

February 28, 2005

Dear Pond Homeowners:

As you may recall, your Pond Homeowners Association Board of Directors has spent the recent months working to amend your Association Bylaws and Declarations so that individual water meters can be installed on all the cluster homes in the community in order to have the City of Arvada assume responsibility for our water system. We are happy to announce that this process has been completed and the necessary votes of approval were obtained for all five (5) ballot issues, which included the amendments to the Declarations and Bylaws, obtaining a loan to fund the project, and increasing Association monthly dues to pay for the loan. The Board of Directors and Association volunteers have been hard at work these last few months to achieve what we believe is a benefit to all the residents and we would like to thank all the owners who participated in this process and have helped us take the first step to make this project a reality.

Enclosed you will find two documents: SECOND AMENDMENT TO THE DECLARATION OF COVENANTS AND RESTRICTIONS OF THE POND HOMEOWNERS ASSOCIATION; and AMENDMENT TO THE BYLAWS OF THE POND HOMEOWNERS ASSOCIATION, INC. These documents amend the current governing documents for your community. Please place these amendments with your current documents for your future reference. The Bylaw Amendment becomes effective April 1, 2005 and the Declaration Amendment becomes effective the date of recording with Jefferson County.

Association dues will be increased by \$15.00 per month to **\$99.00 per month beginning April 1, 2005** (Cluster homes will continue to pay the additional \$46.00 for a total of \$145.00 per month until the project is completed). New coupon books will be sent in the next few weeks. Please discard your current blue coupon books when the new coupons arrive. If you have automatic withdrawal, this increase will automatically be withdrawn from your account beginning April 2005. You do not need to contact your bank.

In the next few months, as the project moves forward, there will be lots of activity in your community as these water meters are installed. If you have any questions about the project, please contact your property manager, Lee Courkamp, at 720-302-9703 ext 1400.

Again, thank you for your participation and help in improving our community.

Sincerely,

The Pond Homeowners Association Board of Directors

Enclosures

**SECOND AMENDMENT
TO
THE DECLARATION OF COVENANTS AND RESTRICTIONS
OF THE POND HOMEOWNERS ASSOCIATION**

RECITALS:

WHEREAS, this Second Amendment is made to the Declaration of Covenants and Restrictions of The Pond Homeowners Association originally recorded on June 13, 1973 in the Jefferson County real property records in Book 2516 at Page 77 ("Declaration"). The first amendment to the Declaration, entitled Certificate of Amendment to the Declaration of Covenants and Restrictions of The Pond Homeowners Association is dated August 19, 1974 and was recorded at Reception No. 665800 in the Jefferson County real property records ("First Amendment"). The Declaration provides in Article XI, Section 2 that the Declaration may be amended during the first twenty years from the date of the Declaration, by an instrument signed by not less than ninety percent (90%) of the lot Owners and thereafter by an instrument signed by not less than seventy-five percent (75%) of the lot Owners; and

WHEREAS, members representing seventy-five percent (75%) of the lot Owners consented to the Amendment of the Declaration via written ballot.

NOW, THEREFORE, the Declaration and its First Amendment are amended by this Second Amendment as of the date of recording in the Jefferson County real property records, as set forth below:

Article XI, Section 8 of the First Amendment entitled Water Service, shall be replaced in its entirety as follows:

Water Service. Every member shall have water service provided by the City of Arvada to their Lot within the Properties. The amount of water used will be metered either through the Association's common water meters or through individual water meters, where such have been installed or will be installed in the future.

Article VI, Section 6 of the First Amendment entitled Uniform Rate of Assessment, shall be replaced in its entirety as follows:

Rate of Assessment. The rate of Assessment shall be uniform except that:

- (a) Those Lots for which an individual water meter is installed, shall pay a decreased amount as compared to those Lots served by the Association's common water meter;
- (b) Those Lots being served by the Association's common sewer system shall pay an increased amount representing the cost of sewer service; and
- (c) Those Lots being served and/or accessed by private streets shall pay an increased amount for the maintenance, repair and replacement of

the same.

