

**COUNTRY MEADOW ESTATES HOMEOWNERS ASSOCIATION AND
WATER USE AGREEMENT**

THIS AGREEMENT is made and entered into this _____ day of _____, 1999
by and between INVESTMENTS OF THE CCD, LLC, a Colorado Limited Liability Company,
the Developer, and _____, Buyer.

R E C I T A L S

1. The Developer is the owner of parcels of land located in the Southwest Quarter and the West Half of the Southeast Quarter of Section 5, Township 49 North, Range 8 East, N.M.P.M., Chaffee County, Colorado, platted by the County of Chaffee as Country Meadow Estates and recorded as Reception No. 298266 on the 7th day of August, 1998, as amended under Reception No. 301108 recorded on the 23rd day of December, 1998, of the Chaffee County records. Additionally the Developer is the owner of certain water rights associated with the property which included one-third interest in the Noland Ditch (Priority Nos. 19, 92 and 133 and the Decree of July 19, 1923) and one-fourth of the Pinon Ditch (Priority Nos. 121 and 188).

2. The water rights have historically been used to benefit Parcel A, Tract 1R; Parcel A, Tract 5R; Parcel A, Tract 3R; Parcel B, Tract 5R; Parcel B, Tract 1R; Parcel B, Tract 3R; and Parcel C, Tract 3R; Parcel C, Tract 5R; Parcel C, Tract 1R and Tract 2-R; representing ten of the parcels within Country Meadow Estates.

3. The Developer and Buyer, by this agreement, hereby create Country Meadow Estates Homeowners Association and Water Use Agreement for the purpose of utilizing the water rights which have historically irrigated the several parcels of land described herein.

4. It is the intent herein to utilize the existing Noland Ditch and the existing Pinon Ditch for the purpose of transporting water to the ten parcels to be irrigated and to formulate an agreement whereby the water shall be used jointly by the owners of such parcels in a manner consistent with good irrigation practices.

5. The Developer has recorded a Declaration of Protective Covenants as amended and recorded August 24, 1998 as Reception No. 298588.

NOW, THEREFORE, it is mutually agreed and understood as follows:

1. Country Meadow Estates Homeowners Association is hereby created. Such Association shall consist of the owners of ten parcels of land in Country Meadow Estates, which parcels are as follows:

Parcel A, Tract 1R; Parcel A, Tract 5R; Parcel A, Tract 3R;
Parcel B, Tract 5R; Parcel B, Tract 1R; Parcel B, Tract 3R; and
Parcel C, Tract 3R; Parcel C, Tract 5R; Parcel C, Tract 1R;
and Tract 2-R

2. The water rights to Country Meadow Estates hereinabove described are herewith transferred to Country Meadow Estates Homeowners Association and shall be allocated one-tenth interest to each such parcel of land within Country Meadow Estates. Each of the owners of the respective parcels of land within Country Meadow Estates understands and agrees that the water interest in water rights transferred to the Homeowners Association and assigned to each tract of land shall not be sold, mortgaged or leased separate and apart from the real estate owned by each parcel owner and that such water rights shall run with the land.

3. Each parcel owner shall be responsible for creating a diversion structure on such parcel owner's tract of land sufficient to divert the water when available for irrigation to such owner's tract of land. It is anticipated that the owners may create a diversion reservoir sufficient for insertion of a siphon device or pump to utilize sprinkler-type irrigation on each respective parcel of land.

4. The members of the Homeowners Association shall formulate a rotation method and time schedule whereby the water, when available for irrigation, may be distributed to each of the parcels of land for utilization of the water in a substantially equal and beneficial manner.

5. Each parcel owner shall be responsible for all expenses associated with diversion of the water to such parcel owner's land and for use of the water in a beneficial manner consistent with good irrigation practices.

6. Each of the parties hereto understands and agrees that it is the obligation of the water right owner to periodically clean ditches for delivery of the water from the South Arkansas River to the property and that the mutual ditch shall require annual expenses for maintenance, cleaning and repair of the respective ditches to the property herein described. It shall be the responsibility of the homeowners to create an assessment and fee structure for payment of expenses necessary for the cleaning, maintaining and operation of the Noland Ditch Lateral and the Pinon Ditch Lateral delivering water to the subject property.

