The Highlands at Breckenridge
Declaration of Land Use Restrictions
GOLF COURSE
1995

Covenants For Filings 6 through 10 Inclusive
GoldRun
Golf Course Filing #1
Willow Run
Highlands Glen
The Crescent

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Golf Course Land Use Restrictions

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Doris L Brill - Summit County Recorder

DECLARATION OF LAND USE RESTRICTIONS FOR THE HIGHLANDS AT BRECKENRIDGE, GOLF COURSE SUBDIVISION

THIS DECLARATION OF LAND USE RESTRICTIONS FOR THE HIGHLANDS AT BRECKENRIDGE, GOLF COURSE SUBDIVISION (this "Declaration") is made and executed this 27th day of November, 1995, by Lincoln Highlands III Limited, a Colorado limited partnership ("Declarant").

I. INTRODUCTION, PURPOSE AND DECLARATION

1.1 Declarant is the record owner of a parcel of real property consisting of approximately 41 acres situated in the County of Summit, State of Colorado, that is more particularly described in Exhibit A attached hereto and made a part hereof (the "Development Property"). Declarant also owns of record a parcel of real property situated in the County of Summit, State of Colorado, that is more particularly described in Exhibit B attached hereto and made a part hereof (the "Expansion Property"). The Development Property and all other real property which becomes part of The Highlands at the Breckenridge, Golf Course Subdivision (the "Subdivision") as provided in Article XIV below are hereinafter referred to as the "Property." Declarant reserves the right to add all or any part of the Expansion Property to the Subdivision pursuant to Article XIV below.

1.2 Declarant desires to develop the Property as a mixed-use community that is not subject to the Colorado Common Interest Ownership Act, Colorado Revised Statutes 38-33.3-101 through 38-33.3-319 (as the same may be amended from time to time, the "Act"), except as otherwise provided in Article III below.

1.3 The purposes of this Declaration are to set forth limitations and restrictions with respect to the use, density and design of improvements on the Property with the goal of (a) preserving the natural beauty of the Property and its setting, (b) maintaining the Property as a pleasant and desirable environment, (c) establishing and preserving a harmonious design for the community, and (d) protecting and enhancing the value of the Property.

1.4 To further the general purposes herein expressed, Declarant, for itself, its successors and assigns, hereby declares that the Property shall, at all times, be owned, held, used, occupied, sold and conveyed subject to the provisions of this Declaration and to the covenants, conditions and restrictions, easements, reservations, assessments and charges herein contained, which shall run with the Property and bind all parties having any right, title or interest in the Property, or any portion thereof, and their respective successors, assigns, heirs, devisees and personal representatives.

II. DEFINITIONS

2.1 "Accessory Apartment" means an apartment, as defined in the Development Code, constructed as a part of a Single Family Structure, except that such apartment may contain no more than 900 square feet (unless the Design Review Board otherwise permits in writing) and contain no more than one dwelling unit.

2.2 "Act" shall have the meaning given to it in Section 1.2 above.

2.3 "Annual Assessment" means the Assessment levied and assessed each year against each Lot pursuant to Section 7.5 below.

2.4 "Articles" means the Articles of Incorporation of the Association, as the same may be amended from time to time.

2.5 "Assessment" means an Annual Assessment or a Default Assessment levied pursuant to Article VII below.

2.6 "Assessment Lien" means the lien of the Association on a Lot described in Section 7.7 below.

2.7 "Association" means The Highlands at the Golf Course Property Owners' Association, Inc., a Colorado nonprofit corporation, and its successors and assigns.

2.8 "Association Documents" means the Declaration, the Articles, the Bylaws and the Rules and Regulations, as the same may be amended from time to time.

2.9 "Bed and Breakfast" operation has the meaning given to that term in the Development Code, and generally refers to the letting of one or more rooms in a residence to an unrelated party or parties where the Owner (i) is also residing, and (ii) provides his or her guests with breakfast (but no other meals) as part of the lodging accommodations and without additional charge.

2.10 "Bylaws" means the Bylaws of the Association, as the same may be amended from time to time.

2.11 "Chalet" operation has the meaning given to that term in the Development Code, and generally means the letting of one or more rooms in a residence to an unrelated party or parties where (i) the Owner is not also residing, and (ii) additional services (such as on-site meals and transportation), excluding the services of a management company, are provided to the guests as a part of the accommodations.

2.12 "Commercial/Office Use" means any retail trade and service activities, office, restaurants and bars.

2.13 "Common Elements" means any real estate, together with any improvements located thereon, within the Subdivision that is owned or leased by the Association or that the Association is otherwise required to operate, manage, maintain or repair, but excluding any such real estate or improvements that are dedicated to and/or maintained by the Town of Breckenridge.

2.14 "Common Expenses" means (a) all costs, expenses and liabilities incurred by or on behalf of the Association, including, but not limited to, costs, expenses and liabilities for (i) managing, operating, maintaining, repairing, altering and improving the Common Elements; (ii) administering and enforcing the covenants, conditions, restrictions, reservations and easements created hereby; (iii) levying, collecting and enforcing the assessments, charges and liens due the Association pursuant hereto, (iv) regulating and managing the Subdivision; and (v) operating the Association; and (b) allocations to reserves.

2.15 "Declarant" means Lincoln Highlands III Limited, a Colorado limited partnership, and any Person that (a) acquires from Declarant all or substantially all of its property at the Subdivision and (b) prior to or at the time of such acquisition is designated by a written instrument signed by Declarant as a successor or assignee of Declarant under this Declaration. Such instrument may specify the extent and portion of the rights or interest as a declarant that are being assigned, in which case Lincoln Highlands III Limited shall retain all other rights as a declarant.

2.16 "Declaration" means this instrument and all amendments and/or supplements hereto hereafter recorded in the real property records of Summit County, Colorado.

2.17 "Default Assessment" has the meaning given to it in Section 7.6 below.

2.18 "Density and Land Use Classification" means the classifications establishing maximum densities and land uses for certain areas in the Subdivision as set forth on the Master Plan or on any Plat for the Property, including Single-Family Residential ("SFR"), Multi-Family Residential ("MFR"), Hotel/Lodging/Inn, Commercial/Office, Light Industrial Use, Trail Easements, Access Easements, Open Space and roads.

2.19 "Design Guidelines" has the meaning given to it in Section 9.3 below.

2.20 "Development Code" means the Town of Breckenridge Development Code as it may from time to time be amended, revised or supplemented.

2.21 "First Filing" means the Plat for the Property designated therein as "The Highlands at Breckenridge, Golf Course Filing #1," as recorded on November 30, 1995, with the County Clerk and Recorder of the County of Summit, Colorado, at Reception No. 504319, as amended and as the same may be further amended from time to time.

2.22 "Hotel/Lodging/Inn" means a multi-unit structure which provides a centralized management structure incorporating the following features or standards: lodging units designed primarily for transient overnight guests, no kitchens of any kind in the lodging units, a 24-hour front-desk check-in operation, a central phone system to lodging units, meeting rooms, food services, and recreational or leisure amenities.

2.23 "Light Industrial Use" means (a) essential public utility and service installation facilities, (b) any kind of scientific research, light manufacturing, distribution centers, beverage processing and similar non-offensive light industrial uses, and (c) accessory buildings and uses.

2.24 "Lot" means:

(a) with respect to areas set forth on the Master Plan or on any Plat for the Property as having a Density and Land Use Classification of SFR (Single Family Residential) or Hotel/Lodging/Inn, any area of real property located within the Subdivision that is designated by number as a lot on any subdivision Plat for the Subdivision filed or recorded in the real property records of Summit County, Colorado, or

(b) with respect to areas set forth on the Master Plan or on any Plat for the Property as having a Density and Land Use Classification of MFR (Multi Family Residential), or Commercial/Office Use, any area of real property located within the Subdivision that is designated by number as a lot on any subdivision Plat for the Subdivision filed or recorded in the real property records of Summit County, Colorado, unless such area is further subdivided, in which case, "Lot" means each lot or other legally transferable unit of the area (including, without limitation, a condominium unit or duplex unit) following such subdivision.

2.25 "Master Plan" means the Master Plan Agreement, dated March 28, 1984, as it may be amended from time to time, between the Town of Breckenridge and Declarant, as assignee of Delaware Associates, Ltd., an Oregon limited partnership.

2.26 "Membership" means a membership in the Association and the rights granted to Owners pursuant to this Declaration to participate in the Association.

2.27 "Mortgage" means any mortgage, deed of trust or other document creating a security interest in any Lot or interest therein as security for payment of a debt or obligation.

2.28 "Mortgagee" means any Person named as a mortgagee or beneficiary in any Mortgage, or any successor to the interest of any such Person under such Mortgage.

2.29 "Multi-Family Residential Lots" means any Lot or Tract designated on any Plat or in the Master Plan for MFR use. MFR use includes Townhouses, Condominiums, Condominium/Hotels and Duplexes (as such terms are defined in the Development Code) as well as tri- or four plex structures.

2.30 "Open Space" means any portion of the Property designated on any Plat or in the Master Plan as Open Space or Private Open Space.

2.31 "Owner" means the Person(s) who own of record, according to the real property records of Summit County, Colorado, fee simple title to a Lot or an undivided portion thereof. If there is more than one record holder of legal title to a Lot, each shall be an Owner. Each Owner shall also hold a Membership, which Membership is appurtenant to ownership of a Lot or an undivided portion thereof. The term "Owner" shall include Declarant to the extent Declarant is the holder of fee simple title to a Lot or Tract.

2.32 "Owner of the Golf Course" means the Town of Breckenridge as well as any successors or assigns with respect to its interest in the public golf course adjacent to portions of the Subdivision.

2.33 "Person" means any natural person, corporation, partnership, limited liability company, association, trustee or any other entity recognized as being capable of owning real property under the laws of the State of Colorado.

2.34 "Plat" or "Plats" means the plat(s) of the Subdivision on file with the Clerk and Recorder of Summit County, Colorado, as such plat(s) may be amended or supplemented from time to time.

2.35 "Property" shall have the meaning given to it in Section 1.1 above.

2.36 "Subdivision" means the Property, as such term is defined in Section 1.1 above.

2.37 "Review Board" means the Design Review Board established by the Association in accordance with this Declaration.

2.38 "Rules and Regulations" means any instruments adopted by the Association or the Review Board for the regulation and management of the Subdivision, as such instruments may be amended from time to time.

2.39 "Single Family Equivalents" or "SFEs" shall have the meaning from time to time given to it in the Development Code.

2.40 "Single-Family Residential Lot" means any Lot or Tract within the Subdivision which has been designated on the Plat or the Master Plan for SFR use.

2.41 "Single-Family Structure" means a residential structure containing one, detached dwelling unit as defined in the Development Code and which may also contain one Accessory Apartment.

2.42 "Supplemental Declaration" means additional covenants, conditions and restrictions which modify the covenants, conditions and restrictions set forth herein or further restrict the use, density or design of the applicable property, and which are placed on the Property or any portion thereof by one or more instruments recorded in the real property records of Summit County, Colorado, prior to the time Declarant transfers or conveys such Property or a portion thereof to any third party.

2.43 "Tract" means any portion of the Property designated as a Tract on any filed or recorded Plat for the Subdivision. No Tract shall be subject to the terms and conditions of this Declaration unless and until an instrument meeting the requirements of Article XIV hereof

and describing such Tract has been recorded in the records of the Clerk and Recorder of Summit County, Colorado. Upon recordation of such an instrument, any Tracts described therein shall become subject to the terms of this Declaration and may be designated for uses allowed by the Master Plan or any recorded Plat for the Subdivision.

2.44 "Trail Easement" means any portion of the Property designated on any Plat or in the Master Plan as a Trail Easement or Public Trail Easement.

III. APPLICABILITY OF THE ACT

As set forth in Section 7.9 below, the annual average Common Expense liability of each Lot, exclusive of optional user fees and any insurance premiums paid by the Association, shall not exceed the amount specified from time to time in Section 38-33.3-116 of the Act as the maximum annual average common expense liability of each unit restricted to residential purposes (currently $300 per year). Owners of Lots shall not be liable for Common Expenses prior to December 31, 1995. Accordingly, pursuant to Section 38-33.3-116 of the Act, the Subdivision is subject only to Sections 38-33.3-105 through 38-33.3-107 of the Act and such other sections of the Act which this Declaration expressly provides apply to the Subdivision.

IV. THE ASSOCIATION

4.1 Formation of the Association. On or before the date on which Declarant conveys to any Person other than Declarant fee simple title to the first Lot within the Subdivision, Declarant shall form the Association.

4.2 Purposes and Powers.

(a) The Association's purposes are to: (i) manage, operate, construct, improve and maintain the Common Elements, as necessary or appropriate; (ii) administer and enforce the covenants, conditions, restrictions, reservations and easements created hereby; (iii) levy, collect and enforce the assessments, liens, charges and penalties imposed pursuant hereto; (iv) create, manage and otherwise provide recreational and social activities for Owners and residents of the Subdivision and their guests; (v) appoint a Design Review Board with the goal of ensuring that all improvements within the Subdivision are constructed in accordance with Design Guidelines adopted by such Design Review Board, (vi) take any action necessary or appropriate to protect the general welfare and safety of Owners and residents of the Subdivision and their guests, and (vii) regulate and manage the Subdivision with the goal of enhancing and protecting its value.

(b) Unless expressly prohibited by law or any of the Association Documents, the Association may take any and all actions that it deems necessary or advisable to fulfill its purposes. Without in any way limiting the foregoing, the Association may:

(i) adopt and amend the Articles (as provided therein), the Bylaws and the Rules and Regulations;

(ii) adopt and amend budgets for revenues, expenditures and reserves, and collect Assessments;

(iii) hire and fire managing agents and other employees, agents and contractors;

(iv) institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or two or more Owners on matters affecting the Subdivision;

(v) make contracts and incur liabilities;

(vi) regulate the use, maintenance, repair, replacement and modification of the Common Elements;

(vii) cause additional improvements to be made part of the Common Elements;

(viii) acquire, hold, encumber and convey in its own name any right, title or interest in real or personal property;

(ix) grant easements, leases, licenses and concessions across, through, under or over the Common Elements;

(x) impose and receive any payments, fees or charges for the use, rental or operation of the Common Elements;

(xi) impose charges for late payments of Assessments, recover reasonable attorneys' fees and disbursements and other costs of collection for Assessments and other actions to enforce the rights of the Association, regardless of whether suit was initiated, and, after notice and an opportunity to be heard, levy reasonable fines and impose reasonable penalties for violations of Association Documents or any of them;

(xii) impose reasonable charges for the preparation and recordation of amendments to this Declaration or statements of unpaid Assessments;

(xiii) provide for the indemnification of the Association's officers and directors and maintain directors' and officers' liability insurance;

(xiv) assign its right to future income, including its right to receive Assessments;

(xv) provide or procure any services necessary for the safety or security of the Property, Owners, guests or visitors;

(xvi) approve, install, maintain, repair and replace signage;

(xvii) provide or procure landscaping services within the Subdivision;

(xviii) plan, arrange and hold recreational activities for the benefit of Owners, residents and their guests;

(xix) become a member of another property owners' association or other similar associations;

(xx) exercise any other powers expressly or implicitly conferred on it by the Association Documents or any of them;

(xxi) exercise all other powers that may be exercised in Colorado by nonprofit corporations; and

(xxii) exercise any other powers necessary or proper for the governance and operation of the Association.

4.3 Association Documents.

(a) Each Owner shall comply with and benefit from each term, provision, covenant, condition, restriction, reservation and easement contained in the Association Documents. The obligations, burdens and benefits of Membership in the Association touch and concern the Property and are, and shall be, covenants running with each Lot for the benefit of all other Lots and the Common Elements.

(b) In the event that there is any conflict or inconsistency between the terms and conditions of this Declaration and the terms and conditions of the Articles, the Bylaws or the Rules and Regulations, the terms and conditions of this Declaration shall control. In the event that there is any conflict or inconsistency between the terms and conditions of the Articles and the terms and conditions of the Bylaws or the Rules and Regulations, the terms and conditions of the Articles shall control. In the event of any conflict or inconsistency between the terms and conditions of the Bylaws and the terms and conditions of the Rules and Regulations, the terms and conditions of the Bylaws shall control.

4.4 Books and Records. Upon request, the Association shall allow Owners and Mortgagees to inspect current copies of the Association Documents and the books, records, budgets and financial statements of the Association at the offices of the Association during normal business hours and under other reasonable circumstances. The Association may charge a reasonable fee for copying such materials as well as for the time of Association staff members associated with such inspection.

4.5 Personal Liability and Indemnification.

(a) No officer, director, employee, agent or committee member of the Association shall be personally liable to the Association or any Owner for any injury, damage,

loss, cost or expense suffered or incurred by reason of any act or omission of such officer, director, employee, agent or committee member unless a court of competent jurisdiction finds that the act or omission of such officer, director, employee, agent or committee member was wanton and willful.

(b) The Association shall indemnify and hold harmless each present or former officer, director, employee, agent or committee member of the Association against any and all claims, suits, proceedings, injuries, damages, losses, costs and expenses, including, but not limited to, attorneys' fees and disbursements, asserted against or incurred by any such present or former officer, director, employee, agent or committee member to the fullest extent permitted by the Association Documents; provided, however, that in no event shall the Association indemnify or hold harmless any such officer, director, employee, agent or committee member to the extent that he or she is personally liable for an act or omission under paragraph 4.5(a) above.

V. MEMBERSHIP IN THE ASSOCIATION

5.1 Membership.

(a) There shall be one Membership appurtenant to each Lot. A Membership may not be separated from the ownership of the Lot to which it is appurtenant.

(b) Any Membership appurtenant to a Lot having more than one Owner shall be shared by such Owners, and each such Owner shall be a member of the Association. The voting rights of any such members shall be shared between or among the Owners as provided in paragraph 5.3 below.

