private Boat Docks. There is hereby reserved to Owners of each of Homesteads 5, 6, 7 and 8, subject to review and approval by the SARC and the requirement on the part of such Owner to obtain any land use approvals required by the Town, the right on each of said Homesteads to construct and maintain private boat docks for access to Wildcat Lake. The rights guaranteed in this Section and the easements reserved in Sections 8.14 and 8.15 above shall be subordinate to: (a) any actions taken or to be taken with respect to the maintenance, operation or repair of Wildcat Lake or any of its appurtenances by The Wildcat Reservoir Company or the Association, or (b) the exercise of any other water rights for their present or future decreed purposes.

8.17 Ownership of Easements. Any easements or rights reserved by Wildcat Ranch, Ltd. in Sections 8.1 through 8.16 above shall remain vested in Wildcat Ranch, Ltd. until such time as Wildcat Ranch, Ltd. has executed and delivered an instrument in writing transferring the same to the Association, any ditch or reservoir company benefitting Wildcat Ranch lands or any successor or assign of Wildcat Ranch, Ltd. Where the instrument recites it is a complete transfer of a particular easement or right, Wildcat Ranch, Ltd. shall be relieved from all continuing responsibilities therefore. With respect to any Wildcat Ranch easements created by this Second Restated Declaration and with respect to any easements hereafter granted by Wildcat Ranch, Ltd. or the Association that benefit the Owner of any Homestead such as Roads, utilities, ditches and trails, no such easements may be vacated, extinguished, impaired or limited (other than temporary limitations for maintenance, repair or replacement), except upon the written consent of the Owner of such Homestead and any Eligible Mortgage Holder thereon, and notwithstanding the provisions of Section 12.2 below, no amendment to this Second Restated Declaration may repeal or change this requirement except upon the written consent of all Owners and all Eligible Mortgage Holders.

8.18 Partial Relinquishment of Easements. Upon the request of any Owner, Wildcat Ranch, Ltd., for itself and, where necessary, on behalf of the Association, may, by recorded instrument, grant partial releases: (a) of any Development Activity Envelopes from the easements or rights reserved in Sections 8.2 and 8.3; provided, however, no release may affect existing ditches, trails or utilities, or (b) as to any Homestead, or any part thereof, with respect to the right to enlarge Wildcat roads as permitted in Section 8.11 above. Nothing in this Section shall obligate Wildcat Ranch, Ltd. to grant any partial releases provided for herein.

8.19 Performance Standards/Indemnification. Notwithstanding the provisions of Section 3.4 of this Second Restated Declaration, all activities undertaken by Wildcat Ranch, Ltd., the Association or their assigns within or in connection with the easements and reservations described in this Section 8 shall be performed in a good and workmanlike manner and as expeditiously as possible, and shall at all times be in complete compliance with all applicable construction, health, safety and other laws, regulations and codes. Natural vegetation shall be disturbed as little as possible (excepting agricultural and wildlife enhancement activities), and any disturbed areas shall be regraded and reclaimed to the extent necessary to restore the same as closely as possible to its natural condition. All such activities shall be performed at the sole cost and expense of Wildcat Ranch, Ltd., the Association, or their assigns, and all areas subject to said easements shall be kept free from mechanics' or materialmen's liens of any kind and which may rise from the aforementioned activities. Nothing herein shall limit the ability of the Association as provided in this Second Restated Declaration to assess Owners for costs for activities undertaken in connection with the easements and reservations described in this Section 8. Wildcat Ranch, Ltd., the Association, and their respective assigns shall indemnify, defend (including reasonable attorney's fees and costs), save and hold harmless any Owner's and such Owner's partners and their respective affiliated companies, employees and agents, from and against any and all losses, liabilities, damages, expenses, claims or demands for personal injury, death, property damage, or any other form of loss or damage suffered by any person or persons (collectively "Liabilities") arising from the exercise by Wildcat Ranch, Ltd. or the Association, as the case may be, or their respective assigns of any of the easement rights created in this Section 8, and for claims covered

by insurance, to the extent of such insurance coverage, this indemnification shall apply even if any of such Liabilities arise from or are attributable to the concurrent negligence of any Owner. The insurance coverage required under Section 6.1(b) shall include Broad Form Contractual Liability specifically in support of, but not limited to, the indemnity contained herein. The liability of each of the Association and Wildcat Ranch, Ltd., under this indemnification shall be several and separate it being understood that Wildcat Ranch, Ltd. shall not indemnify Owners for activities of the Association and the Association shall not indemnify Owners for activities of Wildcat Ranch, Ltd. Further, neither the Association nor Wildcat Ranch, Ltd. shall be liable under this indemnification for the exercise of such easements or reservations by third parties such as police and fire protection.

9. OPERATION OF WILDCAT RANCH.

9.1 Wildlife Management and Enhancement Plan. The Association, acting through the Ranch Manager and Association employees, shall be responsible for the implementation of the Wildlife Management and Enhancement Plan. Should the Association desire to change any provisions of the Wildlife Management and Enhancement Plan that implement the Town Land Use Ordinance, the approval of the Town must be first obtained. With respect to those portions of Wildcat Ranch located within the County, should the Association desire to change any provisions of the Wildlife Management and Enhancement Plan that implement the County Approval Resolutions and provided there shall be any legal requirement to do so, the consent of the County must be first obtained. Provisions of the Wildlife Management and Enhancement Plan that are not mandated by the Town Land Use Ordinance (or the County Approval Resolutions that may be applicable) may be reviewed annually by the Association and changes or additions thereto may be made so long as such changes or additions are consistent with the provisions of this Second Restated Declaration.

