

**SNOWMASS VILLAS CONDOMINIUM ASSOCIATION**

**GENERAL RULES, REGULATIONS, POLICIES AND  
PROCEDURES**

**REVISED AND RESTATED**

**December 15, 2015**

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**SNOWMASS VILLAS CONDOMINIUM ASSOCIATION  
RULES, REGULATIONS, POLICIES AND PROCEDURES**

**PART 1- GENERAL RULES**

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**SNOWMASS VILLAS CONDOMINIUM ASSOCIATION  
RULES REGULATIONS AND POLICIES.**

**(Effective December 15, 2015)**

Snowmass Villas Condominium Association (Association) has adopted these General Rules, Regulations, Policies and Procedures (Rules), as of the 15th day of December, 2015 and pursuant to the Declaration of Covenants, Conditions and Restrictions for Snowmass Villas recorded with the Pitkin County, Colorado Clerk and Recorder, as it may be amended from time to time, (Declaration) and pursuant to the Act. All capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Declaration. **The rules and regulations set forth herein shall apply to all Owners, occupants, tenants, guests, invitees, and all other persons who are on the Property, all of whom shall be referred to herein collectively as “Occupant.” It shall be the responsibility of all Owners to convey the information contained herein to their guests, tenants and other Occupants.**

1. **Purpose and Scope.** The primary functions of the Association are to manage the Common Elements and enforce the Declaration and Bylaws, including adopting these Rules in connection with such management and enforcement responsibility. The Board of Directors has adopted these Rules in order to protect the value and desirability of the Snowmass Villas Condominiums (the “Project”). These Rules supplement other rules that may be found in the Articles, the Declaration and the Bylaws.

2. **Keys.** Each Owner shall provide the Manager with current keys to the front door locks and/or dead bolts of their Units, as well as any locked storage areas accessing building crawl spaces. It is recommended that Owners also provide a key to carport storage spaces as well.

3. **Fire Alarm System.** In the event of a fire, call 911 and contact the Manager. If a fire alarm goes off for unknown reasons, contact manager immediately. Do not tamper with fire alarm devices for any reason. Tampering with, or removal of devices without prior notification to the Manager will result in an immediate fine. Offenders may also be responsible for fines imposed by the fire department or other responding agency and any associated liabilities or damages.

4. **Fireworks.** No fireworks or other incendiary devices are allowed anywhere on the Project.

5. **Firearms.** No firearms may be fired or otherwise discharged on the Project.

6. **Parking.** Owners are allowed a maximum of two (2) cars per Unit which are subject to all of the provisions of the Parking Policy attached hereto in Part 3 of this document.

7. **No Disturbing Noise.** No person shall make or permit any noises that will disturb or annoy the Occupants of any other Unit or do or permit anything to be done which will interfere with the rights, comfort or convenience of other Occupants.

8. **Smoking.** Smoking is allowed within units, subject to limitations, as provided for in the Snowmass Villas Smoking Policy, attached hereto in Part 3 of this document.

9. **Antennas.** No aerials or antennas of any kind shall be attached to, or hung from, the exterior of the Units, the roofs thereon, or protruded over any fence or balcony, without the prior written consent of the Association. Satellite dishes may be installed with the written consent of the Board. Owners must petition the Board for the installation of a satellite dish and the Board must approve the location of the dish prior to installation.

10. **Pets.** The following pets are allowed at the Snowmass Villas Condominiums: dogs, cats, caged birds, caged hamsters or mice, aquarium fish. No other types of pets are allowed. A maximum of two dogs or two

cats are allowed per Unit. Exceptions must be approved by the Board. Pets are not allowed to run at large. Dogs must be kept on a leash or under voice command by the Owner while outside. Dogs may not enter into the pool area enclosure. Droppings must be promptly cleaned up and properly disposed. Dog owners are responsible to keep the area around their building free of all dog droppings. This includes all lawn areas from the driveway to all property edges and the space from one building to the next.

11. **Trash.** Birds, bears and other animals are very active in the area and will infiltrate trash bins, trash bags and vehicles looking for food. Trash dumpsters and recycling bins are provided in enclosed bays in carport areas. The trash enclosure doors must be kept closed at all times. To prevent infiltration by birds and other animals, *Occupants shall not leave garbage or garbage-filled containers on the front or back porches for any length of time for any reason.* Subject to immediate fine.

12. **No Obstruction.** Walkways, entrances, halls, corridors, stairways, sidewalks, parking spaces, driveways and roads shall not be obstructed or used for any purpose other than ingress to and egress from a Unit. Occupants shall maintain a minimum three foot wide unobstructed corridor from front and rear entry doors to Association Common Elements.

13. **Exterior of Units.** The exterior of the Units and all other areas appurtenant to a Unit, including any fences, balconies, decks, and patios, shall not be painted, decorated or modified in any manner without prior written consent of Association, which consent may be withheld on purely aesthetic grounds within the sole discretion of the Association, except as otherwise set forth herein.

14. **Articles on Exterior of Units.** No article shall be hung or shaken from the doors, windows, deck balconies or patios or placed upon the outside window sills or fences of any Unit without the prior written consent of the Association, except as otherwise set forth herein. No awnings, window guards, light reflective materials, shutters, ventilators, fans or air conditioning devices or other machinery or equipment shall be placed in such a location so as to be visible from the exterior of any Unit except as shall have been previously approved in writing by the Association, which approval may be withheld on purely aesthetic grounds within the sole discretion of the Association.

15. **Window Coverings.** All window coverings, such as blinds, shades, and curtains, of every type which are visible from the Common Elements must be manufactured for use as window coverings and shall be a dark or light, neutral color, and shall be consistent in appearance from window to window. Blankets, sheets, towel, etc. shall not be used as window coverings.

16. **No Business in Units.** No Occupant shall carry on any business or trade from or in or on a Unit, or allow any other person to carry on any such business or trade without the specific written approval of the Association. This prohibition, however, shall not prohibit persons from making or receiving business telephone calls and other electronic communications within the Unit.

17. **Use of Common Elements and Storage.**

(a) ***Gardens.*** As it is the responsibility of the Association to maintain the grounds, no Occupant may have a private garden other than potted plants on the porches. Occupants are responsible for the care of their own potted plants. Pots and planters must be stored properly at the end of the season prior to November 1<sup>st</sup> of every year.

(b) ***Social Events.*** Occupants shall notify the Property Manager seven days prior to any planned social event that will utilize Common Elements. Events utilizing Common Elements that are of large scale or of a nature that will infringe upon the privacy of other Unit Owners must have prior approval from the Association. An Occupant must have prior approval to set up special equipment for an event and must pay a security deposit, in an amount determined by the Board of Directors, in order to cover the cost

of repair for any damage that might be caused by such equipment. Such equipment must be removed immediately following the event. Hours for special events are between 9 AM and 9 PM.

(c) **Personal Property.** Any personal equipment or property left of the grounds at any time, without prior approval from the Manager, may be removed by the Association without notice, for the safety of Occupants as well as appearance of the Property.

(d) **Approved storage areas.** Personal items may be stored in carport storage areas, as well as lattice enclosed areas beneath Units. When storing items beneath Units all crawlspace doors and pathways must be kept clear and accessible. Open parking spaces in carports are for storage of approved vehicles only. No other items may be stored in the carports with the exception of bicycles which may be stored in the carports May through October only. During remodeling of a Unit, permission may be given at the discretion of the Manager, for the short-term storage of materials.

(e) **Bicycles.** Bicycles may not be ridden on the sidewalks of the Project. Bicycles may be stored on front or back porches or neatly within the carports from May 1<sup>st</sup> through October 31<sup>st</sup> at the discretion of the Board. Bicycles may not be stored by hanging from the ceiling or walls of any structure. Bicycles must be stored out of sight from November 1<sup>st</sup> through April 30<sup>th</sup>. Bicycles may be stored on back porches if they do not hinder egress from the back door and providing that they are covered with a brown tarp and are not visible from any other unit. Bicycles may not be stored in the carports during the winter months.

