

HORSE RANCH SUMMARY

Horse Ranch is a new residential subdivision located directly behind the Snowmass rodeo grounds. The project encompasses approximately 900 acres. Horse Ranch is being developed by the Snowmass Land Company.

The overriding goal of Horse Ranch is to create a family neighborhood - a place where people and nature can live in harmony.

The four main principals guiding the development of the property are:

- * Provide an environment that balances the needs of the human and animal residents.
- * Careful and sensitive location of homesites to preserve the meadows and rural character of the land.
- * Maintain as much open space as possible to keep the link between the community and the land.
- * Provide for a rich mix of uses - residential homesites, single family price restricted homesites, a community park and playground, Snowmass stables, hot air balloons, future expansion for golf, possible future school site.

Current zoning regulations allow for a much greater density than the plan for Horse Ranch incorporates.

- * Snowmass Land Company could use 198 acres. Only 105 acres are being proposed. That represents a 32% decrease.
- * Current regulations would allow as many as 163 free market homesites. Only 96 free market homesites are proposed. A decrease of 41%.

The homes range in size from 3000 - 5000 square feet depending on the size of the lot. Lots range in size from 10,000 square feet to an acre a half.

Snowmass Land Company is also proposing price restricted lots for permanent residents.

- * There are 34 price restricted lots for permanent residents in the plan.

Under current regulations Snowmass Land Company would only have to provide 28.4 acres of open space.

- * Snowmass Land Company is proposing that 86% of the land or approximately 780 acres in Horse Ranch remain as open space.
- * 67% of that open space or 600 acres will be deeded to the Town for public use.

Snowmass Land Company has also committed to donate the land and underwrite the design for a community park. The park is envisioned to include playing fields, children's playground, small pond, sculpture garden and pavilion.

In addition, the company will set aside the land to accommodate a nine hole golf expansion which may be integrated into the Snowmass Club.

Horse Ranch benefits the entire community. Housing opportunities will be created for

young professionals and families wishing to make Snowmass Village their permanent home. Paved trails within the subdivision will lead to the top of Horse Ranch, accessing the areas network of public trails. And, land will be available for horse pastures and remain open for Snowmass's Annual Balloon Festival as well as hot air balloons launches over the valley.

The project also addresses many concerns raised by the citizens who participated in the Community Planning Process. The Economic Focus Group believed that any new Snowmass development should "require a review and responsibility determination as relates to economic and financial needs."

- * Snowmass Land Company has completed a detailed fiscal analysis, as well as reports on traffic, construction, parking and air quality impacts. The reports are available upon your request.

The Open Space and Recreation Committee suggested that Snowmass try to acquire "critical" open space and work to preserve the rural and open character. The dedication of approximately 600 acres to open space in Horse Ranch helps meet that goal.

- * The project's entire front meadow will remain undeveloped.
- * A wildlife corridor/refuge, deeded to the Town, will be retained between Horse Ranch and Wildcat Ranch allowing for the migration of deer and elk.

Similarly, the Recreation Committee suggested a community park be created adjacent to Brush Creek Road.

- * The donation of land and other resources by SLC facilitate this goal.

Horse Ranch is also sensitive to the Growth and Land Use Committee report suggesting that the developer ... "keep the rodeo/stables area", create a single family neighborhood with ... "property for permanent residents" with ... "the center area of Horse Ranch reserved for recreation".

Finally, Snowmass Land Company, through its comprehensive plan for the entire Horse Ranch property, has strived to make Horse Ranch an integral part of the community's long term goals so as to ensure "Snowmass' long term economic prosperity and protect and enhance the quality of life for all residents."

COLORADO REAL ESTATE COMMISSION
RULE S-23
DISCLOSURES

THE STATE OF COLORADO HAS NOT PREPARED OR ISSUED THIS DOCUMENT
NOR HAS IT PASSED ON THE MERITS OF THE SUBDIVISION DESCRIBED
HEREIN.