9.2 Ranch Manager's Parcel. The Ranch Manager's Parcel includes or may include the boathouse, Wildcat Dam, ditches, the water treatment plant, the Ranch Manager's residence and outbuildings, portions of Lake Wildcat Road, utility lines and such other improvements or structures as shall be made or installed by Wildcat Ranch, Ltd. or the Association. All

necessary easements into Lake Wildcat for the construction, maintenance, operation and repair of the boathouse are hereby granted to Wildcat Ranch, Ltd. and the Association. Use of the Ranch Manager's Parcel shall be subject to any applicable terms, provisions or conditions of the Town Land Use Ordinance. The Association may, consistent with this Second Restated Declaration and any applicable terms, provisions and conditions of the Town Land Use Ordinance, promulgate rules and regulations for the use of the boathouse and any other areas of the Ranch Manager's Parcel.

9.3 Wildcat Lake. Use of Wildcat Lake by Owners, members of their families and their guests shall be strictly limited to recreational purposes. Each Owner, members of their families and their guests or invitees assume all risks in connection with any swimming, boating, fishing or other activities in or about Wildcat Lake. Owners shall at all times be responsible for supervising any activity in and about Wildcat Lake by members of their families, guests or invitees. The Association will not provide any lifeguard or other supervision of activities by Owners or their guests in or about Wildcat Lake.

9.4 Water System. The Association shall be responsible for the operation, maintenance and repair of the Wildcat Ranch water system, which system shall, unless otherwise provided in this Second Restated Declaration, include all domestic, municipal, irrigation and recreational uses. The Association shall promulgate rules and regulations for the operation and use of the water system, including user and tap fees, limits on usage for on-site ponds, domestic or irrigation purposes and deliveries of water to irrigated lands. Without limit to any other right or remedy provided in this Second Restated Declaration, monetary penalties or curtailment of use may be imposed on Owners that exceed entitlements of irrigation or pond water to their Homesteads. Water rationing or other limitations or restrictions on the use of water may be imposed in times of draught, when necessary to allow for maintenance or repair to the system, by reason of acts of God causing disruptions to the system or for other good causes.

9.5 Operational Limitations. The following limitations shall apply to the operation of Wildcat Ranch:

(a) Agricultural activities shall be consistent with proper wildlife levels.

(b) Locations and types of fencing to maintain wildlife viability shall be consistent with Colorado Division of Wildlife fence regulations.

(c) Use of certain trails or critical areas shall be scheduled so as to minimize conflict with wildlife at critical times of the year. The creation of new trails within critical wildlife areas shall be limited.

(d) Construction activity and personnel shall be controlled so as to minimize disturbance of wildlife. Construction workers and maintenance people shall not carry firearms or bring dogs to, from or at work sites.

(e) With respect to those portions of Wildcat Ranch within the County, the County shall be a beneficiary of each of the foregoing limitations and shall also be a beneficiary of the limitations on dogs and certain vehicles set forth in Sections 7.6 and 7.31, above, and none of such limitations may be modified without the consent of the County being first obtained.

10. WATER RIGHTS AND DISTRIBUTION SYSTEM.

10.1 Distribution System. Domestic water shall be provided to all Homesteads except Homestead 12 by a central water system that will consist of a water treatment facility, booster station, water storage tank and other facilities. Distribution lines will generally parallel Roads and private driveways for purposes of supplying domestic water, firefighting water, limited irrigation, as well as water to the boathouse and Ranch Manager's Parcel. Wildcat Ranch, Ltd. will convey to the Association the central water system, distribution lines and related facilities, and the Association shall thereafter be obligated for the operation, maintenance, repair and replacement of the same.

10.2 Agricultural Lands. In addition to the central water distribution system, Wildcat Ranch includes an extensive ditch system for the irrigation of agricultural lands, which system and sufficient water rights to operate the

same shall be conveyed or otherwise made available by Wildcat Ranch, Ltd., to any one or more of the Association, The McKenzie-Wildcat Ditch Company, The Snowmass Ditch Company, any other ditch company formed by Wildcat Ranch, Ltd. or The Wildcat Reservoir Company. The ditch or irrigation system may include ditches, sprinklers, head gates, laterals, pipes, culverts and other facilities. The cost of the operation, maintenance, repair and replacement of said ditch, pump, pipe or other irrigations systems shall be the responsibility of the Association. Homesteads have different entitlements to irrigation water and use of such water shall be charged to Owners as a special cost center. Although Homesteads 1, 2 and 11 do not include any historically irrigated lands, they shall nevertheless contribute to the irrigation special cost center on a basis to be determined by the Association. Prior to the acquisition of any Homestead, Owners should make their own inquiry of Wildcat Ranch, Ltd. as to the entitlement of irrigated, agricultural or pasture lands appurtenant to their Homestead. The Association may promulgate rules and regulations for the use and operation of irrigation of agricultural lands, including user fees.