7. None of the parties hereto will disturb the existing laterals, collection areas, ponds or springs which may be used for irrigation of any of the properties herein, except for routine cleaning, repairing or maintenance. Each property owner herein shall have an easement across the property of each other parcel owner to clean, maintain and repair the ditch laterals.

8. The intention of the parties hereto is to create a perpetual agreement and understanding concerning the use of the water rights on the real estate described hereinabove and that the benefits, duties and obligations created herein shall be appurtenant to the lands of each parcel owner, and the water rights and all interest in the water rights shall be used as provided herein.

9. The owners of each parcel, respectively, shall have one vote in the Homeowners Association, making a total of ten collective votes. The Developer shall retain all such votes until

each such parcel is transferred to each third party buyer and until all parcels have been transferred from the Developer to third party buyers, respectively. Whenever a transfer of fee simple ownership to the parcels hereinabove described and the water rights herein described shall occur, the transferor shall have no liability for any breach of covenant occurring after such transfer.

10. As each parcel of land covered by this agreement is transferred from the Developer to a Buyer, the Buyer shall, as a condition of the transfer, sign a copy of this agreement which shall be binding upon such Buyer and all subsequent Buyers. Until all ten parcels are sold and transferred from Developer to respective Buyers, the Developer shall represent all parcels remaining in Developer's name, and Developer shall retain the water right appurtenant to each such parcel of land.

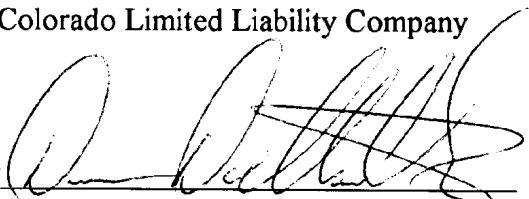
11. This Agreement, the terms conditions and provisions hereof, may be enforced by any of the owners of parcels herein; in the event of legal or administrative suits or proceedings which may be brought against or by any party for the purpose of such enforcement, the prevailing party shall recover from the non-prevailing party or parties all costs associated therewith, including, but not limited to, reasonable attorney's fees and expert witness fees.

12. This Agreement is herewith incorporated into the Declaration of Protective Covenants of Country Meadow Estates recorded August 24, 1998 as Reception No. 298588 of the Chaffee County records and shall be binding upon all property owners within Country Meadow Estates, including, but not limited to, the owners of tracts of land within Country Meadow Estates as more particularly described in paragraph 1. hereinabove.

Signed the day and year first above written.

INVESTMENTS OF THE CCD, LLC
A Colorado Limited Liability Company

By



Developer

Buyer

Buyer



STATE OF COLORADO)
) SS.
COUNTY OF CHAFFEE)

The foregoing instrument was acknowledged before me this _____ day of _____, 1999 by _____ manager of INVESTMENTS OF THE CCD, LLC, a Colorado Limited Liability Company.

Witness my hand and official seal.

My Commission expires:

Notary Public

[SEAL]

STATE OF COLORADO)
) SS.
COUNTY OF CHAFFEE)

The foregoing instrument was acknowledged before me this _____ day of _____, 1999 by _____, Buyer.

Witness my hand and official seal.

My Commission expires:

Notary Public

[SEAL]

**ADDENDUM TO
COUNTRY MEADOW ESTATES HOMEOWNERS ASSOCIATION AND
WATER USE AGREEMENT**

THIS Addendum to Country Meadow Estates Homeowners Association and Water Use Agreement is made this 15 day of January 1999.

1. Ditch easements for the Noland Ditch and the Pinon Ditch are described as follows:

a. The Pinon Ditch intersects the westerly boundary of Parcel A, Tract 5R, and continues in an easterly direction across the northerly portion of said Parcel A, Tract 5R, the northerly portion of Parcel B, Tract 5R, and the northerly portion of Parcel C, Tract 5R, and continues through Parcel A, Tract 1R.

b. The Noland Ditch intersects the westerly boundary of Parcel C, Tract 3R, and continues easterly across the northerly portion of Parcel B, Tract 3R, the northerly portion of Parcel B, Tract 3R, and the northerly portion of Parcel C, Tract 1R.

