

FIRST AMENDMENT AND RESTATEMENT OF THE DECLARATION OF RESTRICTIONS, RESERVATIONS AND COVENANTS AFFECTING CRYSTAL RIVER PARK SUBDIVISION IN PITKIN COUNTY, COLORADO

This document is part of the Association Documents of the Crystal River Park. To understand your rights and obligations as a property owner in Crystal River Park and a Member of the Homeowners Association, you need to have copies of the Association Documents which include the following:

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| | The 1987 Articles of Incorporation are available on request |
| 1. | Declaration of Covenants (This Document) |
| 2. | Bylaws Part 1: Amended Bylaws |
| 3. | Bylaws Part 2: Architectural Regulations |
| 4. | Bylaws Part 3: General Rules |

May 14, 2013

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**FIRST AMENDMENT AND RESTATEMENT
OF THE DECLARATION
OF RESTRICTIONS, RESERVATIONS AND COVENANTS
AFFECTING CRYSTAL RIVER PARK SUBDIVISION
A Planned Community
In Pitkin County, Colorado**

THIS FIRST AMENDMENT AND RESTATEMENT OF THE DECLARATION OF RESTRICTIONS, RESERVATIONS AND COVENANTS AFFECTING CRYSTAL RIVER PARK SUBDIVISION is made by the Crystal River Park Homeowners Association, Inc., a Colorado non-profit corporation (“Association”), and the undersigned Owners of Lots within the Crystal River Park Subdivision (“Owners”) as follows:

RECITALS

A. On August 26, 1960, the Redstone Development Corporation (“Declarant Corporation”) caused to be subdivided and platted under the name of Crystal River Park Subdivision (the “Subdivision”), certain lands situated in Pitkin County, Colorado, as described and depicted on the plat recorded August 26, 1960, at reception number 110126 in the records of the Pitkin County Clerk and Recorder, and as subsequently amended on September 29, 1964 at Reception Number 118832, and on August 19, 1966, at Reception Number 125028 (the “Plat”); and

B. The Declarant Corporation further executed and recorded the Declaration of Restrictions, Reservations, and Covenants Affecting Crystal River Park Subdivision on August 26, 1960, at reception number 110127 in the records of the Pitkin County Clerk and Recorder (the “Declaration”); and

C. The Declaration at Section 13 provides for the right of a majority of the Owners to amend said Declaration; and

D. The Association is the successor in title and interest to the Declarant Corporation with respect to the Common Elements of the Subdivision depicted on the Plat as “Crystal Park” and “Park Area” and has assumed responsibility for the maintenance of such Common Elements and the other aspects of the control and governance of the Subdivision; and

E. The Association and the Owners have voted to amend and restate the Declaration in its entirety to establish certain covenants affecting the use and operation of the Owners Lots, the Common Elements, the roads, and other property within the Subdivision and to establish the Subdivision as a Planned Community under those provisions of the Colorado Common Interest Ownership Act, C.R.S. § 38-33.3-101, et seq. (the “Act”), that are applicable to pre-existing common interest communities as set forth in C.R.S. § 38-33.3-117.

NOW THEREFORE, the Association and the Owners restate and amend the Declaration in its entirety as follows:

ARTICLE 1 - DECLARATION

The Association and the Owners declare that the property in the Subdivision will be held, sold, and conveyed subject to the following covenants, restrictions and easements which are for the purpose of protecting the value and desirability of the Subdivision, and which will run with the land

and be binding on all parties and heirs, successors, and assigns of parties having any right, title, or interest in all or any part of the Subdivision. Each Owner, by acceptance of a deed or other conveyance vesting in the Owner an interest in a Lot agrees to be bound by this Declaration.

ARTICLE 2 - NAME, DIVISION INTO LOTS

2.1. Name. The name of the Subdivision is Crystal River Park Subdivision.

2.2. Association. The name of the Association is Crystal River Park Homeowners Association, Inc. The Association and the Owners have incorporated the Association as a nonprofit Colorado corporation with the purpose of exercising the functions as set forth in the Articles of Incorporation, this Declaration and the Bylaws of the Corporation. The Association is the Owner of the Common Elements.