(f) **Combustibles.** Combustibles (i.e. paint, solvents, gasoline, etc.) may not be stored in crawl spaces beneath the Units, nor shall they be disposed of in the common dumpster areas.

(g) **Porches and Grills.** Firewood, ski equipment, small decorative items, potted plants, benches, chairs, tables and bicycles (allowed only from May 1st – Oct 31st) are the only items allowed on the front porches. All other items must be stored elsewhere. Firewood may only be stored on front or back porches, not alongside exterior Unit walls, common walls or grass areas. Gas, propane or electric grills may be stored on back porches. Charcoal grills and hibachis are strictly forbidden anywhere within the Project. Chimeneas, self-contained fire pits, and outdoor heaters are not allowed within the Project. All porch areas shall be kept in a neat and orderly fashion. If complaints occur, the Occupant shall have five (5) days after receiving written notice, in which to remove the items. Should the Occupant not comply, the Association may elect to have the items removed by management, and all expenses incurred will be billed to, and paid by, the Unit Owner. All items that are actively used only during certain seasons shall be stored out of sight in an approved storage area when not actively in use. Summer seasonal items shall be stored by November 1 and winter seasonal items shall be stored by May 1 or other date as determined by the Board.

(h) **Use of Common Elements.** No Occupant may occupy any portion of a Common Element, to the exclusion of any or all other Occupants, without express written authorization from the Board of Directors. In order to prevent broken windows, playing of golf, baseball and other hardball sports is prohibited on the property.

(i) **Bird Feeders:** To avoid attracting bears and other animals, bird feeders may not be placed on back or front porches or on Common Areas from May 1st through October 31st. The Association may remove and dispose of, without warning, any bird feeders found on the property during this time.

18. **No Liability for Items in Storage.** The Association assumes no liability for, nor shall it be liable for, any loss or damage to articles stored in any Common Element or other storage area.

19. **Leasing and Management Companies.** All leasing companies and management companies, and/or Unit Owners, must provide the Association's managing agent with the names and contact information for renters, upon request of the Association or the Association's managing agent. Upon the execution of a rental agreement, rental management agreement, or lease for a Unit in the Project, all leasing companies and management companies, and/or Unit Owners must provide their emergency contact information to the Association's managing agent. All individuals renting or leasing any Unit in the Project must be: (1) at least eighteen (18) years of age; (2) able to legally enter into a contract; and (3) legal citizens of the United States of America or able to provide documentation of legal status. All leasing companies and management companies, and/or Unit Owners are responsible for providing copies of these Rules, the Bylaws and the Declaration to their tenants. Unit Owners are required to provide the Association with a signed copy of all leases for all rentals in excess of six (6) months in the Project.

20. **Rental Unit Restrictions.**

(a) ***Occupants.*** Maximum of two Occupants per bedroom are allowed per Unit. Owners are required to submit the name and vehicle information to the Manager, for any guest staying longer than 2 days.

(b) ***Cars.*** Maximum of two vehicles are allowed per Unit. (See Parking Policy attached hereto in Part 3 of this document). Violations may result in fines or the towing of the vehicle in question, after 24 hours of notice of violation has been served to the Occupant by placing notice on the Occupants front entry door, or on the driver's side window of the offending vehicle if the vehicle's occupant is not known.

(c) ***Pets.*** Renters are allowed a maximum of 2 pets per Unit. Pet Owners must follow Snowmass Village Township Ordinances and Section 10 of these Rules relating to control of pets. Pets found running at large may be impounded. Pet dropping must be immediately cleaned up and disposed of properly.

(d) ***Occupant information.*** All Occupants, are required to register any and all vehicles to be parked onsite (limit 2 per unit) with the Association Manager. Owners shall complete a tenant information form for rental periods exceeding one month. Tenant information form shall be completed and returned to the Association manager within five days of Tenant occupancy. Failure to complete the form or overdue forms shall be subject to fines as set forth in the accompanying fine schedule. Owners shall notify the Association if there are any changes in an existing tenancy (i.e. new/ additional tenants or vehicles). Failure to notify association of tenancy changes will result in fines.

21. **Signs and Flags.** Only signs of 4 square feet in size or less, announcing open houses, carport sales, or special events may be posted on the Property for the duration of the event, but not longer than 24 hours. All other signs must be pre-approved by the Association Board or by the Manager, except as otherwise set forth in this paragraph.

(a) An Owner or tenant is allowed to display one political sign per political office or ballot issue with the maximum dimensions of such sign limited to the lesser of: (a) 36" by 48" inches, or (b) the maximum size allowable by any applicable local ordinance that regulates the size of political signs on residential property. Any political sign shall be displayed only in a window of the Owner's Unit and shall not be displayed earlier than forty-five (45) days before an election, or later than seven (7) days after an election day.

(b) An Owner or tenant may display an American flag in a window of the Owner's Unit, or on any balcony, deck or patio appurtenant to the Owner's Unit, only if the American flag is displayed in a manner consistent with the applicable sections of the federal flag code and does not exceed 36" by 48".

(c) An Owner or tenant may display a service flag bearing a star denoting the service of the Owner or tenant, or a member of the Owner's or tenant's immediate family in the active or reserve military service of the United States during a time of war or armed conflict, on the inside of a window or door of the Unit. The maximum size of a service flag shall be 9" by 16".

(d) No signs advertising a Unit as "For Sale" or "For Rent," and no real estate brokerage signs shall be placed or displayed upon the Common Elements or in such a manner as to be visible from the Common Elements.

22. **Pool Area Rules and Regulations.** The pool is for the use of Owners, their families, guests, and tenants only.

(a) All children under 12 years of age must be attended by an adult.

(b) All persons using the pool do so at their own risk, there is no lifeguard on duty.

(c) Pool gates will be locked 24 hours a day for insurance purposes. The gate combination may be obtained from the Manager. Gates must be secured and locked when leaving the pool area.

(d) Users of the pool area must follow all posted poolside rules.

(e) Owners are responsible for themselves and their tenants and guests, and for removing personal items from the pool area after use. Any personal items left in the pool area may be discarded by the Association without notice.

(f) Weather permitting, the pool will be open from Memorial Day to Labor Day, from 9:00 AM to 9:00 PM.

(g) No running is allowed inside the pool enclosure.

(h) All litter must be disposed of in a proper litter container bin (located in the restroom).

(i) No glass is allowed inside the pool area enclosure.

(j) Pets are not allowed in the pool, or inside the pool area enclosure.

23. **Special Usage.** Usage of the pool Common Element for parties or gatherings must be coordinated with the Manager, who must be notified at least 48 hours in advance to establish date and time. A \$250 deposit will be required for all parties. Guidelines for such usage will be handed out at that time.

24. **Furnace and Wood Burning Appliance Inspections.** All Owners are required to have the furnace for their Unit inspected by a professional at least annually and shall provide the Manager with a copy of the invoice for such inspection, together with a report indicating that the furnace is working properly, by no later than September 15<sup>th</sup> of each year. All Owners with wood burning appliances in their Units are required to have such appliances inspected and to have the flue for such appliance cleaned at least annually and shall provide the Manager with a copy of the invoice for such inspection and cleaning, together with a report that such appliance is working properly, by no later than September 15<sup>th</sup> of each year. Failure to provide the invoices and reports required by this paragraph will result in the Association contracting for such inspections and/or cleanings, with the cost thereof to become an Assessment against the subject Unit and Unit Owner. The Association may elect to coordinate said inspections to be conducted in unison on a date and time set by the Manager. Owners may elect to opt out of coordinated inspections if they provide proof of inspection prior to Association inspection date.



