

**FIRST AMENDMENT TO THE  
SECOND AMENDED DECLARATION OF COVENANTS, CONDITIONS,  
LIMITATIONS, RESTRICTIONS, RESERVATIONS, LIENS AND CHARGES  
FOR THE RANCH AT ROARING FORK**

This First Amendment ("Amendment") is made this 9<sup>th</sup> day of January, 2013, by the Ranch at Roaring Fork Homeowners Association, Inc., a Colorado non-profit corporation, and constitutes an amendment to the Second Amended Declaration of Covenants, Conditions, Limitations, Restrictions, Reservations, Liens and Charges for the Ranch at Roaring Fork ("Declaration") recorded in the public records of Garfield County, Colorado on August 7, 1985 at Reception No. 364004.

**WITNESSETH**

WHEREAS, the Declaration created and defined certain covenants, conditions, limitations, restrictions, reservations, liens and charges for the Ranch at Roaring Fork community (the "Ranch");

WHEREAS, the purpose of the Ranch at Roaring Fork Homeowners Association, Inc. (the "Association") is to preserve the value, desirability, and attractiveness of the Ranch, enforce the provisions of the Declaration, and to further the interests of the residents of the Ranch and Members of the Association;

WHEREAS, pursuant to Section 15.1(b), the Declaration may be amended by the approval of not less than seventy-five percent (75%) of the Members exercised by their vote or written consent of a resolution adopting a proposed amendment;

WHEREAS, Section 217(1)(a)(I) of the Colorado Common Interest Ownership Act, C.R.S. § 38-33.3-101, *et seq.* ("CCIOA") provides:

the declaration, including the plats and maps, may be amended only by the affirmative vote or agreement of unit owners of units to which more than fifty percent of the votes in the association are allocated or any larger percentage, not to exceed sixty-seven percent, that the declaration specifies. Any provision in the declaration that purports to specify a percentage larger than sixty-seven percent is hereby declared void as contrary to public policy, and until amended, such provision shall be deemed to specify a percentage of sixty-seven percent;

WHEREAS, pursuant to Section 15.1(b)(iv), any amendment relating to the insurance provisions of the Declaration must also be approved by the record holders of mortgages on not less than three-fourths (3/4) of the Units in the Project which are encumbered by a mortgage and such approval may be obtained by the procedure set forth in Section 217(1)(b) of CCIOA;

WHEREAS, pursuant to Sections 217(1)(a)(I) and 217(1)(b) of CCIOA, a resolution adopting this Amendment to the Declaration was approved by an affirmative vote or written

consent of sixty-seven percent (67%) of Members and approved by the record holders of mortgages on not less than three-fourths (3/4) of Units in the Project which are encumbered by a mortgage, as certified and attested by the President and Secretary of the Association below;

WHEREAS, the purpose of this Amendment is to repeal and replace several provisions of the Declaration, specifically to: (1) amend the insurance provisions for Condominium Units and require the Association to maintain a "bare walls" policy; and (2) permit the Association to charge user fees for the use of certain amenities at the Ranch; and

WHEREAS, the Association has determined these amendments are reasonable and advance the purposes of the Association, as stated above.

NOW, THEREFORE, the Declaration is hereby amended as follows:

1. **Section 12.1.** Section 12.1 of the Declaration shall be repealed in its entirety and replaced with the following:

**12.1 Insurance Coverage.** The Association shall obtain and maintain at all times, as a Common Expense, insurance as required herein, including comprehensive general public liability and property damage insurance in an amount to be determined by the Board, in the Board's sole discretion, provided that such coverage shall: be for at least One Million and No/100 Dollars (\$1,000,000.00) for bodily injury, including deaths, and property damage arising out of a single occurrence; insure the Association, the Board, officers, all agents and employees of the Association, the Owners and their respective Mortgagees from liability in connection with the operation, maintenance, and use of the Common Elements; and include a "severability of interest" clause or specific endorsement. Such coverage shall also include legal liability arising out of contracts of the Association and such other risks as are customarily covered with respect to common interest communities similar to the Ranch in the Colorado.

The Association's insurance policy shall be a "bare walls" policy that will rebuild the building structures, including all portions of the Common Elements. The Association's insurance policy shall exclude the finished surfaces of perimeter and partition walls, floors, and ceilings within the Individual Space of a Condominium Unit (including but not limited to paint, wallpaper, paneling, other wall coverings and window coverings, tile, carpet and any floor covering). The Association's policy shall also exclude all cabinetry, fixtures, interior appliances and improvements and betterments to the Individual Space of a Condominium Unit made by Owners. The Board shall have the right to increase the level of coverage under the Association's policy from the standard outlined herein by Board resolution. If the level of coverage is changed, the Association shall make such information available to all Owners by posting the information on the Association's website, if any, or by other written correspondence to the Owners.

All insurance purchased by the Association pursuant to this Article shall run to the benefit of the Association, the Board, officers, all agents, and employees of the Association, the Owners and their respective Mortgagees, and all other persons entitled to

occupy a Unit as their interests may appear. The Association's insurance policy may contain a reasonable deductible and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance equals at least the replacement cost of the insured property.

The Board shall make available for review by Owners a copy of the Association's insurance policy to allow Owners to assess their personal insurance needs. Each Owner shall have the right to obtain additional coverage at Owner's own expense.