5.2 Transfer of Membership. An Owner shall not sell, assign, transfer, convey, pledge or encumber the Owner's Membership in any way, except upon the sale or

encumbrance of the Lot to which the Membership is appurtenant, and then only to the purchaser(s) of fee simple title to the Lot or the Mortgagee of the Lot. A transfer of ownership of a Lot may be made by deed, intestate succession, testamentary disposition, foreclosure of a Mortgage of record or such other legal process as is now effective or may hereafter become effective in that regard under the laws of the State of Colorado. Any attempt to transfer a Membership in a manner other than those permitted by this Section 5.2 shall be null and void.

5.3 Voting.

(a) The Owner of each Lot to which a Membership is appurtenant shall be entitled to one vote, except that the Association shall have no voting rights.

(b) If a Lot to which a Membership is appurtenant is owned by more than one Person, such Owners shall be entitled to cast one collective vote; fractional voting shall not be allowed. If such Owners cannot agree as to how to cast their vote when they are required to cast their vote on a particular matter, they shall lose their right to vote on such matter. If any Owner casts a vote representing a certain Membership, it will thereafter be conclusively presumed for all purposes that the Owner was acting with the authority and consent of all other Owners with whom such Owner shares the Membership, unless objection to such vote is made to the chairperson of the meeting at the time the vote is cast. If more than one vote is cast for any particular Membership, none of such votes shall be counted and all of such votes shall be deemed null and void.

(c) Notwithstanding anything to the contrary contained herein, Declarant shall have the exclusive right to appoint and remove all members of the Board of Directors of the Association until the date on which 95 percent of the Property and the Expansion Property has been sold to a Person or Persons other than Declarant. Thereafter, Declarant shall

have the exclusive right to appoint and remove two-thirds of the members of the Board of Directors (rounded upward to the nearest whole director) until such time as Declarant no longer owns any Lot or Tract within the Subdivision. Declarant may relinquish the exclusive rights afforded it pursuant to the two preceding sentences in the manner provided in Section 6.2 below. Any director(s) not appointed by Declarant pursuant to the exclusive rights afforded it by this paragraph and Section 6.2 below shall be elected by the affirmative vote of a majority of the Owners present in person or by proxy at a meeting at which a quorum is present called for the purpose of electing directors. In any election of members of the Board of Directors of the Association, each Membership shall have a number of votes equal to the number of members to be elected to the Board of Directors of the Association. Cumulative voting shall not be allowed in the election of members of the Board of Directors or for any other purpose.

(d) All meetings at which the Owners shall be presented with matters to vote on shall be called by the Board of Directors of the Association on not less than fifteen days' written notice to all Owners, which notice shall be delivered to each such Owner at the address of such Owner's property within the Subdivision, unless such Owner designates another address for such purpose by written notice to the Secretary of the Association.

5.4 Membership Rights and Obligations. Each Owner shall have the rights, duties and obligations set forth in the Association Documents.

VI. BOARD OF DIRECTORS OF THE ASSOCIATION

6.1 Powers of the Board of Directors.

(a) Except as provided in this Declaration, the Articles and the Bylaws, or by law, the Board of Directors may act on behalf of the Association in all instances.

(b) The Board of Directors may not act on behalf of the Association to: (i) amend this Declaration; (ii) terminate the legal status of the Subdivision; (iii) elect members of the Board of Directors, other than to fill a vacancy for the unexpired portion of the term of a member of the Board of Directors as provided in the Articles and Bylaws; or (iv) determine the qualifications, powers and duties, or terms of office, of members of the Board of Directors.

(c) The Board of Directors shall consist of at least three members, one of whom shall be designated as chairperson. The term of each director shall be as set forth in the Articles and Bylaws. A member of the Board of Directors may resign at any time by giving written notice to the Association, and such a resignation shall take effect upon receipt by the Association or such other date as is specified in such notice.

(d) The Board of Directors shall appoint all members of the Review Board and shall have the authority to remove or replace such members, with or without cause, upon a majority vote of the members of the Board of Directors.

6.2 Declarant Control Period.

(a) Declarant shall have the exclusive right to appoint and remove all of the members of the Board of Directors of the Association during that portion of the Declarant Control Period (as such term is defined in paragraph (b) below) commencing on the date on which Declarant forms the Association and ending on the date on which 95 percent of the Property and the Expansion Property has been sold to a Person or Persons other than Declarant.

(b) Subject to the terms and conditions of paragraphs 6.2(a) above and 6.2(c) below, but notwithstanding anything else to the contrary contained in this Declaration or in any other Association Document, Declarant shall have the exclusive right to appoint and

remove two-thirds of the members of the Board of Directors of the Association during the Declarant Control Period. The term "Declarant Control Period" means the period commencing on the date on which Declarant forms the Association and ending on the date on which Declarant no longer owns any Lot or Tract.

(c) Declarant may voluntarily surrender its right to appoint and remove all members of the Board of Directors, or any of them, prior to the expiration of the Declarant Control Period, by giving written notice to the Association that Declarant relinquishes its right to appoint all members or any member of the Board of Directors, which notice shall be accompanied by the written resignation of that member or those members of the Board of Directors. In the event Declarant so relinquishes its right with respect to a member or all members of the Board of Directors, Declarant may require, for the remainder of the Declarant Control Period, that specific actions of the Association or the Board of Directors, as described in a recorded instrument executed by Declarant, be approved by the Declarant before they become effective.

(d) Not later than thirty days after the expiration of the Declarant Control Period, the Owners shall elect a Board of Directors of at least three members pursuant to Section 6.1 above and the Articles and Bylaws.

(e) Notwithstanding anything to the contrary contained herein, Declarant may not authorize nor cause the Board of Directors of the Association to authorize the distribution or lending of any funds from the Association to Declarant or any entity controlled by Declarant.

6.3 Removal of Members of the Board of Directors.

Notwithstanding any provision of this Declaration or any other Association Document to the contrary, the Owners, by a vote of at least 60 percent of the votes allocated to all Memberships represented in person or by proxy at any meeting at which a quorum is present, may remove any member of the Board of Directors, with or without cause, other than a member of the Board of Directors appointed by Declarant.

VII. ASSESSMENTS, COMMON EXPENSES, BUDGETS AND LIENS

7.1 Obligations for Assessments and Other Charges.

(a) Declarant, for each Lot it owns, hereby covenants and agrees, and each Owner, by accepting a deed to a Lot (whether or not it shall be expressly stated in such deed), shall be deemed to have covenanted and agreed, to pay to the Association all (i) Annual Assessments; (ii) Default Assessments; and (iii) other charges that the Association is required or permitted to levy or impose on such Owner or such Owner's Lot pursuant to this Declaration or any other Association Document.

(b) No Owner shall be exempt from liability under this Section 7.1 by waiving the use or enjoyment of any Common Element or by abandoning the Lot against which such Assessments are made.

(c) Except as provided in this paragraph 7.1(c) and Section 18.4 below, the obligation to pay to the Association any Assessment or other charges levied against any Lot shall be a joint and several obligation of the Owner of such Lot and such Owner's successors, assigns, heirs, devisees and personal representatives. A Person acquiring fee simple title to a Lot shall be jointly and severally liable with the former Owner of the Lot for all

Assessments and other charges that had accrued and were payable when such Person acquired fee simple title to the Lot, for so long as such Person holds fee simple title to the Lot.

(d) Each Assessment or other charge, together with interest and penalties thereon and all costs and expenses incurred by the Association to collect such Assessment or other charge, including reasonable attorneys' fees and disbursements, may be recovered by a suit for a money judgment by the Association without foreclosing or waiving any Assessment Lien securing the same.

7.2 Purpose and Use of Assessments and Other Charges. The Assessments and other charges levied or imposed and collected by the Association under the Association Documents shall be used exclusively to pay Common Expenses, including allocations to reserves. The Association may invest any funds allocated to reserves in a prudent manner. Unless expressly required by the laws of the State of Colorado or an Association Document, the Association need not refund or credit to Owners any excess funds collected by the Association.

7.3 Allocation of Common Expenses. Except as otherwise set forth in this Declaration, all Common Expenses shall be allocated equally among all Lots that have been created pursuant to a Plat prior to the date on which the Common Expenses were incurred. The formula for calculating the percentage of Common Expenses allocated to each Lot shall be:

$$\frac{1}{\text{Number of Lots created prior to the date on which the Common Expenses were incurred}}$$

7.4 Budgets.

(a) Prior to the first levy of an Annual Assessment, and, thereafter, on or before October 1 of each calendar year the Board of Directors of the Association shall adopt an annual budget for the Association for the following calendar year.

(b) If the Board of Directors of the Association deems it necessary or advisable to amend an annual budget that it has adopted under paragraph 7.4(a) above, the Board of Directors may adopt an amendment to the annual budget.

7.5 Annual Assessments.

(a) After the Board of Directors adopts an annual budget pursuant to paragraph 7.4(a) above, the Association shall levy an Annual Assessment on each Lot based on the budget. The amount of the Annual Assessment shall be the same for each Lot. Except as otherwise provided herein, the Owners shall pay the Annual Assessments levied against their respective Lots in such periodic installments as may be required by the Board of Directors.

(b) If the Board of Directors ratifies an amendment to the annual budget pursuant to paragraph 7.4(b) above, the amount of the Annual Assessment levied against each Lot shall be adjusted accordingly, as shall the amount of each Owner's periodic installments.

(c) If the Board of Directors fails to adopt an annual budget for any calendar year prior to January 1 of that calendar year, the Owners shall continue to pay periodic installments of the Annual Assessment to the Association at the rate payable during the prior calendar year until such time as the Board of Directors adopts a new annual budget for the then-current calendar year. Once the Board of Directors adopts a new annual budget, the Association shall levy on each Lot the Annual Assessment for the then-current calendar year and

each Owner's periodic installments shall be adjusted as necessary to pay the new Annual Assessment in equal periodic installments over the remainder of such calendar year, giving the Owners credit for any installments that the Owners have previously paid to the Association during such calendar year.

(d) The failure of the Association to levy an Annual Assessment for any calendar year shall not be deemed a waiver, modification or release of the Owners' liability for Common Expenses.

(e) Notwithstanding anything to the contrary contained herein, no assessment for Common Expenses shall be levied against Owners by the Association prior to December 31, 1995.

7.6 Default Assessments.

(a) Notwithstanding anything to the contrary contained herein, if any Common Expense is caused by (i) the negligence or misconduct of an Owner or an Owner's family member, employee, agent or guest, or (ii) a violation of any covenant, condition or restriction of an Association Document by an Owner or an Owner's family member, employee, agent or guest, the Association shall, if it deems necessary or advisable, levy an Assessment against such Owner's Lot for the amount of such Common Expense. In addition, the Association shall, if it deems necessary or advisable, impose a fine, penalty, fee or other charge upon an Owner for the violation of any covenant or condition of any Association Document by an Owner or an Owner's family member, employee, agent or guest. Any such Assessment levied by the Association, and each fine, penalty, fee or other charge imposed hereunder, are each referred to herein as a "Default Assessment."

(b) Default Assessments need not be shown on an annual budget, or on an amendment to an annual budget, adopted by the Board of Directors of the Association; provided, however, that with respect to any Default Assessment, or portion thereof, levied other than as a late charge, the Owner of the Lot against which the Association seeks to levy the Default Assessment shall be provided notice and an opportunity to be heard. Owners of Lots against which Default Assessments have been levied shall pay such Default Assessments when required by the Association.

7.7 Assessment Lien.

(a) The Association shall have a lien on each Lot for any Assessment levied against that Lot or the Owner thereof and any interest, reasonable attorneys' fees and disbursements and costs of collection incurred by the Association in connection therewith. The Assessment Lien shall secure all of the foregoing obligations of an Owner from the time such obligations become due. If an Assessment is payable in installments, the Assessment Lien secures each installment from the time it becomes due, including the due date set by any valid acceleration of installment obligations by the Association.

(b) An Assessment Lien is prior to all other liens and encumbrances on a Lot except:

(i) liens and encumbrances recorded prior to the recordation of this Declaration;

(ii) a Mortgage which is not subordinate to any other lien or encumbrance, except liens for taxes or other liens which are given priority by statute, and which was recorded before the date on which the Assessment sought to be enforced

became delinquent (except to the extent the Assessment Lien is afforded super-priority under the Act); and

(iii) liens for real estate taxes and other governmental assessments or charges against the Lot.

(c) If an Assessment Lien exists with respect to a Lot over which another association has or files a lien under Section 38-33.3-316, and the Assessment Lien is prior in time to the lien of the other association, then the Assessment Lien has priority over the other association's lien notwithstanding anything to the contrary in Section 38-33.3-316(3) of the Act.

(d) The recording of this Declaration constitutes record notice and perfection of an Assessment Lien on each Lot. No further recordation of any claim of any Assessment Lien is required.

(e) An Assessment Lien is extinguished unless proceedings to enforce the Assessment Lien are instituted within ten years after the Assessment secured thereby becomes due.

(f) This Section 7.7 does not prohibit: (i) actions or suits to recover sums secured by an Assessment Lien, or (ii) the Association's taking of a deed in lieu of foreclosure.

(g) In any action by the Association to collect Assessments or to foreclose an Assessment Lien for unpaid Assessments, the court may appoint a receiver of the Owner to collect all sums alleged to be due from the Owner prior to or during the pendency of the action. A court may order the receiver to pay any sums held by the receiver to the Association during the pending of the action to the extent of the Association's Assessments.

(h) An Assessment Lien may be foreclosed in like manner as a mortgage on real estate.

7.8 Estoppel Certificates: Notices to Mortgagees.

(a) The Association shall furnish to an Owner or such Owner's designee or to a Mortgagee or its designee, upon written request, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the Association's Treasurer, a statement setting forth the amount of unpaid Assessments currently levied against such Owner's Lot. The statement shall be furnished within 14 calendar days after the Association's receipt of the request and shall be binding on the Association, the Board of Directors of the Association and every Owner. If no statement is furnished by the Association to the Owner, the Mortgagee or their designee, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, following a written request meeting the requirements set forth above, then the Association shall have no right to assert an Assessment Lien upon the Lot for unpaid Assessments which were due as of the date of such request.

(b) The Association shall report to any Mortgagee any unpaid Assessments remaining unpaid for more than sixty days after the same shall have become due, if such Mortgagee first shall have delivered to the Association a written request for notice of unpaid Assessments. Any Mortgagee holding a lien on a Lot may pay any unpaid Assessment with respect to such Lot, together with any and all costs and expenses incurred with respect to the Assessment Lien securing such unpaid Assessment, and upon such payment, such Mortgagee shall have a lien on the Lot for the amounts paid with the same priority as a lien of the Mortgage held by such Mortgagee.

7.9 Limitation of Liability for Common Expense.

Notwithstanding anything to the contrary contained herein or in any other Association Document, the annual average Common Expense liability of each Lot, exclusive of optional user fees and any insurance premiums paid by the Association, shall not exceed the amount specified from time to time in Section 38-33.3-116 of the Act as the maximum annual average common expense liability of each unit restricted to residential purposes. The amount specified in Section 38-33.3-116 of the Act as of the date hereof is $300 per Lot.

VIII. MAINTENANCE OF COMMON ELEMENTS

Except as otherwise provided in this Declaration, the Association, or its duly designated agent, shall maintain all Common Elements and the improvements and landscaping located thereon in good order and repair and otherwise manage and operate all Common Elements so that the Subdivision reflects a high level of pride of ownership. In this regard the Association may:

(a) construct, modify, add to, replace or renovate any improvements that are located on, or constitute a part of, any Common Element;

(b) plant and replace trees, shrubs and other vegetation on any Common Element;

(c) place, maintain and replace signs upon any Common Element;

(d) adopt and enforce Rules and Regulations regulating the use of Common Elements;

(e) impose and collect fees for the use of any Common Element; and

(f) take any other actions that the Association deems necessary or advisable to (i) protect and maintain the Common Elements; (ii) preserve the beauty and value of the Subdivision; and (iii) fulfill the stated purposes of the Association.

IX. REVIEW BOARD

9.1 Purpose. Any and all exterior design, landscaping and uses of new development on and/or additions to any property within the Subdivision, as well as any changes or alterations thereto, shall be subject to review by and consent of the Review Board. The goal of such review and consent shall be to create, maintain and improve the Subdivision as a pleasant and desirable environment, establish and preserve a harmonious design for the community, and protect and enhance the value of the Property.

9.2 Appointment of Members. The Association shall establish a Review Board consisting of a minimum of three members. Each member of the Review Board shall be appointed by the Board of Directors of the Association, and any such member may be removed, with or without cause, at any time, by the Board of Directors of the Association by giving written notice to such member.

9.3 Authority of Review Board.

(a) The Review Board shall establish and have the authority to amend and modify rules, regulations and design guidelines (the "Design Guidelines") governing the design and construction of, as well as improvements to, all structures, landscaping, recreational facilities, exterior lighting, signage and general improvements proposed within the Subdivision. Any and all such Design Guidelines, together with any amendments or modifications thereto,

shall be approved by Declarant for so long as Declarant continues to own any portion of the Property, including any Tract.

(b) The following, among other things, shall require prior written approval of the Review Board: grading and other site preparation; landscaping (including, without limitation, tree cutting and clearing); building construction; sign design and erection; exterior changes to property or improvements; modification, alteration or enlargement of any existing structure; paving and driveways; fencing; exterior lighting; location and maintenance of all structures and improvements; and changes to the permitted use of any property within the Subdivision. In exercising its authority to modify or reject any project proposal, the Review Board may, when warranted, consider whether such proposal would cause an unacceptable disturbance of views for other sites or adjacent structures, but such consideration shall weigh heavily the right of each Owner to use and develop his or her property in keeping with the standards set forth in this Declaration. The approval of the Review Board shall not be required for alterations or remodeling which are completely within a building or structure, do not change the exterior appearance thereof and are not visible from the outside of the structure.

(c) The Review Board shall have sole and exclusive power to enforce compliance with the Design Regulations, and in that regard, shall have the authority to levy and collect fines (including incremental fines for repeat offenders), sue for damages or injunctive relief, foreclose the Assessment Lien or exercise any other enforcement power conferred upon the Association by this Declaration. Notwithstanding anything to the contrary contained herein or in any other Association Document, no Owner shall have the right to enforce or seek enforcement of the covenants, conditions or restrictions contained herein or the Design Guidelines, Rules and Regulations or any other Association Documents.