10.3 Homestead 12. Homestead 12 is not included within the domestic water system for Wildcat Ranch. The Owner of Homestead 12 shall be solely responsible for obtaining and developing its own water rights for domestic water, including but not limited to, obtaining all requisite State or local permits. The Association shall not be responsible for the irrigation of any lands on Homestead 12.

10.4 Individual Wells. Subject to the provisions hereof, Owners of all Homesteads, other than Homestead 12, shall be permitted to drill and operate one (1) exempt individual well as provided in C.R.S. §37-92-602(i)(b) as amended for lawn irrigation, on-site pond purposes if permitted by the Colorado State Engineer or any other purposes permitted by law. In addition to the one (1) exempt well allowed in the sentence immediately preceding, Wildcat Ranch, Ltd. reserves the right by recorded instrument to release and convey to any Owner of Homesteads 1 through 11, 13 and any Additional Homesteads, a right to drill and operate for the benefit of that Homestead, up to (6) six additional exempt wells. All Owners desiring to drill any individual wells shall be responsible for obtaining all state and local permits and approvals for such wells and shall also be responsible for the payment of all

costs associated with the drilling, development, operation, repair, maintenance and replacement of such wells. Declarant makes no representation or warranty that water for such wells is available on any particular Homestead or, if available, the depth where or quality or quantity of water that may be available. No drilling or operation of any exempt wells, other than on Homestead 12, shall occur until the location, specifications, design and proposed use shall be approved by SARC. In connection with any approval, SARC shall have the right to: (1) prohibit clustering of exempt wells (ii) with respect to Homesteads 4, 5, 6, 7 and 8, require that any or all wells be set back from Wildcat Lake which set back need not be uniform but shall be a distance sufficient to avoid the likelihood of lowering the level of the lake or other injury to the lake, and (iii) without limit to (i) and (ii) immediately preceding, to establish such other restrictions or prohibitions on the drilling or operation of exempt wells as shall be necessary to prevent injury to any Wildcat Ranch water rights. Any exempt wells not released to the benefit of a particular Homestead shall be conveyed by Wildcat Ranch, Ltd. to the Association for drilling and operation in furtherance of Association purposes. With respect to Homestead 12, there shall be no limit (excepting compliance with applicable laws or requirements, if any, of the Wildlife Management and Enhancement Plan) as to the number of exempt wells that may be drilled and operated or what use may be made of the water obtained from said wells.

10.5 Snowmass Water and Sanitation District. Wildcat Ranch, Ltd. and the Association reserve the right to enter into one or more agreements with the Snowmass Water and Sanitation District which involves or replaces any water rights or systems now or hereafter a part of the Wildcat Ranch water system other than any exempt wells reserved to Homesteads, provided any such agreement enhances or supplements the domestic, irrigation or recreation water supply available to Wildcat Ranch. Any agreements between the Snowmass Water and Sanitation District and Wildcat Ranch, Ltd.: (a) shall be subject to obtaining all requisite governmental approvals if any shall be required, and (b) shall not obligate Owners to pay more for such water than if the service had continued to be provided by the Association.

10.6 Water Rights Reserved. Ownership of any Homestead in Wildcat Ranch excludes all reservoir and reservoir storage rights, water and water

rights, ditch and ditch rights, spring and spring rights, ground water and ground water rights, all of which are reserved to Wildcat Ranch, Ltd., The McKenzie-Wildcat Ditch Company or any other ditch company formed or to be formed and The Wildcat Reservoir Company, as their interests may appear, excepting only the rights of Homesteads to individual exempt wells as set forth in Section 10.4 above. The foregoing reservation of water rights also includes the right, on the part of Wildcat Ranch, Ltd., the Association or any ditch or reservoir company benefitting Wildcat Ranch lands, to drill and operate on any Homestead, outside of Development Activity Envelopes, one or more exempt wells as provided in C.R.S. §37-92-602(i)(b) as amended, provided only that such wells shall be owned by the Association shall not overlap or interfere with the rights reserved to Homesteads for exempt wells. Each of Wildcat Ranch, Ltd., the McKenzie-Wildcat Ditch Company, the Snowmass Ditch Company and the Wildcat Reservoir Company have made available to the Association water in adequate amounts for the domestic water system, including firefighting and raw water adequate for the irrigation of Wildcat lands and for the purposes of the Wildlife Management and Enhancement Plan.

10.7 No Impairment of Water Rights by Owners. Notwithstanding that Owners of Homesteads are entitled to obtain individual wells or thus obtain individual water rights appurtenant thereto, in no event shall Owners be entitled to have any standing, by virtue of ownership of said individual wells and water rights appurtenant thereto, to object to any application for a well permit, any water rights applications, including but not limited to, a change of water right, approval of any augmentation plans or new water right that may be filed by Wildcat Ranch, Ltd., the Association, any ditch or reservoir company benefitting Wildcat Ranch lands or their assigns. Each Owner hereby irrevocably constitutes and appoints Wildcat Ranch, Ltd. its attorney-in-fact to file, join in or object as Wildcat Ranch, Ltd. deems appropriate in its sole discretion to any water rights application affecting any Wildcat Ranch lands.