DEVELOPER

Snowmass Land Company, an Illinois general partnership, is the
developer of Horse Ranch whose address is 5131 Owl Creek Road,
Snowmass Village, Colorado 81615 and telephone number is
303/923/2880. Questions can be directed to Ken Sontheim or
Stark King.

Horse Ranch is located on Brush Creek Road, a Town of Snowmass
Village (TOSV) public roadway. Street addresses for
individual lots are assigned after the project receives
approval.

TYPE OF OWNERSHIP

Ownership to the single family lots is conveyed via a special
warranty deed.

ACCOMMODATIONS AND AMENITIES

The developer, at his cost, will construct a combination tack
room and maintenance facility for the Horse Ranch lot owners.
The land and improvements, free of liens and encumbrances are
conveyed to the Homeowner's Association. The land is conveyed
to the Association upon recording the final plat. The
improvements are conveyed in 1992 after construction is
completed. See Parcel M on the Land Use Map.

Upon recording of the final plat, the following parcels are
conveyed to the Association free of liens and encumbrances:

* Parcel E	7.19 acres more or less
* Parcel I,J,K	.69 acres more or less
* Parcel L	.48 acres more or less
* Parcel M	.34 acres more or less
* Parcel N	11.28 acres more or less
* Parcel O	.38 acres more or less

* Parcel P

.62 acres more or less

Note: All parcels are located and uses described on the Land Use Map.

RIGHT OF RESCISSION

Immediately preceeding the purchaser's signature in the contract the following language appears in bold print:

IN ACCORDANCE WITH C.R.S.6-1-103 (1)(S)(II),(III) AND (IV), THE PURCHASER HAS THE RIGHT TO RESCIND THIS AGREEMENT WITH OR WITHOUT CAUSE AND AT THE PURCHASER'S SOLE OPTION, BY TELEGRAM, MAIL OR HAND DELIVERY AT ANY TIME WITHIN FIVE CALENDAR DAYS FOLLOWING THE DATE OF THE SIGNING OF THIS AGREEMENT BY BOTH PARTIES. SUCH REQUEST SHALL BE CONSIDERED MADE IF BY MAIL WHEN POSTMARKED, AND IF BY TELEGRAM WHEN FILED FOR TRANSMISSION, AND IF HAND DELIVERY, WHEN DELIVERED TO THE SELLER'S PLACE OF BUSINESS. UPON SUCH RIGHT OF RESCISSION HAVING BEEN EXERCISED, THE SELLER SHALL REFUND THE PURCHASER'S MONEY WITHIN SEVEN DAYS AFTER WRITTEN NOTICE HAS BEEN DELIVERED TO THE SELLER. THIS RIGHT OF RESCISSION CANNOT BE WAIVED.

JUDGEMENTS AND ADMINISTRATIVE ORDERS

There are no judgements or administrative orders issued against the seller, developer, homeowner's association or managing entity.

SPECIAL ASSESSMENTS

There are no special assessments existing or proposed. All Horse Ranch lot owners are part of the Horse Ranch Homeowner's Association and each owner is required to pay their pro rata share of the budgeted assessments. A proposed budget for operation of the Homeowner's Association is set forth in the OWNER'S ASSOCIATION section.

LICENSED BROKERS

Snowmass Real Estate Company, a Subchapter S Corporation, is licensed to do business in the State of Colorado. Their address is 75 Village Square, Snowmass Village, Colorado 81615. Snowmass Real Estate Company is the developer's exclusive marketing agent for the Horse Ranch project. All sales will be made by brokers and salesmen licensed by the State of Colorado unless specifically exempted pursuant to C.R.S. 12-61-101(4). The sales contract sets forth the name of Snowmass Real Estate Company as agent for the developer.

If another real estate brokerage firm is involved in the sales transaction, the name of the firm appears on the sales contract.