(1) Additionally an easement is created for the benefit of Parcel A, Tract 3R, parallel to and adjacent to the westerly boundary of Parcel C, Tract 3R, for the benefit of Parcel A, Tract 3R. The owner of Parcel A, Tract 3R shall construct, at such owner's expense, a ditch lateral in width and depth reasonably calculated to divert such owner's water allotment from the Noland Ditch.

(2) An easement is created for the owner of Tract 2R to pump or siphon water from the Noland Ditch across Parcel B, Tract 3R, at a location parallel to and adjacent to the easterly boundary of Parcel B, Tract 3R. The pumping or siphoning structure shall be of reasonable size and dimension to pump or siphon such owner's allotment of Noland Ditch water to Tract 2R. The diversion structure and pumping or siphoning system shall be installed at the expense of the owner of Tract 2R.

(3) An easement is created for the owner of Parcel B, Tract 1R to pump or siphon water from the Noland Ditch across Parcel C, Tract 1R, at a location parallel to and adjacent to the easterly boundary of Parcel C, Tract 1R. The pumping or siphoning structure shall be of reasonable size and dimension to pump or siphon such owner's allotment of Noland Ditch water to Parcel B, Tract 1R. The diversion structure and pumping or

01/25/1999 03:35 RECORD FEE: \$41.00 PAGE #: 0006 OF 0008
CHAFFEE COUNTY, CO., JOYCE M RENO - CLERK & RECORDER REC #: 301703

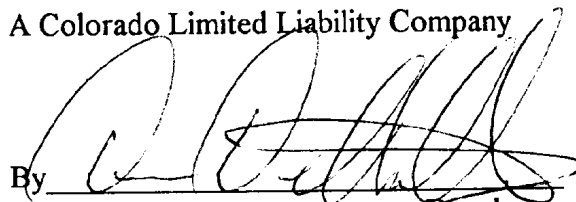
siphoning system shall be installed at the expense of the owner of
Parcel B, Tract 1R.



Signed the day and year first above written.

INVESTMENTS OF THE CCD, LLC
A Colorado Limited Liability Company

By


Developer

Buyer

Buyer

STATE OF COLORADO)
) SS.
COUNTY OF CHAFFEE)

The foregoing instrument was acknowledged before me this _____ day of January, 1999
by _____, manager of INVESTMENTS OF THE CCD, LLC, a
Colorado Limited Liability Company.

Witness my hand and official seal.

My Commission expires:

Notary Public

[SEAL]

STATE OF COLORADO)
) SS.
COUNTY OF CHAFFEE)

The foregoing instrument was acknowledged before me this _____ day of January, 1999
by _____, Buyer.

Witness my hand and official seal.

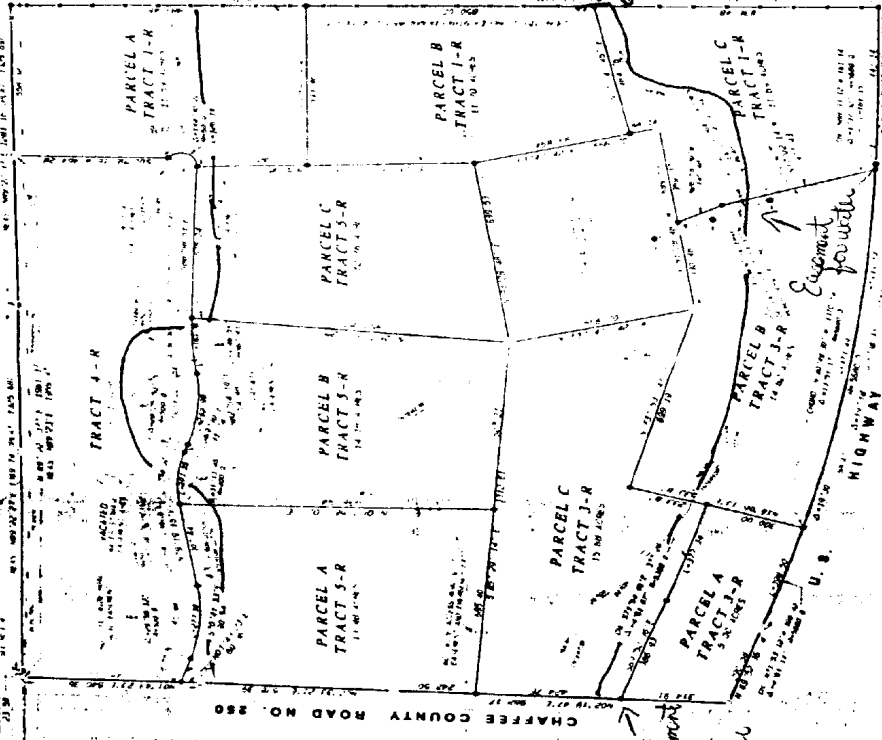
My Commission expires:

