

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) by and among the Mission Viejo Homeowners' Association, Inc. hereinafter referred to as "Mission HOA"; and the Seville Townhome Association, hereinafter referred to as "Seville HOA". The effective date shall be the last date on which an authorized representative of the parties signed below.

Whereas, the low adobe "Barcelona" entrance wall located on the southeast corner of Kalispell and Hampden Ave, located in the NE Quarter of the NW Quarter of Section 5, Township 5 South, Range 66 West of the Sixth Principal Meridian County of Arapahoe, City of Aurora within Mission Viejo Filing 1 is a common area owned and maintained by the Seville HOA; and

Whereas, sometime in the past the Mission HOA made an agreement with Seville HOA to place and maintain letters that designated the Kalispell entrance for the greater community as "Mission Viejo" along with signage that designated the area as a covenant controlled community;

Whereas, it is understood that Seville HOA maintains this common area including lighting, landscape elements and the white paint on which the signs for the neighborhood are attached; and

Whereas, it is understood that the Mission HOA maintains the neighborhood sign letters and the covenant sign on this wall.

NOW, THEREFORE, Mission HOA and Seville HOA with respect to this Memorandum of Understanding agree to the following:

Sign Maintenance: Under normal circumstances the signs designating the greater community as "Mission Viejo" and as a covenant controlled community shall be maintained by Mission HOA unless Seville HOA or another entity properly notify both parties' executive boards of their intended maintenance or proposed improvements.

Common Area: Under normal circumstances the adobe "Barcelona" entrance wall and all lighting and landscape elements shall be maintained by Seville HOA unless Mission HOA or another entity properly notify both executive boards of their intended maintenance or proposed improvements.

Any and all proposed changes to the normal maintenance of either the signage or to Seville HOA's common areas shall not occur without notification and approval from both the Mission Viejo HOA Executive board and the Seville HOA Executive board.

1. Amendments and Noncompliance

If any signatory to this MOU, determines that its terms will not or cannot be carried out or that an amendment to its terms must be made, that party shall immediately consult with the other party to develop an amendment to this MOU. The amendment will be effective on the date a copy is signed by current representatives of the original signatories. If the signatories cannot agree to appropriate terms to amend the MOU, any signatory may terminate the agreement in accordance with Stipulation 2, below.

2. Suspension of Agreement

Any party to this Agreement may suspend it by written notice to the other party. If this occurs, the parties will consult further to determine whether the issues can be resolved and the Agreement re-implemented in an amended form.

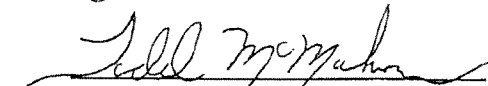
3. Termination

If this MOU is not amended or re-implemented, it may be terminated by any signatory. Since Seville HOA holds real land title to the common area which the signage is placed and is subject to the provisions of the Colorado Common Interest Ownership Act (C.R.S. 38-33.3-101), Seville Townhomes holds the right of final termination of this agreement.

Adopted on April 17th, 2007 by the Mission Viejo Homeowners' Association Executive Board.

Adopted on 7/11/07, 2007 by the Seville Townhomes Association Executive Board.

Signed:


President Mission Viejo HOA

Signed:


President of Seville Townhomes HOA