9.4 Decisions of Review Board. Actions taken by the Review Board shall not be arbitrary or capricious, and shall be presumed to be enforceable in accordance with their terms. Decisions of the Review Board shall be conclusive and binding on all interested parties. Any challenge to a decision of the Review Board must be filed in a court of competent jurisdiction within thirty days of receipt of notice of such decision by the affected party or parties.

9.5 Inspection of Projects. The Review Board or its designated representatives may monitor any approved project within the Subdivision to ensure that the construction or work on such project complies with any and all approved plans, construction procedures, applicable Rules and Regulations and applicable law. The Review Board or its designated representatives may enter upon any property within the Subdivision at any reasonable time or times to inspect the progress, work status, or completion of any project. The Review Board may withdraw its approval of any project and require all activity at such project to be stopped if deviations from the approved plan, construction practices, applicable Rules and Regulations or applicable law are not corrected or reconciled within ten days after written notification to the Owner of the subject property specifying such deviations, or within such lesser period of time as is specified by the Review Board in such notice to the owner. The Review Board shall have the authority to levy and collect Default Assessments for such deviations, including, without limitation, incremental monetary fines for the occurrence of repeated violations.

9.6 Notice. Any material to be submitted or notice to be given to the Review Board shall be submitted at the offices of the Association in the Town of Breckenridge. The

current address of such office is 106 North French Street, Suite 220, P.O. Box 8029, Breckenridge, Colorado 80424.

9.7 Fees. The Review Board may establish a reasonable processing and review fee tied to an objective, measurable standard to defer its costs in considering any requests for approvals submitted to it, which fee shall be paid at the time the request for approval is submitted.

9.8 Review Board Not Liable. Neither Declarant, the Review Board, nor any of their respective officers, directors, employees, members or agents shall be responsible or liable for any defects in any plans or specifications which are submitted, revised or approved pursuant to this Article IX, nor for any defects in construction pursuant to such plans and specifications, nor for any loss, damage or injury arising out of or in any way connected with the performance of the duties of the Review Board, unless due to the willful misconduct or conscious bad faith of the party to be held liable. In reviewing any matter, the Review Board shall not be responsible for reviewing, nor shall its approval of any project be deemed approval of, the project from the standpoint of safety, whether structural or otherwise. Approval of plans and specifications pursuant to this Article IX shall not relieve any Owner of said Owner's responsibility to comply with any and all applicable governmental laws or regulations.

X. LIMITATION AND RESTRICTIONS ON BUILDING IMPROVEMENTS

10.1 Permitted Improvements--Single-Family Residential Lots. Lots containing a Density and Land Use Classification of Single-Family Residential may not contain any building improvements except:

(a) One Single-Family Structure together with one garage of a size sufficient to enclose a minimum of two automobiles per garage, but no more than three automobiles per garage, unless the Review Board consents in writing to the design of a larger garage; or

(b) One Single-Family Structure and one Accessory Apartment together with up to two garages, of which one garage may be of a size sufficient to enclose a minimum of two automobiles, but no more than three automobiles, and one garage, of a size sufficient to enclose no more than one automobile, unless the Review Board consents in writing to the design of a smaller or larger garage; and

(c) Such enclosed service areas for garbage, trash, utilities and other maintenance facilities as may be approved in writing by the Review Board; and

(d) Such fences, walls, driveways and parking areas as may be approved in writing by the Review Board; and

(e) Landscaping improvements approved in writing by the Review Board; and

(f) Swimming pools, hot tubs, tennis courts, solar devices and greenhouses approved in writing by the Review Board.

10.2 Permitted Improvements--Multi-Family Residential Lots. Lots or Tracts containing a Density and Land Use Classification of Multi-Family Residential may not contain any building improvements except:

(a) One or more structures made up of apartments, or townhomes, or whole-unit condominiums, or duplexes or tri- or four plexes containing up to the number of

Single Family Equivalents (or SFEs) permitted by the Master Plan and the number of parking spaces required by the Review Board and the Development Code; or

(b) One or more structures for a Bed and Breakfast operation containing up to the number of SFEs permitted by the Master Plan and the number of parking spaces required by the Review Board and the Development Code; and

(c) Such enclosed service areas for garbage, trash, utilities and other maintenance facilities as may be approved in writing by the Review Board; and

(d) Such fences, walls, driveways and parking areas as may be approved in writing by the Review Board; and

(e) Landscaping improvements approved in writing by the Review Board; and

(f) Swimming pools, hot tubs, tennis courts, solar devices, outbuildings and greenhouses approved in writing by the Review Board.

10.3 Chalet Operations Not Permitted. Notwithstanding anything to the contrary contained herein, Chalet operations or any other similar form of lodging are expressly prohibited within the Subdivision, unless such operations are pre-approved in writing by the Association and a permit is obtained as required under Section 11.7.

10.4 Permitted Improvements--Hotel/Lodging/Inn. Lots or Tracts containing a Density and Land Use Classification of Hotel/Lodging/Inn may not contain any building improvements except:

(a) One or more structures made up of hotel or other lodging rooms, restaurants and related hotel/lodge/inn amenities as permitted by the Master Plan and the number of parking spaces required by the Review Board and the Development Code; and

(b) Such enclosed service areas for garbage, trash, utilities and other maintenance facilities as may be approved in writing by the Review Board; and

(c) Such fences, walls, driveways and parking areas as may be approved in writing by the Review Board; and

(d) Landscaping improvements and signs approved in writing by the Review Board; and

(f) Swimming pools, hot tubs, tennis courts, solar devices, outbuildings and greenhouses approved in writing by the Review Board.

10.5 Permitted Improvements--Commercial/Office. Lots or Tracts containing a Density and Land Use Classification of Commercial/Office may not contain any building improvements except:

(a) One or more structures made up of office or retail space, or both (including restaurant and bar uses), and related office/retail building amenities as permitted by the Master Plan and the number of parking spaces required by the Review Board and the Development Code; and

(b) Such enclosed service areas for garbage, trash, utilities and other maintenance facilities as may be approved in writing by the Review Board; and

(c) Such fences, walls, driveways and parking areas as may be approved in writing by the Review Board; and

(d) Landscaping improvements and signs approved in writing by the Review Board.

10.6 Permitted Improvements-Light Industrial. Lots or Tracts containing a Density and Land Use Classification of Light Industrial may not contain any building improvements except:

(a) One or more structures permitted by the Master Plan and the Development Code (including structures for essential public utilities and services, non-offensive light industrial uses and accessory buildings and uses), and the number of parking spaces, if any, required by the Review Board and the Development Code; and

(b) Such fences, walls, driveways and parking areas as may be approved in writing by the Review Board; and

(c) Landscaping improvements approved in writing by the Review Board.

10.7 Permitted Improvements--Open Space. Property within the Subdivision containing a Density and Land Use Classification of Open Space may be used for picnic areas and shelters, playing fields, playgrounds, landscape improvements, pools, streams, ponds, street lighting, project identification signage, use-control signage, drainage systems, pedestrian easements, access and trail easements and underground utilities or other similar uses approved by the Board of Directors. Notwithstanding anything to the contrary in this Section 10.7, Property within the Subdivision that is designated as "Natural Open Space" on any plat for the Subdivision is intended to serve as a natural buffer and to remain substantially in its natural state. Accordingly, Property that is designated as "Natural Open Space" on any plat for the Subdivision may be used only for landscape improvements, drainage systems, underground utilities, project identification signage and other uses that do not materially interfere with the natural state of such property. Any improvements to be placed or constructed on Property designated as "Natural

Open Space," including those permitted improvements listed above, must be pre-approved in writing by the Town of Breckenridge and the Association.

10.8 Prohibited Improvements. No structures or buildings of a temporary character (except a sales facility or construction trailer for Declarant's use in selling or developing Lots or Tracts within the Subdivision), nor any mobile home, house trailer, tent, shack, or other such structure shall be placed or used within the Subdivision, either temporarily or permanently, without prior written approval of the Review Board, which approval may be withheld in the Review Board's sole discretion. Notwithstanding the preceding sentence, necessary appurtenances, modest construction trailers and structures of a temporary nature may be used without the Review Board's approval during the period of performance of construction of any improvement for which necessary government permits and Review Board approval have been obtained, provided that (a) the Review Board shall approve the location and appearance of such appurtenances, trailers or structures, (b) no overnight occupancy shall be permitted in any such appurtenance, trailer or structure, and (c) such appurtenances, trailers or structures shall be removed from the Subdivision on the earlier of (i) the date that is twelve months after the initial use thereof and (ii) the date of substantial completion of said improvement.

10.9 Location of Dwellings and Setbacks. Location of dwellings will be in accordance with the Design Guidelines and the Development Code and, if applicable, within the building envelopes shown on the Plat, Exhibit E to the Design Guidelines or other documents approved by the Board of Directors. Distances shall be measured from the Lot line to the nearest projection of any part of the improvement, including, but not limited to, porches, patios, decks, parking aprons and roof overhangs.

10.10 Review Board Approval Required. Each Owner agrees that he or she will not apply to Summit County, Colorado, or to the Town of Breckenridge or any other governmental authority for permission to construct building improvements on such Owner's property without the prior express written authorization of the Review Board. Any application to the Town of Breckenridge for a building permit must be for a structure consistent with that approved by the Review Board. It shall be an objective of the Review Board to prevent the making of improvements which will materially impair the aesthetic and monetary values of the Subdivision. In reviewing proposed projects, the Review Board will consider, among other things, the following factors: (a) the suitability of the improvements and the materials of which they are to be constructed; (b) the quality of all materials to be utilized in any proposed improvement; (c) the effect of any proposed improvement on adjacent or neighboring property, provided that each Owner of property within the Subdivision is entitled to use and develop his or her property in accordance with the standards set forth herein and the Design Guidelines; (d) the location and character and method of utilization of all utility services; (e) the impact of any proposed improvement upon the natural surroundings; and (f) the timely and orderly completion of all such improvements.

10.11 Town Approval Required. No modification or other improvement to a Lot or dwelling unit that requires the approval of the Town of Breckenridge under the Development Code of the Town of Breckenridge or other applicable law, rule or ordinance shall be made or build until such approval has been obtained.

10.12 Square Footage Requirements. The Review Board may establish minimum and maximum square footage requirements with respect to Single-Family Structures; Accessory Apartments; living space to be contained within dwelling units constructed within

Lots or Tracts with a Density and Land Use Classification of Multi-Family Residential; office or retail space to be contained within buildings on Lots or Tracts with a Density and Land Use Classification of Commercial/Office; and space for private and meeting rooms, retail, restaurant and other amenities to be contained within buildings on Lots or Tracts with a Density and Land Use Classification of Hotel/Lodging/Inn.

10.13 Property to be Maintained. Except as otherwise provided herein, each Lot and all other portions of the Subdivision, including all improvements within the Subdivision, shall be kept and maintained by the Owner(s) thereof in a clean, safe, attractive and sightly condition and in good repair.

10.14 No Illegal, Noxious or Offensive Activity. No illegal, noxious or offensive activity shall be carried on upon any portion of the Property, nor shall anything be done or placed on any Property which is or may become a nuisance or cause any significant embarrassment, disturbance or annoyance to others.

10.15 No Hazardous Activities. No activities shall be conducted on any portion of the Property and no improvements may be constructed on any portion of the Property which are or might be unsafe or hazardous to any person or Property; provided, however, that construction activities for which all applicable permits and Review Board approval have been obtained and which are conducted in accordance with industry standards shall not violate this Section. Without limiting the generality of the foregoing, (a) no firearms shall be discharged upon any portion of the Property, and (b) no open fires shall be lighted or permitted on the

Property except in a contained barbecue unit while attended and in use for cooking purposes or within a safe and well-designed interior fireplace (except (i) controlled picnic fires in Open Space which may be designated for such use by Declarant or the Association and (ii) attended fires authorized in writing by Declarant or the Association and required for clearing or maintenance of land).

10.16 Restriction on Further Subdivision; Combining Lots. (a) No Lot (other than Lots having a Density and Land Use Classification of Multi-Family Residential) shall be further subdivided or separated into smaller lots by any Owner, and no portion less than all of any Lot, nor any easement or other interest therein, shall be conveyed or transferred by any Owner without the prior written approval of Declarant, which approval may be withheld in Declarant's sole discretion. Lots having a Density and Land Use Classification of Multi-Family Residential may be subdivided into duplex, condominium or townhouse units without the prior written approval of Declarant, on the conditions that (i) such subdivision does not cause the Lot or Tract to exceed the number of Single-Family Equivalents allocated to that Lot or Tract under the Master Plan and the recorded subdivision plat creating that Lot or Tract, (ii) the Owner of the Lot or Tract obtains the prior written approval of the Review Board, and (iii) such subdivision fully complies with all applicable restrictions and code provisions of the Town of Breckenridge. This provision shall not, in any way, limit Declarant from subdividing any land reserved for future development or any other land owned by Declarant, including without limitation the Expansion Property, in accordance with the provisions of the Master Plan.

(b) With the approval of the Review Board, any Owner of two or more adjacent Lots, which Lots share one or more lot lines, may resubdivide said Lots for the purpose of adjusting the size of the resulting lot or lots; provided, however, that the Review Board shall

have the authority to modify or supplement the covenants, conditions and restrictions applicable to such resulting lots and to condition its approval on the Owner's agreement to be bound thereby. In no event, however, shall the Review Board approve any subdivision of Lots pursuant to the preceding sentence if such subdivision would increase the number of Lots within the property to be subdivided. Any Owner desiring to resubdivide Lots pursuant to this Section shall fully comply with all applicable ordinances and regulations of the Town of Breckenridge and shall prepare, execute and record in Summit County, Colorado: (i) an appropriate amendment to the Plat conforming to all requirements of the Development Code and containing the consent of the Review Board and of the holders of any mortgages or deeds of trust encumbering the affected Lots and (ii) any instruments necessary to subject the resubdivided Lots to any modified or supplemental covenants, conditions and restrictions required by the Review Board as a condition of its approval. All expenses associated with the resubdivision (including, without limitation, the costs of preparing the subdivision plat, costs incurred in connection with any modification or supplementation of the covenants, conditions and restrictions applicable to the resubdivided lots, attorneys' fees incurred by the Review Board, and recording and filing fees) shall be the responsibility of and paid by the Owner desiring such resubdivision.

10.17 Sewage Disposal Systems. No cesspools or septic tanks shall be permitted on any portion of the Property without the prior written approval of the Review Board.

10.18 Fences. All fences, walls or other barriers on any Lot, as limited by the Design Guidelines, may be erected only upon prior written approval of the Review Board.

10.19 Paved Areas and Driveway Construction. Private driveways and parking areas must be paved in accordance with the Design Guidelines. Materials used to create special paving patterns are subject to Review Board approval.

10.20 Storage of Equipment and Vehicles. All boats, snow plows, campers and extra motor vehicles must be stored in a garage. Motor homes, travel trailers, construction equipment and other outsized machinery and equipment shall not be stored or parked within the Subdivision; provided, however, that the Review Board may waive this restriction, in its sole discretion, in writing. This Section 10.20 shall not prohibit the storage or parking of construction equipment and machinery within the Subdivision during the period of construction activities for which all applicable permits and Review Board approval have been obtained, provided that the Review Board may require the removal of any such equipment or machinery upon written notice to the Owner of the affected Lot.

10.21 No Unsightliness. No unsightliness shall be permitted on any Property. Without limiting the generality of the foregoing: (a) all unsightly structures, facilities, equipment, objects and conditions shall be enclosed within an approved structure, except as otherwise provided herein; (b) refuse, garbage and trash shall be kept in a covered container at all times and any such container shall be kept within an enclosed structure; (c) service areas and facilities for hanging, drying or airing clothing or fabrics shall be kept within an enclosed structure; (d) pipes for water, gas, sewer, drainage or other purposes, wires, poles, antennas and other facilities for the transmission or reception of audio or visual signals or electricity, utility meters or other utility facilities, gas, oil, water or other tanks shall be kept and maintained within an enclosed structure or below the surface of the ground unless otherwise approved in writing by the Review Board prior to installation, except that satellite reception equipment no larger than 18 inches in diameter shall be permissible upon written approval of the proposed location thereof by the Review Board; and (e) no metals, bulk materials or scrap or refuse or trash or unused items of any kind (other than a reasonable amount of neatly stacked firewood) shall be kept,

stored or allowed to accumulate on any Property. All enclosed structures shall comply with the Rules and Regulations as in effect from time to time. The Review Board shall have the power to grant a variance from the provisions of this Section 10.21 from time to time as it deems necessary or desirable.

10.22 Pets. Dogs, cats or customary household pets, not to exceed three pets per dwelling unit, may be kept on the Property without the prior written approval of the Review Board. No wild animal, reptile or bird may be trapped, transported, kept or maintained anywhere within the Subdivision, except for (a) animal control activities of authorized governmental entities and licensed contractors and (b) activities of Owners to trap rodents for the purpose of removal or destruction. No pet may be kept which abnormally or unreasonably interferes with the rights, comforts or convenience of other Owners. For-profit breeding of any animals on the Property is specifically prohibited. All pets must be kept on a leash when outside an Owner's residence. No horses may be stabled or kept anywhere on the Property.

10.23 Restriction on Signs. No signs or advertising devices of any nature shall be erected or maintained on any Property except signs approved by the Review Board, signs required by law or legal proceedings, identification signs for work under construction (not to exceed six square feet), temporary signs to caution or warn of danger or Association signs necessary or desirable to give directions or advise of rules or regulations. The Review Board shall have the authority to approve the size and location of signs within the Subdivision. Design Regulations adopted by the Review Board in regard to signage may be more restrictive than the Development Code.