25. **Right to Enter.** The agents of the Association and any contractor or workman authorized by the Association may enter any Unit at any reasonable hour of the day for purposes permitted under the terms of the Association Documents. Except in case of emergency, entry will be made by prearrangement with the Owner or Tenant.

26. **Collections.** Collections are subject to all of the provisions of the Collections Policy attached hereto in Part 3 of this document.

27. **Association Work on Units.** Work done by the Association for any individual Unit at the request of the Owner shall be charged to the Owner at a rate periodically fixed by the Board in alignment with local contractor rates plus related fees. This includes, but is not limited to, any plumbing or heating repairs. Written requests for such work shall be submitted by the Unit Owner to the Manager. Work done by the Association to enforce the Unit's required conformity with any of the Association Documents will be charged to the Unit as an Assessment pursuant to the Declaration and shall be paid for by the Owner of the Unit. Owners shall inform the Manager of any service contract in effect, or specific repairman required to service appliances or other Unit improvements.

a) **Notification of Problems.** Owners who have a problem with their Unit that they suspect may be an Association responsibility must inform the Manager about the details of the matter prior to contracting a repair service. Owners shall not be reimbursed for charges or repairs by such contractors, even though the repair work may normally be an Association expense, unless the Management has been made aware of the situation and has approved the repairs.

b) **Snow Removal.** The Association shall be responsible for removing snow from the rear porches and stairs for the purpose of safe egress and will maintain a three foot wide path across the landing and stairs down to ground level. The Owner will be responsible for any additional snow removal if necessary. Owners will not allow snow to build up excessively on landings and stairs. Should Owners neglect to remove snow not removed by the Association, and the Manager deems the snow to be a hazard to either the stair/landing structure, or to persons in general, then the Association may have the excess snow removed at the Owner's expense.

28. **Performance of a Reserve Study.** The Board of Directors may, from time to time and in its discretion, cause a reserve study ("Reserve Study") to be performed as outlined in the Reserve Study Policy attached hereto in Part 3 of this document.

29. **Investment of Reserve Funds.** The Board of Directors shall adhere to the Policy on Investment of Reserve Funds attached hereto in Part 3 of this document.

30. **Listing Units for Sale.** All Owners, shall, at least ten (10) days prior to listing their Units for sale with a licensed real estate broker, notify the Association in writing of their intent to list such Unit for sale. The Association, upon receipt of such written notice, shall notify all Owners of the pending listing so as to enable any Owner interested in purchasing the Unit to contact the Owner of such Unit.

31. **Responsible Owner.** The provisions of all Association Documents apply to all Occupants. When any violation of any Association Document occurs, and the person or persons committing such violation are family members, tenants, guests, agents, employees, or invitees of any Owner, then such Owner (the "Responsible Owner"), shall be responsible for such violation, including, but not limited to, the payment of any and all fines, fees, and costs, of every kind, resulting from such violation, which fines, fees and costs shall constitute a Supplemental Assessment with respect to such Owner and his or her Unit.

32. **Repeat Offenses.** Each violation of the covenants and Rules and Regulations set forth in the Association Documents shall constitute a separate, finable offense. Whenever a violation is a continuing one, each day of the violation shall constitute a separate, finable offense.

33. **Enforcement of Association's Documents.** Enforcement of the Association's Documents shall be as stated in the Enforcement Policy and Procedures attached hereto in Part 3 of this document.

34. **Financial Penalties.** Financial penalties for violation of or noncompliance with the Declaration, the Bylaws or these Rules by a Respondent or Occupant, are outlined in Enforcement Policy and Procedures attached hereto in Part 3 of this document.

35. **Dispute Resolution.** If a dispute ever arises between an Owner and the Association, or between two or more Owners, the parties shall use the procedures set forth in the Policy on Dispute Resolution attached hereto in Part 3 of this document.


36. **No Waiver of Rights.** The omission or failure of the Association to enforce the covenants, restrictions, easements, uses, limitations, obligations, or other provisions of the Declaration, Bylaws, or the Rules, Regulations and Policies shall not constitute or be deemed a waiver, modification or release thereof, and the Board of Directors or Association's managing agent shall have the right to enforce the same.

37. **Additional Rules and Regulations Regarding Modifications.** Any Owner making modifications to his Unit, as permitted in the Declaration, shall also be required to comply with the Snowmass Villas Condominium Association Construction Rules, Regulations and Policies.

38. **Amendment of Rules and Regulations.** The foregoing Rules and Regulations may be amended at any meeting of the Board of Directors as set forth in the Bylaws and the Act.

#### **Certificate**

The undersigned certifies that the foregoing General Rules, Regulations, Policies and Procedures were adopted by the Board of Directors of Snowmass Villas Condominium Association as of the 15<sup>th</sup> day of December, 2015.

  
Allison Mangelsen,

Secretary

**SNOWMASS VILLAS CONDOMINIUM ASSOCIATION  
RULES, REGULATIONS AND POLICIES AND PROCEDURES**

**PART 2 - CONSTRUCTION RULES**

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**SNOWMASS VILLAS CONDOMINIUM ASSOCIATION  
RULES, REGULATIONS AND POLICIES REGARDING CONSTRUCTION**

(Revised December 15, 2015)

Snowmass Villas Condominium Association (Association) hereby adopts these Construction Rules, Regulations and Policies (Construction Rules), effective as of the date set forth above, pursuant to the Declaration of Covenants, Conditions and Restrictions for Snowmass Villas recorded with the Pitkin County, Colorado Clerk and Recorder, as such may be amended from time to time, (Declaration), and pursuant to the Act. All capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Declaration.

Any work being completed at the Snowmass Villas, regardless of the degree of the project, shall conform to the Building Regulations as adopted by the Town of Snowmass Village and their permitting requirements. *Any work that does not conform to these regulations or that is being conducted without notification to, or permission of, the Association shall be subject to the following: Immediate cessation of said work, fine of \$250, notification to the Town Building Department of the project.*

**1. Notification.** The Unit Owner must notify the Association Property Manager that there will be construction, no matter how small the job (other than upgrading of interior finishes). The Owner will provide to the Property Manager and the Board, the name, address, and phone number – including cell phone – of the contractor in charge of the project. *Prior to commencement of any construction within a Unit, Owner, along with Owner's contractor, will execute a Construction Agreement (attached hereto) with the Association.* Failure to comply with these notifications may result in a fine as set forth in the Rules and Regulations.

**2. Alteration approval.** In order to provide a common outward appearance and as provided in the Declaration, exterior and structural alterations may not be made to any Unit without prior written consent of the Association. All window replacements, exterior penetrations or other Board approved exterior modifications made during the course of construction must match existing exterior design features common to the complex. A set of plans and/or drawings showing all proposed exterior and/or structural alterations will be submitted to the Association for review. Any structural alterations will require a Structural Engineer's stamp on the plans. The Board of Directors must approve all plans for such type of construction. Any changes to original project plans must be submitted to manager for approval by Board. All completed exterior alterations are subject to inspection and approval by the Board at any time within a year of completion of the installation. The Board may require changes, at the Owner's expense, to any exterior modifications made during the alterations which it deems are in conflict with the outward appearance of the complex.

**3. Damage deposit/Liability.** Prior to any construction project being started on any Unit, a construction completion, clean-up, and damage deposit of \$500 will be paid by the Owner of the Unit to the Association, refundable upon satisfactory completion of the project. The Owner will pay for any damage to the Common Areas as a result of construction.

**4. Building Permit.** A building permit must be displayed on or near the Unit front door BEFORE demolition or construction begins, and remain posted for the duration of the construction project.

**5. Proof of insurance.** All contractors must give the Association Manager proof of insurance BEFORE demolition or construction begins.