2.3. Number of Lots. The total number of Lots in the Subdivision is eighty-three (83), exclusive of the roads which are public and the Common Elements. Several of the Lots have been combined to form Property Units as defined below.

2.4. Identification of Lots. The identification number of each Lot is shown on the Plat and such amended, additional or supplemental plats as may be filed for the Subdivision.

ARTICLE 3 - DEFINITIONS

The following words when used in this Declaration, unless inconsistent with the context of this Declaration, will have the following meanings:

3.1 Act means the Colorado Common Interest Ownership Act (CCIOA) in effect at any given time, including any amendments to or replacements thereof. As a pre-existing planned community, the Subdivision is subject to limited requirements of the Act as set forth in Colorado Revised Statutes C.R.S. § 38-33.3-117.

Acts means both CCIOA and the Colorado Non Profit Corporation Act (CNPCA) in effect at any given time and the amendments or replacements thereof.

3.2 Architectural Review Committee (ARC) is the committee appointed by the Board of Directors responsible for approving an Owner's plans for buildings or constructions of any kind and for significant modifications to the appearance of a Lot or home as defined in detail below and in the Bylaws and the Architectural Regulations.

3.3 Articles. The Articles of Incorporation filed with the Colorado Secretary of State on August 11, 1987 and any amendments thereto for the Crystal River Park Homeowners Association, a Colorado not-for-profit corporation.

3.4 Assessments. The Periodic Assessments, Special Assessments and Default Assessments (**fin**es) made for common expenses provided for herein and in the Bylaws and levied pursuant to the Article named Assessments below. Such assessments shall be used for the purposes of maintaining the Common Elements, the roads in the subdivision, and fulfilling the obligations contained in the Association Documents including any additional fees or charges imposed on an Owner under these Documents.

3.5 Assessment Lien. The lien imposed on an Owner's Lot for nonpayment of assessments.

3.6 Association or HOA. The Crystal River Park Homeowners Association, a Colorado not-for-profit corporation, which was formed and incorporated to be and constitute the Association to which reference is made in this Declaration and in the Bylaws. The purpose of the Association is to further the common interests of Owners of property within the Crystal River Park Subdivision.

3.7 Association or HOA Documents include the Plat, the Declaration, the Articles of Incorporation and the Bylaws of the Association. The Bylaws include the Architectural Regulations and the

General Rules. The Association Documents also include any procedures, rules, regulations, or policies adopted under such documents by the Association.

3.8 Board of Directors (Board). The governing body of the Association elected to perform the obligations of the Association relative to the operation, maintenance, and management of the Subdivision and all improvements on the Subdivision.

3.9. Bylaws means the original Bylaws adopted by the Association after the Articles of Incorporation (1987) and any amendments thereto adopted by the Association. The Bylaws include the General Rules and the Architectural Regulations.

3.10 Commercial Activity. Activity that is for profit and which increases the demand on subdivision infrastructure such as roads, water systems and other utilities.

3.11 Common Elements. The real property in the Subdivision owned by the Association and designated on the Plat as Crystal Park and Park Area. The Lots within Crystal River Park Subdivision and the roads (in use and platted) are not part of the Common Elements.

3.12 Common Expense(s). The estimated and actual expenditures made, or to be made by, or on behalf of the Association, including any reasonable reserve, all as may be found to be necessary and appropriate pursuant to the Association Documents.

3.13 County. Pitkin County, Colorado.

3.14 Covenants or Declaration. The document entitled “Declaration of Restrictions, Reservations, and Covenants Affecting Crystal River Park Subdivision in Pitkin County, Colorado” as amended.

3.15 Crystal River Park. The planned community and the area known as the Crystal River Park Subdivision as described and depicted on the Plat and also any and all additions, filings and expansions to the Crystal River Park Subdivision.

3.16 Enforcement Lien. A separate and distinct lien right relating to and arising from any violation of any covenant in the Declaration, other than the assessment obligation, which the HOA and any Owner seeking to enforce this Declaration may impose.

