

RULES AND REGULATIONS

These Rules and Regulations have been adopted by the Association's Board of Directors and implemented to protect the investment of the Owners of the residential dwelling units and to enhance the economic value of the Units subject to regulation by the Association. This document is to be used in conjunction with the Declaration, Bylaws and other governing documents of the Association. Capitalized terms used in these Rules and Regulations shall have the same meanings as set forth in the Declaration. In the event of any conflict between these rules and regulations, and the Association's Declaration of Covenants, Articles of Incorporation or Bylaws, the provisions of those documents shall govern.

1. Vehicular Parking; Storage and Repairs.

a. Parking, stopping or standing in fire lanes (as designated by the Association or as designated by local government or a local fire protection authority) is not permitted.

b. No self-propelled recreational vehicle, tractor-trailer, camper designed to be pulled behind another vehicle, boat, commercial truck or commercial van is permitted to park within the Project at any time, except for temporary loading or unloading, deliveries, or emergency. This restriction, however shall not restrict trucks or other commercial vehicles within the Project which are necessary for the maintenance or repair of the Common Area or of any Townhouse Unit, vehicles making deliveries or performing services

c. If any vehicle is parked on any Common Area, other than designated parking spaces, the Board may place a notice on the vehicle specifying the nature of the violation and stating that after 48 hours the vehicle may be towed. The notice shall include the name and telephone number of the person or entity, which will do the towing in accordance with these Rules and Regulations. If, 48 hours after such notice is placed on the vehicle, the violation continues or occurs again within six months of the date the notice is given, the vehicle may be towed without further notice to the owner. For the purposes of the Rules and Regulations, an automobile, truck, motorcycle, moped, motor scooter, self-propelled recreational vehicle, or any other motorized vehicles, shall be considered a "vehicle".

d. No activity such as, but not limited to, maintenance, repairs, rebuilding, dismantling, repainting, or servicing of any kind of vehicle, trailer, motorcycle, ATV or boat, may be performed or conducted on the Common Area, except for emergency repairs required to start a vehicle or to change a flat tire.

e. If any vehicle is parked in a fire lane, is blocking another vehicle or access to another Owner's or occupant's Unit or dwelling, is obstructing the flow of traffic, is parked on any landscaped or grassy area, is parked in a space which has been assigned as exclusively serving another Unit, or otherwise creates a nuisance or hazardous condition, no notice shall be required and the vehicle may be towed immediately, at the vehicle owner's expense.

f. A vehicle is "derelict" if it is not roadworthy. To be roadworthy it must have all of the following: (i) a valid registration; (ii) round tires, (iii) glass in both front and rear windows, (iv) an ability to move under its own power and (v) no visible fluid leakage. If any derelict vehicle is located on any portion of the Project, the Board may place a notice on the vehicle stating that if the vehicle is not made roadworthy or removed from the Project within 72 hours, the vehicle may be towed.

The notice shall contain the same information as the notice set forth Paragraph 1c of these Rules and Regulations. If 72 hours after such notice is placed on the vehicle, the vehicle is not made roadworthy or removed from the Project, the vehicle may be towed.

g. No abandoned vehicles shall be stored or parked upon any part of the Property. In the event that the Board shall determine, in its sole discretion, that a vehicle is an abandoned vehicle, then a written notice describing the vehicle will be personally delivered to the owner thereof (if the owner can be reasonably ascertained and located) or will be conspicuously placed on the abandoned vehicle (if the owner thereof cannot be reasonably ascertained or located) and if the abandoned vehicle is not removed within seventy-two (72) hours thereafter, the board shall have the right to remove the vehicle at the sole expense of the owner hereof. For the purpose of this Section an "abandoned vehicle" is any automobile truck, motorcycle, motorbike, boat trailer, camper, motor home, house trailer or other similar vehicle which has not been moved for a period of five (5) days or longer.

h. If a vehicle is towed in accordance with these Rules and Regulations, neither the Association nor any officer or agent of the Association shall be liable to any person for towing and storage costs or for any claim of damage as a result of such towing. The Association's right to tow is in addition to, and not in limitation of all other rights of the Association, including the right to assess fines. The Board reserves the right to impose or use other available sanctions, rather than exercise its authority to tow.