DEPOSITS AND PAYMENTS

All funds paid by the purchaser before delivery of deed are deposited within 24 hours of signing of the sales contract by both parties. These funds are held by Pitkin County Title, Escrow Agent, in its escrow account. The funds received from the purchaser are placed by the Escrow Agent in a federally insured interest bearing escrow account, and interest earned thereon accrues for the benefit of the Purchaser, unless the Purchaser defaults under the terms of the contract, in which case, its interest earned accrues to the benefit of the seller.

Funds paid by the purchaser prior to delivery of deed are not used for any other purpose except as an earnest money deposit.

All information regarding deposits and payments is set forth in the sales contract.

DELIVERY OF DEED

Immediately following closing, Pitkin County Title, Inc. records the special warranty deed in the Office of the Pitkin County Clerk and Recorder before disbursement of any funds.

Information regarding when the special warranty deed is recorded after closing is set forth in the sales contract.

TITLE POLICY

Each purchaser, at no expense to the purchaser, will receive a title commitment within ten business days of both parties signing the sales contract and a title policy within sixty days of recording of the special warranty deed.

UTILITIES AND ACCESS

The developer, at his cost, provides all roads and utilities within the Horse Ranch development. The roads will be owned by TOSV as dedicated public roadways. The developer will contract with the Snowmass Water and Sanitation District for the provision of water and sewer facilities; Holy Cross Electric Association for the provision of electricity; Rocky Mountain Natural Gas Association for the provision of natural gas; US West Communications for the provision of telephone

service; and United Artists for the provision of cable TV service.

All roads and utility improvements are secured with a letter of credit to TOSV to ensure the installation of these facilities. Water and sewer improvements are secured by separate agreement with the Snowmass Water and Sanitation District.

OWNER'S ASSOCIATION

Membership in the Horse Ranch Homeowner's Association is mandatory. The Horse Ranch Homeowner's Association's primary function is to manage the business affairs of the Horse Ranch property owners and maintain landscaping in the common areas.

Proposed Budget Horse Ranch Homeowner's Association 1993/4

Insurance	\$1,000
Landscaping (gen. maint. and upkeep)	2,800
Accounting	1,800
Office supplies	400
Meeting expense	400
Corporate tax expense	400
Board operating expense	1,150
Reserve fund	<u>1,000</u>
Total	\$8,950*

*Note: This is \$23.30 per quarter per property owner.

Control of the association is transferred to the association when the developer owns less than 5% of the lots.

The developer has no financial interest in nor will the developer derive any income or profit from the association. Furthermore, the developer has no right to borrow or authorize borrowing from the association.

The developer will pay its pro rata share of Association assessments for any unsold lots.

SPECIAL IMPROVEMENT DISTRICTS

Two special improvements districts affect the development: Snowmass Water and Sanitation District and Snowmass Wildcat Fire Protection District.

Snowmass Water and Sanitation District (SWSD): SWSD has been

in existence since 1966. All existing debt is secured by general obligation bonds and repaid through service fees and a mill levy. No additional debt is incurred as a result of the development of Horse Ranch.

SWSD provides water and sewer service. A tap fee is charged by SWSD at the time of issuance of a building permit for the construction of purchaser's single family home. SWSD fees are based on the number of bedrooms and baths within a single family residence. A typical four bedroom, four bath home tap fee is \$10,920.

A copy of the SWSD fee schedule and current audited Financial Statements are on file in the developer's office.

SWSD has not defaulted upon any of its obligations nor filed a petition for bankruptcy. The developer does not control nor does it have any financial interest in SWSD. The developer pays SWSD's fees on all unsold lots.

Snowmass Wildcat Fire Protection District (SWFPD): SWFPD has been in existence since 1970. All existing debt is secured by general obligation bonds and repaid through a mill levy. No additional debt is incurred because of the development of Horse Ranch.

SWFPD provides fire protection and advance life support ambulance service. The cost of fire protection is paid for through the collection of the mill levy. The fee for the ambulance service ranges from \$350 to \$450 per occurrence.