3.17 First Mortgage. Any Deed of Trust or Mortgage which is not subject to any lien or encumbrance except liens for taxes or other liens which are given priority by statute.

3.18. Lot(s). The subdivided parcels of land and the boundaries of which as described and depicted on the Plat and as designated by number on the Plat. The Common Elements are not Lots. Several of the Lots have been combined to form Property Units as defined below. In these documents the terms Lot and Property Unit are synonymous.

3.19 Manager. A person or entity engaged by the Association to perform certain duties, powers or functions of the Association, as the Board of Directors may authorize.

3.20 Member or Members. The Owner(s) of a Lot or any Property Unit are automatically considered Association Member(s) as provided herein. The rights of Membership may be assigned to the holder of a mortgage, deed of trust or other security.

3.21 Mortgage. Any deed of trust or other document pledging any Lot or interest therein as security for payment of a debt or obligation.

3.22 Mortgagee. Any person named as a mortgagee or beneficiary in any Mortgage, or any successor to the interest of any such person.

3.23 Owner. The person(s) or legal entity holding record title to a Lot or Property Unit, but excluding any holder of an interest in a Lot or Property Unit solely as the holder of a mortgage or other security interest. The Association shall be entitled to treat the record title holder of a Lot as the Owner thereof for all purposes.

3.24 Plat The composite Plat of Crystal River Park Subdivision filed of record in the office of the Clerk & Recorder, Pitkin County, Colorado, recorded August 26, 1960, at reception number 110126 in the records of the Pitkin County Clerk and Recorder and as subsequently amended on September 29, 1964 at Reception Number 118832, and on August 19, 1966, at Reception Number 125028, and any amendments thereto or supplemental plats made, duly approved and recorded in the real estate records of Pitkin County.

3.25 Property Unit. Any Lot(s) assigned a unique parcel i.d. by the Pitkin County Assessor. When the Association Documents refers to a Lot, such reference will be deemed to mean a Property Unit.

3.26 Roads. The roads in use and shown on the Plat of the Crystal River Park Subdivision. The roads are dedicated to the public and are not Common Elements.

3.27 Subdivision or Crystal River Park Subdivision. The residential subdivision created by the Articles of Incorporation and the Declaration, as shown on the Plat.

ARTICLE 4 - MEMBERSHIP & VOTING RIGHTS ¹

4.1. The Home Owners Association. Every Owner of a Lot is a Member of the HOA. Membership is appurtenant to and may not be separated from Ownership of any Lot.

4.2. Transfer of Membership. An Owner may not transfer, pledge or alienate his Membership in the HOA, except upon the sale of his Lot to the purchaser of the Lot. However, the rights of Membership may be assigned to the holder of a mortgage, deed of trust or other security.

4.3. Class of Membership and Voting. Every Owner is a Member in the HOA. However, there is only one vote per Lot. Qualifications for voting may be further specified in the Bylaws.

As defined in the Articles: "No person or entity other than an Owner of a property unit may be a Member of the corporation. The rights of all Members shall be identical with each membership being entitled to one vote. The Owner or Owners of a property unit are entitled to vote in the same proportion and interest and by the same of type of tenancy in which the title of the property is held."

The single vote may be exercised by one Owner present at a meeting or by one person appointed by proxy or acting at a meeting in accordance with the Bylaws. An Owner may assign his voting right by proxy prior to any vote.

The Association, after notice and hearing, may suspend the voting rights of a Member for failure to comply with the Association Documents and any of the obligations therein.

ARTICLE 5 – ASSOCIATION OPERATIONS (The Board, the Architectural Review Committee, Owner obligations, record keeping, and related issues)

5.1. The Board of Directors. The business and affairs of the Crystal River Park Subdivision Homeowners Association shall be governed by a Board of Directors as set forth in the Articles of Incorporation, Section 6.

5.2. Powers, Duties and Election of the Board. The Association and the Board shall have the right and power to enforce the provisions of the Association Documents or any additional rules or regulations promulgated in keeping with these documents. The procedures to be followed are specified in the Bylaws.

