



SUPPLEMENT
TO
DECLARATION OF COVENANTS, CONDITIONS, AND
RESTRICTIONS
FOR
HIGHLAND MEADOWS
(The Woods at Highland Meadows)

THIS SUPPLEMENT TO THE DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR HIGHLAND MEADOWS ("this Supplement") is made and entered into this 29th day of September, 2004, by WINDSOR HIGHLANDS 280 LLC, a Colorado limited liability company ("the Declarant").

RECITALS

Tri-Trend, Inc., a Colorado corporation ("the Owner") is the owner of that certain real property located in the County of Larimer, State of Colorado, legally described as follows:

Pads 1 through 35, inclusive, Highland Meadows Subdivision Sixth Filing, being a replat of Tract O, Highland Meadows Fourth Filing, in the Southwest Quarter of Section 23, Township 6 North, Range 68 West of the 6th P.M., Town of Windsor, County of Larimer, State of Colorado, according to the Plat thereof recorded June 13, 2003, at Reception No. 2003-0072555 of the Larimer County, Colorado records.

B. Declarant is the owner of that certain real property located in the County of Larimer, State of Colorado, legally described as follows:

Tracts A, B and C, Highland Meadows Subdivision Sixth Filing, being a replat of Tract O, Highland Meadows Fourth Filing, in the Southwest Quarter of Section 23, Township 6 North, Range 68 West of the 6th P.M., Town of Windsor, County of Larimer, State of Colorado, according to the Plat thereof recorded June 13, 2003, at Reception No. 2003-0072555 of the Larimer County, Colorado records.

The real property described in this Recital B, and the real property described in Recital A above, are collectively referred to in this Supplement as "The Woods" or the "Neighborhood."

C. The Declaration of Covenants, Conditions, and Restrictions for Highland Meadows was recorded November 17, 1998, at Reception No. 98101021 of the Larimer County, Colorado, records ("the Declaration").

D. Article X of the Declaration reserved to the Declarant the right to subject all or any part of the property described in Exhibit "B" attached to the Declaration ("the Development Property") to the provisions of the Declaration.

E. Pursuant to Article X, Section 10.1 of the Declaration, the consent of the Members is not required for such expansion.

F. The Woods is included within the Development Property.

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G. The Declarant and the Owner desire to subject The Woods to the provisions of the Declaration, and to the additional covenants set forth in this Supplement.

ARTICLE I. SUBMISSION OF REAL ESTATE

The Declarant and the Owner hereby publish and declare that The Woods shall be held, sold, conveyed, transferred, leased, subleased, and occupied subject to the easements, covenants, conditions, and restrictions set forth in the Declaration and this Supplement, which shall run with the land and shall be binding upon and inure to the benefit of all parties having any right, title, or interest in The Woods or any portion thereof, their heirs, personal representatives, successors, and assigns. Additionally, the Declarant and the Owner hereby submit The Woods to the provisions of the Colorado Common Interest Ownership Act. In the event the Act is repealed, the Act on the effective date of this Supplement shall remain applicable to The Woods.

ARTICLE II. ALLOCATED INTERESTS

Each Unit within The Woods shall be allocated voting rights and a percentage of liability for assessments equal to that of each Unit within the Highlands Meadows Community.

ARTICLE III. SUPPLEMENT TO THE PLAT

The Plat of Highland Meadows Subdivision Sixth Filing (which includes The Woods) (the "Plat") was recorded June 13, 2003, at Reception No. 2003-0072555 of the Larimer County, Colorado records.

ARTICLE IV. INTERPRETATION

Recording of this Supplement shall automatically: (i) vest in each existing Owner the reallocated voting rights and liability for assessments appurtenant to such Owner's Unit as herein described; and (ii) vest in each existing Mortgagee a perfected Security Interest in the reallocated voting rights and liability for assessments appurtenant to the encumbered Unit. Upon the recording of this Supplement, the definitions in the Declaration shall automatically be extended to encompass and to refer to the Real Estate as expanded by the addition of The Woods. Reference to the Declaration in any instrument shall be deemed to include this Supplement without specific reference thereto. In the event of any inconsistency between the terms of this Supplement and the Declaration, this Supplement shall control as to The Woods.