10.24 Restriction on Parking. Parking of vehicles on the Property or any portion thereof is permitted with respect to a Lot only within parking spaces constructed with the prior

approval of the Review Board and such parking shall be used only by the Owner or Lessee of such Lot or their guests for the parking of personal vehicles. The Association shall have the right to park any type of vehicle owned or used by the Association upon the Property only within parking areas either built by Declarant or approved by the Review Board in such areas designated for such purpose by Declarant. Notwithstanding the above, the Association may designate areas for off-street parking on the Property or any portion thereof for the temporary parking of maintenance and delivery vehicles, for the sole purpose of assisting in a maintenance operation or to provide for the loading or unloading of such vehicles, or to accommodate special circumstance. No bus shall be permitted to park or idle for periods in excess of ten minutes anywhere on the Property without the prior express written consent of the Review Board.

10.25 Restriction on Recreational Vehicles. No motorcycle, motorbike, skimobile, golf cart or other motorized recreational vehicle shall be operated within or on the Property except as otherwise specifically permitted by the Rules and Regulations. Motorcycles and motorbikes may be operated on public roads within the Subdivision in accordance with all applicable laws, provided that such use shall be subject to the Rules and Regulations, including, without limitation, those Rules and Regulations governing noise, nuisances and other similar issues.

10.26 Restriction on Wood Burning. All wood-burning devices and wood burning within the Subdivision shall comply fully with all applicable laws and regulations of the Town of Breckenridge and all other applicable laws.

10.27 No Wells. No water wells shall be permitted on the Property or any portion thereof without the prior written approval of the Review Board.

10.28 No Mining and Drilling. No property shall be used for the purpose of mining, quarrying, drilling, boring or exploring for or removing oil, gas or other hydrocarbons, minerals, rocks, stones, gravel or earth.

10.29 Additional Covenants, Conditions and Restrictions. By specific provision in any deed from Declarant, Declarant may subject any Property to be conveyed by such deed to particular covenants, conditions or restrictions applicable to the particular Property conveyed by such deed and, if any such deed contains any such covenants, conditions or restrictions, the deed may contain a provision that Declarant shall have the right, immediately or at any time during the continuation of any violation or breach of or failure to comply with any of said covenants, conditions or restrictions, to re-enter and retake possession of the Property described in such deed and that, upon exercise of this right of re-entry, title to such Property shall thereupon vest in Declarant.

XI. USE OF RESTRICTED LOTS AND PARCELS

11.1 Residential Purposes Only.

(a) No Lot with a Density and Land Use Classification of Single-Family Residential may be used other than for residential purposes with customary accessory uses, which customary accessory uses shall include without limitation long- or short-term rentals of property to persons who use such improvements for residential or lodging purposes. Such customary accessory uses shall specifically exclude Bed and Breakfast, Chalet and other similar operations, which are hereby expressly prohibited as a use of Single-Family Residential Lots. Notwithstanding the foregoing, Single-Family Residential Lots may be used for "Home Occupations" as defined in and permitted under the Development Code.

(b) Unless a written permit has been obtained in accordance with Section 11.7 below, no Lot with a Density and Land Use Classification of Multi-Family Residential may be used other than for residential purposes with customary accessory uses, which customary accessory uses shall include, without limitation, long- or short-term rentals of property to persons who use such improvements for residential or lodging purposes. Such customary accessory uses shall specifically exclude Chalet and other similar operations, which are hereby expressly prohibited as a use of Multi-Family Residential Lots. Notwithstanding anything to the contrary in this paragraph (b), Bed and Breakfast and, to the extent permitted under the Master Plan and the recorded subdivision plat creating the Lot, Condominium/Hotel operations will be a permissible use of Multi-Family Residential Lots upon the Owner's receipt of a permit therefor from the Association pursuant to Section 11.7 below. Notwithstanding the foregoing, Multi-Family Residential Lots may be used for "Home Occupations" as defined in and permitted under the Development Code.

11.2 Commercial Use Only. No Lot with a Density and Land Use Classification of Commercial/Office or Light Industrial may be used for residential or lodging purposes. All commercial activity requires a permit from the Association under Section 11.7 below.

11.3 Lodging Use Only. No Lot with a Density and Land Use Classification of Hotel/Lodging/Inn may be used for other than lodging purposes, meetings and banquets, with customary accessory uses that include retail and commercial amenities common to lodging establishments consistent with the Master Plan and approved by the Review Board. All commercial activity requires a permit from the Association under Section 11.7 below.

11.4 Open Space. Except as set forth below, no building improvements may be constructed or maintained on any Open Space, except those permitted under Section 10.7 above.

11.5 Applications for Zoning or Subdivision Changes. For so long as Declarant owns any portion of the Property, including any Tract, no Owner of any Lot or Tract within the Subdivision other than Declarant may apply to Summit County, Colorado, or to the Town of Breckenridge or any governmental jurisdiction to change the zoning applicable to such owner's Lot or Tract, or to subdivide such Lot or Tract, without the prior written approval of the Review Board.

11.6 Restriction on Timeshare Ownership. No Owner of any Lot or Tract within the Property shall dedicate or submit such Owner's Lot or Tract to a timeshare or similar arrangement without the prior written approval of the Association, which may be withheld in its sole discretion. Notwithstanding anything to the contrary set forth herein, any Lot or Tract with a Density and Land Use Classification of Multi-Family Residential may be owned under any form of ownership permitted by this Declaration, the Plat or the Master Plan.

11.7 Commercial Activities. Except as set forth below, no Lot or Tract within the Property may be used for any commercial activity unless such use is permitted by law and the Association has issued a written permit for such activity, which permit may be granted, denied or revoked in the Association's sole discretion. Notwithstanding anything to the contrary contained herein, a commercial permit shall be required (a) prior to the use of any Lot or Tract with a Density and Land Use Classification of Multi-Family Residential for any nonresidential use (including, without limitation, Bed and Breakfast operations and Condominium/Hotel use), and (b) prior to the use of any Lot or Tract with a Density and Land Use Classification of Commercial/Office, Light Industrial or Hotel/Lodging/Inn. The following activities shall not

require a commercial permit from the Association: (a) "Home Occupations" as permitted under the Development Code, or (b) long- or short-term rentals of Single-Family Structures or living quarters of Multi-Family Structures to an unrelated Person or Persons using such structure for residential or lodging purposes provided that such use does not constitute a Bed and Breakfast, Chalet, Condominium/Hotel or other similar lodging operation.

XII. BUILDING GUIDELINES

12.1 Design Regulations. All building improvements on any Property within the Subdivision must be built strictly in accordance with all applicable laws, this Declaration, the Rules and Regulations and the provisions of the Design Guidelines as adopted by the Review Board.

12.2 Authority of Review Board. By acquiring any interest in Property within the Subdivision, the Owner of such property consents to and accepts the authority of the Review Board to review and approve the plans and specifications for any improvements on such Property in accordance with the Design Guidelines as in effect from time to time. In particular, such Owner recognizes that certain of the judgments which will be made by the Review Board are subjective in nature, and such Owner agrees not to contest such subjective judgments unless they are made in bad faith or in an arbitrary and capricious manner.

XIII. EASEMENTS AND LICENSES

13.1 Declarant Reservation. Declarant reserves to itself, its successors and assigns, the right to establish from time to time, by dedication or otherwise, underground utility and other reasonable easements, permits or licenses over, across, through and under the Property,

excluding those portions of the Property within building envelopes designated on the Plat, Exhibit E to the Design Guidelines or other documents approved by the Board of Directors, for any purpose or use necessary or convenient for the use and occupancy of the Property or any other property owned by Declarant, which easements, permits or licenses may include, without limitation, water, sewer, gas, electricity, television cable, drainage, and irrigation.

13.2 Association's Easements Over Lots. Declarant hereby grants the Association and the Review Board an easement over, across, through and under each Lot to (a) exercise any right held by the Association or the Review Board under this Declaration or any other Association Document, and (b) perform any obligation imposed upon the Association or the Review Board by this Declaration or any other Association Document. Notwithstanding the foregoing, neither the Association nor the Review Board shall enter upon any Lot without reasonable prior notice to the Owner of the Lot, except in cases of emergency.

13.3 Golf Ball Easement. Every Lot and all other areas of the Subdivision are burdened with a perpetual, non-exclusive easement permitting golf balls to enter and land on such Lot or portion of the Subidivision from the golf course adjacent to the Subdivision. Under no circumstances shall any of the following persons be held liable for any damage or injury resulting from golf balls or this easement: the Declarant and its principals, successors or assigns; the Association or its members (in their capacity as such); and the Owner of the Golf Course or any employee thereof.

13.4 Emergency Access Easement. Declarant hereby grants a perpetual non-exclusive easement to all police, sheriff, fire protection, ambulance and other similar agencies and persons to enter upon the Property in the performance of their duties.

13.5 Recorded Easements. The Property shall be subject to all easements as shown on any recorded Plat and to any other easements of record or of use as of the date of recordation of this Declaration. In addition, the Property is subject to all easements created by this Declaration.

XIV. RIGHT TO INCLUDE ADDITIONAL REAL PROPERTY AND EXCLUDE REAL PROPERTY

14.1 Right to Include Additional Real Property. For so long as Declarant owns any portion of the Property or the Expansion Property, Declarant may subject additional real property, including, but not limited to, all or any part of the Expansion Property, to this Declaration by recording in the real property records of Summit County, Colorado, an instrument signed by Declarant setting forth the following: (a) a statement that the real property to be added is owned by Declarant and is adjacent to the Property or within one mile of any boundary of the Property, (b) a statement that Declarant has determined that such real property should be included as a part of the Subdivision, (c) the legal description of the real property to be added, and (d) a statement that the property to be added shall be subject to and governed by the provisions of this Declaration. Upon the recording of such instrument, (i) the real property described therein shall thereafter be part of the Property and shall be governed by all of the provisions herein, and (ii) the Declaration shall be deemed amended to add such additional property to the definition and description of the Property herein.

14.2 Right to Exclude Real Property. For so long as Declarant owns any portion of the Property or the Expansion Property, any real property made part of the Subdivision and subject to this Declaration, pursuant to this Declaration or Section 14.1 above, may at any

time prior to conveyance of such property to a third party be excluded from the Subdivision and made no longer subject to this Declaration by the recording in the office of the Clerk and Recorder of Summit County, Colorado, of a written instrument signed by Declarant containing (a) a legal description of the real property to be excluded, (b) a statement that such real property is owned by Declarant, and (c) a statement that said real property shall no longer be deemed to be a part of the Subdivision or bound by or subject to any part of this Declaration.

XV. INSURANCE

The Association shall obtain and maintain such insurance as the Board of Directors of the Association shall deem necessary.

XVI. ENFORCEMENT AND REMEDIES

16.1 Enforcement.

(a) Each provision of this Declaration binding upon an Owner or a Lot is enforceable only by the Association by a proceeding for a prohibitive or mandatory injunction or by suit or action to recover damages, or in the discretion of the Association, for so long as any Owner fails to comply with any such provision, by exclusion of such Owner and such Owner's family members, tenants and guests from the use of any Common Elements and from participation in any Association affairs. In addition, if an Owner fails to perform or observe any covenant or condition on such Owner's part to be performed or observed under this Declaration or any other Association Document, the Association shall have the following rights and remedies:

(i) The Association may, but is not obligated to, cure such failure to comply at the Owner's sole cost and expense. If the Association cures any such failure to comply, the Owner shall pay to the Association the amount of all costs incurred by the Association in connection therewith within thirty days after the Owner receives a written invoice therefor from the Association.

(ii) The Association may fine the Owner in accordance with Section 7.6 for each violation. The Owner shall pay any such Default Assessment to the Association within thirty days after the Owner receives written notice thereof.

(iii) The Association shall have all other rights and remedies available to it under this Declaration, at law or in equity.

(b) All rights and remedies of the Association shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right or remedy.

16.2 Attorneys' Fees. In the event of any dispute under or with respect to this Declaration or any other Association Document, or compliance therewith, the prevailing party (as to liability, without regard to any damage award) shall be entitled to recover from the nonprevailing party all of its costs and expenses in connection therewith, including, but not limited to, reasonable attorneys' fees and disbursements.

16.3 Interest. If an Owner fails to pay to the Association any Assessment or other amount due to the Association as and when the same becomes due, the Owner shall pay interest on such unpaid amount to the Association at the rate equal to the prime rate established

by Norwest Bank Colorado, National Association, plus five percentage points, which interest shall accrue from the due date of such unpaid amount until the date paid.

XVII. THE GOLF COURSE

(a) All Owners of Lots are advised that no representations or warranties have been made or are made by the Declarant, the Owner of the Golf Course adjacent to the Subdivision (the "Golf Course") or any other Person with regard to the continuing existence, ownership or operation of the Golf Course. No purported representation or warranty in that regard, whether written or oral, shall be effective without an amendment to this Declaration executed or joined into by the Declarant and the Owner of the Golf Course.

(b) Ownership or operation of the Golf Course may change at any time, and no consent of the Association or any Owner is required to effect any change in the ownership or operation of the Golf Course.

(c) Neither ownership of a Lot nor membership in the Association confers any ownership interest in or right to use the Golf Course. Rights to use the Golf Course are within the exclusive control of the Owner of the Golf Course, and will be given to such persons and on such terms and conditions as the Owner of the Golf Course may determine from time to time. The Owner of the Golf Course may amend or waive its determinations and policies with respect to use of the Golf Course at any time.

(d) Neither the Declarant, the Association nor the Owner of the Golf Course guarantees or represents that any view over or across the Golf Course from adjacent Lots will be preserved without impairment. The Owner of the Golf Course has no obligation to prune or thin trees or other landscaping on the Golf Course, and may at any time add trees and other

landscaping to the Golf Course. The Owner of the Golf Course may also, at any time, in its discretion, change the location, configuration, size and elevation of the tees, bunkers, fairways and greens of the Golf Course--regardless of whether such changes diminish or obstruct the view from any Lot.

(e) This Article may not be amended without the written approval of the Declarant and the Owner of the Golf Course.

XVIII. MISCELLANEOUS

18.1 Rule Against Perpetuities and Termination. Each provision contained in this Declaration which is subject to the laws or rules sometimes referred to as the rule against perpetuities or the rule prohibiting unreasonable restraints on alienation shall continue and remain in full force and effect for the period of 21 years following the death of the last survivor of the issue of Rose Kennedy and the now living children of said issue, or until this Declaration is terminated earlier by recorded instrument, directing termination, signed by the Owners of all property within the Subdivision. Notwithstanding anything to the contrary set forth herein, Declarant may terminate this Declaration at any time prior to the conveyance of any portion of the Property to a third party.

18.2 Amendment.

(a) Prior to the closing of the sale of the first Lot or Tract, Declarant may amend this Declaration in its sole discretion. Declarant may at any time amend this Declaration to add property, including, without limitation, the Expansion Property, to the Subdivision pursuant to Article XIV above.

(b) Except as provided in paragraph 18.2(a) above and Article XVII(e), this Declaration may be amended only by the vote or written consent of (i) Owners of Property (including Declarant) having at least 75 percent of the total number of votes to which all Owners are entitled, and (ii) Declarant, for so long as Declarant owns any portion of the Property. Any amendment to the Declaration shall be evidenced by the recording of a written instrument or instruments specifying the amendment or the repeal and containing the consents set forth above, if any. No amendment may remove, revoke or modify any right or privilege or Declarant without the prior written consent of Declarant or the Assignee of such right or privilege.

18.3 Covenants Binding. Each provision of this Declaration and a promise, covenant and undertaking to comply with each such provision (i) shall be deemed incorporated in each deed or other instrument by which any right, title or interest in any of the Property is granted, devised or conveyed; (ii) shall by virtue of acceptance of any right, title or interest in any of the Property by an Owner be deemed accepted, ratified, adopted and declared as a personal covenant of such Owner and shall be binding on such Owner or his or her respective heirs, personal representatives, successors or assigns, to, with and for the benefit of the Declarant and all Owners within the Subdivision; (iii) shall be deemed a covenant, obligation and restriction secured by a lien binding, burdening and encumbering the title to all of such Owner's right, title and interest to any of the Property, which lien shall be deemed a lien in favor of the Declarant, as its interest may appear, and all Owners within the Subdivision; and (iv) shall run with the Land.

18.4 Lender's Interest Not Impaired. No violation or breach of, or failure to comply with, any provision of this Declaration and no action to enforce any such provision shall

affect, defeat, render invalid or impair the lien of any Mortgagee taken in good faith and for value and perfected by recording in the office of the Clerk and Recorder of Summit County, Colorado, prior to the time of recording in said office of an instrument describing such Property and listing the name or names of the Owner or Owners of fee simple title to the Property and giving notice of such violation, breach or failure to comply; nor shall such violation, breach, failure to comply or action to enforce affect, defeat, render invalid or impair the title or interest of the holder of any such Mortgage acquired by a bona fide purchaser upon foreclosure of any such Mortgage, or result in any liability, personal or otherwise of any such holder or purchaser. Any such purchaser on foreclosure shall, however, take subject to this Declaration with the exception of violations or breaches of, or failures to comply with, any provisions of this Declaration which occurred prior to the vesting of fee simple title in such purchaser shall not be deemed breaches or violations hereof or failures to comply herewith with respect to such purchaser, his heirs, personal representatives, successors or assigns.

18.5 Interpretation of This Declaration. Except for judicial construction (and with respect to provisions included in this Declaration for the direct benefit of the Town of Breckenridge, in its capacity as Owner of the Golf Course or otherwise, reasonable construction by the Town of Breckenridge), the Association shall have the exclusive right to construe and interpret the provisions of this Declaration. In the absence of any adjudication to the contrary by court of competent jurisdiction, the construction or interpretation of the provisions hereof by the Association shall be final, conclusive and binding as to all persons and property benefitted or bound by the covenants and the provisions hereof.

18.6 Snow Removal and Stacking. The Town of Breckenridge will be responsible for snow clearing, removal and stacking following acceptance of the roads by the

Town of Breckenridge. Various areas within the Subdivision may be designated by the Association from time to time as snow stacking areas. Neither the Town of Breckenridge, the Association nor Declarant will be responsible for snow clearing, removal or stacking on any private access easement or drive.

18.7 Failure to Act. Neither Declarant nor the Review Board, nor any member, agent or employee of any of the same 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 is in good faith and without malice.

18.8 Declaration Binding. Except as otherwise provided herein, this Declaration shall be binding upon and shall inure to the benefit of Declarant and each Owner and the respective heirs, personal representatives, successors and assigns of each.

