

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

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TELLURIDE, COLORADO 81435

SPACE ABOVE THIS LINE RESERVED FOR USE BY RECORDER

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

THIS THIRD AMENDMENT to the Declaration of Covenants, Conditions, Restrictions and Easements for Gray Head at Telluride ("Third Amendment") is made to be effective as of the 25th day of September, 2002, by Gray Head Development Corp., a Colorado corporation, ("Declarant") and the Gray Head at Telluride Property Owners Association, Inc., a Colorado non-profit corporation ("Association").

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, on January 28, 2000, the Second 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 332149;

WHEREAS, on February 1, 2000, the First Supplement 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 332197, and the First Supplemental Common Interest Community Map for Gray Head at Telluride was recorded in the records of the Clerk and Recorder for San Miguel County, Colorado, in Plat Book 1, Page 2681; and

WHEREAS, on June 15, 2000, the Second Supplement 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 334872, and the Second

Supplemental Common Interest Community Map for Gray Head at Telluride was recorded in the records of the Clerk and Recorder for San Miguel County, Colorado, at Reception Number 334871.

WHEREAS, on June 20, 2000, the Third Supplement 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 334957 and the Third Supplemental Common Interest Community Map for Gray Head at Telluride was recorded in the records of the Clerk and Recorder for San Miguel County, Colorado, at Reception Number 334956.

WHEREAS, on June 19, 2002, the Fourth Supplement 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 349833 and the Fourth Supplemental Common Interest Community Map for Gray Head at Telluride was recorded in the records of the Clerk and Recorder for San Miguel County, Colorado, at Plat Book 1, Page 3035.

WHEREAS, Declarant and Owners holding more than sixty-seven percent (67%) of the votes possible to be cast under the Declaration desire to amend the Declaration in order to specify the maximum number of Lots that could be included in Gray Head at Telluride and to specify the manner in which notice of matters affecting Gray Head at Telluride be given to Owners by the Association or other Owners pursuant to C.R.S. §38-33.3-205(l)(n).

NOW THEREFORE, Declarant and the Association do hereby publish and declare that:

1. Section 3.4 shall be amended in its entirety as follows:

Section 3.4 Number of Lots. The initial number of Lots within Gray Head at Telluride is eleven (11). Declarant reserves for itself and any Successor Declarant the right to create and add to Gray Head at Telluride up to twenty-eight (28) Lots, each containing at least thirty-five (35) acres.

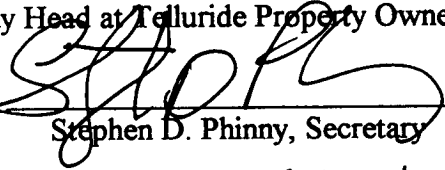
2. Section 19.6 shall be added to the Declaration as follows:

Section 19.6 Notices. All Owners of each Lot shall have one registered mailing address to be used by the Association or other Owners for notices, demands, and all other communications regarding Association matters. The Owner or the representative of the Owners of a Lot shall furnish such registered address to the secretary of the Association within thirty (30) days after transfer of title to the Lot to such Owner or Owners. Such registration shall be in written form and signed by all of the Owners of the Lot or by such persons as are authorized to represent the interests of all Owners of the Lot. If no address is registered or if all of the Owners cannot agree, then the address of the Lot shall be deemed the address contained in the San Miguel County Assessor's records, and any notice shall be deemed duly given if delivered to such address. All notices and demands intended to be

ASSOCIATION CERTIFICATION

The undersigned Secretary of the Gray Head at Telluride Property Owners Association, Inc. hereby certifies that more than sixty-seven percent (67%) of the Owners of Lots entitled to vote on Association matters have voted to approved the foregoing Third Amendment at a special meeting of the Owners held on September 25, 2002, called specifically for the purpose of voting on this Third Amendment.

Gray Head at Telluride Property Owners Association, Inc.

By: 
Stephen D. Phinny, Secretary

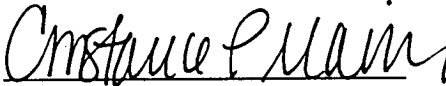
STATE OF ~~ARIZONA~~ Colorado }
COUNTY OF San Miguel } ss.

The foregoing Third Amendment was acknowledged before me by Stephen D. Phinny, Secretary, Gray Head at Telluride Property Owners Association, Inc., a Colorado non-profit corporation, on the 27th day of September, 2002.

Witness my hand and official seal.

My commission expires: 9/3/06

CONSTANCE P. MANNING
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires Sept. 3, 2006


Notary Public