

**FIRST AMENDMENT
TO THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
CHARTER RIDGE TOWNHOMES**

The Charter Ridge Association, Inc., a Colorado nonprofit corporation, makes this First Amendment to the Declaration of Covenants, Conditions and Restrictions of Charter Ridge Townhomes (the "First Amendment") for the purpose of deleting and restating Section 5.7 of the Declaration of Covenants, Conditions and Restrictions of Charter Ridge Townhomes entitled Uniform Rate of Assessment and changing the method by which the Association allocates Common Expenses between the Owners.

RECITALS

A. Charter Ridge Townhomes is a residential community consisting of 11 individual units along with certain general and limited common areas that was created by the Plat for Charter Ridge Townhomes, dated January 25, 1994, and recorded February 1, 1994, at Reception No. 461348 of the records of the Clerk and Recorder of Summit County, and the First Supplemental Plat of Charter Ridge Townhomes, dated July 3, 1997, and recorded July 3, 1997 at Reception No. 542130 of the records of the Clerk and Recorder of Summit County, and which is subject to the Declaration of Covenants, Conditions and Restrictions of Charter Ridge Townhomes dated January 25, 1994 and recorded February 1, 1994 at Reception Number 461349 (the Charter Ridge Declaration).

B. The Charter Ridge Association, Inc. (the "Association") was created and organized to maintain and administer the Charter Ridge Townhomes.

C. Pursuant to the Colorado Common Interest Ownership Act (CRS §38-33.3-217) and Paragraph 12.3 of the Charter Ridge Declaration entitled Amendment, the Declaration may be amended by an instrument signed by not less than sixty seven percent (67%) of the Owners.

D. The Association wishes to amend the Charter Ridge Declaration to delete and restate Section 5.7, Uniform Rate of Assessment, to change the method of allocating Common Expenses between the Owners of the Units of Charter Ridge Townhomes. The Association previously attempted to make a change similar to the amendment set forth herein, and this action is taken to finalize and document such amendment.

NOW THEREFORE, the Association and its Members amend the Charter Ridge Declaration as follows:

1. Paragraph 5.7 of the Charter Ridge Declaration, Uniform Rate of Assessment, is hereby deleted in its entirety and restated as follows:

Section 5.7. Apportionment of Periodic Assessments. Annual, supplementary and special assessments for each Unit shall be determined by dividing the gross interior square footage of each Unit by the gross interior square footage of all Units in the Project. All square footage calculations shall include finished living areas, all enclosed finished or unfinished storage areas, and enclosed garage space, but shall not include unenclosed deck or patio space. The gross interior square footage for each Unit, along with the allocation of assessments, is set forth in the Table of Expense Allocations, a copy of which is attached to this Declaration as Exhibit A. Such table may be amended from time to time in conformity with the provisions of this Declaration. The calculations of assessments set forth above shall be subject to the following exceptions:

A. Any extraordinary maintenance, repair or restoration work, or Common Expense benefiting fewer than all of the Units may be assessed to those benefited Units only.

B. Any extraordinary insurance costs incurred as a result of the value of a particular Owner's Unit or the actions of a particular Owner (or his agents, servants, guests, tenants, or invitees) may be assessed to that Unit only.

C. Any Common Expense caused by the negligence, recklessness, or willful misconduct of any Owner shall be assessed to that Owner's Unit, only.

D. Any common expense associated with the maintenance, repair, or replacement of Limited Common Area shall be assessed against the Units to which that Limited Common Area is assigned equally, or in any other proportion the Declaration provides.

E. Any Owner may request that the Association provide a higher level of service than that which the Association generally provides to all Owners. Upon the affirmative vote of the Board, the Association shall provide the requested service, and the cost of such services shall be assessed against the Unit of the Owner requesting the service.

F. Any common expense which is incurred by the Association on a per unit basis will be assessed to all Units equally.

G. Any common expense which is billed to the Association separately for a certain Unit will be assessed directly to the Unit to which such expense is billed.

**EXHIBIT A
TO
FIRST AMENDMENT
TO THE
THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF
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TABLE OF COMMON EXPENSE ALLOCATIONS

UNIT NUMBER	STREET ADDRESS	GROSS INTERIOR SQUARE FOOTAGE	ALLOCATION OF ASSESSMENTS BY SQUARE FOOTAGE
Unit 1	62 Charter Ridge Court	2660	8.46%
Unit 2	60 Charter Ridge Court	2660	8.46%
Unit 3	52 Charter Ridge Court	2660	8.46%
Unit 4	50 Charter Ridge Court	2660	8.46%
Unit 5	42 Charter Ridge Court	2682	8.53%
Unit 6	40 Charter Ridge Court	2682	8.53%
Unit 7	32 Charter Ridge Court	2682	8.53%
Unit 8	30 Charter Ridge Court	2682	8.53%
Unit 9	22 Charter Ridge Court	2682	8.53%
Unit 10	20 Charter Ridge Court	2682	8.53%
Unit 11	10 Charter Ridge Court	4700	14.95%
	Total	31432	100%