ARTICLE V. NEIGHBORHOOD DESIGNATION

Pursuant to Section 7.4 of the Declaration, The Woods shall be and is hereby designated a Neighborhood.

ARTICLE VI. ASSOCIATION RIGHTS AND RESPONSIBILITIES

6.1 Patio Home Units. The Units within the Woods shall consist of pads as shown on the Plat.

6.2 Unit Maintenance. The maintenance, repair and replacement obligations for each Unit are as follows:

6.2.1 Residences. The Association shall paint all exterior trim and exterior surfaces of doors on the residential dwelling structure ("Residence") located on a Unit. All other

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maintenance, repair and replacement of the Residence exterior (including, without limitation, the roof, foundation, walls, windows, screens, patios, decks, and repair and replacement of the exterior trim and exterior surfaces of doors) shall be the responsibility of the Owner. Each Owner is responsible for the interior of the Owner's Residence and all other maintenance and repair of the Residence not otherwise the responsibility of the Association under this Supplement.

6.2.2 Landscaping and Other Improvements. All landscaping and other improvements (including, without limitation, driveways and sidewalks) located on a Unit (with the exception of the Residence which is addressed in Article 6.2.1 above) shall be maintained, repaired and replaced by the Owner with the following exception. The Association shall be responsible for removing snow as reasonably necessary from the walkways and driveways located either on the Unit or the Common Area, including any walkway leading from the front door of the Residence to the adjacent street and/or to the driveway located on a Unit, whether such walkway lies on the Common Area or a Unit. Each Owner shall be responsible for snow removal from any patio or deck areas located on a Unit and any other areas of the Unit for which the Association does not have snow removal responsibility. No landscaping or other improvements on the Owner's Unit may be installed without prior review and approval in accordance with Article V of the Declaration and the Design Guidelines.

6.3 Exclusive Common Area Maintenance. The Association shall maintain all landscaping and irrigation equipment (other than driveways or walkways) installed by the Owner located outside of the Units, which shall be the Exclusive Common Area (Tracts B and C as shown on the Plat). Such maintenance shall be a Neighborhood Expense. The Association's responsibilities with respect to maintenance of such landscaping shall include snow removal (as described in Article 6.2.2 above), cutting of grass, trimming and replacement of trees, shrubs, hedges, bushes, flowers and other plantings, and clean-up and removal of cuttings, trimmings and dead plantings. Owners of Units shall not alter such landscaping or irrigation equipment and shall not interfere with the Association's landscaping activities.

6.4 Standard of Performance. All maintenance and activities in the Neighborhood shall be conducted in accordance with the Community-Wide Standard. In addition, the Neighborhood Committee may request that the Association perform additional services or a higher level maintenance or activity, which shall be performed as a Neighborhood Expense. For example and by way of illustration, not limitation, the Neighborhood Committee may request the Board to provide additional landscape services, a higher level of service, or recommendations regarding the landscape maintenance contractor the Association engages for the Neighborhood. The Board shall take such recommendations in consideration when providing such services and engaging the maintenance contractor, the cost of which shall be included in the Neighborhood Expenses.

6.5 Insurance. The Association shall obtain and maintain endorsements to the property and commercial general liability policies carried by the Association ("Neighborhood Liability Endorsement"), which shall insure the Association and the owners within the Neighborhood against liability for occurrences occurring where the Association has maintenance responsibilities.