**6. Alarm system.** Owner or Contractor shall notify the Association Property Manager to supervise work associated with alarm devices. Failure to notify the Association Property Manager may result in a fine, as set forth in the Enforcement Policy and Procedures attached hereto in Part 3 of this document, and any fines imposed by the Snowmass/Wildcat Fire District for response to false alarms caused by construction. All fire alarm devices shall

be properly protected in the course of painting and dust generating activities. Owner shall be responsible for all repairs and associated costs and fees due to damage to the alarm system or its devices as a result of construction within the unit, including the cost of disconnecting and reconnecting the fire/freeze and other devices of the alarm system in the Unit. Fees may include after hours or other emergency charges, including travel charges, imposed by the alarm repair company, whether repairs are initiated by the Owner, or by the Association on behalf of the Owner.

**7. Materials.** Construction materials may not be stored in or on Common Elements at any time. With permission from the management, materials may be stored in the Unit's carport area. Such stored materials must not encroach into other Units' carports areas and must be stored in a neat and safe fashion so as not to create a safety hazard or negative visual impact to owners. Permission to store materials in the carport may be revoked if guidelines are not followed. Construction tools and/or materials may not be left out overnight on front or back porches or Common Areas. It is the responsibility of owners to keep front and back porches clean, neat and free of debris, during construction projects. Violations may result in fines.

**8. Construction Site.** Owner shall insure that construction activities remain within the confines of the Unit, front entry (excluding sidewalk areas) or rear deck. Contractors are not allowed to set up construction equipment on Common Areas for any purpose, (i.e. cutting boards, or tiles, or otherwise fabricating materials).

**9. Dumpsters.** The Villas garbage dumpsters are not to be used for construction trash. Coordinate the placement of a construction dumpster with the Association Property Manager. If construction materials in the Snowmass Villas found in the dumpster require a special pick-up, the Owner of the Unit under construction will be assessed the cost for the pick-up and additional fines.

**10. Vehicles.** Construction vehicles are not allowed to remain at the Villas overnight, unless prior approval has been obtained. Construction vehicles shall not block access to walkways. Construction vehicles must be moved upon request of manager. Workmen shall carpool to the extent possible. Construction vehicles not being immediately utilized shall be parked between Buildings 3 & 4, or north of the carport by Building 1. Improperly parked construction vehicles may be towed without notice.

**11. Timely Completion.** All construction projects must be carried out in a timely fashion without periods of non-activity as indicated in the Construction Agreement. Prior to the start of a project, the owner or contractor will provide Association management with a project timeline and expected completion date. Once a project has begun, work must progress continually without prolonged interruptions. If work activity must stop due to material or other delays, management must be notified. Work hours shall conform to Town ordinances. Construction outside of these hours is not allowed. Violations may result in fines.

**12. Replacement of Front Door.**

- a) The front door of a Unit may be constructed of either metal clad (as exists originally) or solid wood, per code and recommended builders' specs.
- b) The door design may include panels.
- c) The door may include a clear glass feature in the upper 1/3 of the door. Clear glass, either beveled, etched or frosted is acceptable. Stained glass is not acceptable.
- d) The door may have a view hole feature for safety.

e) If the door is to be painted, it must be painted the existing dark green color, or the dark brown that matches the existing doorframe. If the door is to be stained, the color must incorporate a brown tone that is prevalent in the surrounding shingles. No whitewash or color tinted stains are allowed.

f) Door hardware may be brass, bronze, iron, nickel, including brushed or antiqued varieties of the same. No polished chrome is allowed.

g) Any other detail not mentioned above must be subject to approval of the Board of Directors.

### **13. Front Entryway Treatment.**

a) Material – Type: All materials must be approved by the Board of Directors, including those described below.

i) *Manufactured Tile.* Tile is restricted to material which is specifically manufactured for use in outdoor installations, and which is rated for freeze/thaw conditions. Only glazed tile that has a rough non-skid surface finish will be approved. Smooth surface glazed tile is prohibited. Most ceramic tile is not well suited for this application. Terra cotta, Saltillo, and any type of porous tile is prohibited.

ii) *Quarry stone tile & cultured stone pavers.* Only quarry stone tile deemed to be appropriate per industry standards, for outdoor extreme freeze/thaw weather conditions may be approved.

iii) *Carpet/Matting.* Artificial turf, carpet, or sisal matting is prohibited.

b) Material – Color: Color for material and grout is restricted to the use of earth tones.

c) Steps: Stair steps, where applicable, must maintain the Building Code outlined height and depth parameters, after new surface treatment installations. Steps must have a beveled or bullnose tile edge, to eliminate sharpness.

d) Installation:

i) Professional Installation. Installation must be professionally done, and conform to local building codes, ordinances, trade practices, and climatic conditions (see attached installation guide parameters). Attention must be given to front door threshold height levels, so as not to create a hazard of outside moisture entering into the Unit. Special care must be taken to assure that proper drainage is maintained, and that a smooth transition to the adjacent walkway is maintained.

ii) Verification of Material. A sample of material and manufacturer certification of climate parameters, must be presented to the Property Manager/Board of Directors prior to installation to verify the parameters.

iii) Scheduling. Property Manager must be notified as to the construction scheduling.

e) Maintenance. Safe and tidy maintenance of front entryways and front entryway surfaces remains the Owner's Responsibility. Front porch and stair surfaces must always be kept in good repair, and clear of hazards. However, periodic snow removal (shoveling) may be undertaken by Management.

f) Liability. Each Owner shall insure that all upgraded or altered entry and front porch surfaces and steps which make a part of such Owner's Limited Common Element are and remain safe, well maintained, and structurally sound at all times.

**14. Window Upgrades.**

a) It is the responsibility of the Owner to conform to current building regulations when upgrading or replacing windows. Per current codes, every "sleeping" room below the 4th story shall have at least one operable window or door approved for emergency escape.

b) Owners must use metal-clad windows for replacement or upgrade. No exterior part of any window may be replaced with wood or wood-framed exteriors. Replacements or upgrades must be metal-clad and by approved manufacturers. This provision is applicable to all windows including fixed pane windows and irrespective of size.

c) The Association has approved the following manufacturers for replacement or upgrade of any window (fixed or operable) in the Snowmass Villas complex: Kolbe & Kolbe, Weathershield, Sierra Pacific, Pella. Other manufacturer shall be approved by the Board of Directors.

d) Windows from manufacturers other than those specified above must have the approval of the Association Board of Directors. Windows with wooden frames that require painting are not allowed.

e) Replacement windows must be metal-clad (extruded aluminum). They must be replaced as whole Units with metal-clad sills and casing. Exterior trim must match the existing trim style and color within the complex.

f) Approved colors are: Rustic Brown from Kolbe & Kolbe, or Western Adobe from Weathershield. Colors and windows of other manufacturers must meet Board of Director approval before ordering.

g) If replacing more than one window in the Unit Owners will use the same style, color, and manufacturer for all window replacements.

h) In order to hide exposed floor joists, where windows extend vertically between floor levels, either two separate windows with an integrated matching metal panel shall be used or, if one continuous window is used, the area of the window spanning the floor joist area, shall be of black glass or an integrated metal panel. All such applications must be approved by the Board of Directors.

i) Skylights of any kind are not allowed at the Snowmass Villas.

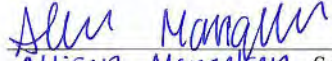
**15. Foundations.** As outlined in the Foundation Policy attached hereto in Part 3 of this document, Owners are responsible for the supporting piers of the enclosed rear porches. The Association shall maintain the concrete and block foundations supporting the Unit perimeters.

**16. Radon Mitigation.** Radon mitigation may be undertaken at the discretion and expense of the Unit Owner as set forth in the Snowmass Villas Policy for Radon Mitigation attached hereto in Part 3 of this document. All mitigation shall conform the Policy and to local and state building code.