11. VARIANCES FROM SECOND RESTATED DECLARATION.

11.1 Variances. The Association may, by the majority vote of the members of its Board, grant reasonable variances from the strict compliance

with the provisions of this Second Restated Declaration in the case of undue hardship. The Owners of all of the Homesteads shall be given at least twenty (20) days advance written notice setting forth the time and place of the meeting of the Board at which any request for a variance is to be considered and describing the requested variance. Owners or their representatives shall be afforded the opportunity to appear before the meeting of the Board and be heard with respect to the requested variance. Separate procedures are provided in Section 4.6 and shall be followed with regard to variances from architectural controls.

12. TERM, AMENDMENT AND TERMINATION OF COVENANTS.

12.1 Term. The term of this Second Restated Declaration shall be perpetual.

12.2 Amendments. Until the sooner of: (i) the sale of the first nine (9) Homesteads by Wildcat Ranch, Ltd. or (ii) one (1) year after the sale of the first seven (7) Homesteads whichever is sooner, Wildcat Ranch, Ltd. shall have the absolute right to amend any provision of this Second Restated Declaration except as limited by Sections 3.13, 6.2 and 8.17, provided that such amendment shall not adversely affect marketability of title to any Homestead or materially diminish the value of any Homestead. In cases where any amendment does adversely affect marketability of title or materially diminish the value of a Homestead, such amendment may nevertheless be adopted by, Wildcat Ranch, Ltd. as allowed in the sentence immediately preceding so long as at the time such amendment becomes effective: (i) Wildcat Ranch, Ltd. shall be record owner of the Homestead so affected and the affected Homestead is not the subject of any contract for sale or (ii) the written consent of the Owner (if other than Wildcat Ranch, Ltd.) or contract vendee has been obtained. After the expiration of the period described in the first sentence of this Section 12.2 or earlier written relinquishment by Declarant, if any, this Second Restated Declaration may, except as limited by Sections 3.13, 6.2 and 8.17, be amended by a vote of eighty percent (80%) of the Owners of all Homesteads; provided that such amendment shall not adversely affect marketability of title or materially diminish the value of a Homestead; and provided further, Sections 7.21(a),

(b) and (c) shall not be amended, nor shall any other provisions of this Second Restated Declaration be modified so as to contradict or modify the intent and purposes of said Sections 7.21(a), (b) and (c), without the consent of eighty percent (80%) of the Owners of Homesteads 3 through 10, inclusive, it being understood that Owners of Homesteads 1, 2, 11 and 12 shall not be entitled to vote on amendments to Sections 7.21(a), (b) and (c). Any amendment to Section 7.21(a) must include the consent of the Owners of both Homesteads 3 and 10, any amendment to Section 7.21(b) must include the consent of all the Owners of Homesteads 4 through 9, and any amendment to Section 7.21(c) must include the consent of all the Owners of Homesteads 4, 8 and 9. Except as provided in Sections 3.13 and 8.17, consent of Mortgagees shall not be required in order to amend this Second Restated Declaration. By instrument signed by Wildcat Ranch, Ltd. and duly recorded in the real estate records of Pitkin County, Colorado, Wildcat Ranch, Ltd. may sooner relinquish its right to amend this Second Restated Declaration or make interpretations thereto as permitted in Section 15.1 below. This Second Restated Declaration shall be amended at a meeting called for that purpose and within six (6) months after the date of such meeting there shall be recorded in the real estate records of Pitkin County, Colorado, an instrument evidencing such amendment. Any instrument amending this Second Restated Declaration shall be duly executed by the Declarant or President and Secretary of the Association, as the case may be. Notwithstanding the preceding, no amendment shall be permitted that is inconsistent with any of the rights granted, retained or reserved to Wildcat Ranch, Ltd. hereunder or which attempts to enlarge or expand any obligation of Wildcat Ranch, Ltd. hereunder unless such amendment is consented to in writing by Wildcat Ranch, Ltd. Further, where any amendment is not considered by Wildcat Ranch, Ltd. in its reasonable judgment to be a material change to any provision of this Second Restated Declaration, such as the correction of a technical, drafting or typographical error, correction of some obvious omission, resolution of any conflict with applicable laws, clarification of any ambiguous statement or the like, such amendment may be made at any time by Wildcat Ranch, Ltd., without requirement to obtain the consent of any Owner or Eligible Mortgage Holder.

12.3 Rule against Perpetuities. If any of the terms, covenants, conditions, easements, restrictions, uses, limitations or obligations created by

this Second Restated Declaration shall be unlawful or void for violation of (i) the rule against perpetuities or some analogous statutory provision, (ii) the rule restricting restraints on alienation, or (iii) any other statutory or common law rules imposing like or similar time limits, such provision shall continue only for the period of the lives of Michael Douglas and Niel C. Morgan, their now living descendants, and the survivor of them, plus twenty-one (21) years.

12.4 Termination. This Second Restated Declaration may be terminated only if all the Owners and Eligible Mortgage Holders agree to such termination by an executed acknowledged instrument duly recorded in the real estate records of Pitkin County, Colorado. This Second Restated Declaration shall also terminate in the event of the taking of all of Wildcat Ranch by condemnation or eminent domain or abandonment or termination as provided by law.