2. Back Patios, Front Entries, and Building Exteriors.

a. No items of clothing, rugs, tarps, blankets, sheets or other similar items may be hung from windows or on back patios, front porches or the facades of any building.

b. No awnings or similar items designed to provide shade or privacy may be permanently fixed to the exterior of the Unit of the Building without the prior written approval of the Board of Directors.

c. Other than those items and structures set forth in paragraph 2d hereof, no items or structures of either a temporary or permanent nature shall be placed or stored on any Lot, back patio, front porch or lawn.

d. Items permitted on the back patio are one (1) gas or electric barbecue grill, patio-style furniture, plants and planters placed in a neat and orderly manner. Items permitted on the front porches are patio-style furniture, plants and planters.

e. Personal property shall be removed from turf areas so that it does not interfere with mowing and landscaping operations.

f. No signs or advertising posters, with the exception of "For Sale" or "For Rent" signs shall be placed anywhere within the Project, except as permitted by the Declaration. "For Sale" or "For Rent" signs shall be limited to one sign of no larger than 21 1/2" x 16 1/3" displayed in the window of a Unit or in the front planting bed area of a Lot.

g. Window coverings shall not be made of silver or reflective material and neither garbage bags, sheets, cardboard nor any other item not designed for use as a window covering shall be used as a window covering. Within six weeks after a Unit is occupied, curtains, blinds, shades or shutters shall be installed in the windows of the Unit and shall continuously remain in such windows.

3. Animals and Pets.

a. Pets shall at all times be under the control of the Owners or occupants; no pets shall remain unattended by their owners at any time and all applicable leash laws shall be strictly complied with.

b. No animals except for household pets may be held or raised on any of the common elements or in the Units. The Association may limit the number of household pets which may be kept in a Unit, and only Unit Owners shall be allowed to keep two (2) dogs. Pets shall not be tied or leashed to any portion of the Common Area or to personal property on Common Areas.

c. Pets shall not make loud, repeated or annoying noises and shall not be a nuisance to other Owners or occupants.

d. No owner or Occupant shall keep an animal which, in the sole discretion of the Board is considered to be a danger to the Owners or occupants of the Project or which is considered a "Dangerous Breed". The term Dangerous Breed shall include all wolves, wolf-hybrids, Dobermans, Rotweillers, Chows, German Shepards and Pit Bulls, and no such animals shall be brought upon the Association's property at any time whatsoever. If an animal has been cited as vicious by Eagle County, it shall be permanently removed from the Project within five (5) working days.

e. Feces left by animals upon any Lot or Common Area shall be promptly removed by the animal's owner or the person responsible for the animal; pet owners are responsible for the cost of repairing any damage caused by their pets on or to the Common Area.

4. Antennae.

Exterior television, satellite or other antennas are allowed only to the extent expressly permitted under applicable federal statutes or regulations ("Permitted Antennas"). Permitted Antennas shall be installed in the least conspicuous location available on the Unit which permits it to receive a working signal.

5. No Annoying Light, Sound or Odors.

a. No light shall be emitted from any Unit, which is unreasonably bright or causes unreasonable glare. Exterior light fixtures must direct light downward and conceal the light source. Floodlights, bare bulbs and clear glass luminaries are not permitted.

Any carriage lanterns must have frosted glass and low wattage bulbs with a maximum of 25 watts luminescence.

b. No sound shall be emitted on any Unit, which may be heard within any other residential dwelling unit which is unreasonably loud or annoying.

c. No Odor shall be emitted from any Unit, which is noxious or offensive to others.

6. Mold.

Each Owner shall be required to take necessary measures to retard and prevent mold from accumulating in his or her Unit, including, but not limited to, appropriate climate control, removal of visible moisture accumulation on windows, window sills, walls, floors, ceilings and other surfaces and cleaning of the same. No Owner shall block or cover any heating, ventilation or air conditioning ducts. Owners shall immediately notify the Board in writing of the following: (a) any evidence of water leaks, water infiltration or excessive moisture in a Unit; (b) any failure or malfunction in heating, ventilation or air conditioning; (d) any inoperable doors, windows, heating, ventilation or air conditioning ducts. The receipt of notice by the Association shall not create any additional Association maintenance responsibility other than those set forth in the Declaration. Owners shall be responsible for any damage to their units and personal property, to any other Unit, as well as any injury to the Owner or occupants resulting from the Owner's failure to comply with this section. Owners shall be responsible for all costs and expenses incurred by the Board to remove mold and or damage within their Units or from any other affected Unit in the event that any Owner fails to meet the requirements of this Section.