18.9 Severability. Invalidity or unenforceability of any provision of this Declaration in whole or in part shall not affect the validity or enforceability of any other provision or any valid and enforceable part of a provision of this Declaration.

18.10 Failure to Enforce. Failure to enforce any provision of this Declaration shall not operate as a waiver of any such provision or of any other provision of this Declaration.

18.11 Disclaimer of Representations. Notwithstanding anything to the contrary in this Declaration, Declarant makes no warranties or representations whatsoever that the plan presently envisioned for the complete development of the Subdivision can or will be carried out or that any land now owned or hereafter acquired by Declarant is or will be subjected to this Declaration, or that any such land, whether or not it has been subjected to this Declaration, is or will be committed to or developed for a particular use, or that if such land is once used for a particular use, that such use will continue in effect.

18.12 Captions and Titles. All captions and titles of headings of Articles and Sections in this Declaration are for the purpose of reference and convenience only and are not to be deemed or construed to limit, modify or otherwise affect any of the provisions hereof or to be used in determining the intent or context thereof.

IN WITNESS WHEREOF, Declarant has executed this Declaration as of the date first set forth above.

LINCOLN HIGHLANDS III LIMITED,
a Colorado limited partnership

BY: Lincoln North, Inc., a
Colorado corporation and
General Partner of Lincoln
Highlands III Limited

By: _____
Kenneth M. Adams,
President

BY: Lincoln Highlands
Management Group, Inc.,
a Colorado corporation
and General Partner of
Lincoln Highlands III Limited

By: _____
Randall L. Harkness
Senior Vice President

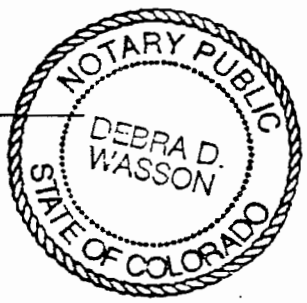
STATE OF COLORADO)
) SS.
COUNTY OF Summit)

The foregoing Declaration of Land Use Restrictions was acknowledged before me this 27th of November, 1995, by Kenneth M. Adams as President of Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Debra D Wasson
Notary Public

My commission expires: August 8, 1999



STATE OF COLORADO)
) SS.
COUNTY OF Summit)

The foregoing Declaration of Land Use Restrictions was acknowledged before me this 27th of November, 1995, by Randall L. Harkness as Senior Vice President of Lincoln Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Debra D Wasson
Notary Public

My commission expires: August 8, 1999

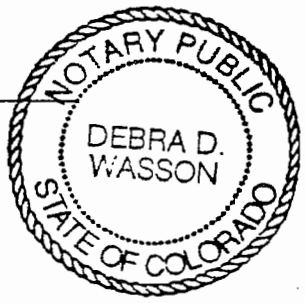


EXHIBIT A

(Attached to and forming a part of
Declaration of Land Use Restrictions
for The Highlands at Breckenridge, Golf Course Subdivision)

LEGAL DESCRIPTION OF THE PROPERTY

The Highlands at Breckenridge Subdivision, Golf Course Filing No. 1 according to the Plat therefor recorded with the Clerk and Recorder of Summit County, Colorado, on November 30, 1995, under Reception No. 504319, as amended.

EXHIBIT B

(Attached to and forming a part of
Declaration of Land Use Restrictions
for The Highlands at Breckenridge, Golf Course Subdivision)

LEGAL DESCRIPTION OF THE EXPANSION PROPERTY

PARCEL "A"

A PORTION OF THE MUNROE PLACER M.S. 1150 AND THE BRADDOCK PLACER M.S. 13465, SECTION 18, TOWNSHIP 6 SOUTH, RANGE 77 WEST OF THE 6TH PRINCIPAL MERIDIAN, SITUATE IN THE TOWN OF BRECKENRIDGE, COUNTY OF SUMMIT, STATE OF COLORADO AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT CORNER NO. 15 OF SAID MUNROE PLACER, A ROCK, WHICH POINT IS THE TRUE POINT OF BEGINNING, THENCE

N07°18'12"E	436.90'	TO CORNER NO. 16 OF SAID MUNROE PLACER, THENCE
N29°52'37"E	1167.85'	ALONG LINE 16-17 OF SAID MUNROE PLACER, THENCE
S59°58'49"E	792.94'	TO A POINT ON LINE 13-14 OF SAID MUNROE PLACER THENCE
N29°24"00"E	211.87'	TO CORNER NO. 8 OF SAID BRADDOCK PLACER, COMMON WITH CORNER NO. 13 OF SAID MUNROE PLACER, THENCE
N53°46'00"E	112.33'	ALONG LINE 8-1 OF SAID BRADDOCK PLACER, THENCE
S77°00'00"E	267.77'	TO A POINT ON THE WESTERLY RIGHT-OF-WAY OF COLORADO STATE HIGHWAY NO. 9, THENCE
S09°13'30"W	132.16'	ALONG SAID RIGHT-OF-WAY, THENCE
S12°38'30"W	2162.79'	ALONG SAID RIGHT-OF-WAY, THENCE
N84°27'17"W	452.51'	THENCE
N05°32'43"E	617.00'	THENCE
N56°03'00"W	310.00'	TO CORNER NO. 7 OF SAID BRADDOCK PLACER, COMMON WITH CORNER NO. 14 OF SAID MUNROE PLACER, THENCE
N75°04'19"W	659.18'	TO THE TRUE POINT OF BEGINNING.

CONTAINING: 56.284 ACRES, MORE OR LESS.

PARCEL "B"

A PORTION OF THE ACCOMMODATION PLACER M.S. 19361 AND THE BRADDOCK PLACER M.S. 13465, SECTION 18, TOWNSHIP 6 SOUTH, RANGE 77 WEST OF THE 6TH PRINCIPAL MERIDIAN, SITUATE IN THE TOWN OF BRECKENRIDGE, COUNTY OF SUMMIT, STATE OF COLORADO AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT CORNER NO. 4 OF SAID ACCOMMODATION PLACER, A PIN AND CAP, WHICH POINT IS THE TRUE POINT OF BEGINNING, THENCE

N56°03'00"W	53.46'	ALONG LINE 4-3 OF SAID ACCOMMODATION PLACER, THENCE
N05°32'43"E	528.18'	THENCE
S84°27'17"E	522.22'	TO A POINT ON THE WESTERLY RIGHT-OF-WAY OF COLORADO STATE HIGHWAY NO. 9, THENCE
S12°38'30"W	17.79'	ALONG SAID RIGHT-OF-WAY, THENCE
S12°08'15"W	202.00'	ALONG SAID RIGHT-OF-WAY, THENCE
S13°42'00"W	301.20'	ALONG SAID RIGHT-OF-WAY, THENCE
S00°06'00"W	203.40'	ALONG SAID RIGHT-OF-WAY, THENCE
S05°14'15"W	85.30'	ALONG SAID RIGHT-OF-WAY, THENCE
N82°08'16"W	452.78'	TO A POINT ON LINE 5-4 OF SAID ACCOMMODATION PLACER, THENCE
N11°49'30"E	233.74'	TO THE TRUE POINT OF BEGINNING,

CONTAINING: 8.591 ACRES, MORE OR LESS.

PARCEL "C"

All of the Mumford No. 2 M.S. 12487, Mumford No. 3 M.S. 12487, Mumford No. 4 tracts A and B M.S. 12487, Kentucky Placer M.S. 12475, Delaware Placer M.S. 12475, and portions of the Riley Placer M.S. 4713, Braddock Placer M.S. 13465, Shekel Placer M.S. 13660, Fairview Placer M.S. 13660 and the Mumford No. 1 M.S. 12487; lying wholly within Sections 7, 17, 18, 19 and 20, Township 6 South, Range 77 West of the 6th Principal Meridian, situate in the Town of Breckenridge, County of Summit, State of Colorado and more particularly described as follows:

Beginning at the Southeast corner of Silver Shekel No. 2 Subdivision, the True Point of Beginning,
Thence North 13°10'15" East, 2,158.87 feet along the Easterly boundary line of said Silver Shekel Filing No. 2 to the Southwest corner of Silver Shekel Filing No. 3,
Thence South 79°57'19" East, 650.00 feet along the Southerly boundary line of said Silver Shekel Filing No. 3 to the Southeast corner of said Silver Shekel Filing No. 3,
Thence North 13°07'10" East, 2,013.42 feet along the Easterly boundary line to the Northeast corner of said Silver Shekel Filing No. 3,
Thence North 79°57'19" West, 1,106.63 feet along the Northerly boundary ling of said Silver Shekel Filings No. 2 and No. 3 to corner No. 7 of the Bryan Placer M.S. 14025,
Thence North 33°40'30" East, 704.45 feet to Corner No. 6 of said Bryan Placer Common with Corner No. 5 of said Braddock Placer,
Thence North 80°35'30" West, 917.40 feet to a point on the Easterly right-of-way of Colorado State Highway No. 9,
Thence North 05°54'30" East, 130.80 feet along said right-of-way,
Thence North 05°14'15" East, 202.50 feet along said right-of-way,
Thence North 05°44'15" East, 198.00 feet along said right-of-way,
Thence Northeasterly 287.85 feet along the arc of a 2,573.62 foot radius curve to the right whose long chord bears North 08°56'30" East, 287.70 feet along said right-of-way,
Thence North 12°08'45" East, 198.00 feet along said right-of-way,
Thence North 12°38'30" East 2,722.50 feet along said right-of-way,
Thence Northeasterly 273.55 feet along the arc of a 5,804.60 foot radius curve to the left whose long chord bears North 11°14'00" East, 273.52 feet along said right-of-way to a point on Line 8-1 of said Braddock Placer,
Thence North 53°46'00" East, 430.34 feet along said Line 8-1 to Corner No. 1 of said Braddock Placer,
Thence North 14°52'09" East, 548.65 feet to Corner No. 11 of said Munroe Placer,
Thence North 57°30'56" East, 300.00 feet,
Thence North 71°21'49" East, 728.47 feet to a point on Line 12-11 of The Kimball Placer M.S. 1151,

(continued)

PARCEL "C" (continued)

Thence South 27°39'19" East, 638.42 feet along said line 12-11 to Corner No. 11 of said Kimball Placer,
Thence South 14°24'40" East, 1,208.86 feet along line 11-10 to Corner No. 10 of said Kimball Placer, common with the Northeast corner of Ten Mile Vista Filing No. 2,
Thence North 81°03'43" West, 433.18 feet,
Thence North 80°53'43" West, 601.60 feet,
Thence South 60°56'17" West, 402.00 feet,
Thence South 15°38'17" West, 551.66 feet,
Thence South 75°57'43" East, 91.05 feet,
Thence South 14°02'17" West, 151.59 feet,
Thence South 37°47'43" East, 63.07 feet to a point on the Northerly right-of-way of a 50 foot County Road,
Thence North 77°13'03" West, 50.00 feet along said Northerly right-of-way,
Thence South 12°46'57" West, 143.00 feet along the Westerly right-of-way of a 50 foot County Road,
Thence Southwesterly 93.99 feet along the arc of a 420.04 foot radius curve to the right whose long chord bears South 19°11'34" West, 93.79 feet along said right-of-way,
Thence Southwesterly 105.18 feet along the arc of 470.04 foot radius curve to the left whose long chord bears South 19°11'34" West, 104.96 feet along said right-of-way,
Thence South 12°46'57" West, 374.50 feet along said right-of-way,
Thence South 77°13'03" East 662.19 feet to the Southwest corner of Ten Mile Vista Filing No. 2,
Thence South 12°46'57" West, 25.00 feet,
Thence South 12°52'17" West, 25.00 feet to the Northwest corner of Ten Mile Vista Filing No. 1,
Thence South 14°46'54" West, 36.01 feet,
Thence Southeasterly 703.55 feet along the arc of a 1,435.79 foot radius curve to the right whose long chord bears South 53°00'58" East, 696.53 feet,
Thence South 38°58'43" East, 473.92 feet,
Thence Southeasterly 443.97 feet along the arc of a 521.97 foot radius curve to the left whose long chord bears South 63°20'42" East, 430.71 feet,
Thence South 87°42'43" East, 58.24 feet,
Thence Northeasterly 429.70 feet along the arc of 742.01 foot radius curve to the left whose long chord bears North 75°41'53" East, 423.72 feet,
Thence North 59°06'29" East, 415.67 feet,
Thence Northeasterly 344.29 feet along the arc of a 2,231.24 foot radius curve to the right whose long chord bears North 63°31'43" East, 343.95 feet,
Thence North 67°56'57" East, 244.89 feet,
Thence North 00°01'17" East, 240.42 feet to Corner No. 3 of said Mumford No. 1 Placer, common with Corner No. 8 of said Kimball Placer,

(continued)

PARCEL "C" (continued)

Thence South 66°11'07" East, 993.80 feet to Corner No. 2 of Mumford No. 1 Placer,
Thence South 57°38'40" East, 734.28 feet to Corner No. 5 of said Kentucky Placer,
Thence North 84°23'14" East, 698.63 feet to corner No. 4 of said Kentucky Placer
Thence North 07°57'23" West, 289.01 feet to corner No. 3 of said Kentucky Placer,
Thence North 85°17'49" East, 1,159.57 feet to corner No. 3 of said Delaware Placer,
Thence South 48°36'43" East, 369.06 feet to corner No. 4 of said Delaware Placer,
Thence North 84°22'40" East, 547.24 feet to corner No. 5 of said Delaware Placer,
Thence South 00°23'00" East, 4,013.40 feet to corner No. 6 of said Delaware Placer,
Thence South 72°48'00" West, 1,642.60 feet to corner No. 1 of said Delaware Placer,
Thence South 72°07'47" West, 1,543.72 feet to corner No. 7 of said Kentucky Placer,
Thence North 00°23'40" West, 25.55 feet to corner No. 1 of said Mumford No. 4 Placer Tract A,
Thence South 43°04'50" West, 433.18 feet to corner No. 4 of said Mumford No. 4 Placer Tract A,
Thence South 54°01'50" West, 1,502.20 feet to corner No. 3 of said Mumford No. 4 Placer Tract A,
Thence North 36°54'57" West, 3,217.71 feet to corner No. 4 of said Mumford Placer,
Thence South 47°31'33" West, 1,311.51 feet to corner No. 2 of said Shekel Placer,
Thence South 36°10'35" East, 1136.31 feet to corner No. 6 of said Fairview Placer,
Thence North 53°52'04" East, 743.10 feet to corner No. 6 of said Mumford No. 4 Placer Tract B,
Thence South 89°12'46" East, 62.97 feet to corner No. 5 of said Mumford No. 4 Placer Tract B,
Thence South 36°08'01" East, 1,911.49 feet to corner No. 10 of said Mumford No. 4 Placer Tract B,
Thence South 20°11'55" East, 434.20 feet to corner No. 9 of said Mumford No. 4 Placer Tract B,
Thence South 42°53'48" West, 779.88 feet to corner No. 8 of said Mumford No. 4 Placer Tract B,
Thence North 30°45'40" West, 1,979.73 feet to corner No. 4 of said Fairview Placer,
Thence South 62°08'50" West, 1,239.89 feet
Thence North 65°14'14" West, 1,183.87 feet to the True Point of Beginning.

EXCEPT

THE REAL PROPERTY DESCRIBED ON EXHIBIT A ABOVE,
AND KNOWN AS GOLF COURSE FILING 1,
THE HIGHLANDS AT BRECKENRIDGE.

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Doris L Brill - Summit County Recorder

FIRST AMENDMENT TO DECLARATION OF LAND USE RESTRICTIONS FOR THE HIGHLANDS AT BRECKENRIDGE, GOLF COURSE SUBDIVISION

This First Amendment to Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision (this "Amendment") is made this _____ day of August, 1997, by Lincoln Highlands III Limited, a Colorado limited partnership ("Declarant"), and amends the Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision, recorded on December 13, 1995, at Reception No. 505237 in the real property records of Summit County, Colorado (the "Declaration").

RECITALS

A. The Declaration was established by Declarant for the purpose of limiting and restricting the use, density and design of improvements on the Property (as defined in the Declaration) with a goal of (a) preserving the natural beauty of the Property and its setting, (b) maintaining the Property as a pleasant and desirable environment, (c) establishing and preserving a harmonious design for the community, and (d) protecting and enhancing the value of the Property.

B. Under Section 14.1 of the Declaration, for so long as Declarant owns any portion of the Property or the Expansion Property (as defined in the Declaration), Declarant may subject additional real property, including, but not limited to, all or any part of the Expansion Property, to the Declaration by recording in the real property records of Summit County, Colorado, an instrument signed by Declarant complying with the requirement of Section 14.1 of the Declaration.

C. Declarant is the owner of the real property described on Exhibit A attached to and made a part of this Amendment ("The Highlands at Breckenridge, Filing 6"). The Highlands at Breckenridge, Filing 6 is a part of the Expansion Property, and is adjacent to the Property or within one mile of any boundary of the Property.

D. Declarant has determined that The Highlands at Breckenridge, Filing 6 should be included as a part of The Highlands at Breckenridge, Golf Course Subdivision and thus subject to and governed by the provisions of the Declaration.

AMENDMENT

In accordance with Section 14.1 of the Declaration, The Highlands at Breckenridge, Filing 6 is hereby added to the Property and Exhibit A to the Declaration shall

be deemed amended to add The Highlands at Breckenridge, Filing 6 to the definition and description of the Property. Accordingly, The Highlands at Breckenridge, Filing 6 shall hereafter be part of The Highlands at Breckenridge, Golf Course Subdivision and shall be governed by and subject to all of the provisions of the Declaration.

Except as specifically set forth in this Amendment, the Declaration remains unchanged and in full force and effect. This Amendment shall hereafter be interpreted for all purposes as part of the Declaration.

Declarant has executed this Declaration as of the date first set forth above.