2. **Section 12.2.** Section 12.2 of the Declaration shall be repealed in its entirety and replaced with the following:

**12.2 Insurance Provisions.** The Board shall utilize reasonable efforts to secure a blanket hazard insurance policy providing "special form" coverage in an amount equal to full replacement value, before application of deductibles, of all Condominium Buildings and Common Element improvements on the Project. If "special form" coverage is not reasonably available at reasonable cost, the Board shall obtain, at a minimum, broad form covered causes of loss, in like amounts. The Board shall use reasonable efforts to obtain policies that will provide the following:

- (a) each Owner is an insured person under the policy with respect to liability arising out of such Owner's interest in the Common Elements or membership in the Association;
- (b) the insurer waives its rights of subrogation of any claims against the Board, officers, all agents and employees of the Association, Owners and their respective household members;
- (c) no act or omission by any Owner not under the control of the Association will void the policy or be a condition to recovery under the policy;
- (d) ordinance or law coverage, demolition cost coverage and increased cost of construction coverage;
- (e) any "other insurance" clause contained in the master policy shall expressly exclude individual Owners' policies from its operation;
- (f) the master policy may not be canceled, substantially modified or subjected to non-renewal without at least thirty (30) days prior notice to the Board and all Mortgagees of Units, except in instances of nonpayment of premiums, which shall require at least ten days prior written notice;
- (g) the casualty insurance may not contain a "co-insurance" provision;
- (h) all insurance policies of the Association shall be secondary if there is other insurance in the name of the Owner;

- (i) an agreed valued endorsement and an inflation guard endorsement; and,
- (j) if necessary, steam boiler and machinery coverage endorsement or stand alone coverage with a minimum liability per accident equal to the value of the building housing the boiler or machinery.

In no event shall the insurance coverage obtained and maintained by the Association hereunder be brought into contribution with insurance purchased by individual Owners or their Mortgagees. Each Condominium Unit Owner shall notify the Board of all structural improvements made by Condominium Unit Owner to the Condominium Unit. Upon request by the Association, Condominium Unit Owners shall provide the Board with a copy of the Owners' insurance policy for the Individual Space and Limited Common Elements of the Condominium Unit, as such insurance is required by this Article. Such Condominium Unit Owner shall also promptly notify the Board in writing in the event such policy is cancelled.

Nothing contained herein gives any Owner or other party a priority over any rights of first Mortgagees as to distribution of insurance proceeds. Any insurance proceeds payable the Owner of a Condominium Unit on which there is a Mortgagee endorsement shall be disbursed jointly to such Owner and the Mortgagee. This is a covenant for the benefit of any such Mortgagee and may be enforced by any such Mortgagee.

3. **Section 12.4.** Section 12.4 of the Declaration shall be repealed in its entirety and replaced with the following:

**12.4 Condominium Unit Owner's Insurance.** Each Owner of a Condominium Unit shall be obligated to obtain and maintain, at all times, casualty and liability insurance covering the Individual Space and Limited Common Elements of the Owner's Condominium Unit and those portions of the Condominium Unit not insured by policies maintained by the Association, including but not limited to, finished surfaces (of walls, floors and ceilings), flooring, cabinetry, fixtures, and appliances. Each Owner of a Condominium Unit is also responsible for obtaining insurance covering Owner's personal property, coverage for liability arising within the Individual Space and Limited Common Elements of the Condominium Unit, and coverage to address the difference between the Condominium Unit Owner's deductible and the Association's deductible. The Association shall have no liability for the failure of any Owner of a Condominium Unit to maintain required insurance. Upon request by the Board, the Condominium Unit Owner shall furnish a copy of such insurance policy or policies to the Association.

4. **Section 12.6.** Section 12.6 of the Declaration shall be amended by adding the following sentence to the end of the section:

The Board shall not enter into employment contracts or independent contractor contracts of any kind unless the contracting party provides evidence (such as Certificate of Insurance) to the Board that such party has current satisfactory insurance, including



workers compensation insurance, commercial general liability insurance and automobile insurance.

5. **Section 6.7(c).** Section 6.7(c) of the Declaration shall be repealed in its entirety and replaced with the following:

(c) The right of the Association to charge members and non-members reasonable admission and other fees for the use of the fishing amenities (ponds, streams, and river), boarding horses, and use of the vehicle storage facilities. Use fees shall be determined by the Board and different charges may apply to Members, non-members, and Guests.

6. This Amendment hereby supersedes and controls over any provision contained in the Declaration as adopted before this Amendment.

7. Except as amended by the terms of this Amendment and previous amendments, if any, the Declaration shall remain in full force and effect.

8. This Amendment shall be effective upon recordation.

IN WITNESS WHEREOF, the undersigned executed this Amendment as of the date written above.

**RANCH AT ROARING FORK HOMEOWNERS ASSOCIATION, INC.**

By: Christie Jensen  
President

By: [Signature]  
Secretary

STATE OF COLORADO    )  
  ) ss.  
COUNTY OF GARFIELD )

This Declaration was acknowledged before me this 9th day of January, 2013 by Christie Jensen, as President of the Ranch at Roaring Fork Homeowners Association, Inc.

WITNESS my hand and official seal.

My Commission expires: July 2, 2015

Liyin L. Free  
Notary Public



Steve Coley  
Ranch at Rearing Fork Office  
14913 Hwy 82  
Carbondale CO 81623