17. **Air Conditioners.** Subject to these Construction Rules, the Snowmass Villas will allow the installation of air conditioning in any Unit at the Owner's expense. Condensers must be placed out of sight under the enclosed porch area of the Unit. Owners will purchase the most quiet condenser units available at the time of installation. No modifications to the exterior of the building are permitted without special permission of the Board. Other special circumstances required for A/C installation will also require special permission of the Board. Window A/C units are not permitted.

**Certificate**

The undersigned certifies that the foregoing Rules, Regulations, Policies and Procedures Regarding Construction were adopted by the Board of Directors of Snowmass Villas Condominium Association as of the 15<sup>th</sup> day of December, 2015.

  
\_\_\_\_\_  
Allison Mangelsen, Secretary



**Agreement  
between  
Snowmass Villas, Contractor and Homeowner**

At the request of the Snowmass Villas Condominium Association (the Association),

\_\_\_\_\_ (Owner) and  
\_\_\_\_\_ (Contractor)

have agreed to read, review, comply with and discuss with their respective legal counsels, if appropriate, the Association's General Rules, Regulations, Policies and Procedures and its Construction Rules, Regulations, Policies and Procedures in the contemplation and execution of their upcoming construction project. Among the requirements contained in those documents, Contractor and Owner will find several documents and requirements that, without limitation, you agree to provide and perform for the Association. Among these are:

- **Notification.** You agree to notify the Association property manager of your project, no matter how small, and meet certain other requirements (Construction Rules, Section 7).
- **Damage Deposit.** You will pay to the Association a construction deposit of \$500 (Construction Rules, Section 9).
- **Building Permit.** If required by the Town of Snowmass Village or any other approving authority, you will apply for and display a building permit in advance of the commencement of any part of your project (Construction Rules, Section 10).
- **Proof of Insurance.** You agree to maintain during the entire course of the project, Builders Risk liability insurance coverage carried with insurance companies acceptable to the Association's property manager in an amount of no less than \$2 million, full Workmen's Compensation Insurance coverage, and homeowner's full replacement coverage in accordance with the **Insurance Obtained by Owners** section of the Snowmass Villas Declaration of Covenants, Conditions and Restrictions. In the event that you hire subcontractors, you will verify that each of them has, at a minimum, the coverages listed above. (Construction Rules, Section 11).

In addition Owner and Contractor agree that:

- **Storage of Materials:** No materials are to be stored on the grounds of the Association at any point during construction. All materials are to be stored safely, neatly and without hazard inside the unit being worked on and, to a limited extent, and only upon approval by the Property Manager, stored temporarily within the garage unit of the individual owner.
- **Indemnification.** Owner and Contractor shall protect, indemnify and hold the Association harmless from and in respect to any and all losses, liabilities, reasonable costs, and expenses (including attorneys' fees) that may be incurred by the Association with respect to, or proximately resulting from any breach of, any representation, warranty, or covenant of Owner or Contractor hereunder.
- **Timely Completion:** Owner and Contractor shall work continuously on the Project without periods of non-activity.
- Project duration: \_\_\_\_\_.
- Completion Date: \_\_\_\_\_.
- Nature of Project: \_\_\_\_\_.

All improvements on both the Owner's and the Association's property, including new construction, will be completed in full compliance with any applicable laws, regulations, or building codes and standards. Owner or Contractor hereby agree to indemnify and hold harmless the Association from any claim, loss or other damage to Association including reasonable attorney's fees resulting in whole or in part from faulty construction, inadequate safety precautions, or any act or omission by Owner or Contractor, their agents and employees, including but not limited to failure to comply with applicable state, federal and local statutes and regulations.

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of this date:

**Date:** \_\_\_\_\_

**Owner:**

**Contractor:**

**The Association:**

\_\_\_\_\_

**SNOWMASS VILLAS CONDOMINIUM ASSOCIATION  
RULES, REGULATIONS AND POLICIES AND PROCEDURES**

**PART 3 - POLICIES**

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## AIR CONDITIONERS

Subject to all Construction Rules in Part 2 of the Snowmass Villas Condominium Association General Rules, Regulations, Policies and Procedures, Snowmass Villas will allow the installation of air conditioning in any Unit at the Owner's expense. Condensers must be placed out of sight under the enclosed porch area of the Unit. Owners will purchase the most quiet condenser units available at the time of installation. No modifications to the exterior of the building are permitted without special permission of the Board. Other special circumstances required for A/C installation will also require special permission of the Board. Window A/C units are not permitted.

### Certificate

The undersigned certifies that the foregoing Rules, Regulations, Policies and Procedures Regarding Air Conditioners were adopted by the Board of Directors of Snowmass Villas Condominium Association as of the 15<sup>th</sup> day of December, 2015.

Allison Mangelsen  
Allison Mangelsen, Secretary

## AMENDING AND ADOPTING DOCUMENTS

This Policy regarding amending and adopting Association documents is found within the Bylaws of the Snowmass Villas Condominium Association as follows:

The Board of Directors shall have the right to establish, amend, and enforce, from time to time, such Rules, Regulations and Policies as the Board of Directors may deem necessary and appropriate for the management, preservation, safety, control, and orderly operation of the Project for the benefit of all Owners and Occupants, and for facilitating the greatest and most convenient availability and use of the Units and Common Elements by Owners and Occupants. Such Rules may include a system of late charges and/or interest for untimely payment of Assessments, fees for review by the Association of matters required under the Declaration, and fees and fines for noncompliance with the Rules and other obligations set forth in the Declaration and these Bylaws. The Board of Directors shall provide notice of the adoption or amendment of any Rules and make such amended Rules available for inspection by all Owners, Occupants, Mortgagees and purchasers during convenient weekday business hours at the principal office of the Association. Such Rules may, to the extent not in conflict with the provisions of the Declaration, the Articles and these Bylaws, impose reasonable restrictions upon the use and occupancy of any portion of the Project as the Board of Directors, in its sole and absolute discretion, deems necessary and appropriate. Each Owner agrees that all his or her ownership rights shall be in all respects subject to the Rules and each Owner agrees to obey such Rules as the same may lawfully be amended from time to time, and to ensure that the same are faithfully observed by Occupants of his or her Unit. Each person who comes within the Project shall be subject to the Rules for the duration of his presence therein. A copy of the Rules, Regulations, and Policies, as amended from time to time, shall be made available to Owners and Occupants free of charge, and to Mortgagees and purchasers upon request and payment of a reasonable fee.

Rules and Regulations may be amended by a vote of a majority of a quorum of the Board of Directors at a regular or special meeting of the Board of Directors. The Rules and Regulations may be amended at any regular meeting of the Owners or at any special meeting called for the purpose of amending the Rules and Regulations, by the affirmative vote of a majority of a quorum of Owners present at the meeting in person or represented by proxy and eligible to vote. Any amendment shall be binding upon every Owner. Any amendment adopted at a regular or special meeting of the Owners may thereafter only be amended at a regular or special meeting of the Owners. Neither the members of the Board of Directors, nor the Owners shall have the power to amend the Rules and Regulations in such a manner as to materially change the configuration or size of any Unit, to materially alter or modify the appurtenances to any Unit, or to change the proportion or percentage of any Owner's interest in the Common Elements, without the unanimous consent of all Owners directly affected thereby.

### Certificate

The undersigned certifies that the foregoing Rules, Regulations, Policies and Procedures Regarding Amending and Adopting Documents were adopted by the Board of Directors of Snowmass Villas Condominium Association as of the 15<sup>th</sup> day of December, 2015.