7. Violation of Law.

Nothing shall be done within the Project or the individual residential dwelling units which would be in violation of any statute, rule, ordinance, regulation, permit or validly imposed requirement of any governmental body.

8. General.

- a. Owners and occupants shall be responsible for any additional charges incurred by the Association on account of the removal of trash, garbage or refuse from the Project, if incurred because of excess trash or because of bulk items they place outside their Unit for pickup. Owners and occupants should contact the company that removes trash directly to arrange for the pick up of bulk trash and to pay the cost of such pickup.
- b. Owners shall repair broken glass in windows or patio doors within 5 workdays.
- c. No Fireworks or firearms may be fired or discharged anywhere in the Project.
- d. No Owner or occupant shall cause any penetration of any kind of the roof or any exterior wall of a Unit without the approval of the Homeowners Association and without agreeing in writing to indemnify the Association for any damages from such penetration.
- e. Only gas or electric grills shall be permitted to be used within the Project, and only if permitted by application law or ordinance. Charcoal grills are not permitted.
- f. Owners shall be responsible for the actions of their family members, guests, invitees and tenants that are in violation of the Declaration or these Rules and Regulations.
- g. No structure or mechanical or other device, including, but not limited to, fences, patio coverings, patio enclosures, swamp coolers or air conditioning units shall be placed on or attached to the exterior of a Unit or the Common Area without the prior, written approval of the Board in accordance with the provisions of these Rules and Regulations, the Bylaws and the Declaration.
- h. All repairs or installations within a Unit, such as repairs and installation of heating, plumbing, air conditioning and electrical fixtures, and the repair or replacement of the inner decorated and finished surfaces of the walls, ceilings and floors, including floor and ceiling tile, and the repair and replacement of all screens, glass, storm or screen doors and patio doors are the responsibility of the Owner. Each Owner shall promptly perform all the repair and maintenance required by the Declaration, the Bylaws and these Rules and Regulations, the omission of which would adversely affect any Common Area or any other Unit. Each Unit Owner shall be responsible for any damages caused by the failure to perform such repairs.

9. Violation of Governing Documents; Enforcement.

If an Owner violates any term or condition of the rules and regulations, covenants, or other valid rules or restrictions ("violations"), any other owner shall have the right to contact that owner and request that the offending Owner cease or correct any act or omission which appears to be a violation of the governing documents. Additionally, the Association shall have the following rights and remedies:

a. Notice. Should the Association determine that a violation has occurred; the Association or any of its authorized agents must provide adequate notice, by letter, of any such violation. The notice shall set forth in ordinary language a clear and concise statement of the acts or omissions which the Association believes occurred and shall include as many specifics as are available as to date, time, location and the identity of the persons involved, so that the complaint may be investigated. Once adequate notice has been provided, by both certified mail, and by regular mail, if the notified owner fails to cure the alleged violation, or commits a second violation, then the Association or any of its authorized agents may avail itself of the following remedies.

b. Right to Cure. Should the alleged violation not be cured by the date and time specified in the notice letter from the Association to the Owner, a second letter shall be sent by the same means, informing the Owner of the time and place of a meeting at which the Association will hold a hearing to determine whether or not the alleged violation actually took place; that the Owner shall have the right to appear and be heard at such meeting; and that the Association has the authority, upon its determination that a violation has occurred, to levy fines, attorney's fees, and to take such other action as is authorized by the Association's governing documents and by the Colorado Common Interest Ownership Act. It shall be incumbent upon each director or other person hearing the complaint to make a determination whether he or she is able to function in a disinterested manner; if such member is not able to act in a disinterested manner, he or she shall disclose such fact to the Board and remove himself or herself from the proceedings and have such fact recorded in the minutes of the meeting. The hearing will not be conducted according to technical rules relating to evidence or to witnesses. Generally, any relevant evidence will be admitted if it is the type of evidence which responsible persons rely on in the conduct of their business affairs, regardless of the existence of any common law or technical rules which might make the introduction of such evidence improper after objection thereto. Decisions of the Board may be taken under advisement and rendered at a later time, but in no event more than fifteen (15) days after the conclusion of the hearing. All decisions of the Board, after hearing, shall be rendered in writing, and shall be effective five (5) days after notice of such decision is mailed to the offending owner by certified and by regular mail.

