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DECLARATION OF GOLF PLAY COVENANTS

THIS DECLARATION OF GOLF PLAY COVENANTS (this "Declaration") is made this 17 day of June, 2003, by VISTA RIDGE DEVELOPMENT CORPORATION, a Colorado corporation ("VISTA RIDGE").

RECITALS

This Declaration is made with respect to the following facts:

- A. VISTA RIDGE is the owner of the real property legally described on Schedule 1 attached hereto (the "Golf Club Property") on which an 18-hole golf course, club house, driving range and related facilities known as the Vista Ridge Golf Club are currently being operated (the "Golf Club").
- B. VISTA RIDGE also owns the real property legally described on Schedule 2 attached hereto (the "Property") which is adjacent to the Golf Club Property and which will be developed for residential or other uses. VISTA RIDGE intends to convey the Property to a developer.
- C. VISTA RIDGE desires to provide for the creation of certain covenants and restrictions, which encumber and burden the Property for the benefit of the Golf Club Property, VISTA RIDGE, and its officers, directors, partners, shareholders, members, employees, agents, contractors, servants, guests and invitees and all of its successors and assigns (the "Beneficiaries").

DECLARATION

1. Ownership of Property Subject to Covenants. VISTA RIDGE hereby declares that the Property shall be held and conveyed subject to the covenants, conditions and restrictions set forth in this Declaration and which are hereby declared (i) to be for the benefit of the Beneficiaries and the Golf Club Property, (ii) to run with and burden the Property and each portion thereof, (iii) to be binding upon all parties having or acquiring any right, title or interest therein; and (iv) to be imposed upon the Property and every part thereof as a covenant at law and as an equitable servitude.
2. Acknowledgement, Assumption and Waiver of Golf Course Risks. The Property is located within a golf course community and accordingly, any purchaser of a portion of the Property (the "Owner") shall by virtue of ownership thereof be deemed to: (i) recognize and assume the risks of purchasing residential property within such community, (ii) waive any right to obtain compensation for loss or damage of any kind, direct or indirect, actual or consequential, arising from such risks, and (iii) waive any right to enjoin actions arising from such risks. Such risks include, without limitation, injury to persons and property arising out of, or resulting from, the design, construction, operation, maintenance or use of the Golf Club and Golf Club Property, trespass, acts or omissions of persons using or otherwise on the Golf Club and Golf Club Property, the



existence of water hazards, ponds, and lakes on the Golf Club Property, and without limitation the following:

- 2.1 retrieval of golf balls, including the right which is hereby granted to the Beneficiaries to enter onto the Property and any lot created thereon, for that purpose, provided the right to retrieve golf balls shall only extend to portions of the Property and any lots created thereon that are not enclosed by fences, walls, shrubs or other enclosures, and the person retrieving the golf balls shall do so in a reasonable manner and will repair any damage caused by entry onto the Property or lot to retrieve the golf ball;
- 2.2 flight of golf balls over, across, and upon the Property;
- 2.3 doing of every act necessary and incident to the playing of golf and other recreational activities on the Golf Club Property, including, but not limited to, the creation of usual and common noise levels associated with such recreational activities, but in no event shall such noise levels violate any applicable zoning or governmentally imposed noise ordinances, nor violate the terms of this Declaration;
- 2.4 creation of noise and odors related to the normal maintenance and operation of the Golf Club, including, but not limited to, the operation of mowing and spraying equipment; provided however, in no event, shall noise levels violate any applicable zoning or governmentally imposed noise ordinances; and
- 2.5 the overspray of herbicides, fungicides, pesticides, fertilizers and water, including without limitation, non-potable water, over the Property.

Notwithstanding the foregoing, the above-described assumed risks shall not include any act that is intended to cause damage to the Property or that does not result from the ordinary course of golf play or that is necessary to maintain, operate and use the Golf Club.

3. Fencing Restrictions. No Owner shall construct a fence or enclosure located along or next to the boundary lines between the Golf Club Property and the Property, except in compliance with the Fence Criteria attached hereto as Schedule 3. The recording of this Declaration in the Office of the Clerk and Recorder of Weld County, Colorado shall serve as notice of the Fence Criteria to all owners or prospective owners of the land within the Property and to the homeowners association governing the Property. The Fence Criteria shall be subject to change by agreement of VISTA RIDGE and Owner or to the extent created, the homeowners association for the Property provided such changes shall not affect any fences existing at the time such changes become effective, and such changes shall not be effective until 45 days following publication of such revised Fence Criteria.
4. Illumination. VISTA RIDGE shall have the right to illuminate the Golf Club Property for such purposes as it deems necessary in its sole discretion, including but not limited to, security purposes, illumination of the clubhouse and its patio or any improvements constructed on such portion of the Golf Club Property in the future, golf cart maintenance

and other maintenance facilities, areas used temporarily for special events or tournaments, and the parking lot.