  
Allison Mangelsen Secretary

## **ASSOCIATION RECORDS**

This Policy regarding handling of Association records is found within the Bylaws of the Snowmass Villas Condominium Association Sections 8 and 9 and states:

1. Retained Records. The Association shall maintain the records identified in Exhibit A, attached hereto and as amended from time to time, which shall be deemed the sole records of the Association for the purposes of document retention and production to Owners.
2. Principal Place of Business. The principal place of business of the Association shall as disclosed by the Association in accordance with Colorado law. The Association's records shall be stored at this office.
3. Change of Management Notice. The Association shall provide to all Owners, within ninety (90) days of the Association's change of address, change of designated agent, or change of the Managing Agent, written notice stating the name of the Association, the name of the Managing Agent, the physical address of the Association and Managing Agent. Such notice shall also include the name of the common interest community, the initial recording date of the Declaration, including the recording information for the Declaration. The Association may account for the cost of such disclosure as a Common Expense.
4. Disclosure after Fiscal Year. Within ninety (90) days after the end of each fiscal year, the Association shall make the following information available to Owners upon reasonable notice and at no cost in accordance with Section 8.4 herein:
  - A. The name of the Association;
  - B. The name of the Association's designated agent or management company, if any, together with the agent's or management company's license number, if the agent or management company is subject to licensure under Part 10 of Article 61 of Title 12, C.R.S.;
  - C. A valid physical address and telephone number for both the Association and the Association's designated agent or management company, if any;
  - D. The name of the common interest community;
  - E. The initial date of recording of the Declaration and the Reception No. for the Declaration as well as any and all recorded amendments;
  - F. The date on which the fiscal year for the Association begins;
  - G. The Association's operating budget for the current fiscal year;
  - H. A list, by Unit type, of the Association's current Assessments, both regular and special;
  - I. The Association's responsible governance policies adopted C.R.S. § 38-33.3-209.5;
  - J. Its annual financial statement; including amounts held in reserve for the preceding fiscal year;
  - K. The results of its most recent available financial audit or review;
  - L. A list of all Association insurance policies, which shall include the company names, policy limits, policy deductibles, additional named insureds, and the expiration dates of the policies;
  - M. All of the Association's Bylaws, Articles and Rules and responsible governance policies;
  - N. The minutes of the Board of Directors and Unit Owner meetings for the preceding fiscal year.
  - O. The Association's responsible governance policies.
5. Disclosure. The Association shall ensure disclosure of the information subject to Section 8.4 in one (1) or more of the following methods: posting on an internet web page with accompanying notice to Owners via first-class mail or e-mail; the maintenance of a literature table or binder at the Association's principal place of business; or mail or personal delivery. The Association shall account for the cost of such distribution as a Common Expense.



6. Retention of Records. The Association shall keep financial and other records in accordance with Articles 8 and 9. The Association is not obligated to compile or synthesize information in order to satisfy this requirement. These records shall be made available to Owners for examination and copying according to the provisions described herein.

7. Scheduled Record Inspection. Association records shall be available for examination and copying through the Managing Agent by appointment, and at the office of the Association. To schedule record examination and copying at the Association's office, an Owner, or the Owner's authorized agent, must provide the Association with a written "Notice of Intent to Examine and Copy" so that the Association can have the desired books, records and personnel available. A Notice of Intent to Examine and Copy must be submitted to the Association not later than ten (10) days prior to the planned examination and copying. Said Notice must describe with reasonable particularity which records are sought. Such Notice may be sent to the Association by mail at the address disclosed by the Association in accordance with Colorado law. Any scheduled examination and copying must occur during normal business hours. The Association may require the requested examination and copying to occur at the next regularly scheduled Board of Directors meeting if such meeting occurs within thirty (30) days after the request.

8. No Removal of Records. No records may be removed from the Association's possession without the express written consent of the Board of Directors. A right to copy records includes the right to receive copies by photocopying or other means, including the receipt of copies through an electronic transmission; provided, however, that the Association must produce such copies only when such form of production is available and the Owner specifically includes such a request in the Notice of Intent to Examine and Copy.

9. Fee for Copies. The Association may charge a fee for copies, not to exceed the Association's estimated actual cost for making copies of the records requested, and which fee may be collected before any copying begins. There shall, however, be no fee or cost for documents provided in accordance with Section 8.4 of these Bylaws.

10. Limitation of Access to Certain Records. The Board of Directors may withhold records from examination and copying to the extent that the records are or concern:

- A. Architectural drawings, plans, and designs, unless released upon the written consent of the legal owner of the drawings, plans or designs;
- B. Contracts, leases, bids, or records related to transactions to purchase or provide goods or services that are currently in or under negotiation;
- C. Communications with legal counsel that are otherwise protected by the attorney-client privilege or the attorney work product doctrine;
- D. Disclosure of information in violation of law;
- E. Records of an executive session of the Board of Directors; and
- F. Individual Units other than those of the requesting Owner.

11. Prohibited Access to Certain Records. The Board of Directors must withhold records from examination and copying to the extent that the records are or concern:

- A. Personnel, salary, or medical records relating to specific individuals; or
- B. Personal identification and account information of Owners, including bank account information, telephone numbers, electronic mail addresses, driver's license numbers, and social security numbers.

12. List of Owners. An Owner may not request a membership list for any purpose unrelated to an Owner's interest as an Owner without the written consent of the Board of Directors. Unrelated purposes for the use of a membership list include, but are not limited to:

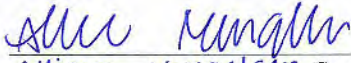
- A. The solicitation of money or property, unless such money or property will be used solely to solicit votes of the Owners in an election to be held by the Association;
- B. Any commercial purpose; or
- C. To be sold to or purchased by any person.

13. Commercial Use. Association records and the information contained therein may not be used for commercial purposes.

14. Records Retention. Unless otherwise stated in Addendum A, all records shall be retained permanently. The Association shall destroy all other records after the time frame for which they must be kept has lapsed.

**Certificate**

The undersigned certifies that the foregoing Rules, Regulations, Policies and Procedures Regarding Association Records were adopted by the Board of Directors of Snowmass Villas Condominium Association as of the 15<sup>th</sup> day of December, 2015.

  
Allison Mangelsen, Secretary

**ASSOCIATION RECORDS  
EXHIBIT "A"**

In addition to any records specifically defined in the association's declaration or bylaws or expressly required by section 38-33.3-209.4 (2), the Association must maintain the following, all of which shall be deemed to be the sole records of the Association for purposes of document retention and production to Owners:

- A. Detailed records of receipts and expenditures affecting the operation and administration of the Association;
- B. Records of executive board or committee actions to approve or deny any requests for design or architectural approval from unit owners;
- C. Minutes of all meetings of its Unit Owners and Executive Board, a record of all actions taken by the Unit Owners or Executive Board without a meeting, and a record of all actions taken by any Committee of the Executive Board;
- D. Written communications among, and the votes cast by, Executive Board members that are; directly related to an action taken by the Board without a meeting;
- E. The names of current Unit Owners in a form that permits preparation of a list of the names of all Unit Owners and the physical mailing addresses at which the Association communicates with them, showing the number of votes each Unit Owner is entitled to vote;
- F. The Association's current Declaration, Covenants, Bylaws, Articles, Rules and Regulations, Responsible Governance Policies, and any policies adopted by the Board of Directors;
- G. Financial statements as described in section 7-136-106, C.R.S., for the past three years and tax returns of the Association for the past seven years, to the extent available;
- H. A list of the names, email addresses, and physical mailing addresses of the current Board of Directors;
- I. The most recent annual report delivered to the Colorado Secretary of State;
- J. Financial records sufficiently detailed to enable the Association to comply with section 38-33.3-316 (8) concerning statements of unpaid assessments;
- K. The Association's most recent Reserve Study.
- L. Current written contracts to which the Association is a party and contracts for work performed for the Association within the immediately preceding two (2) years;
- M. Records of Executive Board or Committee actions to approve or deny any requests for design or architectural approval from unit owners;
- N. Ballots, proxies, and other records related to voting by Unit Owners for one (1) year after the election, action or vote to which they relate;
- O. Resolutions adopted by the Board of Directors relating to the characteristics, qualifications, rights, limitations and obligations of Members or any Class;
- P. All written communications within the past three (3) years to Unit Owners generally as Unit Owners.