12.5 Disbursement of Proceeds. Upon the termination of this Second Restated Declaration all property owned by the Association shall be sold by the Association either in whole or in parcels as the Board may deem appropriate. The funds shall be disbursed without contribution from one Owner to another by the Association for the following purposes and in the following order:

- (a) payment of all customary expenses of the sale;
- (b) payment of all applicable taxes and special Assessment liens in favor of any governmental authority;
- (c) payment of the balance of any liens encumbering Association property;
- (d) payment of any unpaid costs, expenses and fees incurred by the Association; and
- (e) payment of any balance to the Owners in the same proportion that they pay Association Assessments; provided, however, there shall be deducted from any share due an Owner any delinquent and unpaid Association Assessments.

13. CONDEMNATION.

13.1 Condemnation of Association Property. If any Association property is taken or condemned by any authority having the power of eminent domain, all compensation and damages on account of the taking of the Association Property, exclusive of compensation for consequential damages to affected Homesteads, shall be payable to the Association and such proceeds shall be used promptly by the Association to the extent necessary for repair and reconstruction of remaining Association property in as substantial compliance to the original plan of development as possible. If there is an award in excess of the amount necessary to so substantially repair or reconstruct such remaining Association property, it shall, at the Board's discretion, be either refunded or retained by the Association for such uses as it deems appropriate.

14. WILDCAT RANCH HOMESTEADS 14 AND 15. Reference is made to that certain parcel of land (the "Employee Housing Parcel") conveyed by the Association to the County pursuant to deed recorded in Book 648 at Page 976. The conveyance of the Employee Housing Parcel to the County was made subject to a Declaration of Covenants (the "Restrictive Covenants") recorded in Book 648 at Page 966 which set forth restrictions on the development of said parcel as affordable housing by the County. The Employee Housing Parcel is shown on the Final P.U.D. Plan as "Exception (Pitkin County)" and is located wholly within Homestead 11. Reference is also made to certain ancillary agreements captioned Road Access and Utility Easement recorded in Book 649 at Page 24 and Conveyance of Well and Easement for Water Rights recorded in Book 649 at Page 31 made between Wildcat Ranch, Ltd. and the County with respect to the development of the Employee Housing Parcel (the "Ancillary Agreements"). Reference is also made to a parcel of land currently owned by the United States Bureau of Land Management known as "BLM Parcel 86", which is described in Exhibit "C" to the Sinclair Road Use and Maintenance Agreement. In the event Wildcat Ranch, Ltd. shall acquire either or both of the Employee Housing Parcel or BLM Parcel 86, the right is reserved to Wildcat Ranch, Ltd. to add to Wildcat Ranch said parcels or any relocation and/or any reconfiguration thereof by boundary adjustments with adjoining Homesteads. Provided that all requisite governmental approvals are obtained from any governmental authority having jurisdiction and provided further that each Additional Homestead shall become a single family parcel with

development rights no greater than those accorded any original Homestead in Wildcat Ranch by this Second Restated Declaration and the Town Land Use Ordinance, Wildcat Ranch, Ltd. shall have the right without necessity of obtaining approval from any other Owner, Mortgagee or the Association by one or more amendments to the Final P.U.D. Plan to incorporate the Additional Homesteads into Wildcat Ranch. Upon incorporation, each Additional Homestead shall become a part of Wildcat Ranch as though originally platted therein and shall be subject to this Second Restated Declaration, including, but not limited to, the obligation to pay Assessments, shall have a Class "A" membership in the Association, the right to use Wildcat Lake and Wildcat roads and utilities and, with respect to the Employee Housing Parcel, the Ancillary Agreements may be released or terminated. In connection with any incorporation of Additional Homesteads in Wildcat Ranch, Wildcat Ranch, Ltd. reserves the right to designate said Additional Homesteads as Homesteads 14 and 15. Additional Homesteads or any original Homesteads may be less than five hundred (500) acres; provided however, the maximum number of Homesteads (both original and Additional Homesteads) in Wildcat Ranch shall not exceed fifteen (15) plus the Ranch Manager's Parcel. Assessments shall be charged to Homesteads (original or Additional Homesteads) without regard to the amount of acreage of such Homestead. The Association and all Owners hereby irrevocably constitute and appoint Wildcat Ranch, Ltd. its attorney-in-fact to execute and deliver any agreements, instruments or other documents, including, but not limited to, any land use applications or plat amendments as shall be necessary to effectuate and carry out the provisions of this Section 14. Owners, other than Wildcat Ranch, Ltd., shall have no right, except with the approval of Wildcat Ranch, Ltd. having been first obtained, to purchase, lease or otherwise use in any manner whatsoever any or all of the BLM Parcel 86 from the Bureau of Land Management or any subsequent owner thereof and Wildcat Ranch, Ltd. may grant or withhold such approval at its sole discretion. No Owner of any Homestead, except Wildcat Ranch, Ltd., shall: (a) have the right to grant the United States Bureau of Land Management or any other person or entity that may become the owner of BLM Parcel 86 any rights to use Wildcat roads or utilities, (b) enter into a lot line adjustment with respect to any of BLM Parcel 86, or (c) grant any access or utility easement across any Wildcat Ranch lands, and any attempted grant of such right or attempted lot line adjustment by whatever means, shall be null and void. There is hereby reserved to Wildcat Ranch, Ltd. the right to grant the United States Bureau of Land Management, or any other person or entity that may become the owner of BLM Parcel 86 rights to use Wildcat roads, including both the Primary Access and

Secondary Access, together with any necessary access over Wildcat Ranch lands other than Development Activity Envelopes to connect with said roads. There is further reserved to Wildcat Ranch, Ltd. the right to grant the United States Bureau of Land Management, or any other person or entity that may become the owner of BLM Parcel 86 utility easements over and across Wildcat Ranch lands, other than Development Activity Envelopes, or the right to tap on to existing Wildcat utilities, including, but not limited to, and the domestic water system, electric and telephone. With respect to use and of Wildcat Ranch roads and domestic water system, such use and service may be made available to BLM Parcel 86 on the same basis that such service is available to the Owners of Homesteads.