5. Golf Club Configuration. For any portion of the Golf Club on the Golf Club Property, VISTA RIDGE may from time to time change the configuration, topography, layout, landscaping, irrigation (including without limitation water levels within reservoirs and the quality of such water contained therein) and any other feature of the Golf Club on the Golf Club Property. Such changes may affect the views of the Golf Club and affect the frequency, trajectory and velocity of errant shots which pass onto the Property. Nevertheless, the Owner is deemed to acknowledge and agree that it shall not have any right to object to, or in any manner limit the configuration, topography, layout, landscaping, irrigation and any other feature of the Golf Club on the Golf Club Property, and the provisions of this Declaration shall remain fully effective as to all of the Property after such changes.
6. Trespass. Owner is deemed to (i) acknowledge that nothing in this Declaration grants any right of access onto the Golf Club Property, and (ii) covenant not to trespass upon the Golf Club Property. In the event of any such trespass, VISTA RIDGE may contact the homeowner's association described in Section 10 below, take any other action described in Section 10, or take any other action permitted by law.
7. Maintenance/Operations. Owner is deemed to acknowledge that nothing in this Declaration grants Owner any right to participate or interfere with the maintenance or operation of the Golf Club or Golf Club Property.
8. Notices. Any notices or other communications required or permitted hereunder shall be sufficiently given if in writing and (i) delivered personally or (ii) sent by certified mail, return receipt requested, postage prepaid, addressed as shown below, or to such other address as the party concerned may substitute by written notice to the other. All notices personally delivered shall be deemed received on the date of delivery. All notices forwarded by mail shall be deemed received on a date three business days following date of deposit in the U.S. mail. Provided, however, the return receipt indicating the date upon which all notices were received shall be prima facie evidence that such notices were received on the date on the return receipt.
9. Duration and Enforceability. The covenants and restrictions set forth in this Declaration shall constitute covenants running with the land in perpetuity, burdening and benefiting the Property and the Golf Club Property, and shall be binding upon and inure to the benefit of the Beneficiaries.
10. Persons Entitled to Enforce Restrictions. VISTA RIDGE, its successors, assignees and designees, including, but not limited to any homeowner's association created for the Property, shall have the right to enforce the provisions of this Declaration. The right of enforcement shall include the right to bring an action for damages (subject to the provisions of Section 18 hereof) as well as an action to enjoin any violation of any provisions of this Declaration. Without limiting the foregoing, upon a violation of any of the terms or provisions hereof by an Owner, VISTA RIDGE may notify any such



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homeowner's association which shall cooperate reasonably with VISTA RIDGE's efforts to remedy such violation, provided that VISTA RIDGE reimburses such association for any out-of-pocket expenses incurred in giving such cooperation.

11. Remedies Cumulative. Subject to the provisions of Section 18 hereof, each remedy provided under this Declaration is "cumulative" rather than "exclusive."

12. Costs and Attorneys' Fees. In any action or proceeding under this Declaration, the prevailing party shall be entitled to recover its costs and expenses in connection therewith, including reasonable attorneys' fees.

13. Governing Law. This Declaration shall be construed and governed under the laws of the State of Colorado.

14. Severability. Each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity or unenforceability or partial validity or partial enforceability of the provisions or portion thereof shall not affect the validity or enforceability of any other provisions.

15. Captions for Convenience. The titles, headings and captions used in this Declaration are intended solely for convenience of reference and shall not be considered in construing any of the provisions of this Declaration.

16. Entire Declaration. This instrument contains the entire agreement relating to the covenants and restrictions set forth herein. Any oral representations or modifications concerning this instrument shall be of no force and effect.

17. Effectiveness of Declaration. Notwithstanding anything herein to the contrary, this Declaration shall not be effective for any purpose until executed and filed of record in the county in which the property subject to this Declaration is located.

