

AMENDMENT NO. 1

TO
DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS
FOR KEYSTONE RANCH

ARLYS H. WARD

APR 13 4 22 PM '78

SUMMIT COUNTY
CLERK & RECORDER

181057

Keystone, a division of Ralston Purina Company, a Missouri corporation, duly qualified to do business in the State of Colorado, as Declarant and owner of 100% of the Keystone Ranch, Tracts A, B, C and D, Summit County, Colorado, and there being no holders of any recorded first mortgage covering or affecting any or all of the Keystone Ranch Tracts A, B, C and D, and acting pursuant to the provisions of Section 11.3 of that certain Declaration of Covenants, Conditions, and Restrictions for Keystone Ranch, dated May 8, 1978, and recorded on the 9th day of May, 1978, in Reception Number 175936, in the office of the Clerk and Recorder of Summit County, Colorado (which Declaration is hereinafter referred to as the "Declaration"), does hereby amend the Declaration by adding the following:

RIGHT TO REPURCHASE

Section 100.1 Declarant desires to encourage construction of mountain residences on the Sites within a five-year period from the date Declarant transfers title to the Site (the "Original transfer date").

Section 100.2 In the event that Owner fails to complete construction of a residence, (pursuant to plans approved by the Architectural and Planning Control Board) within five years from the original transfer date, Declarant shall have the right and option to repurchase the Site at the purchase price paid by Owner on the original transfer date (the "original purchase price"), plus interest at the rate of 7% from the original transfer date. Construction shall be deemed completed upon the date of issuance of a certificate of occupancy for the residence constructed on the particular Site. Notice of exercise of this repurchase option must be given to Owner within the 60 days following the expiration

of the period for completion of construction herein provided. If exercised by Declarant, the repurchase shall be consummated within 60 days thereafter, and Owner shall convey title to the Site to Declarant, free and clear of all liens and encumbrances except the general real estate taxes for the current year and those exceptions set forth in the deed from Declarant to Owner. Keystone, in its sole discretion, may extend unilaterally for no more than three years, the time which Owner has to complete construction (the "extension period"). If the construction period is extended, Declarant shall retain the right and option to repurchase the Site upon the terms set forth herein during the extension period. This covenant is a covenant running with the land as to each Site and notwithstanding any other provision hereof, may be enforced only by Declarant, its successors and assigns.

Section 100.3 If Owner at any time during the five years from the original transfer date, or during any extension period, decides to sell the Site and has not completed construction, as defined in Section 100.2 hereof, Declarant shall have the right and option to repurchase the Site at the original purchase price plus interest at the rate of 7% from the original transfer date. Owner shall be required to notify Declarant in writing of Owner's intention to sell the Site. Declarant shall give notice to exercise this repurchase option within 60 days following receipt of notice of intention to sell from Owner. If exercised by Declarant, the repurchase shall be consummated within 60 days thereafter, and Owner shall convey title to the Site to Declarant, free and clear of all liens and encumbrances except the general real estate taxes for the current year and those exceptions set forth in the deed between Declarant and Owner.

If Declarant decides not to exercise this repurchase option, it shall so notify Owner within 60 days following receipt of notice of Owner's intention to sell. Declarant's notice that it is declining the option shall be in a form which can be recorded in the real estate records of Summit County. Owner shall have 90 days from the date it receives notice that Declarant will not exercise its option to transfer the Site to a third party without first offering the Site to Declarant. Such transfer, however, shall be subject to the provisions of this Amendment No. 1. If Owner decides to transfer the Site at any time after said 90-day period, Owner must again offer the Site to Declarant pursuant to the terms of this Amendment No. 1. This covenant is a covenant running with the land as to each Site for the benefit of Declarant and, notwithstanding any other provision hereof, may be enforced only by Declarant, its successors and assigns.

Section 100.4 Declarant agrees to subordinate all of its rights to repurchase the Site to mortgage lenders extending credit for construction purposes so long as any construction contractor hired by Owner to construct its residence has obtained a performance bond, satisfactory to Declarant, or is otherwise financially acceptable, in Declarant's sole discretion. This Section 100.4 establishes no duty upon Declarant to investigate the financial responsibility of construction contractors or the performance by ~~the contractor of construction work~~, and this Section 100.4 vests no rights in Owner, any contractor or other third party as against Declarant with respect to approval or disapproval of construction contractors.

Section 100.5 All notices required to be given pursuant to this Amendment No. 1 shall be in writing, and the giving of

nor be shall be accomplished by delivery of the notice to the intended party or by mailing the same by certified mail addressed to Declarant at Box 38, Keystone, Colorado 80435, Attention: Legal Department and to Owner at the address in the Lot Purchase Agreement between Declarant and Owner, or at such other address as shall be indicated by a sufficient notice hereunder. Notice by mail shall be effective when mailed.

Section 100.6 If Declarant does not exercise this repurchase option within the time (as it may be extended) set forth herein for such exercise, all of Declarant's rights under this Amendment No. 1 shall terminate.

IN WITNESS WHEREOF, the undersigned being the Declarant herein, has hereunto set its hand and seal this 19th day of September, 1978.

KEYSTONE, a division of Ralston Purina Company, a Missouri corporation

ATTEST:

Curtis W. Schaefer By: Robert A. Maynard

STATE OF COLORADO)
COUNTY OF SUMMIT) SS.

The foregoing instrument was acknowledged before me this 19th day of September, 1978, by Robert A. Maynard as President and Curtis W. Schaefer as Vice President of Keystone, a division of Ralston Purina Company, a Missouri corporation.

Witness my hand and official seal.

My commission expires: 10-1-80

(SEAL)

Charles T. Tate
Notary Public