

AMENDMENT TO DECLARATION OF COVENANTS

WHEREAS, on July 12, 1991, Declarant, Bear Creek Land Company, did make, execute and record Declaration of Covenants, Restrictions, Easements, and Liens for certain real property know as Bear Creek Subdivision, a residential subdivision in Conejos County, Colorado, as more fully described in the legal description attached hereto.

NOW THEREFORE, in accordance with Article X, Section 3 of said Covenants, Declarant being the owner of a number of lots in excess of the required majority hereby amends the aforementioned Covenants and incorporates the following amendments by reference thereto as follows:

Refer: ARTICLE IX RESTRICTIONS ON RESIDENTIAL TRACTS, Section 2, Dwelling Home to be Constructed First, page 22, delete last sentence; last sentence shall now read as follows:

Any and all building or construction, whether it be a new building or remodeling, shall be approved in writing by the Homeowners Association Architectural Committee and done in compliance with that approval and in accordance with a building permit secured from Conejos County.

Add the following language on new pages 22(a) and 22(b):

Section 2 (a) Approval of Plans. For the purpose of further insuring the construction and/or alteration of all building structures to high standards, the Architectural Committee reserves the power to control the building, structures and other improvements placed on each lot, as well as to make exceptions to these Restrictions as the Architectural Committee deems necessary, appropriate or proper. Any exception(s) to these Restrictions made by the Architectural Committee shall not establish a precedent or implied approval to a new application as the Architectural Committee deems each lot unique to other lots in the Subdivision.

Section 2 (b) Refusal to Approve. Refusal to approve plans and specifications by the Architectural Committee may be based on any ground, including purely aesthetic grounds which, in the sole judgement and uncontrolled discretion of the Architectural Committee shall seem sufficient.

Section 2 (c) Failure to Approve or Disapprove. If the Architectural Committee shall fail to approve or disapprove the plans and specifications within forty five (45) days after written request, then approval shall not be required; provided that no building or structure shall be erected which violates any of the Covenants or Amendments thereto.

Section 2 (d) Composition of Committee. The Homeowners Association Architectural Committee shall be composed of not less than three (3) nor more than five (5) members and shall be responsible to the Board of Directors of the Association. The members of the Architectural Committee shall not be entitled to any compensation for services performed pursuant to this Declaration.

Section 2 (e) Services of Architect. The Architectural Committee shall, however, have the authority to use the services of an architect as consultant and charge a sum to the submitting Lot Owner, not to exceed one hundred fifty dollars (\$150.00), for each set of plans and specifications submitted to it for approval to defray the fees of the consultant. The consultant shall not have the right to vote in passing on the plans and specifications.

Section 2 (f) Successors and Election. Until Declarant sells or conveys all lots owned by Declarant, Declarant shall have the right to appoint two (2) members (or their successors) to the Committee in the event that the Committee is composed of three (3) members and shall appoint three (3) members in the event that the committee is composed of five (5) members. The member(s) not so appointed by the Declarant shall be elected by the members of the Homeowners Association. Upon the sale of all lots owned by Declarant, all members of the Architectural Committee shall be elected on an annual basis by the Association and all members shall be members of the Association. In the event of death or resignation of any member of the Architectural Committee, the remaining members shall have the authority to designate a successor until the next regularly scheduled annual meeting.

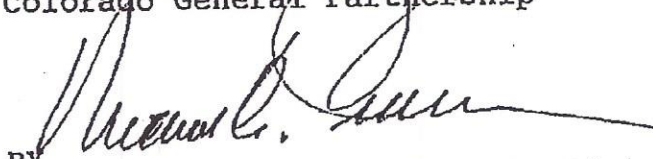
Section 2 (g) The Architectural committee shall designate a chairperson who shall be responsible for the day to day administration of the Committee and represent the Committee at the Homeowners Association Board Meeting.

Refer: ARTICLE IX RESTRICTIONS ON RESIDENTIAL TRACTS, Section 3, Building Specifications, page 23. Delete second full sentence. New Section 3(a) shall now read as follows:

Section 3(a). Minimum Size Requirements. No one story buildings shall be constructed with a fully enclosed first floor area of less than 1050 square feet, exclusive of carport, garage, and open porches or decks. No two story building shall be constructed with a fully enclosed first floor area of less than 900 square feet.

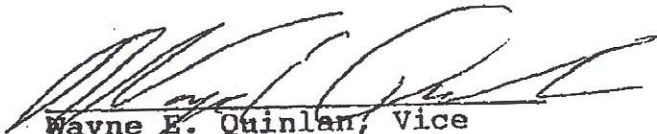
IN WITNESS WHEREOF, the undersigned, the Declarant herein has hereunto set their hand and seal this 30th day of May 1992.

BEAR CREEK LAND COMPANY, a
Colorado General Partnership



BY
Michael C. Quinlan, President
Quinlan Group, Inc., General
Partner.

ATTEST:



Wayne E. Quinlan, Vice
President