A copy of the current audited Financial Statements are on file in the developer's office.

SWFPD has not defaulted upon any of its obligations nor filed a petition for bankruptcy. The developer does not control nor does it have any financial interest in SWFPD.

Note: The developer is responsible for the payment of real estate taxes on any unsold lots. Included in this payment is the mill levy due SWSD and SWFPD.

MISCELLANEOUS

Golf is a permitted use in Parcels B, C, and D on the Land Use Map. The Developer makes absolutely no commitment now or in the future to the designing and/or construction of a golf course.

At anytime, Parcels B, C, and D may be conveyed to the Horse Ranch Homeowner's Association by the Developer. The land will be conveyed free of all encumbrances, together with all improvements (specifically the irrigation system) at no cost to the Association. This could add an additional \$5,000 to \$7,000 per year to the Horse Ranch Homeowner's Association annual budget. The money is required to hire someone to irrigate the parcels and maintain the irrigation system.

The Town of Snowmass Village may require moving the road entering Horse Ranch, as depicted on the Land Use Map, farther to the east. No additional expense to the Horse Ranch property owner is incurred as a result of realigning approximately 500 feet of the entry road into Horse.

Parcel A on the Land Use Map is zoned to allow 34 price restricted single family lots intended for local residents.

III. A.

FILED

ARTICLES OF INCORPORATION

AUG 29 1991

OF

STATE OF COLORADO
DEPARTMENT OF STATE

HORSE RANCH HOMEOWNERS ASSOCIATION

The undersigned person, acting as the incorporator of a corporation under the Colorado Nonprofit Corporation Act, signs and acknowledges in duplicate the following Articles of Incorporation for such corporation and states:

ARTICLE I

The name of the corporation is Horse Ranch Homeowners Association.

ARTICLE II

The period of its duration is perpetual.

ARTICLE III

The corporation is organized as a non-stock, non-profit membership corporation exclusively as a homeowners' association to advance the common interests of the corporation's members, to own, operate, manage and maintain those certain portions of the property, and facilities thereon, located in Horse Ranch Subdivision, Town of Snowmass Village, Pitkin County, Colorado, as described in the Declaration of Covenants, Conditions and Restrictions for Horse Ranch (the "Declaration"), executed by Snowmass Land Company, an Illinois general partnership, (the "Declarant"), and to be recorded in the office of the Clerk and Recorder of Pitkin County, Colorado, and to perform certain additional functions in accordance with the provisions of the Declaration. Terms which are defined in the Declaration shall have the same meaning when used in these Articles, unless the context clearly requires otherwise. The term Declarant as used herein shall mean and shall include the Declarant's successor and assign as designated by the Declarant in the manner provided for in the Declaration.

ARTICLE IV

The corporation shall have all powers granted to corporations by the Colorado Nonprofit Corporation Act, as amended from time to time, and any substitute statute therefor.

ARTICLE V

No part of the net earnings of the corporation shall inure to the benefit of or be distributable to, its managers, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article III. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

ARTICLE VI

The address of the initial registered office of the corporation is 5131 Owl Creek Road (P. O. Box 6119), Snowmass Village, Colorado 81615, and the name of its initial registered agent at such address is Kenneth R. Sontheim.

ARTICLE VII

The name and address of the Incorporator of the corporation is:

Kenneth R. Sontheim
P. O. Box 6119
Snowmass Village, Colorado 81615

ARTICLE VIII

The number of directors constituting the initial Board of Directors of the corporation is three, and the names and addresses of the persons who are to serve as the initial directors are:

Kenneth R. Sontheim
P. O. Box 6119
Snowmass Village, Colorado 81615

Stark King
P. O. Box 6119
Snowmass Village, Colorado 81615

James F. Wells
P. O. Box 6119
Snowmass Village, Colorado 81615

ARTICLE IX

A. The members of the corporation shall be those persons or entities, including the Declarant, who are the owners, from time to time, of Lots Nos. 1 through 96, inclusive, Parcel A of Horse Ranch as shown on the Plat of Horse Ranch recorded in the office of the County Clerk and Recorder of Pitkin County, Colorado, herein called the Lots. The membership of an owner shall automatically terminate when such person or entity ceases to be an owner of any of the Lots.