ARTICLE VII. NON-POTABLE WATER IRRIGATION SYSTEM

Tracts B and C of Highland Meadows Subdivision Sixth Filing, Town of Windsor, County of Larimer, State of Colorado ("Tracts B and C") will be irrigated using non-potable water. Non-potable irrigation water is not fit for human consumption. Owners should take appropriate precautions to prevent any person from drinking non-potable irrigation water or otherwise making any use of such water which may be damaging to a person's health. To the extent such water may

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be harmful to animals, the Owners and those otherwise having the care, custody and control of such animals should also take appropriate precautions to prevent any animal from drinking the non-potable irrigation water or otherwise exposing the animal to such water in a manner which would be damaging to the animal's health. Neither the Association, the Declarant, nor the Owner (nor their managers, members, officers, directors or shareholders) shall be liable for any injury, loss or damage arising from the use of non-potable irrigation water for any purpose other than irrigation and, by accepting a deed to a Unit the Unit Owner knowingly and voluntarily waives any such claims against the Association, the Declarant and the Owner. The Highland Meadows Community Association, Inc., a Colorado non-profit corporation, is solely responsible for providing the non-potable water for irrigation of Tracts B and C.

ARTICLE VIII. EASEMENTS

8.1 Encroachments. In the event any portion of any Unit encroaches upon the Exclusive Common Area as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the improvements, a valid easement for such encroachment and for the maintenance, repair and replacement of the same shall exist in favor of the Unit Owner whose improvements are encroaching so long as the encroachment exists. Notwithstanding any other maintenance provisions in this Supplement, maintenance, repair and any future replacement of encroaching improvements shall be the sole responsibility of the Unit Owner. Any encroaching improvements shall be maintained by the Unit Owner in a neat and attractive condition consistent and harmonious with the Community-Wide Standard. The Owner of the encroaching improvements shall maintain public liability and property damage insurance coverage for such improvements in amounts reasonably satisfactory to the Association and shall provide proof of such insurance to the Association. The Association shall be named as an additional insured on any such policy. In addition, the Owner of the encroaching improvements agrees to indemnify and hold the Association harmless from and against all claims, demands, actions, liabilities, losses, damages, costs and expenses (including reasonable attorneys' fees) arising from, or relating to, the encroaching improvements, except as may be caused by the gross negligence or willful misconduct of the Association, its agents or employees.

8.2 Owner's Easement. Declarant grants to Owner an easement on and across Tracts B and C for the purposes of performing construction work, installing landscaping and related improvements, and storing materials until such time as Residences on all Pads within the Neighborhood have been completed.

ARTICLE IX. NEIGHBORHOOD COMMITTEE

As authorized in Section 5.2 of the By-Laws, Owners in the Neighborhood shall elect a three person Neighborhood Committee to determine the nature and extent of any additional services beyond those set forth in this Supplemental Declaration to be provided to the Neighborhood by the Association. The Neighborhood Committee may advise the Board on other issues relating to the Neighborhood, but it shall not have the authority to bind the Board except as specified in this Supplemental Declaration.

Neighborhood Committee members shall be elected for a term of two years or until their successors are elected. Meetings of the Neighborhood Committee shall be open to all Owners of Units in the Neighborhood and their representatives. Members of the Neighborhood Committee may act by unanimous written consent in lieu of a meeting. Any director elected to the Board from the Neighborhood shall be an ex officio member of the Neighborhood Committee.

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ARTICLE X. AMENDMENTS

Except in cases of amendments which Declarant unilaterally may execute during the Development Period in the exercise of its Development Rights, or amendments Declarant or the Association execute as authorized in the Act, this Supplement may be amended only by the affirmative vote or written consent, or any combination thereof, of Members representing at least 67% of the total votes in the Neighborhood, consent of the Board, Association, and Declarant's consent during the Declarant Control Period. To be effective, any amendment must be recorded.

If an Owner consents to any amendment to this Supplement, it will be conclusively presumed that such Owner has the authority to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

No amendment may remove, revoke, or modify any right or privilege of Declarant without its written consent or the written consent of Declarant's assignee of such right or privilege.