c. Executive Session. At the request of any owner, the hearing shall be held in executive session; if either the accusing party or the accused party shall fail to attend, the hearing may continue, if sufficient evidence to establish the existence of a violation is made available to the Board. Otherwise, the Board may continue the hearing.

d. Remedies. Upon finding the existence of a violation, the Board may take the following action:

i. The offending Owner may be ordered to take remedial action

ii. A fine in an amount of not less than \$_100.00_ nor more than \$_250.00_ may be levied.

iii. All fines shall be collectible as assessments and shall be payable within ten (10) days of mailing of a notice of fine.

iv. The Association may, but is not obligated to, enter upon an Owner's property and cure such violation at the Owner's cost and expense. If the Association cures any such violation, the Owner shall pay to the Association the amount of all costs incurred by the Association in connection therewith, together with an administration fee.

e. Right to Sue for Injunctive Relief or Damages. Notwithstanding the foregoing, the Association may sue the Owner to enjoin such violation, or the Association may sue an Owner for all damages, losses, costs and expenses, including, without limitation, reasonable attorney's fees and disbursements incurred by the Association as a result of the violation.

f. Lien. The Association shall have a lien against the property to secure payment of (a) any fee, charge, fine or other amount due from the Owner to the Association; (b) interest on any Rules & Regulations unpaid amounts at the rate of 18 per cent annum from the date due until paid and (c) all costs and expenses of collecting any unpaid amounts, including without limitation reasonable attorney's fees and disbursements. Any such lien may be judicially foreclosed as a mortgage under the laws of the State of Colorado.

g. Other Rights and Remedies. The Association shall have all other rights and remedies available to it at law or in equity. All rights and remedies of the Association shall be cumulative and the exercise of one right or remedy shall not preclude the exercise of any other right or remedy.

h. Appeal of Fines. An Owner may appeal any fine imposed against the Owner by the Association to the Fine Appeals Committee (the "Appeals Committee") in accordance with the following terms and conditions. Within five days after receiving the notice of fine, that a fine is being assessed against the Owner, the Owner may file a written appeal with the Appeals Committee. If the Owner fails to file a written appeal with the Appeals Committee within such five-day period. The Owner shall have no further right to appeal the fine. If the Owner files a written appeal within such a five-day period, the Appeals Committee shall review such appeal and within 45 days deliver a written decision with respect thereto to the Owner and to the Association. If the Appeals Committee decides in favor of the Owner, the Association shall revoke its notice imposing the fine. If the Appeals Committee decides in favor of the Association, the Owner shall pay such fine within five days after its receipt of the Appeals Committee's decision.

10. Modification, Amendments, Repeal and Re-Enactment.

a. The Association and Board reserves the right, at any time and from time to time hereafter, to modify, amend, add to, repeal and/or re-enact Rules and Regulations in accordance with the Declaration, Bylaws and applicable law.

b. Failure by the Association, the Board or any person to enforce any provision of these Rules and Regulations shall in no event be deemed to be a waiver of the right to do so thereafter

c. The provisions of these Rules and Regulations shall be deemed to be independent and severable, and the invalidity of any one or more of the provisions hereof by a court of competent jurisdiction shall in no way affect the validity or enforceability of the remaining provisions, which shall remain in effect.

d. The captions to the sections are inserted only as a matter of convenience and for reference, and are in no way to be construed so as to define, limit or otherwise describe the scope of these Rules and Regulations or the intent of any provision of these Rules and Regulations.

The above Rules and Regulations were adopted by the Association's Board of Directors on __December 31, 2005__.