¹ *Membership in the Crystal River Park HOA is defined in the Association's Articles of Incorporation, dated August 4, 1987, received by the State of Colorado on August 11, 1987.*

5.3. The Architectural Review Committee (ARC) shall be appointed according to the Bylaws. The ARC will report to the Board and in conjunction with the Board, will review, study and approve or reject proposed new construction or improvements subject to this Declaration and as detailed in the Architectural Regulations of the Bylaws.

5.4. ARC Approval Required. The purpose of this requirement is to maintain the rural mountain character of this community and its natural beauty. Such review is intended to help the Owner achieve their objectives in keeping with the goals of the community as set forth in the Association Documents.

5.5. Architectural Regulations. These regulations are detailed in the Bylaws. In general, new construction, significant alterations in home or Lot and modifications which require County building, development, or excavation permits require prior approval by the ARC and often the Board prior to initiating such activities. Such approval is in addition to the Pitkin County Development Code and other applicable code requirements.

5.6. Compliance with Association Documents. Each Owner must abide by each provision, covenant, condition, restriction and easement contained in the Association Documents. The obligations, burdens, and benefits of Membership in the Association concern the land and are covenants running with each Lot.

5.7. Books and Records. The HOA will maintain records according to current Colorado law. The Association Documents and the books, records, and financial statements are available for inspection, upon request, during normal business hours or under other reasonable circumstances. The HOA may charge a reasonable fee for copying such materials.

5.8. Manager. The HOA may engage a Manager to whom the Board may delegate certain powers, functions, or duties of the Association, as provided in the Bylaws. The Manager will not have the authority to make expenditures except upon prior approval and direction by the Board of Directors. The Board will not be liable for any omission or improper exercise by a Manager of any duty, power, or function so delegated by written instrument executed by or on behalf of the Board.

5.9. Implied Rights and Obligations. The HOA may exercise any right or privilege expressly granted to the HOA in the Association Documents, and every other right or privilege reasonably implied from the Association Documents or reasonably necessary to effect any such right or privilege. The HOA will perform all of the duties and obligations expressly imposed upon it by the Association Documents, and every other duty or obligation implied by the provisions of the Association Documents or necessary to reasonably satisfy any such duty or obligation.

ARTICLE 6 - PROPERTY RIGHTS, EASEMENTS & RESERVATIONS

6.1 Owner's Easement of Enjoyment. Every Owner has a right and easement of enjoyment in and to the Common Elements which is appurtenant to and will pass with the title to every Lot, subject to the provisions of this Declaration.

6.2 Recorded Easements. The Subdivision is subject to all easements shown on any recorded plat affecting the Subdivision, to any other easements of record as of the date of record of this Declaration and to those easements set forth in this Article.

6.3 Maintenance Easements. Easements for the installation and maintenance of utilities and drainage along all Lot lines and five feet in width along each side thereof are reserved for the HOA. No building or permanent structure shall be erected, placed or maintained on any part of the areas indicated as easement, except for a fence, wall or hedge along the property line after prior approval of the ARC and the Board.

6.4 Delegation of Use. Any Owner may delegate his right of enjoyment to the Common Elements to the Members of his family, tenants, invitees and licensees in accordance with the HOA Documents.

6.5 Inseparability. Every conveyance or transfer of a Lot and any improvements thereon is presumed to be a conveyance or transfer of the entire Lot, including any easement, license or other rights created by this Declaration.

6.6 Partition or Subdivision. No Owner, group of Owners or the HOA may bring any action for partition or division of the Common Elements.

6.7 Rental. A Lot may be rented for residential purposes and a Lot may be used for permanent or short-term occupancy by its Owner, family, invitees and tenants. Rentals are subject to any lease term restrictions that are approved by the HOA.