15. MISCELLANEOUS.

15.1 Interpretation of the Covenants. Excepting for judicial construction, Wildcat Ranch, Ltd. shall until the sooner of: (i) the sale of the first nine (9) Homesteads or (ii) one (1) year after the sale of the first seven (7) Homesteads, have the exclusive right to construe and interpret the provisions of this Second Restated Declaration. Thereafter, the exclusive right to construe and interpret this Second Restated Declaration shall rest with the Association acting by and through its Board. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the construction or interpretation of the provisions hereof by Wildcat Ranch, Ltd. and thereafter the Association shall be final, conclusive and binding as to all persons and property benefitted or bound by this Second Restated Declaration and provisions hereof. The provisions of this Second Restated Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development, operation and maintenance of Wildcat Ranch.

15.2 Claims Regarding Declarant. The Association and all Owners shall have a period of two (2) years from the date Property Conveyed or Leased by Declarant is actually granted, assigned, conveyed or leased to the Association, within which to assert by legal action or otherwise any claim, demand, cause of action or lawsuit against Wildcat Ranch, Ltd. with regard to said Property Conveyed or Leased by Declarant however arising and for whatever cause or reason whatsoever. Nothing herein shall be construed to limit, impair, diminish or bar any claim by the Association, Owners, Mortgagees, Wildcat Ranch, Ltd. or any other person with standing to bring

such claim to ever assert by legal proceedings or otherwise any claim, demand, cause of action or lawsuit against any engineer, architect, contractor, subcontractor, supplier, materialman or other person involved in the design, installation, manufacture, assembly, construction, operation, maintenance, repair or replacement of any Property Conveyed or Leased by Declarant.

15.3 Mosbacher Agreements. By separate agreements of record appearing in Book 603 at Page 869, in Book 603 at Page 888 and Book 603 at Page 909 of the real estate records of Pitkin County, Colorado, Wildcat Ranch is subject to certain agreements with Sandra Mosbacher, owner of adjacent lands, which agreements relate to, among other things, rights on the part of said Sandra Mosbacher to use Wildcat Reservoir and use of (and a corresponding obligation to contribute to the maintenance of) Wildcat Roads. The obligations of Wildcat Ranch, Ltd. under the agreements described herein shall be assumed by the Association.

15.4 Dry-up Obligation. Reference is made to that certain Operating Agreement between Wildcat Ranch, Ltd. and others, notice of which is given in Notice of Operating Agreement recorded in Book 615 at Page 447 of the real estate records of Pitkin County, Colorado. In accordance with said Operating Agreement, Wildcat Ranch, Ltd. may become obligated to dry up Wildcat Ranch lands, not to exceed 62.478 acres, historically irrigated by water out of East Snowmass Creek decreed to the McKenzie-Wildcat Ditch. There is hereby reserved in Wildcat Ranch, Ltd. the right (which right shall take priority over any other provisions of this Second Restated Declaration) to designate which of Wildcat Ranch lands shall be subject to dry-up in order to satisfy said obligation, said designation to be evidenced by a document duly executed by Declarant and recorded in the real estate records of Pitkin County, Colorado.

15.5 Sales Activity. Wildcat Ranch, Ltd. may conduct, on Wildcat Ranch, sales activity including, but not limited to, the showing of Homesteads by Wildcat Ranch, Ltd. or any sales agents, maintaining a sales or management office or conducting promotional or marketing events or activities. Wildcat Ranch, Ltd. may also maintain signs advertising Wildcat Ranch.

15.6 Conflict with Plats. In the event of any conflict or inconsistency between the provisions of this Second Restated Declaration and any plats described in Sections 2.14 or 2.17 as to lands within the County and 2.16 as to lands within the Town, affecting Wildcat Ranch, including the plat notes thereon, the provisions of said plats or plat notes, as the case may be, shall govern and control and this Second Restated Declaration shall automatically be amended, but only to the extent necessary to conform the conflicting provisions hereof with the provisions of said plats, including any plat notes.

15.7 Rights of Eligible Mortgage Holders. Any Eligible Mortgage Holder shall be entitled to:

(a) upon request, inspect the books and records of the Association during normal business hours;

(b) receive written notice of meetings of the Association where the consent of any Eligible Mortgage Holder is required;

(c) upon request, obtain copies of Association financial statements;

(d) receive written notice of condemnation proceedings affecting any Association property;

(e) receive written notice of the lapse of any insurance that the Association is required to maintain under this Second Restated Declaration; and

(f) where the Owner of any Homestead shall be deemed delinquent in the payment of any Assessment, any Eligible Mortgage Holder of said Homestead shall be given written notice of such delinquency.

15.8 Provisions Incorporated in Deeds. Each provision contained in this Second Restated Declaration shall be deemed incorporated in each deed or other instrument by which any right, title or interest in any Homestead is granted, devised or conveyed, whether or not set forth or referred to in such deed or other instrument.