**SNOWMASS VILLAS CONDOMINIUM ASSOCIATION  
COLLECTION POLICY**

Snowmass Villas Condominium Association (“Association”) has adopted the following policies and procedures (“Collection Policy”) for the collection of Assessments, and delinquent fees, fines, or other charges (collectively, “Other Fee”) pursuant to the Declaration of Snowmass Villas Condominium Association, as that document has been and may be amended and supplemented from time to time (“Declaration”), and Colorado law. All capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Declaration and the Bylaws.

1. Purpose of Collection Policy. One of the many obligations of living in a common interest community is the sharing with other Owners of the cost of the operation of the Project, including the cost of certain maintenance, repairs and amenities. Pursuant to our governing documents, all Owners are legally bound to share these costs. It is imperative for the proper maintenance of the Association’s Common Elements that all Assessments, whether regular Assessments or Special Assessments, be paid in full and on time. Delinquencies can throw the Association’s budget off course and negatively impact all Owners’ property. To maintain our community adequately, State statutes and our Association governing documents give the Board of Directors the authority to collect Assessments and other allowable charges from Owners. In fact, the Board of Directors owes a duty to all Owners to make sure that everyone pays their Assessments as such come due. The Board of Directors has adopted the following policies in order to fulfill its duty in a fair, systematic, and impartial manner.

2. Assessments for Common Expenses. “Common Expenses” are the expenses and liabilities of the Association, including allocations for reserves. Common Expenses include costs of administration and management, maintenance, repair or replacement of the Common Elements, expenses declared as Common Expenses by the Association documents, and expenses agreed upon as Common Expenses by the Owners. Common Expenses are funded by Assessments against the Units as provided in the Declaration, including default Assessments for Rules violation fines, late fees, Common Element repairs, insurance deductibles, attorney fees, interest or other charges imposed under the Association documents.

3. When Assessments are Due. Unless otherwise directed by the Board of Directors, regular Assessments are billed, or invoiced, to each Owner in monthly installments. Assessments are due as billed and invoiced upon receipt of the invoice by the Owner, and shall be paid prior to the end of the month in which they are billed. Special Assessments are due, in full, thirty (30) days after being invoiced to the Owner or as otherwise determined by the Board for a specific Special Assessment, but in no account less than thirty (30) days. Assessment invoices are deemed received by the Owner no later than ten (10) days after such invoices are mailed. Any Other Fee is due and payable no later than on the last day of the month after said Other Fee was levied and invoiced against a Unit Owner. Payments shall be deemed received and shall be posted on the date the payment is received by the Association’s managing agent, but may also be deemed received by the date of the postmark of a mailed payment. Any Assessment or Other Fee that is not paid within the time frame described for such payment in this paragraph 3 shall be deemed delinquent.

4. Where to Send Payments. Owners shall mail or deliver all payments to the Association accountant as follows:

Mailing Address:           Snowmass Villas Condominium Association  
  P.O. Box 1630  
  Aspen, Colorado 81612

Accountant Address:       Reese Henry and Company, Inc.  
  400 E. Main Street, Suite 2  
  Aspen, CO 81611

5. Late Charges. The Association shall be entitled, but is not required, to impose a late charge of not less than thirty dollars (\$30.00) ("Late Charge") for any Assessment or Other Fee not paid as required by the provisions of paragraph 3 above without further notice to the Unit Owner. An additional Late Charge in the amount of not less than thirty dollars (\$30.00) shall be imposed for any Assessment or Other Fee that remains unpaid after the end of the calendar month following the month in which such Assessment was billed or invoiced without further notice to the Unit Owner.

6. Interest. If any Assessment or Other Fee is not paid in accordance with the requirements of paragraph 3 above, interest at the rate of eighteen percent (18%) per annum on the delinquent Assessment or Other Fee ("Interest") shall accrue from the date the Assessment or Other Fee became delinquent until paid in full without further notice to the Unit Owner. Such Interest is a personal obligation of the Unit Owner and a lien against the Unit.

7. Suspension of Rights. If any Assessment or Other Fee is not paid within sixty (60) days of the date that the Assessment or Other Fee became delinquent, the Unit Owner's voting rights shall be automatically suspended without further notice to the Unit Owner.

8. Return Check Charges. If any check or other instrument payable to or for the benefit of the Association is not honored by the issuer's bank or is returned by the issuer's bank for any reason, including, but not limited to insufficient funds, the Unit Owner is liable to the Association for one of the following amounts, at the option of the Association:

A. An amount equal to the face amount of the check, draft, or money order plus a return check charge of twenty dollars (\$20.00) and an administrative fee of \$15.00; or

B. If notice has been sent as provided in C.R.S., § 13-21-109 and the total amount due as set forth in the notice is not paid within fifteen (15) days after such notice is given, the person issuing the check, draft or money order shall be liable to the Association for collection of three (3) times the face amount of the check, but not less than one hundred dollars (\$100.00).

C. Any returned check shall cause an account to be delinquent if full payment of the installment of the Assessment or any Other Fee is delinquent. If two (2) or more of a Unit Owner's checks are returned unpaid by the Unit Owner's bank within any fiscal year of the Association, the Association may require that all of the Unit Owner's future payments, for a period of one (1) year, be made by certified check, money order, or, if applicable, in accordance with the terms and provisions of paragraph 9 below.

9. Habitual Delinquency. An Owner that is more than sixty (60) days delinquent on three or more Assessment installment payments in any twelve (12) month period will be considered habitually delinquent. The Board may require habitually delinquent Owners to arrange for future installment payments to be made to the Association by Automated Clearing House (ACH) direct debit transfers or automatic Electronic Funds Transfer (EFT). The Board may not require an Owner to make ACH transfers for a term longer than twelve (12) consecutive months, unless the Owner requests to continue paying installments of Assessments by ACH or EFT transfers.

10. Acceleration and Deceleration of Assessments. The Board reserves the right to accelerate and call due the entire unpaid annual or special Assessment of any delinquent account. Such acceleration will result in the entire unpaid Assessment being due to the Association immediately. The Board also reserves the right to decelerate any accelerated Assessment.

11. Appointment of a Receiver. The Association may seek the appointment of a receiver if an Owner becomes delinquent in the payment of Assessments for four (4) consecutive months pursuant to the Declaration and Colorado law. A receiver is a disinterested person, appointed by the court that manages the rental of the property, collects the rent and disburses the rents according to the court's order. The purpose of a receivership for the

Association is to obtain payment of current Assessments, reduce past due Assessments, and prevent the waste and deterioration of the property.

12. Attorney Fees. The Association shall be entitled to recover its reasonable attorney fees and collection costs incurred in the collection of Assessments or Other Fees due the Association from a delinquent Unit Owner pursuant to the terms of the Declaration, Bylaws, this Collection Policy, and Colorado law. Attorney fees and costs incurred by the Association shall be considered part of the Assessment or Other Fee, and shall be due and payable immediately when incurred, upon demand, regardless whether an action is commenced. Such attorney fees are a personal obligation of the Unit Owner and a lien against the Unit.

13. Application of Payments. All payments received on account of any Unit Owner or his or her Unit, shall be applied first to post-judgment attorney's fees, costs and expense; then to costs and attorney's fees not reduced to judgment; then to Interest; then to Late Charges; then to return check charges; then to Other Fees levied pursuant to the Declaration, Bylaws, Association rules, regulations or policies, this Collection Policy, or Colorado law; then to delinquent Assessments; then to current Assessments not reduced to judgment; and finally to amounts reduced to judgment.