LINCOLN HIGHLANDS III LIMITED,
a Colorado limited partnership

By: Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
Kenneth M. Adams,
President

By: Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
T. Mark O'Reilly
Vice President

STATE OF COLORADO)
) SS.
COUNTY OF SUMMIT)

The foregoing First Amendment to Declaration of Land Use Restrictions was acknowledged before me this 29th of August, 1997, by Kenneth M. Adams as President of Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

_____
Notary Public

CARLA M. DOARN NOTARY PUBLIC STATE OF COLORADO

My commission expires: 6-1-2000

STATE OF COLORADO)
) SS.
COUNTY OF SUMMIT)

The foregoing First Amendment to Declaration of Land Use Restrictions was acknowledged before me this 29th of August, 1997, by T. Mark O'Reilly as Vice President of Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Carla M Doarn
Notary Public

My commission expires: 6-1-2000

CARLA M. DOARN NOTARY PUBLIC STATE OF COLORADO

EXHIBIT "A"

TO SUBDIVISION IMPROVEMENT AGREEMENT BETWEEN THE TOWN OF BRECKENRIDGE, COLORADO AND LINCOLN HIGHLANDS III LIMITED

LEGAL DESCRIPTION OF PROPERTY

Beginning at the southeasterly corner of the Silver Shekel No. 2, Subdivision located in said Section 19, said corner being the true point of beginning; thence along the easterly boundary of said Silver Shekel No. 2, Subdivision the following course N 13° 03' 40" E, 2158.87 feet to the southwest corner of Silver Shekel No. 3, Subdivision; thence along the southerly boundary of said Silver Shekel No. 3, Subdivision the following course, S 80° 02' 44" E, 650.00 feet; thence the following twelve courses;

1) thence S 54° 03' 49" E, 103.18 feet;
2) thence S 35° 56' 11" W, 164.61 feet;
3) thence 198.47 feet along the arc of a tangent curve to the right with a radius of 1025.00 feet, a central angle of 11° 05' 38" and a chord which bears S 41° 29' 00" W, 198.16 feet;
4) thence S 47° 01' 49" W, 126.66 feet;
5) thence 394.73 feet along the arc of a tangent curve to the left with a radius of 525.00 feet, a central angle of 43° 04' 43" and a chord which bears S 25° 29' 27" W, 385.50 feet;
6) thence S 03° 57' 06" W, 150.51;
7) thence 295.00 feet along the arc of a tangent curve to the right with a radius of 575.00 feet, a central angle of 29° 23' 44" and a chord which bears S 18° 38' 58" W, 291.78 feet;
8) thence S 33° 20' 50" W, 125.28 feet;
9) thence 194.50 feet along the arc of a tangent curve to the right with a radius of 575.00 feet, a central angle of 19° 22' 51" and a chord which bears S 23° 39' 25" W, 193.57 feet;
10) thence S 65° 15' 34" E, 227.02 feet;
11) thence S 08° 24' 31" W, 372.57 feet;
12) thence S 29° 54' 08" W, 302.45 feet to a point on the northerly boundary line of The Highlands at Breckenridge Subdivision, Filing No. 5;
thence N 65° 10' 13" W, 524.39 feet along said northerly boundary to the point of beginning.

Containing 26.37 acres more or less, has laid out subdivided and platted the same into lots, parcels, roads and easements as shown hereon under the name and style of The Highlands at Breckenridge Subdivision, Filing No. 6, and do hereby set apart and dedicate to the perpetual use of the public all of the roads (as defined in the plat notes) and other public ways, place and portions of the land designated as easements for the installation and maintenance of public utilities pursuant to the plat notes.

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Cheri Brunvand - Summit County Recorder

2/00

SECOND AMENDMENT TO DECLARATION OF LAND USE RESTRICTIONS FOR THE HIGHLANDS AT BRECKENRIDGE, GOLF COURSE SUBDIVISION

This Second Amendment to Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision (this "Amendment") is made this 18th day of December, 1997, by Lincoln Highlands III Limited, a Colorado limited partnership ("Declarant"), and amends the Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision, recorded on December 13, 1995, at Reception No. 505237 in the real property records of Summit County, Colorado (as previously amended, the "Declaration").

RECITALS

A. The Declaration was established by Declarant for the purpose of limiting and restricting the use, density and design of improvements on the Property (as defined in the Declaration) with a goal of (a) preserving the natural beauty of the Property and its setting, (b) maintaining the Property as a pleasant and desirable environment, (c) establishing and preserving a harmonious design for the community, and (d) protecting and enhancing the value of the Property.

B. Under Section 14.1 of the Declaration, for so long as Declarant owns any portion of the Property or the Expansion Property (as defined in the Declaration), Declarant may subject additional real property, including, but not limited to, all or any part of the Expansion Property, to the Declaration by recording in the real property records of Summit County, Colorado, an instrument signed by Declarant complying with the requirement of Section 14.1 of the Declaration.

C. Declarant is the owner of the real property described on Exhibit A attached to and made a part of this Amendment ("The Highlands at Breckenridge, Fox Crossing"). The Highlands at Breckenridge, Fox Crossing is a part of the Expansion Property, and is adjacent to the Property or within one mile of any boundary of the Property.

D. Declarant has determined that The Highlands at Breckenridge, Fox Crossing should be included as a part of The Highlands at Breckenridge, Golf Course Subdivision and thus subject to and governed by the provisions of the Declaration.

AMENDMENT

In accordance with Section 14.1 of the Declaration,The Highlands at Breckenridge, Fox Crossing (also referred to as Filing 7) is hereby added to the Property and Exhibit A to the Declaration shall be deemed amended to add The Highlands at Breckenridge, Fox Crossing to the definition and description of the Property. Accordingly,The Highlands at Breckenridge, Fox Crossing shall hereafter be part of The Highlands at Breckenridge, Golf Course Subdivision and shall be governed by and subject to all of the provisions of the Declaration.

Except as specifically set forth in this Amendment, the Declaration remains unchanged and in full force and effect. This Amendment shall hereafter be interpreted for all purposes as part of the Declaration.

Declarant has executed this Declaration as of the date first set forth above.

LINCOLN HIGHLANDS III LIMITED,
a Colorado limited partnership

By: Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
Kenneth M. Adams,
President

By: Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
T. Mark O'Reilly
Vice President

STATE OF COLORADO)
) SS.
COUNTY OF SUMMIT)

The foregoing Second Amendment to Declaration of Land Use Restrictions was acknowledged before me this 18th of December, 1997, by Kenneth M. Adams as President of Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Lory L. Payne
Notary Public

My commission expires: July 24, 1997

STATE OF COLORADO)
) SS.
COUNTY OF SUMMIT)

The foregoing First Amendment to Declaration of Land Use Restrictions was acknowledged before me this 18th of December, 1997, by T. Mark O'Reilly as Vice President of Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Lory L. Payne
Notary Public

My commission expires: July 24, 1999

EXHIBIT A

LEGAL DESCRIPTION OF THE HIGHLANDS AT BRECKENRIDGE, FOX CROSSING

The real property situated in Section 18, Township 6 South, Range 77 West of the Sixth Principal Meridian in the Town of Breckenridge, County of Summit and State of Colorado. Being more particularly described as follows;

Beginning at the northeast corner of Silver Shekel No. 3 Subdivision thence N80° 04' 29"W, 650.00 feet along the northerly boundary of Silver Shekel No. 3 Subdivision to the northeast corner of Silver Shekel No.2 Subdivision; thence N80° 12' 01"W, 454.88 feet along the northerly boundary of Silver Shekel No. 2 Subdivision to the most southerly corner of The Highlands at Breckenridge Golf Course Filing No. 1;

thence the following six courses along the easterly boundary of the Highlands at Breckenridge Golf Course Filing No. 1

1. thence 252.38 feet along the arc of a non-tangent curve to the left having a radius of 327.46 feet, a central angle of 44° 09' 34" and a long chord which bears N77° 53' 53"E, 246.18 feet;
2. thence N55° 49' 06"E, 130.66 feet;
3. thence 218.92 feet along the arc of a tangent curve to the left having a radius of 300.00 feet, a central angle of 41° 48' 37" and a long chord which bears N34° 54' 48"E, 214.09 feet;
4. thence 141.38 feet along the arc of a reverse curve to the right having a radius of 100.00 feet, a central angle of 81° 00' 17" and a long chord which bears N54° 30' 38"E, 129.90 feet;
5. thence N46° 22' 27"E, 513.21 feet;
6. thence N53° 20' 08"E, 80.77 feet;

thence N62° 37' 46"E, 85.14 feet;
thence 539.47 feet along an arc of a tangent curve to the right having a radius of 205.00 feet, a central angle of 150° 46' 40" and a long chord which bears S41° 58' 54"E, 396.74 feet;
thence S33° 24' 26"W, 218.09 feet;
thence S74° 20' 56"E, 128.05 feet;
thence S24° 02' 42"W, 232.52 feet;
thence S13° 08' 32"W, 151.22 feet;
thence S01° 41' 13"W, 159.52 feet;
thence N80° 04' 29"W, 137.31 feet to the point of beginning.

Containing 16.29 acres more or less.

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Cheri Brunvand - Summit County Recorder

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THIRD AMENDMENT TO DECLARATION OF LAND USE RESTRICTIONS FOR THE HIGHLANDS AT BRECKENRIDGE, GOLF COURSE SUBDIVISION

This Third Amendment to Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision (this "Amendment") is made this 21st day of September, 1998, by Lincoln Highlands III Limited, a Colorado limited partnership ("Declarant"), and amends the Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision, recorded on December 13, 1995, at Reception No. 505237 in the real property records of Summit County, Colorado (as previously amended, the "Declaration").

RECITALS

A. The Declaration was established by Declarant for the purpose of limiting and restricting the use, density and design of improvements on the Property (as defined in the Declaration) with a goal of (a) preserving the natural beauty of the Property and its setting, (b) maintaining the Property as a pleasant and desirable environment, (c) establishing and preserving a harmonious design for the community, and (d) protecting and enhancing the value of the Property.

B. Under Section 14.1 of the Declaration, for so long as Declarant owns any portion of the Property or the Expansion Property (as defined in the Declaration), Declarant may subject additional real property, including, but not limited to, all or any part of the Expansion Property, to the Declaration by recording in the real property records of Summit County, Colorado, an instrument signed by Declarant complying with the requirement of Section 14.1 of the Declaration.

C. Declarant is the owner of the real property described on Exhibit A attached to and made a part of this Amendment ("The Highlands at Breckenridge, Filing 7"). The Highlands at Breckenridge, Filing 7 is a part of the Expansion Property, and is adjacent to the Property or within one mile of any boundary of the Property.

D. Declarant has determined that The Highlands at Breckenridge, Filing 7 should be included as a part of The Highlands at Breckenridge, Golf Course Subdivision and thus subject to and governed by the provisions of the Declaration.

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AMENDMENT

In accordance with Section 14.1 of the Declaration, The Highlands at Breckenridge, Filing 7 is hereby added to the Property and Exhibit A to the Declaration shall be deemed amended to add The Highlands at Breckenridge, Filing 7 to the definition and description of the Property. Accordingly, The Highlands at Breckenridge, Filing 7 shall hereafter be part of The Highlands at Breckenridge, Golf Course Subdivision and shall be governed by and subject to all of the provisions of the Declaration.

Except as specifically set forth in this Amendment, the Declaration remains unchanged and in full force and effect. This Amendment shall hereafter be interpreted for all purposes as part of the Declaration.

Declarant has executed this Declaration as of the date first set forth above.

LINCOLN HIGHLANDS III LIMITED,
a Colorado limited partnership

By: Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
Kenneth M. Adams,
President

By: Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
T. Mark O'Reilly
Vice President

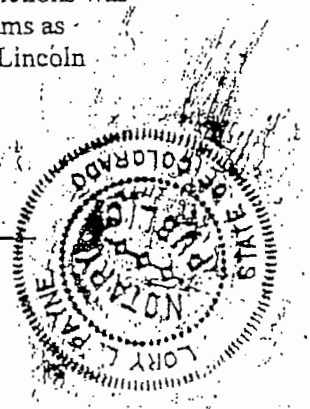
STATE OF COLORADO)
) SS.
COUNTY OF SUMMIT)

The foregoing Third Amendment to Declaration of Land Use Restrictions was acknowledged before me this 21st of September, 1998, by Kenneth M. Adams as President of Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Lory L. Payne
Notary Public

My commission expires: July 24, 1999



STATE OF COLORADO)
) SS.
COUNTY OF SUMMIT)

The foregoing ThirdAmendment to Declaration of Land Use Restrictions was acknowledged before me this 21st of September, 1998, by T. Mark O'Reilly as Vice President of Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Lory L. Payne
Notary Public

My commission expires: July 24, 1999



EXHIBIT A

LEGAL DESCRIPTION OF THE HIGHLANDS AT BRECKENRIDGE, FILING 7

OWNER'S CERTIFICATE

Know all men by these presents: That Lincoln Highlands II Limited, a Colorado limited partnership, Breckenridge Associates,LLC and Guaranty Bank & Trust Company ('Declarants'), being sole owners in fee simple of the real property situated in Sections 18 and 19, Township 6 South, Range 77 West of the Sixth Principal Meridian in the Town of Breckenridge, County of Summit and State of Colorado. Being more particularly described as follows:

Beginning at the southeast corner of the Silver Shekel No. 3 Subdivision; thence along the easterly boundary of Silver Shekel No. 3 Subdivision, N13°02'08"E, a distance of 2013.42' to the northeast corner of said Silver Shekel No. 3 Subdivision, said point also being on the southerly boundary of The Highlands at Breckenridge Subdivision, Fox Crossing; thence the following eight (8) courses along The Highlands at Breckenridge Subdivision, Fox Crossing;

1.) thence S80°04'18"E, a distance of 137.31';
2.) thence N01°41'25"E, a distance of 158.52';
3.) thence N13°08'44"E, a distance of 151.22';
4.) thence N24°02'54"E, a distance of 232.52';
5.) thence N74°20'43"W, a distance of 128.05';
6.) thence N33°24'39"E, a distance of 218.09';
7.) thence along the arc of a tangent curve to the left, a distance of 539.47', said curve having a radius of 205.00', a central angle of 150°46'40" and whose chord bears N41°58'41"W, a distance of 396.74';
8.) thence S82°37'59"W, a distance of 85.14' to a point on The Highlands at Breckenridge Subdivision, Golf Course Filing No. 1;

thence the following three (3) courses along the easterly boundary of The Highlands at Breckenridge Subdivision, Golf Course Filing No.1;

1.) thence N38°52'30"W, a distance of 396.33';
2.) thence N34°18'11"E, a distance of 357.07';
3.) thence N30°55'09"E, a distance of 435.86' to a point on the southerly boundary of the Breckenridge Golf Course;

thence the following two (2) courses along the southerly boundary of the Breckenridge Golf Course;

1.) thence S36°51'30"E, a distance of 254.55';
2.) thence S84°13'24"E, a distance of 294.28';

thence S15°23'47"W, a distance of 362.10';
thence S44°27'20"E, a distance of 238.11';
thence along the arc of a non-tangent curve to the left, a distance of 248.41', said curve having a radius of 375.00', a central angle of 37°57'17" and whose chord bears S21°38'59"W, a distance of 243.80';
thence S02°40'20"W, a distance of 245.25';
thence along the arc of a tangent curve to the right, a distance of 84.58', said curve having a radius of 345.00', a central angle of 14°02'53" and whose chord bears S09°41'47"W, a distance of 84.38';
thence S16°43'13"W, a distance of 196.14';
thence along the arc of a tangent curve to the left, a distance of 278.81', said curve having a radius of 545.00', a central angle of 29°24'59" and whose chord bears S02°00'44"W, a distance of 275.75';
thence S12°41'46"E, a distance of 108.23';
thence along the arc of a tangent curve to the right, a distance of 300.80', said curve having a radius of 415.00', a central angle of 41°30'07" and whose chord bears S08°03'17"W, a distance of 294.07';
thence S28°48'21"W, a distance of 383.63';
thence along the arc of a tangent curve to the left, a distance of 231.05', said curve having a radius of 175.00', a central angle of 75°38'48" and whose chord bears S09°01'02"E, a distance of 214.63';
thence S46°50'25"E, a distance of 209.45';
thence along the arc of a tangent curve to the right, a distance of 98.14', said curve having a radius of 525.00', a central angle of 10°42'40" and whose chord bears S41°29'05"E, a distance of 98.00';
thence S36°07'45"E, a distance of 242.11';
thence along the arc of a tangent curve to the left, a distance of 145.76', said curve having a radius of 275.00', a central angle of 30°22'08" and whose chord bears S51°18'49"E, a distance of 144.06';
thence S66°29'53"E, a distance of 109.73';
thence along the arc of a tangent curve to the right, a distance of 435.51', said curve having a radius of 150.00', a central angle of 166°21'12" and whose chord bears S16°40'43"W, a distance of 297.88';
thence N80°08'41"W, a distance of 177.98';
thence along the arc of a tangent curve to the left, a distance of 192.13', said curve having a radius of 375.00', a central angle of 29°21'20" and whose chord bears S85°10'39"W, a distance of 190.04';
thence S70°29'58"W, a distance of 238.64';
thence along the arc of a tangent curve to the right, a distance of 80.38', said curve having a radius of 625.00', a central angle of 07°22'00" and whose chord bears S74°10'58"W, a distance of 80.30';
thence S77°51'58"W, a distance of 130.00';
thence along the arc of a tangent curve to the left, a distance of 347.88', said curve having a radius of 475.00', a central angle of 41°56'18" and whose chord bears S56°53'49"W, a distance of 339.97';
thence S35°55'41"W, a distance of 48.03';
thence N54°04'19"W, a distance of 103.66' to the Point of Beginning.

Containing 45.52 acres more or less, has laid out subdivided and platted the same into lots, parcels, roads and easements as shown hereon under the name and style of The Highlands at Breckenridge Subdivision, Filing No. 7, and do hereby set apart and dedicate to the perpetual use of the public all of the roads (as defined in the plat notes) and other public ways, place and portions of the land designated as easements for the installation and maintenance of public utilities pursuant to the plat notes.