B. The members shall be entitled to one vote for each of the Lots owned by such member, subject to the right of the Declarant to appoint directors of the corporation as provided for in Paragraph C below. Cumulative voting should not be permitted for the election of Directors.

C. During such time as the Declarant shall own at least five percent (5%) of the Lots, the Declarant shall have the right to appoint a majority of the directors of the corporation. The Declarant shall have the right to remove any director appointed by the Declarant and to appoint a director to fill any vacancy caused by the removal, resignation or death of a director appointed by the Declarant.

ARTICLE X

Upon dissolution or final liquidation of the corporation, other than merger or consolidation, the assets of the corporation shall be allocated to the members in the same proportion as the number of the Lots owned by each member bears to the total number of the Lots, and shall be disbursed, net of expenses and debts of the corporation, to the members and their mortgagees, as their interests may appear.

ARTICLE XI

The corporation reserves the right to amend, alter or repeal any provisions contained in, and to add any provisions to, its Articles of Incorporation in any manner now or hereafter prescribed or permitted by the Colorado Nonprofit Corporation Act, and all rights and powers conferred upon the officers, directors and members by these Articles of Incorporation are granted subject to this reservation; provided, however, that for so long as the Declarant is a member of the corporation no provision contained in these Articles of Incorporation shall be amended, altered or repealed, nor shall any provision be added to these Articles of Incorporation, without the written consent of the Declarant.

Incorporator:


Kenneth R. Sontheim

STATE OF COLORADO)
) ss.
COUNTY OF PITKIN)

I, Frank T. Tuschare, a Notary Public,
hereby certify that Kenneth R. Sontheim, known to me to be the
person whose name is subscribed to the annexed and foregoing
Articles of Incorporation, appeared before me this day in person
and being by me first duly sworn, acknowledged and declared that
he signed said Articles of Incorporation as his free and
voluntary act and deed for the uses and purposes set forth and
that the statement therein contained are true.

WITNESS my hand and official seal this 7th day
of August, 1991.



Frank T. Tuschare
Notary Public

My commission expires: January 17, 1995.

