

FIRST SUPPLEMENTAL DECLARATION
FOR
BEULAH HIGHLANDS

THIS FIRST SUPPLEMENTAL DECLARATION is made this ____ day of February, 2007, by Antelope Butte LLC, a Colorado limited liability company.

RECITALS

A. Antelope Butte LLC as "Declarant" executed that certain "Declaration for Beulah Highlands," which Declaration was recorded on October 16, 2006, at Reception No. 1697959, in the records in the office of the Clerk and Recorder of Pueblo County, Colorado ("Declaration"). The Declarant also executed that certain Plat called "Beulah Highlands" recorded at 1697958 in the real property records of the Pueblo County Clerk and Recorder ("Plat"). The Declaration and the Plat created a common interest community within certain real property described therein (the "Real Estate").

B. Article 9 of the Declaration provides for expansion of the Real Estate and other development rights reserved by and to the Declarant and authorizes the Declarant to exercise those rights. Specifically, the Declaration provides that all or any portion of the Expansion Property may be added to the Real Estate and that the Declarant may add Lots, "Additional Unspecified Property" and Common Elements to the Real Estate by executing and recording a supplement to the Declaration and to the Plat.

C. Declarant desires to expand the Real Estate in the manner provided below and in accordance with the Declaration, by adding those Lots described on Exhibit A attached hereto and incorporated herein by this reference (singularly or collectively, the "First Additional Parcel").

D. Declarant is the owner of the First Additional Parcel and it is included in the Expansion Property.

Declarant hereby declares as follows:

1. Annexation of Property. The First Additional Parcel is hereby annexed to the Real Estate and the same shall hereafter be held, sold, conveyed, encumbered, leased, rented, occupied and improved subject to the terms and provisions of the Declaration. In addition to the terms and conditions of the Declaration, the First Additional Parcel is subject to the liens and encumbrances shown on Exhibit B.

2. Creation of Lots. By annexing the First Additional Parcel shown on Exhibit A, Declarant hereby establishes three (3) additional Lots within the Real Estate, which additional

Lots are identified by the Lot names shown on Exhibit A. Immediately upon the recording of this Supplemental Declaration, the total number of Lots in the Real Estate shall be six (6).

3. Allocation of Interests. As with all existing Lots, each Lot's Allocated Interests is computed in accordance with the formula set forth in Article 11.1 of the Declaration. Each new Lot, like all existing Lots, shall be allocated one vote, in accordance with Section 11.1.1 of the Declaration. The Common Expense Assessment liability of all Lots within the Real Estate shall be reallocated according to the formula set forth in Subsection 11.2 of the Declaration and based upon the procedures set forth in Article 9.

6. Definitions. Unless otherwise defined herein, initially capitalized terms defined in the Declaration shall have the same meaning herein.

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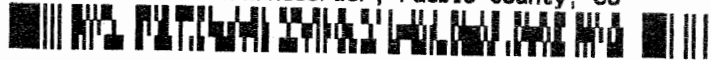


EXHIBIT A

**FIRST ADDITIONAL PARCEL
TO BE ADDED TO THE REAL ESTATE**

The following Lots as shown on the Plat:

Deer Hollow at Beulah Highlands
Filing #1
County of Pueblo,
State of Colorado.

Cedar Ridge at Beulah Highlands
Filing #1
County of Pueblo,
State of Colorado.

The South 40 at Beulah Highlands
Filing #1
County of Pueblo,
State of Colorado.

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EXHIBIT B

LICENSES, EASEMENTS AND ENCUMBRANCES OF RECORD

1. The lien for real property taxes for the year 2007 and subsequent years, not yet due and payable.
2. Terms, condition, provisions, agreements and obligations contained in the Boundary Line Agreement recorded April 22, 2004 at Reception No. 1561845 (affects, The South 40 at Beulah Highlands, Filing #1, as shown on the Plats).
3. An easement for a water treatment facility and incidental purposes granted to Beulah Water Works District by the instrument recorded July 6, 2005 at Reception No. 1628113 (affects Deer Hollow at Beulah Highlands, Filing #1, as shown on the Plats).
4. An easement for ingress and egress and incidental purposes granted to Beulah Water Works District by the instrument recorded October 2, 2000 at Reception No. 1352453.
5. That certain Easement in favor of Antelope Butte, LLC, dated September 15, 2006 and recorded on October 16, 2006 at Reception No. 1697957.
6. The DECLARATION FOR BEULAH HIGHLANDS dated October 16, 2006 and recorded at Reception No. 1697959 and the Plat for "Beulah Highlands," and all easements and matters shown thereon, recorded on October 16, 2006 at 1697958, both in the Pueblo County, Colorado Clerk and Recorder's Office.

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