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Cheri Brunvand - Summit County Recorder

FOURTH AMENDMENT TO DECLARATION OF LAND USE RESTRICTIONS FOR THE HIGHLANDS AT BRECKENRIDGE, GOLF COURSE SUBDIVISION

This Fourth Amendment to Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision (this "Amendment") is made this 4th day of MARCH, 1999, by Lincoln Highlands III Limited, a Colorado limited partnership ("Declarant"), and amends the Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision, recorded on December 13, 1995, at Reception No. 505237 in the real property records of Summit County, Colorado (as previously amended, the "Declaration").

RECITALS

A. The Declaration was established by Declarant for the purpose of limiting and restricting the use, density and design of improvements on the Property (as defined in the Declaration) with a goal of (a) preserving the natural beauty of the Property and its setting, (b) maintaining the Property as a pleasant and desirable environment, (c) establishing and preserving a harmonious design for the community, and (d) protecting and enhancing the value of the Property.

B. Under Section 14.1 of the Declaration, for so long as Declarant owns any portion of the Property or the Expansion Property (as defined in the Declaration), Declarant may subject additional real property, including, but not limited to, all or any part of the Expansion Property, to the Declaration by recording in the real property records of Summit County, Colorado, an instrument signed by Declarant complying with the requirement of Section 14.1 of the Declaration.

C. Declarant is the owner the real property located in the Town of Breckenridge, County of Summit, State of Colorado, that is designated as Lots 1 through 53 (inclusive) and Private Open Space on the subdivision plat for The Highlands at Breckenridge, Filing 8, recorded in the real property records of Summit County, Colorado, at Reception No. 590328 (collectively, "The Highlands at Breckenridge, Filing 8"). The Highlands at Breckenridge, Filing 8 is a part of the Expansion Property, and is adjacent to the Property or within one mile of any boundary of the Property.

D. Declarant has determined that The Highlands at Breckenridge, Filing 8 should be included as a part of The Highlands at Breckenridge, Golf Course Subdivision and thus subject to and governed by the provisions of the Declaration.

AMENDMENT

In accordance with Section 14.1 of the Declaration, The Highlands at Breckenridge, Filing 8 is hereby added to the Property and Exhibit A to the Declaration shall be deemed amended to add The Highlands at Breckenridge, Filing 8 to the definition and description of the Property. Accordingly, The Highlands at Breckenridge, Filing 8 shall hereafter be part of The Highlands at Breckenridge, Golf Course Subdivision and shall be governed by and subject to all of the provisions of the Declaration.

Except as specifically set forth in this Amendment, the Declaration remains unchanged and in full force and effect. This Amendment shall hereafter be interpreted for all purposes as part of the Declaration.

Declarant has executed this Declaration as of the date first set forth above.

LINCOLN HIGHLANDS III LIMITED,
a Colorado limited partnership

By: Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
Kenneth M. Adams,
President

By: Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
T. Mark O'Reilly
Vice President

STATE OF COLORADO)
) SS.
COUNTY OF SUMMIT)

The foregoing Fourth Amendment to Declaration of Land Use Restrictions was acknowledged before me this 4th of March, 1999, by Kenneth M. Adams as President of Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Carla M. Doarn
Notary Public

My commission expires: 6-13-2000

CARLA M. DOARN NOTARY PUBLIC STATE OF COLORADO

STATE OF COLORADO)
) SS.
COUNTY OF SUMMIT)

The foregoing Fourth Amendment to Declaration of Land Use Restrictions was acknowledged before me this 4th of March, 1999, by T. Mark O'Reilly as Vice President of Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Carla M. Doarn
Notary Public

My commission expires: 6-13-2000

CARLA M. DOARN NOTARY PUBLIC STATE OF COLORADO

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Cheri Brunvand - Summit County Recorder

CORRECTIVE NOTICE REGARDING FOURTH AMENDMENT TO DECLARATION OF LAND USE RESTRICTIONS FOR THE HIGHLANDS AT BRECKENRIDGE, GOLF COURSE SUBDIVISION

This Corrective Notice relates to the Fourth Amendment to Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision recorded in the real property records of Summit County, Colorado, on March 12, 1999, at Reception No. 590330 (the "Fourth Amendment"). All capitalized terms that are used but not defined in this Notice have the meanings given to them in the Fourth Amendment.

Pursuant to plat note 5 of the subdivision plat for The Highlands at Breckenridge, Filing 8, and the Fourth Amendment, Declarant has annexed all of the lots within The Highlands at Breckenridge, Filing 8, to the Declaration and the Highlands at Breckenridge, Golf Course Subdivision. This Notice is intended to clarify and restate the legal descriptions of the annexed lots as Lots 167 through 168 and Lots 186 through 240, The Highlands at Breckenridge Subdivision, Filing No. 8 according to the recorded plat thereof (the "Lots"). The annexation of such Lots into the Declaration and The Highlands at Breckenridge, Golf Course Subdivision is hereby restated, affirmed and re-executed, and the Fourth Amendment is incorporated herein by reference to that end with the legal description of the Lots as stated above.

LINCOLN HIGHLANDS III LIMITED,
a Colorado limited partnership

By: Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
Kenneth M. Adams,
President

By: Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
T. Mark O'Reilly
Vice President

STATE OF COLORADO)
) ss.
COUNTY OF SUMMIT)

#488846

The foregoing Notice regarding Fourth Amendment to Declaration of Land Use Restrictions was acknowledged before me this 25th of February, 2000, by Kenneth M. Adams as President of Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Notary Public

My commission expires: 04-10-02

BARBARA A. GOOD
NOTARY PUBLIC
STATE OF COLORADO
MY COMMISSION EXPIRES_____

STATE OF COLORADO)
) ss.
COUNTY OF SUMMIT)

The foregoing Notice regarding Fourth Amendment to Declaration of Land Use Restrictions was acknowledged before me this 25th of February, 2000, by T. Mark O'Reilly as Vice President of Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Notary Public

My commission expires: 6-13-2000

CARLA M. DOARN
NOTARY
PUBLIC
STATE OF COLORADO

SECOND CORRECTIVE NOTICE REGARDING FOURTH AMENDMENT TO DECLARATION OF LAND USE RESTRICTIONS FOR THE HIGHLANDS AT BRECKENRIDGE, GOLF COURSE SUBDIVISION

This Second Corrective Notice relates to the Fourth Amendment to Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision recorded in the real property records of Summit County, Colorado, on March 12, 1999, at Reception No. 590330, as modified by the Corrective Notice Regarding Fourth Amendment to Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision (the "Fourth Amendment"). All capitalized terms that are used but not defined in this Notice have the meanings given to them in the Fourth Amendment.

Pursuant to plat note 5 of the subdivision plat for The Highlands at Breckenridge, Filing 8, and the Fourth Amendment, Declarant has annexed all of the lots within The Highlands at Breckenridge, Filing 8, to the Declaration and the Highlands at Breckenridge, Golf Course Subdivision. Lots 216 through 219 and Lots 230 through 235, The Highlands at Breckenridge, Filing 8, and a portion of Westerman Road, have been replatted into Lots 216 through 219 and Lots 230 through 232, The Highlands at Breckenridge, Filing No. 8A (the "Replatted Lots"). The annexation of such Replatted Lots into the Declaration and The Highlands at Breckenridge, Golf Course Subdivision is hereby restated, affirmed and re-executed, and the Fourth Amendment is incorporated herein by reference to that end with the legal description of the Replatted Lots as stated above.

LINCOLN HIGHLANDS III LIMITED,
a Colorado limited partnership

By: Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
Kenneth M. Adams,
President

By: Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
T. Mark O'Reilly
Vice President

#597491 v1

STATE OF COLORADO)
) ss.
COUNTY OF SUMMIT)

The foregoing instrument was acknowledged before me this 25th of February, 2000, by Kenneth M. Adams as President of Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Barbara A. Good
Notary Public

My commission expires: 09-10-02

BARBARA A. GOOD
NOTARY PUBLIC
STATE OF COLORADO
MY COMMISSION EXPIRES

STATE OF COLORADO)
) ss.
COUNTY OF SUMMIT)

The foregoing instrument was acknowledged before me this 25th of February, 2000, by T. Mark O'Reilly as Vice President of Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Carla M. Doarn
Notary Public

My commission expires: 6-13-2000

CARLA M. DOARN
NOTARY
PUBLIC
STATE OF COLORADO

#597491 v1

600451 1999-07-15 12:08 4pg
Cheri Brunvand - Summit County Recorder

FIFTH AMENDMENT TO DECLARATION OF LAND USE RESTRICTIONS FOR THE HIGHLANDS AT BRECKENRIDGE, GOLF COURSE SUBDIVISION

This Fifth Amendment to Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision (this "Amendment") is made this 22nd day of June, 1999, by Lincoln Highlands III Limited, a Colorado limited partnership ("Declarant"), and amends the Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision, recorded on December 13, 1995, at Reception No. 505237 in the real property records of Summit County, Colorado (as previously amended, the "Declaration").

RECITALS

A. The Declaration was established by Declarant for the purpose of limiting and restricting the use, density and design of improvements on the Property (as defined in the Declaration) with a goal of (a) preserving the natural beauty of the Property and its setting, (b) maintaining the Property as a pleasant and desirable environment, (c) establishing and preserving a harmonious design for the community, and (d) protecting and enhancing the value of the Property.

B. Under Section 14.1 of the Declaration, for so long as Declarant owns any portion of the Property or the Expansion Property (as defined in the Declaration), Declarant may subject additional real property, including, but not limited to, all or any part of the Expansion Property, to the Declaration by recording in the real property records of Summit County, Colorado, an instrument signed by Declarant complying with the requirement of Section 14.1 of the Declaration.

C. Declarant is the owner the real property located in the Town of Breckenridge, County of Summit, State of Colorado, that is more particularly described on Exhibit A attached hereto and has been or hereafter will be platted as Lots 1 through 4 (inclusive), The Highlands at Breckenridge Subdivision, Willow Run (collectively, "Willow Run"). Willow Run is a part of the Expansion Property, and is adjacent to the Property or within one mile of any boundary of the Property.

D. Declarant has determined that Willow Run should be included as a part of The Highlands at Breckenridge, Golf Course Subdivision and thus subject to and governed by the provisions of the Declaration.

AMENDMENT

In accordance with Section 14.1 of the Declaration, Willow Run is hereby added to the Property and Exhibit A to the Declaration shall be deemed amended to add Willow Run to the definition and description of the Property. Accordingly, Willow Run shall hereafter be part of The Highlands at Breckenridge, Golf Course Subdivision and shall be governed by and subject to all of the provisions of the Declaration.

Except as specifically set forth in this Amendment, the Declaration remains unchanged and in full force and effect. This Amendment shall hereafter be interpreted for all purposes as part of the Declaration.

Declarant has executed this Declaration as of the date first set forth above.

LINCOLN HIGHLANDS III LIMITED,
a Colorado limited partnership

By: Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
Kenneth M. Adams,
President

By: Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
T. Mark O'Reilly
Vice President

STATE OF COLORADO)
) SS.
COUNTY OF SUMMIT)

The foregoing Fifth Amendment to Declaration of Land Use Restrictions was acknowledged before me this 22 of June, 1999, by Kenneth M. Adams as President of Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Carla M Doarn
Notary Public

My commission expires: 6-13-2000

CARLA M. DOARN NOTARY PUBLIC STATE OF COLORADO

STATE OF COLORADO)
) SS.
COUNTY OF SUMMIT)

The foregoing Fifth Amendment to Declaration of Land Use Restrictions was acknowledged before me this 22 of June, 1999, by T. Mark O'Reilly as Vice President of Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Carla M Doarn
Notary Public

My commission expires: 6-13-2000

CARLA M. DOARN NOTARY PUBLIC STATE OF COLORADO

EXHIBIT A

The real property situated in Sections 17 and 18, Township 6 South, Range 77 West of the Sixth Principal Meridian in the Town of Breckenridge, County of Summit and State of Colorado that is more particularly described as follows:

Beginning at a point from which corner 8 Kimball Placer (MS 1151) bears N39°14'39"E, 707.42 feet;

thence the following two (2) courses along the Breckenridge Golf Club;
(1) thence S28°14'52"W, 809.55 feet;
(2) thence N44°43'43"W, 510.53 feet to the point on the southerly right-of-way of Tiger Road;

thence the following three (3) courses along Tiger Road:
(1) thence 371.98 feet along the arc of a non-tangent curve to the left having a radius of 842.64 feet, a central angle of 25°17'35" and a chord which bears N71°42'31"E, 368.97 feet;
(2) thence N59°02'51"E, 415.67 feet;
(3) thence N59°36'13"E, 41.37 feet to the point of beginning.

608647 1999-10-25 10:35 3pg
Cheri Brunvand - Summit County Recorder

AMENDED AND RESTATED FIFTH AMENDMENT TO DECLARATION OF LAND USE RESTRICTIONS FOR THE HIGHLANDS AT BRECKENRIDGE, GOLF COURSE SUBDIVISION

This Amended and Restated Fifth Amendment to Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision (this "Amendment") is made this 19th day of October, 1999, by Lincoln Highlands III Limited, a Colorado limited partnership ("Declarant"), and amends the Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision, recorded on December 13, 1995, at Reception No. 505237 in the real property records of Summit County, Colorado (as previously amended, the "Declaration"). This Amended and Restated Fifth Amendment supersedes and replaces the Fifth Amendment dated June 22, 1999 and recorded on July 15, 1999 at Reception No. 600451, which contained errors in the legal description on Exhibit A thereto.

RECITALS

A. The Declaration was established by Declarant for the purpose of limiting and restricting the use, density and design of improvements on the Property (as defined in the Declaration) with a goal of (a) preserving the natural beauty of the Property and its setting, (b) maintaining the Property as a pleasant and desirable environment, (c) establishing and preserving a harmonious design for the community, and (d) protecting and enhancing the value of the Property.

B. Under Section 14.1 of the Declaration, for so long as Declarant owns any portion of the Property or the Expansion Property (as defined in the Declaration), Declarant may subject additional real property, including, but not limited to, all or any part of the Expansion Property, to the Declaration by recording in the real property records of Summit County, Colorado, an instrument signed by Declarant complying with the requirement of Section 14.1 of the Declaration.

C. Declarant is the owner of Lots 1, 2, 3 and 4, The Highlands at Breckenridge Subdivision, Willow Run in the Town of Breckenridge, County of Summit, State of Colorado (collectively, "Willow Run"). Willow Run is a part of the Expansion Property, and is adjacent to the Property or within one mile of any boundary of the Property.

D. Declarant has determined that Willow Run should be included as a part of The Highlands at Breckenridge, Golf Course Subdivision and thus subject to and governed by the provisions of the Declaration.

AMENDMENT

In accordance with Section 14.1 of the Declaration, Willow Run is hereby added to the Property and Exhibit A to the Declaration shall be deemed amended to add Willow Run to the definition and description of the Property. Accordingly, Willow Run shall hereafter be part of The Highlands at Breckenridge, Golf Course Subdivision and shall be governed by and subject to all of the provisions of the Declaration.

Except as specifically set forth in this Amendment, the Declaration remains unchanged and in full force and effect. This Amendment shall hereafter be interpreted for all purposes as part of the Declaration.

Declarant has executed this Declaration as of the date first set forth above.

LINCOLN HIGHLANDS III LIMITED,
a Colorado limited partnership

By: Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
Kenneth M. Adams,
President

By: Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
T. Mark O'Reilly,
Vice President

STATE OF COLORADO)
) ss.
COUNTY OF SUMMIT)

The foregoing Amended and Restated Fifth Amendment to Declaration of Land Use Restrictions was acknowledged before me this 22nd of October, 1999, by Kenneth M. Adams as President of Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

NOTARY PUBLIC RHENEE L. FADLING STATE OF COLORADO

Notary Public

My commission expires: My Comm. Expires June 3, 2003

STATE OF COLORADO)
) ss.
COUNTY OF SUMMIT)

The foregoing Amended and Restated Fifth Amendment to Declaration of Land Use Restrictions was acknowledged before me this 22nd of October, 1999, by T. Mark O'Reilly as Vice President of Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

NOTARY PUBLIC RHENEE L. FADLING STATE OF COLORADO

Notary Public

My commission expires: My Comm. Expires June 3, 2003

605690 1999-09-20 16:15 3pg
Cheri Brunvand - Summit County Recorder

SIXTH AMENDMENT TO DECLARATION OF LAND USE RESTRICTIONS FOR THE HIGHLANDS AT BRECKENRIDGE, GOLF COURSE SUBDIVISION

This Sixth Amendment to Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision (this "Amendment") is made this 17th day of SEPTEMBER 1999, by Lincoln Highlands III Limited, a Colorado limited partnership ("Declarant"), and amends the Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision, recorded on December 13, 1995, at Reception No. 505237 in the real property records of Summit County, Colorado (as previously amended, the "Declaration").

RECITALS

A. The Declaration was established by Declarant for the purpose of limiting and restricting the use, density and design of improvements on the Property (as defined in the Declaration) with a goal of (a) preserving the natural beauty of the Property and its setting, (b) maintaining the Property as a pleasant and desirable environment, (c) establishing and preserving a harmonious design for the community, and (d) protecting and enhancing the value of the Property.

B. Under Section 14.1 of the Declaration, for so long as Declarant owns any portion of the Property or the Expansion Property (as defined in the Declaration), Declarant may subject additional real property, including, but not limited to, all or any part of the Expansion Property, to the Declaration by recording in the real property records of Summit County, Colorado, an instrument signed by Declarant complying with the requirement of Section 14.1 of the Declaration.

C. Declarant is the owner the real property located in the Town of Breckenridge, County of Summit, State of Colorado, that is more particularly described as Parcel A, The Highlands at Breckenridge Subdivision, Filing No. 7, and that has been or hereafter will be replatted as The Highlands at Breckenridge Subdivision, Highlands Glen ("Highlands Glen"). Highlands Glen is a part of the Expansion Property, and is adjacent to the Property or within one mile of any boundary of the Property.

D. Declarant has determined that Highlands Glen should be included as a part of The Highlands at Breckenridge, Golf Course Subdivision and thus subject to and governed by the provisions of the Declaration.