Notary Public

[SEAL]

AMENDED INITIAL SUBDIVISION PLAT
TRACTS 1-R, 2-R, AND 3-R OF MONARCH MEADOWS ESTATES
RE-PLAT OF TRACT 1-R, MONARCH MEADOWS ESTATES RE-PLAT OF MONARCH MEADOWS
S 1/4 EAST OF COUNTY ROAD 250 & IN THE N 1/2 SE 4 OF SEC 5 T 44 N R 9 E N 1/2
CHAFFEE COUNTY, COLORADO

CHAFFEE COUNTY ROAD NO. 253



CERTIFICATE OF OWNERSHIP AND DEDICATION:

JOYCE M. RENO, the owner of the above described land, hereby certifies that she is the owner of the land described in the foregoing plat and that she has no other interest in the land. She further certifies that she has no other interest in the land and that she has no other interest in the land. She further certifies that she has no other interest in the land and that she has no other interest in the land.

JOYCE M. RENO, the owner of the above described land, hereby certifies that she is the owner of the land described in the foregoing plat and that she has no other interest in the land. She further certifies that she has no other interest in the land and that she has no other interest in the land. She further certifies that she has no other interest in the land and that she has no other interest in the land.

ACKNOWLEDGEMENT:

JOYCE M. RENO, the owner of the above described land, hereby certifies that she is the owner of the land described in the foregoing plat and that she has no other interest in the land. She further certifies that she has no other interest in the land and that she has no other interest in the land. She further certifies that she has no other interest in the land and that she has no other interest in the land.

SURVEYOR'S STATEMENT

JOYCE M. RENO, the owner of the above described land, hereby certifies that she is the owner of the land described in the foregoing plat and that she has no other interest in the land. She further certifies that she has no other interest in the land and that she has no other interest in the land. She further certifies that she has no other interest in the land and that she has no other interest in the land.

COUNTY COMMISSIONERS' APPROVAL

JOYCE M. RENO, the owner of the above described land, hereby certifies that she is the owner of the land described in the foregoing plat and that she has no other interest in the land. She further certifies that she has no other interest in the land and that she has no other interest in the land. She further certifies that she has no other interest in the land and that she has no other interest in the land.

CLERK AND RECORDER'S CERTIFICATE

JOYCE M. RENO, the owner of the above described land, hereby certifies that she is the owner of the land described in the foregoing plat and that she has no other interest in the land. She further certifies that she has no other interest in the land and that she has no other interest in the land. She further certifies that she has no other interest in the land and that she has no other interest in the land.

AMENDED INITIAL SUBDIVISION PLAT	
TRACTS 1-R, 2-R, AND 3-R OF MONARCH MEADOWS ESTATES	
RE-PLAT OF TRACT 1-R, MONARCH MEADOWS ESTATES RE-PLAT OF MONARCH MEADOWS	
S 1/4 EAST OF COUNTY ROAD 250 & IN THE N 1/2 SE 4 OF SEC 5 T 44 N R 9 E N 1/2	
CHAFFEE COUNTY, COLORADO	
DATE	01/25/1999
CLERK	JOYCE M. RENO
RECORDER	JOYCE M. RENO