

**AFTER RECORDING, RETURN TO:**

Dan Hicks  
River Island Ranch Property Owners Association, Inc.  
P.O. Box 880  
South Fork, CO 81154

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AMENDMENT 36.00  
DR Book 567 Page 378 - 383

Instrument Book Page  
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**SECOND AMENDMENT  
TO  
DECLARATION OF PROTECTIVE COVENANTS FOR RIVER ISLAND RANCH  
(Expansion Property")**

This SECOND AMENDMENT TO DECLARATION OF PROTECTIVE COEVNANTS FOR RIVER ISLAND RANCH is made effective as of October 5, 2013 ("Amendment").

**RECITALS**

A. That certain Declaration of Protective Covenants For River Island Ranch was recorded at Reception No. 200600394581, Book 529 at Page 180 of the real property records of Rio Grande County, Colorado, and is referred to herein, together with all annexations and amendments thereto, as the "Declaration";

B. Pursuant to Section 13.3 of the Declaration, the Owners of at least 67% of the Lots subject to the Declaration voted on October 5, 2013 to approve certain amendments to the Declaration.

C. The Board of Directors of the River Island Ranch Property Owners Association, Inc., a Colorado nonprofit corporation (the "Association"), desires to record this Amendment to evidence the amendments to the Declaration that were so adopted by the Owners.

NOW THEREFORE, the Board of Directors of the Association hereby adopts, affirms and acknowledges the following amendments to the Declaration:

1. **The Property.** The Declaration encumbers the real property described in Exhibit A to the Declaration together with the real property added by annexation amendments to the Declaration pursuant to the terms of Section 10.4 of the Declaration, all of which property is referred to in the Declaration as the "Property." Section 10.4 of the Declaration permitted the Declarant, River Island Ranch, Inc., to further expand the "Property" to include all or portions of the real property described in Exhibit B of the Declaration. The Members of the Association desire to amend the Declaration to authorize and empower the Board of Directors of the Association by majority vote of the Association Board to add to the Property, from time to time, all or portions of the real property described in Exhibit B (A1) of the Declaration on the terms and conditions set forth in this Amendment. As such, the Declaration is hereby amended to add the following provisions:

**“ARTICLE 10A: ASSOCIATION DEVELOPMENT RIGHTS**

10.1A Association’s Development Rights. The Board of Directors of the Association shall have the following development rights (but shall not be obligated to): (a) create additional Lots within the Property (up to the Maximum Number of Lots<sup>[A2]</sup>); (b) create additional Association Properties or convert any of the Lots or other real property within the Property to Association Properties but only with the written consent of the owner of the applicable Lots to be so converted; and (c) annex all or portions of the Expansion Property into the Property, create additional Lots therein and modify the terms of this Declaration, Design Guidelines and the Rules and Regulations with respect to such annexed portions of the Expansion Property.

All of the development rights set forth in this Section 10A may be exercised by the Board of Directors of the Association with respect to all or any portion of the Property or Expansion Property. No assurances are made by the Association or its Board concerning which portions of the Property or Expansion Property may be affected by the Association’s exercise of its development rights or the order in which portions of the Property or Expansion Property may be affected. The Board of Directors of the Association is not obligated to exercise any of its development rights and may elect not to exercise any or all of them. If the Board does exercise a development right in any portion of the Property or Expansion Property, the Board is not obligated to exercise that development right in all or any other portion of the remainder of real estate affected by the exercise of the development right or in all or any other portion of the remainder of the Property or Expansion Property.

10.2A Special Declarant Rights. The Board of Directors of the Association shall have the following special development rights: (a) to complete any Improvements shown on the Plats; (b) to maintain, or permit others to maintain, anywhere within the Property, model homes, sales, management, and construction offices (including within temporary buildings), and signs incidental to the development, promotion, sales, or advertisement of property within the Property; (c) to construct additional Improvements on Association Properties, for the benefit of the Association and the Owners<sup>[A3]</sup> at the cost of \$25,000,000;(d) to accept title to additional Association Property and any related Improvements located thereof that are for the benefit of the Association and the Owners; and (e) to use or allow others to use the Association Properties and Association services in connection with the promotion, development, and marketing of the Property and Expansion Property, and permitting prospective purchasers to use Association Properties. Temporary buildings shall be promptly removed when they cease to be used for these purposes.

10.3A Expansion Property. <sup>[A4]</sup>The Board of Directors of the Association shall have the right to expand the Property to include all or any part of the Expansion Property. Each Owner hereby grants to the Board of Directors of the Association a right to expand the Property. Such expansion may be accomplished by the filing for record by the Board of Directors of the Association with the Clerk and Recorder of Rio Grande County, Colorado an amendment or amendments to this Declaration containing a legal description of the portion of the Expansion Property to be added to the Property, together with any Plat(s) which may be required. Any such amendment or amendments to this Declaration shall also contain a listing of the total number of Lots then contained within the Property. The expansion may be accomplished in “phases” by

successive amendments. In the event of such expansion, the definitions used in the Declaration shall automatically be expanded to encompass and refer to the Property as so expanded; e.g., "Property" shall mean the real property described on **Exhibit A** to the Declaration as expanded prior to the date hereof, together with any portion of the Expansion Property thereafter added by annexation pursuant to the terms of this Section 10A. The Property shall only include the property described on **Exhibit A** and those portions of the Expansion Property which have been (or which are hereafter) added to the Property from time to time pursuant to the terms of this Declaration. Any expansion of the Property will result in an expansion of the number of "Lots," "Owners" and "Club Members" as each such term is defined in the Declaration.

Unless and until a particular portion of the Expansion Property is added to the Property, such portion of the Expansion Property shall not be a part of the Property and shall not be subject to the Declaration in any way whatsoever. If none or only a portion of the Expansion Property is added to the Property pursuant to this Declaration, the validity of this Declaration shall not be affected.

10.4A Association's Rights to Complete Development of Property. No provision of this Declaration shall be construed to prevent or limit the Association's rights to grant licenses, easements, reservations and rights-of-way; or to construct or alter Improvements on any property owned by the Association within the Property. Nothing contained in this Declaration shall limit the right of the Association or require the Association to change any grading, drainage, vegetation, or view; or to construct, alter, demolish or replace any Improvements on any property owned by the Association. Nothing in this section shall limit or impair the Association's rights as may be elsewhere provided in the Association Documents or the Declaration."

The above provisions are hereby added to the Declaration and made a part thereof.

2. Maximum Number of Lots. The Definition section of the Declaration defines "Maximum Number of Lots" as "The maximum number of Lots that may be created within the entire development of River Island Ranch is 1,000." In conjunction with the authority herein granted to the Board of Directors of the Association to expand the Property, the definition of Maximum Number of Lots contained in the Definition section of the Declaration is hereby deleted in its entirety and the following language is substituted in its place:

"Maximum Number of Lots: The maximum number of Lots that may be created within the entire development of River Island Ranch is 1000.[A5]"