AMENDMENT

In accordance with Section 14.1 of the Declaration, Highlands Glen is hereby added to the Property and Exhibit A to the Declaration shall be deemed amended to add Highlands Glen to the definition and description of the Property. Accordingly, Highlands Glen shall hereafter be

part of The Highlands at Breckenridge, Golf Course Subdivision and shall be governed by and subject to all of the provisions of the Declaration.

Except as specifically set forth in this Amendment, the Declaration remains unchanged and in full force and effect. This Amendment shall hereafter be interpreted for all purposes as part of the Declaration.

Declarant has executed this Declaration as of the date first set forth above.

LINCOLN HIGHLANDS III LIMITED,
a Colorado limited partnership

By: Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
Kenneth M. Adams,
President

By: Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
T. Mark O'Reilly
Vice President

STATE OF COLORADO)
) SS.
COUNTY OF SUMMIT)

The foregoing Sixth Amendment to Declaration of Land Use Restrictions was acknowledged before me this 13th of SEPT., 1999, by Kenneth M. Adams as President of Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Notary Public

My commission expires: 06-03-03

NOTARY PUBLIC RHENEE L. FADLING STATE OF COLORADO

STATE OF COLORADO)
) SS.
COUNTY OF SUMMIT)

The foregoing Sixth Amendment to Declaration of Land Use Restrictions was acknowledged before me this 13th of SEPTEMBER, 1999, by T. Mark O'Reilly as Vice President of Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Notary Public

My commission expires: 6-13-2000

CARLA M. DOARN NOTARY PUBLIC STATE OF COLORADO

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624000

Cheri Brunvand-Summit County Recorder 6/7/2000 14:30 DF:

SEVENTH AMENDMENT TO DECLARATION OF LAND USE RESTRICTIONS FOR THE HIGHLANDS AT BRECKENRIDGE, GOLF COURSE SUBDIVISION

This Seventh Amendment to Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision (this "Amendment") is made as of _____, 2000, by Lincoln Highlands III Limited, a Colorado limited partnership ("Declarant"), and amends the Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision, recorded on December 13, 1995, at Reception No. 505237 in the real property records of Summit County, Colorado (as previously amended, the "Declaration").

RECITALS

A. The Declaration was established by Declarant for the purpose of limiting and restricting the use, density and design of improvements on the Property (as defined in the Declaration) with a goal of (a) preserving the natural beauty of the Property and its setting, (b) maintaining the Property as a pleasant and desirable environment, (c) establishing and preserving a harmonious design for the community, and (d) protecting and enhancing the value of the Property.

B. Under Section 14.1 of the Declaration, for so long as Declarant owns any portion of the Property or the Expansion Property (as defined in the Declaration), Declarant may subject additional real property, including, but not limited to, all or any part of the Expansion Property, to the Declaration by recording in the real property records of Summit County, Colorado, an instrument signed by Declarant complying with the requirement of Section 14.1 of the Declaration.

C. Declarant is the owner the real property located in the Town of Breckenridge, County of Summit, State of Colorado, that is more particularly described as Lots 1 through 8, The Highlands at Breckenridge Subdivision, Filing No. 9 ("Filing 9"). Filing 9 is a part of the Expansion Property, and is adjacent to the Property or within one mile of any boundary of the Property.

D. Declarant has determined that Filing 9 should be included as a part of The Highlands at Breckenridge, Golf Course Subdivision and thus subject to and governed by the provisions of the Declaration.

AMENDMENT

In accordance with Section 14.1 of the Declaration, Filing 9 is hereby added to the Property and Exhibit A to the Declaration shall be deemed amended to add Filing 9 to the definition and description of the Property. Accordingly, Filing 9 shall hereafter be part of The Highlands at Breckenridge, Golf Course Subdivision and shall be governed by and subject to all

of the provisions of the Declaration.

Except as specifically set forth in this Amendment, the Declaration remains unchanged and in full force and effect. This Amendment shall hereafter be interpreted for all purposes as part of the Declaration.

Declarant has executed this Declaration as of the date first set forth above.

LINCOLN HIGHLANDS III LIMITED,
a Colorado limited partnership

By: Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
Kenneth M. Adams,
President

By: Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
Carla M. Doarn
Vice President

STATE OF COLORADO)
)SS.
COUNTY OF SUMMIT)

The foregoing Seventh Amendment to Declaration of Land Use Restrictions was acknowledged before me this 11th of May, 2000, by Kenneth M. Adams as President of Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Notary Public

My commission expires: June 3, 2003

RHENEE L. FADLING
NOTARY PUBLIC
STATE OF COLORADO

STATE OF COLORADO)
)SS.
COUNTY OF SUMMIT)

The foregoing Seventh Amendment to Declaration of Land Use Restrictions was acknowledged before me this 11th of May, 2000, by Carla M. Doarn as Vice President of Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Notary Public

My commission expires: June 3, 2003

RHENEE L. FADLING
NOTARY PUBLIC
STATE OF COLORADO

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647394

Cheri Brunvand-Summit County Recorder 3/13/2001 9:11 DF:

EIGHTH AMENDMENT TO DECLARATION OF LAND USE RESTRICTIONS FOR THE HIGHLANDS AT BRECKENRIDGE, GOLF COURSE SUBDIVISION

This Eighth Amendment to Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision (this "Amendment") is made as of March 5, 2001, by Lincoln Highlands III Limited, a Colorado limited partnership ("Declarant"), and amends the Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision, recorded on December 13, 1995, at Reception No. 505237 in the real property records of Summit County, Colorado (as previously amended, the "Declaration").

RECITALS

A. The Declaration was established by Declarant for the purpose of limiting and restricting the use, density and design of improvements on the Property (as defined in the Declaration) with a goal of (a) preserving the natural beauty of the Property and its setting, (b) maintaining the Property as a pleasant and desirable environment, (c) establishing and preserving a harmonious design for the community, and (d) protecting and enhancing the value of the Property.

B. Under Section 14.1 of the Declaration, for so long as Declarant owns any portion of the Property or the Expansion Property (as defined in the Declaration), Declarant may subject additional real property, including, but not limited to, all or any part of the Expansion Property, to the Declaration by recording in the real property records of Summit County, Colorado, an instrument signed by Declarant complying with the requirement of Section 14.1 of the Declaration.

C. Declarant is the owner the real property located in the Town of Breckenridge, County of Summit, State of Colorado, that is more particularly described as Lots 9 through 63, The Highlands at Breckenridge Subdivision, Filing No. 10 ("Filing 10"). Filing 10 is a part of the Expansion Property, and is adjacent to the Property or within one mile of any boundary of the Property.

D. Declarant has determined that Filing 10 should be included as a part of The Highlands at Breckenridge, Golf Course Subdivision and thus subject to and governed by the provisions of the Declaration.

AMENDMENT

In accordance with Section 14.1 of the Declaration, Filing 10 is hereby added to the Property and Exhibit A to the Declaration shall be deemed amended to add Filing 10 to the definition and description of the Property. Accordingly, Filing 10 shall hereafter be part of The

Highlands at Breckenridge, Golf Course Subdivision and shall be governed by and subject to all of the provisions of the Declaration.

Except as specifically set forth in this Amendment, the Declaration remains unchanged and in full force and effect. This Amendment shall hereafter be interpreted for all purposes as part of the Declaration.

Declarant has executed this Declaration as of the date first set forth above.

LINCOLN HIGHLANDS III LIMITED,
a Colorado limited partnership

By: Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
Kenneth M. Adams,
President

By: Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
Carla M. Doran
Vice President

STATE OF COLORADO)
) SS.
COUNTY OF SUMMIT)

The foregoing Eighth Amendment to Declaration of Land Use Restrictions was acknowledged before me this 9th of January, 2001, by Kenneth M. Adams as President of Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Kiersten K. Stais
Notary Public

My commission expires: 5/2/2004

NOTARY PUBLIC KIERSTEN STAIS STATE OF COLORADO

STATE OF COLORADO)
) SS.
COUNTY OF SUMMIT)

The foregoing Eighth Amendment to Declaration of Land Use Restrictions was acknowledged before me this 9th of January, 2001, by Carla M. Doran as Vice President of Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Kiersten K. Stais
Notary Public

My commission expires: 5/2/2004

NOTARY PUBLIC KIERSTEN STAIS STATE OF COLORADO

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Cheri Brunvand-Summit County Recorder 8/15/2003 15:46 DF

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NINTH AMENDMENT TO DECLATRATION OF LAND USE RESTRICTIONS FOR THE HIGHLANDS AT BRECKENRIDGE, GOLF COURSE SUBDIVISION

This Ninth Amendment to Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision (this "Amendment") is made as of August 8, 2003 by Lincoln Highlands III Limited, a Colorado limited partnership ("Declarant"), and amends the Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision, recorded on December 13, 1995, at Reception No. 505237 in the real property records of Summit County, Colorado (as previously amended, the "Declaration").

RECITALS

A. The Declaration was established by Declarant for the purpose of limiting and restricting the use, density and design of improvements on the Property (as defined in the Declaration) with a goal of (a) preserving the natural beauty of the Property and its setting, (b) maintaining the Property as a pleasant and desirable environment, (c) establishing and preserving a harmonious design for the community, and (d) protecting and enhancing the value of the Property.

B. Under Section 14.1 of the Declaration, for so long as Declarant owns any portion of the Property or the Expansion Property (as defined in the Declaration), Declarant may subject additional real property, including, but not limited to, all or any part of the Expansion Property, to the Declaration by recording in the real property records of Summit County, Colorado, an instrument signed by Declarant complying with the requirement of Section 14.1 of the Declaration.

C. Declarant is the owner the real property located in the Town of Breckenridge, County of Summit, State of Colorado, that is more particularly described as Lots 241 through 263, The Highlands at Breckenridge Subdivision GoldRun. The Highlands at Breckenridge Subdivision GoldRun is a part of the Expansion Property, and is adjacent to the Property within one mile of any boundary of the Property.

D. Declarant has determined that The Highlands at Breckenridge Subdivision GoldRun should be included as a part of The Highlands at Breckenridge, Golf Course Subdivision and thus subject to and governed by the provisions of the Declaration.

AMENDMENT

In accordance with Section 14.1 of the Declaration, The Highlands at Breckenridge Subdivision GoldRun is hereby added to the Property and Exhibit A to the Declaration shall be deemed amended to add Filing 11 to the definition and description of the Property. Accordingly, The Highlands at Breckenridge Subdivision GoldRun shall hereafter be part of The Highlands at

Breckenridge, Golf Course Subdivision and shall be governed by and subject to all of the provisions of the Declaration.

Except as specifically set forth in this Amendment, the Declaration remains unchanged and in full force and effect. This Amendment shall hereafter be interpreted for all purposes as part of the Declaration.

Declarant has executed this Declaration as of the date first set forth above.

LINCOLN HIGHLANDS III, LIMITED
a Colorado limited partnership

By: Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
Kenneth M. Adams.
President

By: Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
Nicholas J. Doran,
Vice President

STATE OF COLORADO)
)SS.
COUNTY OF SUMMIT)

The foregoing Ninth Amendment to Declaration of Land Use Restrictions was acknowledged before me this 8th of August, 2003 by Kenneth M. Adams as President of Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Notary Public

NOTARY PUBLIC RHENEE L. FADLING STATE OF COLORADO

My commission expires: 6/2/2007

STATE OF COLORADO)
)SS.
COUNTY OF SUMMIT)

The foregoing Ninth Amendment to Declaration of Land Use Restrictions was acknowledged before me this 8th of August, 2003 by Nicholas J. Doran as President of Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Notary Public

NOTARY PUBLIC KIERSTEN STAIS STATE OF COLORADO

My commission expires: 5/4/2004

7 6 1 0 5 0 3
Cheri Brunvand-Summit County Recorder 7/2/2004 11:11 DF:

TENTH AMENDMENT TO DECLARATION OF LAND USE RESTRICTIONS FOR THE HIGHLANDS AT BRECKENRIDGE, GOLF COURSE SUBDIVISION

This Tenth Amendment to Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision (this "Amendment") is made as of July 2, 2004, by Lincoln Highlands III Limited, a Colorado limited partnership ("Declarant"), and amends the Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision, recorded on December 13, 1995, at Reception No. 505237 in the real property records of Summit County, Colorado (as previously amended, the "Declaration").

RECITALS

A. The Declaration was established by Declarant for the purpose of limiting and restricting the use, density and design of improvements on the Property (as defined in the Declaration) with a goal of (a) preserving the natural beauty of the Property and its setting, (b) maintaining the Property as a pleasant and desirable environment, (c) establishing and preserving a harmonious design for the community, and (d) protecting and enhancing the value of the Property.

B. Under Section 14.1 of the Declaration, for so long as Declarant owns any portion of the Property or the Expansion Property (as defined in the Declaration), Declarant may subject additional real property, including, but not limited to, all or any part of the Expansion Property, to the Declaration by recording in the real property records of Summit County, Colorado, an instrument signed by Declarant complying with the requirement of Section 14.1 of the Declaration.

C. Declarant is the owner the real property located in the Town of Breckenridge, County of Summit, State of Colorado, that is more particularly described as Lot 2, The Crescent Subdivision ("Lot 2, Crescent"). Lot 2, Crescent is part of the Expansion Property, and is adjacent to the Property within one mile of any boundary of the Property.

D. Declarant has determined that Lot 2, Crescent should be included as a part of The Highlands at Breckenridge, Golf Course Subdivision and thus subject to and governed by the provisions of the Declaration.

AMENDMENT

In accordance with Section 14.1 of the Declaration, Lot 2, Crescent is hereby added to the Property and Exhibit A to the Declaration shall be deemed amended to add Lot 2, Crescent to the definition and description of the Property. Accordingly, Lot 2, Crescent shall hereafter be part of The Highlands at Breckenridge, Golf Course Subdivision and shall be governed by and subject to all of the provisions of the Declaration.

Except as specifically set forth in this Amendment, the Declaration remains unchanged and in full force and effect. This Amendment shall hereafter be interpreted for all purposes as part of the Declaration.

Declarant has executed this Declaration as of the date first set forth above.

LINCOLN HIGHLANDS III LIMITED,
a Colorado limited partnership

By: Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
Kenneth M. Adams,
President

By: Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited

By: _____
Nicholas J. Doran,
Vice President

STATE OF COLORADO)
) ss.
COUNTY OF SUMMIT)

The foregoing instrument was acknowledged before me this 2 of July, 2004, by Kenneth M. Adams as President of Lincoln North, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Notary Public

My commission expires: 6·2·2007

NOTARY PUBLIC RHENEE L. FADLING STATE OF COLORADO

STATE OF COLORADO)
) ss.
COUNTY OF SUMMIT)

The foregoing instrument was acknowledged before me this 2nd of July, 2004, by Nicholas J. Doran as Vice President of Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Kiersten Stais
Notary Public

My commission expires: 5/2/2008

NOTARY PUBLIC KIERSTEN STAIS STATE OF COLORADO

783809
Cheri Brunvand-Summit County Recorder 3/1/2005 10:31 DF:

ELEVENTH AMENDMENT TO DECLARATION OF LAND USE RESTRICTIONS FOR THE HIGHLANDS AT BRECKENRIDGE GOLF COURSE SUBDIVISION

This Eleventh Amendment to Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision (this "Amendment") is made as of February 11, 2004, by Lincoln Highlands III Limited, a Colorado limited partnership ("Declarant"), and amends the Declaration of Land Use Restrictions for The Highlands at Breckenridge, Golf Course Subdivision, recorded on December 13, 1995, at Reception No. 505237 in the real property records of Summit County, Colorado (as previously amended, the "Declaration").

RECITALS

A. The Declaration was established by Declarant for the purpose of limited and restricting the use, density and design of improvements on the Property (as defined in the (b) maintaining the Property as a pleasant and desirable environment, (c) establishing and preserving a harmonious design for the community, and (d) protecting and enhancing the value of the Property.

B. Under Section 14.1 of the Declaration, for so long as Declarant owns any portion of the Property or the Expansion Property (as defined in the Declaration), Declarant may subject additional real property, including, but not limited to, all or any part of the Expansion Property, to the Declaration by recording in the real property records of Summit County, Colorado, an instrument signed by Declarant complying with the requirement of Section 14.1 of the Declaration.

C. Declarant is the owner of the real property located in the Town of Breckenridge, County of Summit, State of Colorado, that is more particularly described as Lot 1, The Crescent Subdivision ("Lot 1, Crescent") and Lot 3, The Crescent Subdivision ("Lot 3, Crescent"). Lot 1, Crescent and Lot 3, Crescent are part of the Expansion Property, and are adjacent to the Property within one mile of any boundary of the Property.

D. Declarant has determined that Lot 1, Crescent and Lot 3, Crescent should be included as a part of The Highlands at Breckenridge, Golf Course Subdivision and thus subject to and governed by the Provisions of the Declaration.

AMENDMENT

Lot 1, Crescent and Lot 3, Crescent are herby added to the Property and Exhibit A to the Declaration shall be deemed amended to add Lot 1, Crescent and Lot 3, Crescent to the definition and description of the Property. Accordingly, Lot 1, Crescent and Lot 3, Crescent shall hereafter be part of The Highlands at Breckenridge Golf Course Subdivision and shall be governed by and subject to all of the provision of the Declaration.

Except as specifically set forth in this Amendment, the Declaration remains unchanged and in full force and effect. This Amendment shall hereafter be interpreted for all purposes as part of the Declaration.

STATE OF COLORADO)
) ss.
COUNTY OF SUMMIT)

The foregoing instrument was acknowledged before me this 11th of February, 2005, by Kenneth M. Adams as President of Lincoln North, Inc. a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership.

Witness my hand and official seal.

Notary Public

My commission expires: 6-2-2007

NOTARY PUBLIC RHENEE L. FADLIN STATE OF COLORADO

STATE OF COLORADO)
) ss.
COUNTY OF SUMMIT)

The foregoing instrument was acknowledged before me this 17th of February, 2005, by Nicholas J. Doran as Vice President of Highlands Management Group, Inc., a Colorado corporation and General Partner of Lincoln Highlands III Limited, a Colorado limited partnership

Witness my hand and official seal.

Notary Public

My commission expires: 5/2/2008

NOTARY PUBLIC KIERSTEN STAIS STATE OF COLORADO