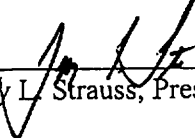
IN WITNESS WHEREOF, the Declarant and the Owner have caused this Supplement to be executed as of the day and year first above written.

[Signature pages follow.]

OWNER:

TRI-TREND, INC., a Colorado corporation

By:

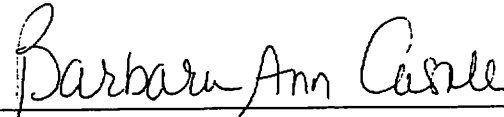

Jeffrey L. Strauss, President

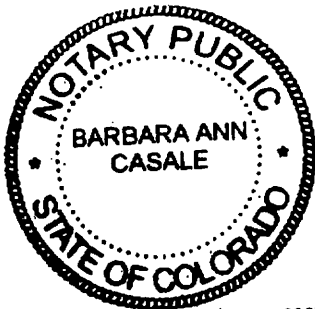
STATE OF COLORADO)
) ss.
COUNTY OF LARIMER)

The foregoing instrument was acknowledged before me this 29 day of September 2004, by Jeffrey L. Strauss as President of Tri-Trend, Inc., a Colorado corporation.

Witness my hand and official seal.

My commission expires: 06/23/07


Notary Public



My Commission Expires Jun. 23, 2007

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MORTGAGEE CONSENT

The undersigned Mortgagee, holding a Mortgage against the The Woods, consents and subordinates its Mortgage to the Declaration and the foregoing Supplement.

Dated this 29 day of September, 2004.

FIRST NATIONAL BANK

By: [Signature]
James H. Trupp, Vice President

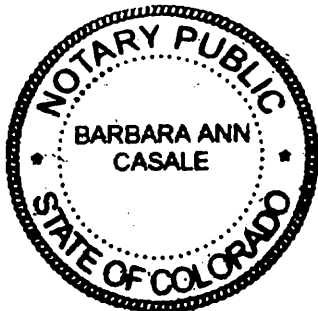
STATE OF COLORADO)
) ss.
COUNTY OF LARIMER)

The foregoing instrument was acknowledged before me this 29 day of September 2004, by James H. Trupp as Vice President of First National Bank.
Witness my hand and official seal.

Witness my hand and official seal.

My commission expires: 06/23/07

[Signature]
Notary Public



My Commission Expires Jun. 23, 2007

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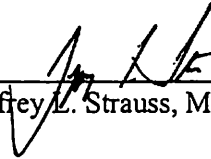
**RATIFICATION
OF
SUPPLEMENT
TO
DECLARATION OF COVENANTS, CONDITIONS, AND
RESTRICTIONS
FOR
HIGHLAND MEADOWS
(The Woods at Highland Meadows)**

Trend Properties LLC, a Colorado limited liability company (the "Owner"), which owns Pad 1, Highland Meadows Subdivision, Sixth Filing, Town of Windsor, County of Larimer, State of Colorado (also known as 8208 Spinnaker Bay, Windsor, Colorado 80528) (the "Property"), ratifies, confirms and joins in the foregoing Supplement to Declaration of Covenants, Conditions and Restrictions for Highland Meadows (The Woods at Highland Meadows) (the "Declaration"), and submits the Owner's Property to the Declaration. The Owner's Property shall be held, transferred, sold, conveyed and occupied subject to all of the covenants, conditions and restrictions set forth in the Declaration.

Dated this 29th day of September, 2004.

TREND PROPERTIES LLC, a Colorado limited liability company

By:



Jeffrey L. Strauss, Member

STATE OF COLORADO)
) ss.
COUNTY OF LARIMER)

The foregoing instrument was acknowledged before me this 29th day of September, 2004, by Jeffrey L. Strauss, as Member of Trend Properties LLC, a Colorado limited liability company. Witness my hand and official seal.

Witness my hand and official seal.

My commission expires: 8/7/07



Notary Public