6.8 Restrictions on Use. A Lot may only be used for one single-family residential purpose, as defined by the Pitkin County Land Use Code, and for purposes incidental or accessory thereto. The determination of whether uses are incidental or accessory to single-family residential purposes is made by the Board of Directors. Under no circumstances will such incidental or accessory use be construed to permit use of the Lot for a boarding house or the carrying on of any trade, business, profession or employment (other than as may be permitted under applicable zoning codes and as further defined in the Bylaws and Architectural Regulations)

ARTICLE 7 - MAINTENANCE

7.1. Common Elements. The HOA will maintain the Common Elements in good repair.

7.2. Expense Allocation. Any expense associated with the maintenance, repair or replacement of a Common Element which is an amenity enjoyed by and common to all Lots in the Subdivision will be assessed as a Common Expense.

7.3. Roads. The HOA will ensure that the Subdivision roads are maintained and kept in good repair unless the County assumes such obligation. Such repair and maintenance, as further detailed in the Bylaws, includes: grading, plowing, the installation of culverts and other support or drainage improvements and all other repairs or actions needed to keep the roads in good and useable condition. Each Owner covenants and agrees, as a personal obligation and as an obligation running with the title to such Lot, to pay as part of the Periodic Assessment or as a Special Assessment, that Owner's share of the costs of such road maintenance.

7.4. Maintenance Contract. The HOA may contract for the services of an individual or maintenance company to maintain the Common Elements and roads. The employed individual or company will have the authority to make expenditures upon prior approval and direction of the Board. The Board will not be liable for any improper exercise by the employed individual or company of any duty, power or function delegated by the Board.

7.5. Owner's Failure to Maintain. If a Lot is not properly maintained by an Owner as required by the HOA Documents, then the HOA, after two weeks prior written notice to the Owner, will have the right to enter upon the Lot to perform such work as is reasonably required to restore the Lot and other improvements thereon to a condition of good order and repair. All reasonable and necessary expenses incurred will be a lien upon the Lot until reimbursement is made.

ARTICLE 8 - INSURANCE

8.1. Insurance on Common Elements. The HOA will maintain insurance covering liability, errors and omissions of directors and committee members and any insurable improvements located or constructed on the Common Elements.

8.2. General Provisions of Insurance Policies. All policies of insurance carried by the HOA will be carried in blanket policy form naming the HOA as insured, or its designee as trustee for all Owners, and each Owner will be an insured person under such policies with respect to liability arising out of any Owner's Membership in the HOA.

8.3. HOA Insurance as Primary Coverage. If at the time of any loss under any policy in the name of the HOA, there is other insurance in the name of any Owner and such Owner's policy covers the same loss, or any portion thereof, which is covered by the HOA's policy, the HOA's policy will be primary insurance not contributing with any of such other insurance. An Owner will be liable to the HOA for the amount of any reduction in insurance proceeds paid to the HOA caused by such Owner's policies of insurance, and the HOA may collect the amount from the Owner as an Assessment. Any such Owner's policy will also contain waivers of subrogation.

8.4. Insurance to be maintained by Owners. Each Owner may obtain physical damage and liability insurance for such Owner's benefit, at such Owner's expense, covering the Owner's Lot and improvements, personal property and personal liability. No Owner will obtain separate insurance policies on the Common Elements.

ARTICLE 9 - ASSESSMENTS

9.1. Obligation. Owners, by accepting a deed for a Lot, covenant and agree to pay to the HOA Periodic Assessments, Special Assessments and Default Assessments. Periodic Assessments and Special Assessments are to be approved by a majority of the Members voting at a regular or special meeting of the HOA. Default Assessments are fines imposed by the Board pursuant to the procedures in the Bylaws. The budget shall include regular expenses, anticipated needs for the repair, replacement and upkeep of improvements in the Subdivision and its roads, the maintenance of adequate financial reserves, and all other expenses deemed necessary for the efficient and orderly administration and operation of the Subdivision and the HOA. The budget may be modified as needed to provide for unexpected or emergency needs. The budgeting process is described in the Bylaws.

Memberships associated with constrained Lot status or a conservation easement may have the obligation for assessments modified in the Bylaws.