			Horse Ranch Price List - 1996				
Lot	house size	lot size	price	Lot	house size	lot size	price
1	3500 sf	23,850 sf	\$250,000	49	3500 sf	54,253 sf	\$275,000
2	3500 sf	32,198	\$250,000	50	3500 sf	31,987	\$250,000
3	3500 sf	42,456	\$250,000	51	3500 sf	26,409	\$250,000
4	3500 sf	25,094	\$275,000	52	3500 sf	28,733	\$250,000
5	3500 sf	20,630	\$275,000	53	5000 sf	26,010	\$275,000
6	3500 sf	34,946	\$275,000	54	5000 sf	27,390	\$275,000
7	3500 sf	22,990	\$275,000	55	5000 sf	43,378	\$330,000
8	3500 sf	25,519	\$275,000	56	5000 sf	52,334	\$390,000
9	3500 sf	27,310	\$225,000	57	5000 sf	44,470	\$330,000
10	3500 sf	28,977	\$225,000	58	5000 sf	68,538	\$330,000
11	3500 sf	29,987	\$225,000	59	5000 sf	58,331	\$330,000
12	3500 sf	34,452	\$225,000	60	5000 sf	40,631	\$330,000
13	3500 sf	25,044	\$225,000	61	5000 sf	47,335	\$300,000
14	3500 sf	30,544	\$225,000	62	5000 sf	33,391	\$300,000
15	3500 sf	25,145	\$225,000	63	5000 sf	27,075	\$300,000
16	3500 sf	34,434	\$225,000	64	5000 sf	38,397	\$330,000
17	3500 sf	51,394	\$300,000	65	5000 sf	56,350	\$330,000
18	3500 sf	42,759	\$300,000	66	5000 sf	35,761	\$330,000
19	3500 sf	40,500	\$300,000	67	5000 sf	29,507	\$330,000
20	3500 sf	27,933	\$195,000	68	5000 sf	46,535	\$330,000
21	3500 sf	71,723	\$195,000	69	5000 sf	30,124	\$300,000
22	3500 sf	31,822	\$195,000	70	5000 sf	55,020	\$300,000
23	3500 sf	25,498	\$195,000	71	5000 sf	50,682	\$330,000
24	3500 sf	54,491	\$225,000	72	5000 sf	47,181	\$330,000
25	3500 sf	19,300	\$195,000	73	5000 sf	35,597	\$300,000
26	3500 sf	27,180	\$195,000	74	5000 sf	46,266	\$300,000
27	3500 sf	27,883	\$195,000	75	5000 sf	47,985	\$300,000
28	3500 sf	35,115	\$195,000	76	5000 sf	48,459	\$330,000
29	3500 sf	20,767	\$195,000	77	5000 sf	66,763	\$330,000
30	3500 sf	23,783	\$195,000	78	5000 sf	58,946	\$330,000
31	3500 sf	22,633	\$195,000	79	5000 sf	33,968	\$300,000
32	3500 sf	24,762	\$225,000	80	5000 sf	41,058	\$330,000
33	3500 sf	23,291	\$225,000	81	5000 sf	78,327	\$330,000
34	3500 sf	25,112	\$225,000	82	3000 sf	12,250	\$160,000
35	3500 sf	27,035	\$225,000	83	3000 sf	9,750	\$160,000
36	3500 sf	35,138	\$225,000	84	3000 sf	11,585	\$160,000
37	3500 sf	39,086	\$275,000	85	3000 sf	12,850	\$145,000
38	3500 sf	29,378	\$275,000	86	3000 sf	15,700	\$145,000
39	3500 sf	23,189	\$275,000	87	3000 sf	9,750	\$160,000
40	3500 sf	43,251	\$275,000	88	3000 sf	9,350	\$160,000
41	3500 sf	56,707	\$275,000	89	3000 sf	14,050	\$145,000
42	3500 sf	32,749	\$300,000	90	3000 sf	13,750	\$145,000
43	3500 sf	23,760	\$300,000	91	3000 sf	9,068	\$160,000
44	3500 sf	24,654	\$330,000	92	3000 sf	9,080	\$160,000
45	3500 sf	22,080	\$330,000	93	3000 sf	9,900	\$160,000
46	3500 sf	22,853	\$330,000	94	3000 sf	8,550	\$160,000
47	3500 sf	24,044	\$300,000	95	3000 sf	13,000	\$170,000
48	3500 sf	34,642	\$275,000	96	3000 sf	13,800	\$170,000



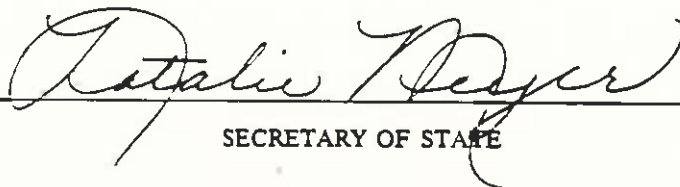
STATE OF COLORADO

DEPARTMENT OF STATE CERTIFICATE

I, NATALIE MEYER, Secretary of State of the State of Colorado hereby certify that the prerequisites for the issuance of this certificate have been fulfilled in compliance with law and are found to conform to law.

Accordingly, the undersigned, by virtue of the authority vested in me by law, hereby issues A CERTIFICATE OF INCORPORATION TO HORSE RANCH HOMEOWNERS ASSOCIATION, A NONPROFIT CORPORATION.

Dated: AUGUST 9, 1991



SECRETARY OF STATE