15.9 Number and Gender. Unless the context shall otherwise provide, a singular number shall include the plural, a plural number shall include the singular, and the use of any gender shall include all genders.

15.10 No Dedication. Unless expressly provided, nothing contained in this Second Restated Declaration shall be deemed to be a gift or dedication of all or any part of Wildcat Ranch to the public or for any public use.

15.11 Notices. Any notice permitted or required to be delivered as provided in this Second Restated Declaration shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered three (3) days after a copy of the same has been posted in the United States mail, postage prepaid for first class mail and addressed to the receiving party at the address last given by such party to the Association. Any notice to the Association shall be sent to such address as it may from time to time designate in writing to each Owner.

15.12 Colorado Law. The interpretation, enforcement or any other matters relative to this Second Restated Declaration shall be construed and determined in accordance with the laws of the State of Colorado.

15.13 Disclaimer. No representations or warranties of any kind, express or implied, have been given or made by Declarant, or its agents or employees, in connection with Wildcat Ranch, or any portion thereof, or any improvement thereon, its physical condition, zoning, compliance with applicable laws, fitness or intended use or operation, cost of maintenance or taxes except as expressly set forth in this Second Restated Declaration or except as set forth in any Disclosure Statement required to be given under applicable rules of the Colorado Real Estate Commission.

15.14 Special Provisions Regarding Declarant. The Association has executed this Second Restated Declaration for the purpose of subjecting the Ranch Manager's Parcel to the terms, provisions, conditions and restrictions contained in this instrument and for such other purposes as may be provided in this Second Restated Declaration. The Association hereby irrevocably constitutes and appoints Wildcat Ranch, Ltd. its attorney-in-fact

to execute and deliver any instruments, documents or other agreements or to perform any acts with regard to all the rights, powers, titles, privileges or other interest of Declarant hereunder and for the further purpose of performing all of the terms, provisions, conditions and restrictions contained in this instrument which bind, apply to or benefit Wildcat Ranch, Ltd.

15.15 Designation of Successor. For purposes of this Second Restated Declaration and the easements, dedications, rights, privileges and reservations set forth herein, a successor and assign of Wildcat Ranch, Ltd. shall be deemed a successor and assign only as specifically designated by Wildcat Ranch, Ltd. by instrument recorded in the real estate records of Pitkin County, Colorado, and, only with respect to the particular rights or interests specifically designated therein.

15.16 Severability. Any determination by any court of competent jurisdiction that any provision of this Second Restated Declaration is invalid or unenforceable shall not affect the validity or enforceability of any of the other provisions hereof. Where any provision of this Second Restated Declaration is alleged to be or declared by a court of competent jurisdiction to be unconscionable, Declarant shall have the right by amendment to this Second Restated Declaration to replace such provision with a new provision, as similar thereto as practicable, but which in Declarant's reasonable opinion would be considered not to be unconscionable.

15.17 Special Provisions Regarding Homestead 12. At any time prior to the closing on the sale of Homestead 12 to an Owner other than Wildcat Ranch Ltd., there is hereby reserved to Wildcat Ranch, Ltd. the right, with respect to said Homestead 12, to do any one or more of the following: (a) by recorded instrument to withdraw Homestead 12 from being burdened by all or portions of the terms, provisions, conditions and restrictions of this Second Restated Declaration, (b) to withdraw, limit or restrict voting rights of Homestead 12 in Association affairs, or (c) to replace the Class "A" membership currently appurtenant to said Homestead 12 with a Class "B" membership.

15.18 Run with the Land. Declarant, for itself, its successors and assigns, hereby declares that all of Wildcat Ranch shall be held, used and

occupied subject to the provisions of this Second Restated Declaration, and to the covenants and restrictions contained herein, and that the provisions hereof shall run with the land and be binding upon all persons who hereafter become the Owner of any interest in Wildcat Ranch.

15.19 Restatement of Declaration. To assure uniformity and ease in determining what provisions of this instrument apply, Declarant shall have the right, from time to time, incorporating cumulatively into one document all prior amendments, to publish and adopt a restatement of this Second Restated Declaration (the "The Third, Fourth, etc. as the case may be, Restated Declaration"). This Second Restated Declaration shall at all times and for all purposes be relied upon by Declarant, Owners, Members, Mortgagees, any prospective purchaser of a Homestead and any title company issuing any owners, mortgagee or any other title insurance policy on any of Wildcat Ranch without necessity to make reference to any prior declarations, amendments or restatements thereof.

15.20 Release of Certain Parcels from Wildcat Ranch Covenants. Provided all requisite approvals from the Town have been obtained, Wildcat Ranch, Ltd. as the owner thereof shall have the right to subdivide off from Homestead 11, two parcels of land totalling approximately 80 acres as shown on the Detailed Final Plat for the Wildcat Affordable Housing Parcels recorded in Plat Book 36 at Page 1 and to convey said parcels to the Town. By instrument duly executed and recorded in the real estate records of Pitkin County, Colorado, Wildcat Ranch, Ltd. is hereby granted the right, at the time of conveyance, to release said parcels from this Second Restated Declaration.