9.2. Periodic Assessments. These are based on the budgets for the HOA prepared by the Board and approved as specified in the Bylaws. Periodic Assessments may be payable in one lump sum, or such other periods as the Board may determine. The omission or failure of the HOA to determine the Periodic Assessments for any Assessment period will not release the Owners from their obligation to pay the same.

9.3. Special Assessments. In addition to Periodic Assessments, the HOA may levy one or more Special Assessments in order to pay for any necessary HOA expenses or to maintain a prudent financial reserve.

9.4. Default Assessments. Any expense of the HOA which is the obligation of an Owner or which is incurred on behalf of the Owner pursuant to the HOA Documents or any fines against an Owner, will be a Default Assessment and will become a lien against such Owner's Lot.

9.5. Effect of Nonpayment. Any Assessment which is not paid within 30 days after its due date will be delinquent. If an Assessment installment remains delinquent for 60 more days, the Board or the Association may undertake additional actions including, but not limited to, the recording of an Assessment Lien or ultimately foreclosure against the property, as specified in the Bylaws.

9.6. Personal Obligation. The amount of any Assessment chargeable against any Lot is a personal and individual debt of the Owner of the Lot. No Owner may exempt himself from liability

for the Assessment by abandoning his Lot or by waiving the use or enjoyment of the Common Elements. See the Bylaws.

9.7. Successor's Liability for Assessment. All successors to the fee simple title of a Lot, except as provided in the Section named Subordination of Lien below, will be jointly and severally liable with the prior Owner(s) thereof for any and all unpaid Assessments, interest and all other costs against such Lot without prejudice to such successor's right to recover from any prior Owner any amounts paid by such successor. This liability of a successor is personal and only terminates upon termination of such successor's fee simple interest in the Lot.

9.8. Subordination of HOA Assessment Lien. The Assessment Lien of the HOA provided for in this Declaration will be subordinate to (a) the lien of real estate taxes and special governmental assessments and (b) liens and encumbrances recorded prior to the record of the Plat and the original Declaration. The Assessment Lien of the HOA is superior to and prior to any homestead exemption provided now or in the future by the laws of the State of Colorado. Seller's transfer of any Lot will not affect the HOA's Assessment Lien. No sale or transfer will relieve the purchaser or transferee of a Lot from liability for, or the Lot from the lien of, any Assessments made after the sale or transfer.

9.9. Enforcement Lien. The HOA, and any Owner seeking to enforce this Declaration, has a separate and distinct lien right relating to and arising from any violation of any covenant in the Declaration, an Enforcement Lien. This is in addition to the HOA's right to assert an Assessment Lien. Such Enforcement Lien will arise from and relate back to the date of the recording of this Declaration and is superior to, and have priority over, any other lien arising or recorded after that date, including but not limited to any deed of trust, mortgage, or other security interest recorded against or encumbering any Lot.

If the HOA or any Owner obtains a judgment or other order for the enforcement of this Declaration and records such judgment, this is deemed an Enforcement Lien arising under this Declaration and will have a priority date relating back to the recording date of this Declaration, regardless of the actual recording date of any such judgment. If such judgment or order includes an award of attorney's fees and costs incurred in the enforcement of this Declaration, such award will also be deemed part of the Enforcement Lien and will have the same priority as this Declaration. The Enforcement Lien hereunder is separate from, and in addition to, the statutory super-priority lien for Assessments created by C.R.S. § 38-33.3-316(2)(b). The Enforcement Lien created hereunder is not a statutory lien arising under the provisions of the Act but is a distinct lien right arising under this Declaration that runs with the land and binds each Lot.

ARTICLE 10 - DAMAGE OR DESTRUCTION

10.1. Damage to Common Elements. In the event of damage or destruction to all or a portion of the Common Elements, the insurance proceeds, if sufficient to reconstruct or repair the damage, will be applied by the HOA to such reconstruction and repair.

10.2. Repair and Replacement. Any portion of the Subdivision which is owned by the HOA and for which insurance is required which is damaged or destroyed must be repaired or replaced promptly by the HOA unless:

- a. The Subdivision is terminated;
- b. Repair or replacement would be illegal under any state or local statute or ordinance governing health or safety;
- c. Eighty percent of the Lot Owners vote not to rebuild.