18. Non-Recourse; Subordination. Neither VISTA RIDGE nor Owner shall have any personal liability hereunder and recourse for any breach or default hereunder shall be had, if at all, only against their respective interests in the Property or the Golf Club Property. Any lien or claim filed against the Property or the Golf Club Property, as a result of any default under or breach of this Declaration shall be subject, subordinate and inferior to all deeds of trust or similar liens filed now or at any time hereafter against the Property, the Golf Club Property or any portion thereof.

19. Notice to Property Owners Within the Property. EXCEPT FOR THE PROGRAM OF THE GOLF CLUB GRANTING CERTAIN PRIVILEGES TO RESIDENTS OF THE TOWN OF ERIE AS DESCRIBED IN PARAGRAPH 10.M.i. OF THE VISTA RIDGE ANNEXATION AGREEMENT DATED SEPTEMBER 13, 2000 AND RECORDED SEPTEMBER 15, 2000 AT RECEPTION NO. 2792930 AND RE-RECORDED DECEMBER 8, 2000 AT RECEPTION NO. 2812291 IN THE OFFICE OF THE CLERK AND RECORDER OF WELD COUNTY, COLORADO, NO OWNER SHALL HAVE ANY RIGHTS IN OR TO THE GOLF CLUB OR OTHER AMENITIES LOCATED ON THE GOLF CLUB PROPERTY, OR ANY RECREATIONAL

ACTIVITIES OCCURRING THEREON, INCLUDING, BUT NOT LIMITED TO, A
VISUAL SIGHT, OR LIGHT EASEMENT OVER AND ACROSS ANY PORTION OF
THE GOLF CLUB PROPERTY, RIGHTS OF MEMBERSHIP IN OR TO THE GOLF
CLUB, OR RIGHT OF ACCESS TO OR ACROSS THE GOLF CLUB PROPERTY,
UNLESS SUCH RIGHT OR RIGHTS HAVE BEEN GRANTED OR CONVEYED IN
WRITING BY VISTA RIDGE OR ITS SUCCESSORS AND ASSIGNS.

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IN WITNESS WHEREOF, the parties hereto have caused this Declaration to be executed
as of the day and year first above written.

VISTA RIDGE:

VISTA RIDGE DEVELOPMENT
CORPORATION
a Colorado corporation

By:

Name: Andy Chaikovsky

Title: President

1333 West 120th Avenue, Suite 100
Westminster, Colorado 80234

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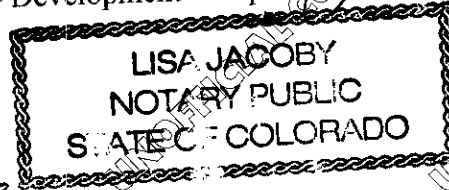
STATE OF COLORADO)

COUNTY OF Adams)

The foregoing instrument was acknowledged before me this 17th day of June, 2003
by Andy Chaikovsky as President of Vista Ridge Development Corporation, a Colorado
corporation.

WITNESS my hand and official seal

My commission expires: 5-24-2006



Lisa Jacoby
Notary Public

SCHEDULE 1

**GOLF COURSE AND CLUB LEGAL DESCRIPTION
VISTA RIDGE SUBDIVISION**

Tracts 7A, 7B, 8, 9, 10A, 10B, 10C, 11, 12, 13, 14A, 14B, 15, 16 and 20 of Vista Ridge Master Final Plat recorded November 28, 2001 under Reception No. 2903870 of the records of the County of Weld, State of Colorado; and

Parcels B and H of vacated Weld County Road 5, vacated by Ordinance No. 780, Series 2002 recorded June 4, 2002 under Reception No. 2958045 and re-recorded June 19, 2002 under Reception No. 2962189 of the records of the County of Weld, State of Colorado.