The following provision shall be added to the Declaration:

Article IX, Section 5:

Water/Sewer Maintenance and Repair. To the extent that the City of Arvada does not maintain and repair the water or sewer lines, each Owner will maintain and repair those water and sewer lines which serve only their Lot whether said lines are located within the Lot boundaries or within Common Area to the point that said water and/or sewer lines reach a main or common water or sewer line.

All terms and conditions of the Declaration shall remain in full force and effect, unmodified except as expressly modified and amended as set forth herein.

CERTIFICATION

I, the undersigned, do hereby certify:

1. I am the duly elected and acting Secretary of THE POND HOMEOWNERS ASSOCIATION, INC., a Colorado nonprofit corporation.
2. The foregoing Amendments to the Declaration were adopted by written ballot wherein seventy-five percent (75%) of the lot Owners consented to the amendments.
3. Copies of the written ballots signed by the lot Owners consenting to the amendments are attached hereto and incorporated herein by this reference.

Executed this 25th day of February, 2005

THE POND HOMEOWNERS ASSOCIATION, INC.

By: _____

Secretary

STATE OF COLORADO)

) ss

COUNTY OF Arapahoe)

The foregoing Second Amendment was acknowledged before me this 25th day of February, 2005 by Joe Schurwonn, as Secretary of the Pond Homeowners Association, Inc.

[SEAL]

My Commission Expires
10/1/07

Notary Public

Deborah Jones

**AMENDMENT TO THE BYLAWS OF
THE POND HOMEOWNERS ASSOCIATION, INC.**

This AMENDMENT TO BYLAWS OF THE POND HOMEOWNERS ASSOCIATION (this "Amendment") is made effective as of April 1, 2005.

RECITALS:

1. The Bylaws of The Pond Homeowners Association were adopted on or about June 13, 1973.
2. The Board of Directors desire to amend Article XII, Section 5 of the Bylaws pursuant to Article XV, Section 1 of the Bylaws.
3. Article XV, Section 1 of the Bylaws provides that "These By-Laws may be amended at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy . . ."
4. Pursuant to C.R.S. 7-127-109 of the Colorado Revised Nonprofit Corporation Act, any action that may be taken at any annual, regular, or special meeting of members may be taken without a meeting if the nonprofit corporation delivers a written ballot to every member entitled to vote on the matter. Written ballots were delivered to every member entitled to vote on this matter. A majority of a quorum of members voted in favor of amending Article XII, Section 5 of the Bylaws.

NOW THEREFORE, this Amendment having been duly approved in the manner set forth in these Bylaws, these Bylaws are hereby amended as follows:

Article XII, Section 5 of the Bylaws is hereby deleted in its entirety and replaced with the following language:

Rate of Assessment. The rate of Assessment shall be uniform except:

- (a) Those Lots being served by the Association's common water meter as provided in Article XI, Section 8 of the Declaration shall pay an increased amount representing the cost of the water service;
- (b) Those Lots being served by the Association's common sewer system shall pay an increased amount for the cost of sewer service; and
- (c) Those Lots being served by private streets shall pay an increased amount for the maintenance, repair and replacement of the same.

All terms and conditions of these Bylaws shall remain in full force and effect, unmodified except as expressly modified and amended as set forth herein.

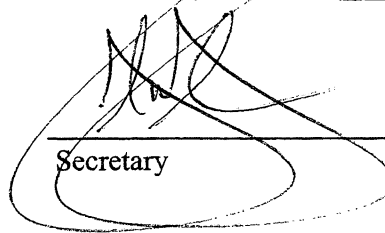
CERTIFICATION

I, the undersigned, do hereby certify:

1. I am the duly elected and acting Secretary of THE POND HOMEOWNERS ASSOCIATION, a Colorado nonprofit corporation.

2. The foregoing Amendment to the Bylaws of The Pond Homeowners Association was duly adopted via written ballot in lieu of a meeting of the members pursuant to C.R.S. 7-127-109, wherein the quorum requirements were met and a majority of that quorum cast in favor thereof.

In witness whereof, I have hereunto subscribed my name this 25th day of February 2005.



Secretary