ARTICLE 11 - CONDEMNATION

11.1. Rights of Owners. Whenever all or any part of the Common Elements is taken by any authority having power of condemnation or eminent domain, or whenever all or any part of the Common Elements is conveyed in lieu of a taking under threat of condemnation by the Board acting as attorney-in-fact for all Owners under instructions from any authority having the power of condemnation or eminent domain, each Owner will be entitled to notice of the taking or conveying. The HOA will act as attorney-in-fact for all Owners in the proceedings incident to the condemnation proceeding, unless otherwise prohibited by law.

11.2. Partial Condemnation, Distribution of Award; Reconstruction. The award made for such taking is payable to the HOA as trustee for those Owners for whom use of the Common Elements was conveyed, and the award will be disbursed as follows:

If the taking involves a portion of the Common Elements on which improvements have been constructed, then, unless within 60 days after such taking the HOA and the Owners who represent at least two-thirds of the votes of all of the Owners otherwise agree, the HOA will restore or replace such improvements so taken on the remaining land included in the Common Elements to the extent lands are available for such restoration or replacement in accordance with plans approved by the Board and the ARC. If such improvements are to be repaired or restored, the provisions in that Article named Damage or Destruction above regarding the disbursement of funds in respect to casualty damage or destruction which is to be repaired will apply. If the taking does not involve any improvements on the Common Elements or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds will be distributed in equal shares per Lot among the Owners or applied to the reserves as determined by vote of the Members.

11.3. Complete Condemnation. If all of the Subdivision is taken, condemned, sold, or otherwise disposed of in lieu of or in avoidance of condemnation, then the regime created by this Declaration will terminate, and the portion of the condemnation award attributable to the Common Elements will be distributed as provided in Section 11.2 above.

ARTICLE 12 - MORTGAGEE'S RIGHTS

The following provisions are for the benefit of holders, insurers, or guarantors of First Mortgages on Lots. To the extent applicable, necessary, or proper, the provisions of this Article apply to this Declaration and also to the Articles and Bylaws of the HOA.

12.1. Approval Requirements. The HOA will not by act or omission seek to abandon, partition, subdivide, sell or transfer all or part of the Common Elements unless at least 2/3 of the Home Owners and at least 2/3 of the Mortgagees holding First Mortgages against any portion of the Subdivision (based on one vote for each Mortgage owned), have given their prior written approval. The granting of easements for public utilities or for other public purposes consistent with the intended use of such Common Elements will not be deemed a transfer within the meaning of this clause.

12.2. Right to Pay Taxes and Charges. Mortgagees who hold First Mortgages against Lots may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Elements, and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy for such Common Elements, and Mortgagees making such payments will be owed immediate reimbursement therefore from the HOA.

ARTICLE 13 - DURATION OF COVENANTS AND AMENDMENT

13.1. Term. The covenants and restrictions of this Declaration will run with and bind the land for 20 years after the date hereof, after which time they will be automatically extended for successive periods of time of 10 years each, subject to the following:

13.2. Amendment. Amendment(s) to this Declaration may be proposed in three ways:

- a. by the Board, or
- b. by a petition signed by at least 25% of the Association members, or
- c. an amendment may be proposed at any membership meeting if supported by a majority of the members present. Such an amendment will be considered for adoption at the next meeting.

The statement of a proposed amendment shall accompany the notice of the meeting at which discussion and a vote on the proposed amendment is expected. A proposed amendment must be approved by 60% of all current members whether present in person or by proxy and voting at the meeting or voting in the 60 days following the meeting in order to take effect. The vote of each member must be recorded and signed on an approval page distributed with the amendment or on a duplicate acquired at the meeting and the Secretary of the Association must certify that the required votes were obtained and maintain a record of the votes in the HOA files. Amendment to this Declaration shall take effect when the Secretary of the Association certifies the vote and records the amendment or the amended document with the Pitkin County Clerk and Recorder. As of August 25, 2012, there were 50 Memberships eligible to vote on an amendment.

