

**FIRST AMENDMENT TO  
DECLARATION OF PROTECTIVE COVENANTS OF  
THE SMITH HILL RANCHES**

This First Amendment to Declaration of Protective Covenants of The Smith Hill Ranches (this "Amendment") is dated as of August 4, 2006 as follows:

1. Facts and Purposes. The following facts and purposes pertain to this Amendment:

1.1. The Smith Hill Ranches (the "Subdivision") was established as a subdivision pursuant to the Plat of The Smith Hill Ranches recorded August 29, 2003 as Reception No. 534305 of the records of Gunnison County, Colorado and the Declaration of Protective Covenants of The Smith Hill Ranches recorded August 29, 2003 as Reception No. 534306 of the records of Gunnison County, Colorado (the "Declaration").

1.2. The undersigned wish to amend the Declaration as set forth in this Amendment.

2. Amendment. The Declaration is hereby amended as follows:

Notwithstanding the prohibition against leasing contained in Section 3.1 of the Declaration of Protective Covenants of The Smith Hill Ranches, it shall be permissible for the Owner of the Ranch to lease the Ranch to a related party. For the purposes of this paragraph, the following parties are "related": two individuals who are related as descendant and ancestor or as siblings or as spouses; a trust and the grantor of 50 percent or more of the trust; a trust and a beneficiary who holds a 50 percent or greater beneficial interest in the trust; a limited liability company and a member who owns 50 percent or more of the company; a corporation and a person who owns 50 percent or more in value of the corporation; a partnership and its partner who owns 50 percent or more in value of the partnership. In determining whether a person owns, holds, or contributed more than 50 percent in value of a corporation, company, partnership, or trust, the interest of such person shall be aggregated with those of his or her spouse, parents, siblings and children and the spouses of such persons.

3. Other Provisions. Except as provided herein, all other terms, provisions, and conditions of the Declaration shall remain unchanged.

4. Signatories. This Amendment has been executed by the owners of all of the Ranches in the Subdivision.

5. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.



CONSENT OF OWNER OF RANCH 2

The Jim and Tudy Ahern Trust dated August 4,  
2000

By: James R Ahern  
James Russell Ahern, Trustee

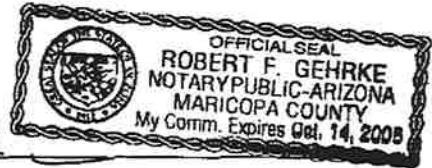
By: Kathleen Kelley Ahern Trustee  
Kathleen Kelley Ahern, Trustee

STATE OF ARIZONA )  
 ) ss  
County of MARICOPA )

The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of August, 2006 by James Russell Ahern, Trustee of The Jim and Tudy Ahern Trust dated August 4, 2000.

Witness my hand and official seal.  
My commission expires: 10/14/2006

RF G  
Notary Public

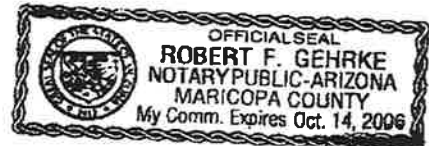


STATE OF ARIZONA )  
 ) ss  
County of MARICOPA )

The foregoing instrument was acknowledged before me this 7<sup>th</sup> day of August, 2006 by Kathleen Kelley Ahern, Trustee of The Jim and Tudy Ahern Trust dated August 4, 2000.

Witness my hand and official seal.  
My commission expires: 10/14/2006

RF G  
Notary Public



CONSENT OF OWNER OF RANCHES 3, 6, 7, and 8

The Phoenix Family Group, Ltd., a Texas limited partnership

By: Ganky, Inc., a Texas corporation, as General Partner

By: Adelaide Elizabeth Biggs  
 Adelaide Elizabeth Biggs, President  
*Pres. Ganky Inc.*

STATE OF COLORADO )  
 ) ss  
 County of Gunnison )

The foregoing instrument was acknowledged before me this 4 day of August, 2006 by Adelaide Elizabeth Biggs as President of Ganky, Inc., a Texas corporation, as General Partner of The Phoenix Family Group, Ltd., a Texas limited partnership.

Witness my hand and official seal.  
 My commission expires: March 22, 2009



Russell N. Mullins  
 Notary Public

S Dominguez Gunnison County, CO 567980  
 8/14/06 2:15 PM Pg: 4 of 6  
 314 R: \$31.00 D: \$0.00





CONSENT OF OWNER OF RANCH 4

*[Signature]*  
James A. Kontos

STATE OF Maryland )  
 ) ss  
County of Worcester )

The foregoing instrument was acknowledged before me this 4<sup>th</sup> day of August, 2006 by James A. Kontos.

Witness my hand and official seal.  
My commission expires: 8/24/2007

*[Signature]*  
Notary Public