15.21 Completion of Annexation Into Town. In the event all or part of those portions of Wildcat Ranch still located in the County, shall be annexed into the Town, the provisions of this Second Restated Declaration, applicable to such portions, shall automatically be amended to delete any references to the County land use regulations, Approval Resolutions, the Exemption Plat and, in the case of Homestead 12 and Development Activity Envelope 9(g), the 1041 Hazard Review Plat thereof being applicable thereto. Simultaneously with such annexation into the Town, said portions shall

automatically be subject to the Final P.U.D. Plan, Town Land Use Ordinance and the Town's land use regulations.

15.22 CCIOA. Reference is made to the Colorado Common Interest Ownership Act ("CCIOA") effective July 1, 1992. Pursuant to CCIOA, Wildcat Ranch constitutes a preexisting Common Interest Community which was created before July 1, 1992. The original Exemption Plat was recorded June 14, 1991 in Plat Book 26 at Page 53 and the original Declaration of Protective Covenants was recorded June 14, 1991 in Book 648 at Page 916. As a preexisting Common Interest Community, Wildcat Ranch is only subject to certain sections of CCIOA, as more fully set forth in C.R.S. §38-33.3-117.

15.23 Final Annexation Agreement. All Wildcat Ranch lands now or hereafter located within the Town shall be subject to and entitled to the benefits of the Final Annexation Agreement. Each present or future Owner of a Homestead to the extent said lands are located in whole or in part within the Town hereby ratifies, approves and consents to the Final Annexation Agreement.

15.24 Recording References. All references in this Second Restated Declaration to maps, plats, agreements, instruments or other documents of record shall mean and refer recordings with the Office of the Clerk and Recorder of Pitkin County, Colorado.

15.25 Litigation With County. Reference is made to pending litigation between the Town and the County captioned Board of County Commissioners of Pitkin County v. The Town of Snowmass Village, et al. Case No. 94CV162-1 wherein the County is seeking to set aside the annexation of Wildcat Ranch into the Town (the "Annexation Litigation"). Should the County ever prevail in the Annexation Litigation, then to the fullest extent allowed by law, this Second Restated Declaration which was adopted in compliance with and pursuant to the Town Land Use Ordinance shall remain in full force and effect. Should the County ever prevail in the Annexation Litigation or should the County ever commence other litigation regarding this Second Restated Declaration, the Association, without requirement to obtain the approval of Wildcat Ranch, Ltd. or any other

Owner or Mortgagee, may, if required by any court order, judgement or finding or, if desirable, in any settlement thereof, amend this Second Restated Declaration in order to comply with the County Approval Resolutions, the Exemption Plat or any agreements, exactions or other documents made or given in connection therewith. Notwithstanding the preceding, no amendment allowed to be adopted pursuant to this Section 15.25 by the Association may affect Sections 3.13, 6.2, 7.21(a), (b) or (c) or 8.17. Nothing in this Section 15.25 or elsewhere in this Second Restated Declaration shall be construed as any admission on the part of Wildcat Ranch, Ltd., the Association or any Owner, that there exists on the part of the County or any other person any legal basis or grounds to challenge the annexation of Wildcat Ranch into the Town or to challenge this Second Restated Declaration.

IN WITNESS WHEREOF, Declarant has executed this Second Restated Declaration of Protective Covenants for Wildcat Ranch this 30th day of January, 1995.

WILDCAT RANCH ASSOCIATION,
a Colorado nonprofit
corporation

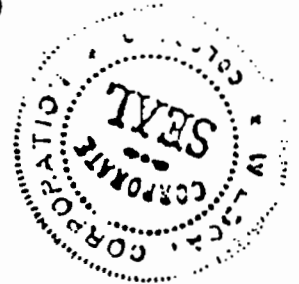
BY: William R. Hegberg
William R. Hegberg, President

WILDCAT RANCH, Ltd., a
Colorado limited partnership;
By Wildcat Corporation, a
Colorado corporation,
General Partner

BY: Niel C. Morgan
Niel C. Morgan, President



(Corporate Seal)



ACKNOWLEDGEMENT PAGE TO
SECOND RESTATED AND AMENDED DECLARATION OF
PROTECTIVE COVENANTS FOR WILDCAT RANCH

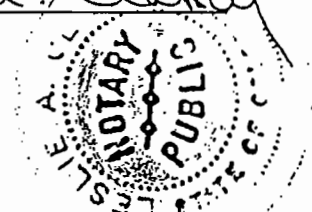
STATE OF COLORADO)
)ss.
COUNTY OF PITKIN)

The foregoing Second Restated Declaration Of Protective Covenants For Wildcat Ranch was acknowledged before me this 30th day of January, 1995 by Niel C. Morgan as President of Wildcat Corporation, a Colorado corporation and General Partner of Wildcat Ranch, Ltd., a Colorado limited partnership.

WITNESS my hand and official seal.

My commission expires: 7/28/97

Neslie A. Clancy
Notary Public



STATE OF COLORADO)
)ss.
COUNTY OF PITKIN)

The foregoing Second Restated Declaration Of Protective Covenants For Wildcat Ranch was acknowledged before me this 30th day of January, 1995 by William R. Hegberg, President of Wildcat Ranch Association, a Colorado nonprofit corporation.

WITNESS my hand and official seal.

My commission expires: 7/28/97

Neslie A. Clancy
Notary Public