13.3. Revocation. This Declaration will not be revoked, except as provided in that Article named Condemnation regarding total condemnation, without the consent of all of the Owners evidenced by a written instrument duly recorded.

ARTICLE 14 - PROTECTIVE COVENANTS

The following protective covenants are in addition to the General Rules and Architectural Regulations contained in the Bylaws.

14.1 Restriction on Timesharing. No Owner of any Lot will offer or sell any interest in such Lot under a "timesharing" or "interval Ownership" or any similar plan.

14.2 Hunting and Firearms The discharge or shooting of firearms of any kind shall be strictly prohibited within the boundaries of the Crystal River Park Subdivision. These firearms shall include, but not be limited to, rifles, shotguns, pistols, air guns, bows & arrows and crossbows.

14.3 Subdividing. Common Areas, including those areas designated on the Plat as *Crystal River Park* and *Park Area*, shall never be subdivided into smaller tracts or Lots, nor shall they be conveyed or encumbered in any way less than the full original dimensions as shown on the Plat.

14.4 Business or Commercial Activity. Business activities are permitted in Crystal River Park so long as the activity results in a negligible impact upon both the residential character and the vehicular traffic within the Subdivision. Businesses that involve more than occasional customer visits are prohibited. No signs may be erected within the subdivision advertising a business. Rental or leasing of a home for residential purposes, subject to use restrictions contained in these Bylaws, shall not be considered a business or commercial activity.

14.5 Fireworks. No fireworks of any kind, including hand-held devices may be discharged within Crystal River Park.

14.6 No Mining, Drilling or Quarrying. Mining, quarrying, tunneling, excavating or drilling for any substances within the earth, including oil, gas, minerals, gravel, sand, rock and earth, will not be permitted.

ARTICLE 15 - GENERAL PROVISIONS

15.1 Enforcement. Except as otherwise provided in this Declaration, the Board, the HOA, or any Owner will have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges imposed by the provisions of this Declaration or the Bylaws. Failure by the Board, the HOA or any Owner to enforce any covenant or restriction in this Declaration will not be deemed a waiver of the right to do so thereafter.

Any such violation will give the Board the right, in addition to any other rights described in this Declaration, (a) to enter the Lot in which such violation or breach exists and to take whatever steps are necessary to remedy the violation at the expense of the defaulting Owner, without being guilty of trespass or any other civil or legal violation; and (b) to obtain any order for an injunction or other remedy necessary from a court of law to prevent the continuing violation without being required to post a bond or other surety for such order. All fees and costs incurred by the HOA or the Owners in a suit to enforce the terms hereof will, if said HOA or Owners prevail in such action, be recovered from the losing party. The Bylaws of the HOA set forth the procedures for enforcement and the rights of the parties in these matters of enforcement. These specifics are incorporated herein.

15.2 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order will not affect any other provisions which will remain in full force and effect.

15.3 Conflicts between Documents. In case of conflict between this Declaration and the Bylaws, this Declaration will control. In case of conflict between the Articles and the Bylaws, the Articles will control.

**The Crystal River Park Homeowners Association, Inc.,
a Colorado non-profit corporation**

Attestation: I _____, being the Secretary of the Crystal River Park Homeowners Association, Inc., a Colorado non-profit corporation, hereby attest that these

**FIRST AMENDMENT AND RESTATEMENT
OF THE DECLARATION
OF RESTRICTIONS, RESERVATIONS AND COVENANTS
AFFECTING CRYSTAL RIVER PARK SUBDIVISION**

were approved by a majority vote of the Members of the Association and the Owners in the

Subdivision on _____, 2013, with _____ votes in favor of the

amendment and _____ votes opposed. Copies of the ballots are maintained in the Association's records.

By:

STATE OF COLORADO)
)
County of Pitkin)

The foregoing instrument was acknowledged before me this _____ day of _____, 2013
by _____ as _____ for .

My Commission expires: _____

Notary Public