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SCHEDULE 2

THE PROPERTY

Parcels 1, 2A, 2B, 9A, 9B, 11, 12, 18 19A, 19B, 20, 21A, 21B, 25, 26, 27A, 27B, 28, 30, 31, 32, 33, 34 and 35 and Tracts 1, 2, 3, 4, 5, 18A, 18B, 19, 21, 22, 23, 24 and 25 of Vista Ridge Master Final Plat recorded November 28, 2001 under Reception No. 2903870 of the records of the County of Weld, State of Colorado; and

Parcels A, E, F, G, I, J and K of vacated Weld County Road 5, vacated by Ordinance No. 780 Series 2002 recorded June 4, 2002 under Reception No. 2958045 and re-recorded June 19, 2002 under Reception No. 2962189 of the records of the County of Weld, State of Colorado; and

Lots 1, 5, 7, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 26, 27, 28, 29, 30, 31 and 32, Vista Ridge Filing No. 1E, Final Plat, a Replat of Vista Ridge Master Final Plat, Parcels 7A and 7B, County of Weld, State of Colorado recorded November 12, 2002 of the records of the County of Weld, State of Colorado; and

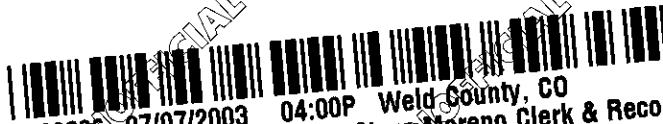
That part of the North half of the Northwest quarter of the Southwest quarter of Section 32, Township 1 North, Range 68 West of the 6th P.M. described as follows:
Commencing at the West quarter corner of said Section 32; Thence S00°15'12"W, 495.00 feet along the West line of said Southwest quarter; Thence S89°32'28"E, 789.80 feet to the point of beginning;

Thence continuing along said line S89°32'28"E 528.00 feet to the East line of the West half of said Southwest quarter; Thence S00°08'45"W, 165.00 feet along said East line; Thence N89°32'28"W 528.00 feet; Thence N00°08'45"E, 165.00 feet to the point of beginning, County of Weld, State of Colorado containing 2.00 acres (87,120 square feet Tillman Parcel). Pursuant to C.R.S. 38-35-106.5 the above legal description was established/set out by Hurst & Associates, Inc., 4999 Pearl East Circle, Suite 106, Boulder, CO 80301. (303-449-9105); and

The Southwest Quarter of the Southwest Quarter except the North 330 feet thereof, Section 32, Township 1 North, Range 68 West of the 6th P.M., County of Weld, Colorado.

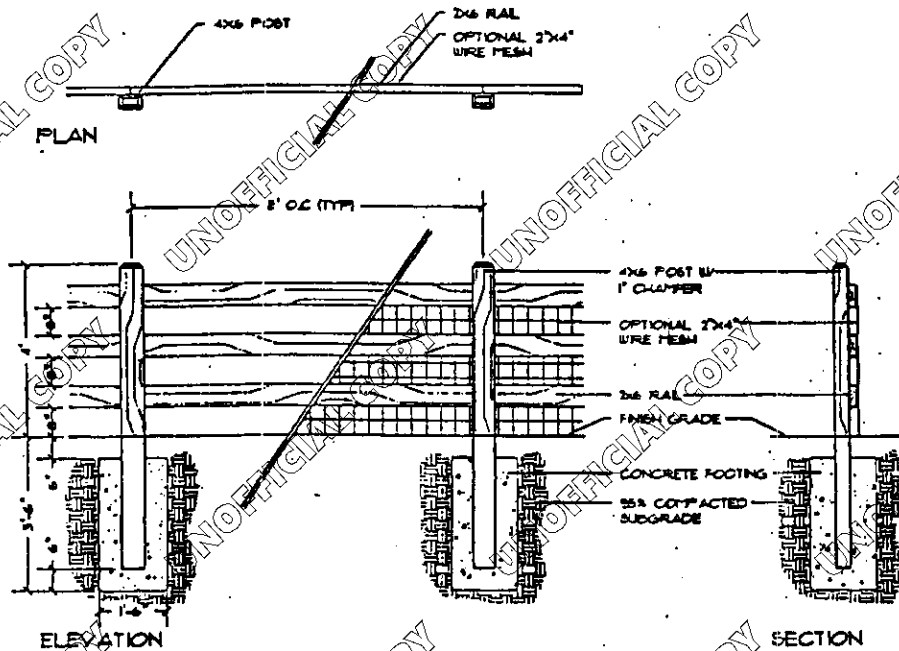
SCHEDULE 3
FENCE CRITERIA

A three-rail open fence as required by the Homeowner's Association Guidelines as shown the attachment to this Schedule 3.


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Attachment to Schedule 3 of Golf Play Easement.

APPENDIX E: FENCING DETAILS



**Vista Ridge
Architectural
Review
Committee
Guidelines**

Three Rail Fence - 4' Height
Not to Scale



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