

**RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:**

STEPHANIE L. FANOS  
ATTORNEY AT LAW  
P.O. BOX 3727  
TELLURIDE, COLORADO 81435

SPACE ABOVE THIS LINE RESERVED FOR USE BY RECORDER

**SECOND AMENDMENT TO THE  
DECLARATION OF  
COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS  
FOR GRAY HEAD AT TELLURIDE**

This Second Amendment to the Declaration of Covenants, Conditions, Restrictions and Easements For Gray Head at Telluride ("Second Amendment") is made this 28th day of January, 2000, by Gray Head Development Corp., a Colorado corporation, hereinafter referred to as Declarant.

WHEREAS, on May 11, 1999, Declarant executed and recorded: (1) the Declaration of Covenants, Conditions, Restrictions and Easements For Gray Head at Telluride ("Declaration") in the records of the Clerk and Recorder for San Miguel County, Colorado at Reception Number 326339; and (2) the Common Interest Community Map for Gray Head at Telluride ("Map") in the records of the Clerk and Recorder for San Miguel County, Colorado, in Plat Book 1, Page 2562;

WHEREAS, on January 7, 2000, the First Amendment to the Declaration of Covenants, Conditions, Restrictions and Easements For Gray Head at Telluride was recorded in the records of the Clerk and Recorder for San Miguel County, Colorado at Reception Number 331682;

WHEREAS, Declarant and Owners holding more than 67% of the votes possible to be cast under the Declaration desire to amend the Declaration in order to change the formula for determining the number of votes and allocated interests of the Lot Owners.

NOW THEREFORE, Declarant does hereby publish and declare that:

- 1. Section 5.4 shall be amended in its entirety as follows:

**Section 5.4 Voting Rights.** For the purpose of all Association matters, each Lot shall entitle an Owner of a Lot to the number of votes determined in accordance with the formula set forth in the First Amended and Restated Exhibit C attached hereto.

- 2. Section 10.2.5 shall be amended in its entirety as follows:

**10.2.5** Upon the inclusion of additional Lots under this Declaration by the filing of a Supplemental Declaration and a Supplemental Map, the Allocated Interest applicable to a Lot shall automatically be recalculated to equal a fraction, the numerator of which shall be the number of acres within each Lot and the denominator of which shall be equal to the total number of acres within all Lots then contained within Gray Head at Telluride. Such change

in the Allocated Interest appurtenant to a Lot shall be reflected and set forth in the Supplemental Declaration.

3 Exhibit C shall be amended and restated in its entirety as set forth in the First Amended and Restated Exhibit C attached hereto and incorporated herein by this reference.

4. Unless otherwise defined herein, initially capitalized terms defined in the Declaration shall have the same meaning herein.

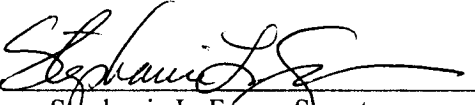
5. Except as specifically amended by this Second Amendment or other amendments or supplements to the Declaration, all other terms and conditions of the Declaration shall remain in full force and effect.

IN WITNESS WHEREOF, this Second Amendment is hereby executed to be effective as of the 28th day of January, 2000.

#### ASSOCIATION CERTIFICATION

The undersigned Secretary of the Gray Head at Telluride Property Owners Association, Inc. hereby certifies that more than 67% of the Owners of Lots entitled to vote on Association matters have voted to approved the foregoing Second Amendment at a meeting of the Owners held on January 28, 2000, called specifically for the purpose of voting on the Second Amendment.

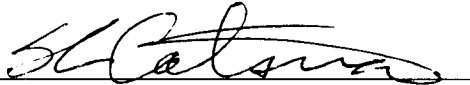
Gray Head at Telluride Property Owners Association, Inc.

By:   
Stephanie L. Fanos, Secretary



**DECLARANT:**

Gray Head Development Corp., a Colorado corporation

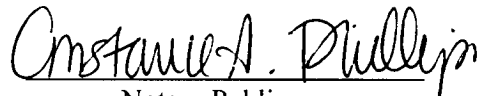
By:   
Steven L. Catsman, President

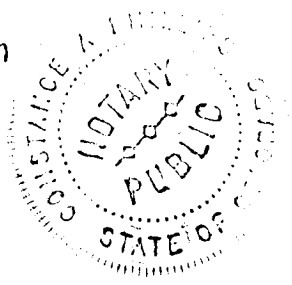
Dated: January 28, 2000

STATE OF COLORADO                    }  
  } ss.  
COUNTY OF SAN MIGUEL            }

The foregoing Second Amendment was acknowledged before me by Steven L. Catsman, President, Gray Head Development Corp., a Colorado corporation on the 28<sup>th</sup> day of January, 2000.

Witness my hand and official seal.  
My commission expires: 8/19/2002

  
Notary Public



OWNER CONSENT

Consent is hereby given to the above Second Amendment to the Declaration of Covenants, Conditions, Restrictions and Easements for Gray Head at Telluride by the undersigned Lot Owners holding more than 67% of the votes possible to be cast under the Declaration.

Dated this 28<sup>th</sup> day of January, 2000.

OWNER OF LOTS 1, 3, 4, 6, 7, 8, 9, 10 and 11:

Gray Head Development Corp., a Colorado corporation

By: *SL Catsman*  
Steven L. Catsman, President

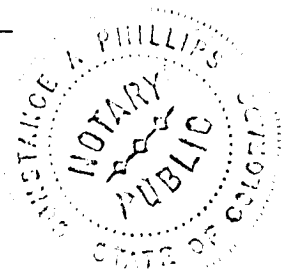
STATE OF COLORADO                    }  
  } ss.  
COUNTY OF SAN MIGUEL            }

The foregoing Owner Consent was acknowledged before me by Steven L. Catsman, President of Gray Head Development Corp., a Colorado corporation on the 28<sup>th</sup> day of January, 2000.

Witness my hand and official seal.

My commission expires: 8/19/2002

*Constance A. Phillips*  
Notary Public



**FIRST AMENDED AND RESTATED  
 EXHIBIT C  
 ALLOCATED INTERESTS AND VOTES**

There are currently eleven (11) Lots within Gray Head at Telluride.

**ALLOCATED INTERESTS.** The Allocated Interest applicable to a Lot shall be equal to a fraction, the numerator of which shall be the number of acres within each Lot and the denominator of which shall be equal to the total number of acres within all Lots currently within Gray Head at Telluride and shall be expressed as a percentage.

**VOTES PER LOT.** Each Lot shall be entitled to one (1) vote per each thirty-five (35) acres contained within such Lot. No fraction of 35 acres may be counted in determining the number of votes. For example, a Lot containing 37 acres shall only be entitled to one vote and a Lot containing 73 acres shall be entitled to two votes.

<u>LOT #</u>	<u>ACRES IN LOT</u>	<u>ALLOCATED INTEREST</u>	<u>VOTES</u>
Lot 1	35.51	7.7%	1
Lot 2	35.71	7.7%	1
Lot 3	35.69	7.7%	1
Lot 4	35.32	7.7%	1
Lot 5	35.10	7.7%	1
Lot 6	35.48	7.7%	1
Lot 7	35.41	7.7%	1
Lot 8	35.14	7.7%	1
Lot 9	35.50	7.7%	1
Lot 10	35.11	7.7%	1
<u>Lot 11</u>	<u>105.91</u>	<u>23.0%</u>	<u>3</u>
Totals 11	459.94	100%	13