

Consent of Directors
Of
The High Forest Ranch
Homeowners Association, Inc.

Construction Agreement

The undersigned, being all of the Directors of the High Forest Ranch Homeowners Association, a Colorado non-profit corporation (the "Association"), hereby Consent to vote in favor of, and adopt the following resolution:

WHEREAS, the Board of Directors of the High Forest Ranch Homeowners Association, Inc., is empowered to govern the affairs of the Association pursuant to Article 8, Section 8.1 of the Declaration of Covenants, Conditions, Restrictions and Easements for High Forest Ranch (hereafter referred to as "Covenants"), and Article IV, Section 2 of the bylaws.

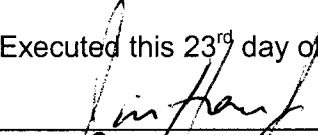
WHEREAS, per Article 8, Section 8.9, of the "Covenants", the Association may adopt and publish rules and regulations with which each Owner, Related User, Member and other Person shall comply with such Rules and Regulations, and each Owner shall be responsible for ensuring that the Related Users of such Owner comply with the Rules and Regulations, and

WHEREAS, the Board of Directors desires to establish an agreement between the Builders and the Homeowners Association, and

NOW, THEREFORE, BE IT RESOLVED, that the following "Construction Agreement" was approved by a vote of the majority of the Board of Directors, and

IT IS FURTHER RESOLVED that this policy shall remain in effect until amended or hereby terminated by a majority vote of the Board of Directors.

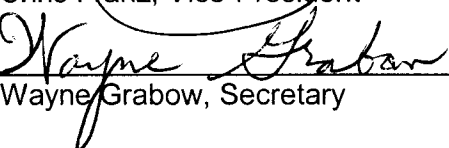
Executed this 23rd day of March, 2006



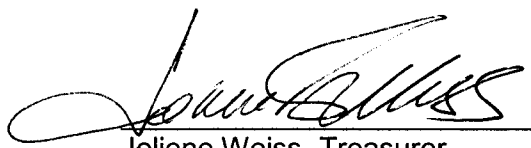
Jim House, President



Chris Franz, Vice-President



Wayne Grabow, Secretary



Joliene Weiss, Treasurer



Mark Breuer, Member at Large

High Forest Ranch Construction Agreement
the “Agreement”

This Agreement, dated _____ (the “Effective Date”) is between High Forest Ranch Homeowners Association (the “HOA”) and _____, the Owner(s) and/or General Contractor (the “Builder”). Builder desires to build a residential home in High Forest Ranch (“HFR”), on the property known as _____ (“Property”) in the City of Colorado Springs, Colorado.

The terms and conditions of this Agreement shall be enforceable under the laws of the State of Colorado.

All parties agree that the Declaration of Covenants, Bylaws, and Design Guidelines (“Governing Documents”) of the HOA exist for the benefit of all property owners (the “Members”) and that the HOA must have a mechanism in place for the purpose of Covenant enforcement.

The undersigned Builder, does hereby acknowledge receipt of the Governing Documents, and further acknowledges that Builder has read, understands, and agrees to be bound by the rules, regulations, and procedures set-forth therein.

The Builder recognizes that in the event any of its agents or sub-contractors, or any others acting as agents or employees of these parties violates the Governing Documents, Builder shall be held in default under this Agreement and may be subject to both punitive and compensatory damages.

Therefore, as a requirement of the HFR Architectural Control Committee (“ACC”) approval process, Builder shall be required to submit a fully executed copy of said Agreement, along with payment to the HFR HOA a specific sum (the “Deposit”) at the time of submitting construction drawings to the ACC for review and approval.

Said Deposit shall be in the amount of \$2,000 (Two thousand dollars and no cents).

Deposit shall be held by the HOA in a non- interest bearing account.

In the event of a default by Builder under this Agreement or any Governing Documents, the HOA shall have all rights and remedies available at law or in equity, including but limited to:

1. Fines
2. Enforcement of specific performance
3. Damages and termination or suspension of ACC approval.

The parties acknowledge that if Builder fails to comply with the Governing Documents, or if improvements are not constructed on the Property in accordance with the various plans and documents for which ACC approval is granted, then the HOA's remedies at law may be inadequate. Consequently, the HOA may obtain from any court of competent jurisdiction an injunction against Builder, or any of its agents, contractors or assigns, enjoining any construction on Property that is not in conformity with such documents approved by the HOA.

In any action to enforce the Governing Documents, or to collect damages on account of any default, the HOA shall also be entitled to collect all of its costs in such action, including costs of investigation, settlement, reasonable attorneys' fees and all additional costs of collecting any judgment rendered in such default.

In the event the initial or subsequent deposit of \$2,000 (Two thousand dollars) is completely depleted by fines, the HOA will notify the Builder by certified US mail of the requirement to deposit an additional \$2,000 (Two thousand dollars) within five (5) business days from Builder's receipt of notification. Failure of Builder to deposit additional Deposit within the specified time constitutes an automatic suspension of construction approval until such a time as the additional Deposit is received. Failure to cease construction activity and meet the additional Deposit requirement within 30 days of Builder's receipt of notification may result in an injunction process, along with a \$1,000 (Thousand dollar) per week fine, beginning on the 30th day after Builder's receipt of notification. Outstanding fines that are not paid through Deposit or other means will be enforced through a lien on the property, or other remedies available at law or in equity.

Builder shall be entitled to a refund for any remaining balance of the Deposit upon completion of construction, as evidenced by El Paso County Regional Building Department's issuance of a Certificate of Occupancy. Said refund will be returned to the original depositor within at least 30 days of Builder's written request. Such request shall be in writing and include a copy of the Certificate of Occupancy for subject Property. All requests shall be submitted to the acting ACC. Such refund of Deposit shall constitute an automatic expiration of this Agreement.

Although fines for violations of the Governing Documents are entirely at the discretion of the HOA and subject to change at any time, the HOA has developed a standard fine schedule to convey the importance of Covenant adherence. This fine schedule is available upon request to the ACC. Violations that cause non-remediable damage to HFR, as determined by the HOA, will be fined both a punitive fine and a compensatory fine. An example of this type of violation is the removal of a tree or trees from a property, in violation of the Covenants without prior written approval from the ACC. Any violations of the Governing Documents prior to the execution of this Agreement, or after the expiration of this Agreement shall be subject to the policies and procedures of the HOA.

Property Owner(s) Signature ("Builder")

Date

General Contractor Signature ("Builder")

Date