14. Notice of Delinquency. Before the Association may refer a delinquent account to a collection agency or the Association's attorney for legal action, the Association must send the Unit Owner a notice of delinquency ("Notice of Delinquency") stating and providing the following (a form of the Notice of Delinquency is attached as Exhibit A):

- A. The total amount due to the Association as of the date of the Notice of Delinquency;
- B. Provide an accounting detailing how the total amount due was calculated;
- C. Stating whether the Unit Owner is qualified to enter into a Payment Plan, as defined below, and, if so, instructions for contacting the Association to enter into such a Payment Plan;
- D. The name and contact information for the individual the Unit Owner may contact to request a copy of the Unit Owner's ledger in order to verify the amount of the debt to the Association;
- E. A statement that action by the Unit Owner is required to cure the delinquency and that failure to do so within thirty (30) days may result in the Unit Owner's delinquent account being turned over to a collection agency or the Association's attorney, a lawsuit being filed against the Unit Owner, the filing and foreclosure of a lien against the Owner's Unit, the appointment of a receiver, or other remedies available under Colorado law;
- F. The method by which payments received may be applied on the delinquent account; and
- G. The legal remedies available to the Association to collect on the Unit Owner's delinquent account pursuant to the governing documents of the Association and Colorado law.

15. Payment Plan.

- A. Upon a Unit Owner becoming delinquent with respect to any Assessment or Other Fee, the Association shall make a good-faith effort to coordinate with the Unit Owner to set up a payment plan ("Payment Plan"). The Payment Plan negotiated between the Association and Unit Owner must permit the Unit Owner to pay off the deficiency in equal installments over a period of at least six (6) months. A form of Payment Plan is attached as Exhibit B.
- B. The Association is not required to coordinate/negotiate a Payment Plan with a Unit Owner:

(i) who has previously entered into a Payment Plan under this Collection Policy; or

(ii) who does not occupy the Unit and has acquired the Unit as a result of a default of a security interest encumbering the Unit or foreclosure of the Association's lien.

C. The Association is permitted to pursue legal action against a Unit Owner if such Unit Owner fails to comply with the terms of a Payment Plan. For purposes of this Collection Policy, a Unit Owner's failure to remit payment of an agreed-upon installment, or to remain current with regular Assessments as they come due during the Payment Plan period, constitutes a failure to comply with the terms of the Payment Plan.

16. Delegation of Authority to Sign Notice of Lien. The Board of Directors may delegate authority to the Association's managing agent or the Association's attorney to sign and acknowledge the Notice of Assessment Lien and its release, if any. This delegation may be withdrawn at any time. In the event the delegation is withdrawn, the Board of Directors will send written notice to the Association's managing agent or attorney, whichever is applicable, of the withdrawal.

17. Notices: Use of Certified Mail/Regular Mail. In the event the Association shall cause a collection or demand letter or notice to be sent to a delinquent Unit Owner by regular mail, the Association may also cause, but shall not be required to send, an additional copy of that letter or notice by certified mail and/or electronic mail.

18. Referral of Delinquent Accounts. The Association may not use a collection agency or take legal action to collect delinquent Assessments or Other Fees unless the Association has followed this Collection Policy. The Association may, in its sole discretion, refer a delinquent account to the Association's attorneys. Upon referral of a delinquent account to the Association's attorneys, the attorneys shall take appropriate action to collect the accounts referred. After an account has been referred to the Association's attorney, the account shall remain with the attorney until the account is settled, has a zero balance or is written off. The Association's attorney, in consultation with the President of the Association or other person designated by the Board of Directors, is authorized to take whatever action is necessary, and believed to be in the best interest of the Association, including, but not limited to:

A. Filing a lien against the delinquent Unit Owner's Unit to provide record notice of the Association's claim against the property, if not already filed;

B. Filing suit against the delinquent Unit Owner for a money judgment. The purpose of obtaining a personal judgment against the Unit Owner is to allow the Association to pursue remedies such as garnishment of the Unit Owner's wages or bank account to collect judgment amounts;

C. Instituting a judicial action of foreclosure on the Association's lien. The Association may choose to foreclose on its lien in lieu of or in addition to suing a Unit Owner for a money judgment. The purpose of foreclosing is to obtain payment of all Assessments and/or Other Fees owing in situations where either a money judgment lawsuit has been or is likely to be unsuccessful or in other circumstances that may favor such action. The Association may foreclose its lien only if:

(i) The balance of delinquent Assessments, Other Fees, Late Charges, Interest, and attorneys' fees and costs equals or exceeds six (6) months of common expense Assessments based upon a periodic budget adopted by the Association; and

(ii) The Board of Directors has formally resolved, by a recorded vote, to authorize the filing of a legal action against the Owner's Unit on an individual basis. The Board of Directors may not delegate this duty to vote to any attorney, insurer, manager, or other person.

D. Filing necessary claims, documents, and motions in Bankruptcy Court to protect the Association's claim; and

E. Filing a court action seeking appointment of a receiver. A receiver is a disinterested person, appointed by the court, which manages rental of the Owner's Unit, and collects the rents according to the court's order. The purpose of a receivership for the Association is to obtain payment of current Assessments, reduce past due Assessments, and prevent waste and deterioration of the property.

19. Notification to and Communication with Unit Owners. This Collection Policy shall be made available to all Unit Owners by the Association as required by Colorado law. After a delinquent account has been referred to the Association's attorney, all communication with the delinquent Unit Owner shall be handled through the Association's attorney until such time as the delinquent account has been either paid or resolved through agreement. So long as the account is delinquent and unresolved, neither the Association's managing agent, if any, nor any member of the Board of Directors shall discuss the collection of the account directly with a Unit Owner after it has been turned over to the Association's attorney, unless the attorney is present or has consented to the contact. However, the Association has the option and right to continue to evaluate each such delinquency on a case by case basis.

20. Certificate of Status of Assessment/Estoppel Letter. The Association shall furnish to a Unit Owner or such Unit Owner's designee upon written request made in accordance with C.R.S. § 38-33.3-316(8) a written statement setting forth the amount of unpaid Assessments currently levied against the Owner's Unit. The statement shall be delivered within fourteen (14) calendar days after receipt of the request. If the Unit Owner's account has been turned over to the Association's attorney, such statement shall be handled through the Association's attorney and shall include any attorney fees incurred in providing the statement. No person or entity shall qualify as a Unit Owner's designee, for purposes of this paragraph 20 or under C.R.S. 38-33.3-316(8), unless the Unit Owner has notified the Association, in writing, of the name and address of such Unit Owner's designee for such purpose.

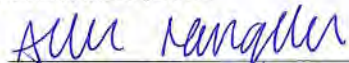
21. Bankruptcies and Public Trustee Foreclosures. Upon receipt of any notice of a bankruptcy filing by a Unit Owner, or upon receipt of a notice of a foreclosure by any holder of an encumbrance against any Unit within the Association, the Association may advise the Association's attorney of the same and turn any delinquent Assessment account over to the Association's attorney.

22. Waivers. The Association may extend the time for the filing of lawsuits and liens, and may otherwise modify the procedures contained herein, as the Association determines to be appropriate under the circumstances so long as such extension or modification complies with Colorado law. Failure of the Association to require strict compliance with this Collection Policy shall not be deemed a waiver of the Association's right to require strict compliance and shall not be deemed a defense to payment of Assessment fees or Other Fees, Late Charges, Interest, return check charges, attorney fees and/or costs as described and imposed by this Collection Policy.

23. Amendment. The foregoing Collection Policy is subject to amendment as more fully provided for in the Bylaws of the Association.

#### Certification

The undersigned certifies that the foregoing Collection Policy was adopted by the Board of Directors of Snowmass Villas Condominium Association as of the 15<sup>th</sup> day of December, 2015.

  
Allison Mangelsen, Secretary



**EXHIBIT A**

**NOTICE OF DELINQUENCY**

Snowmass Villas Condominium Association  
P.O. Box 5454  
Snowmass Village, CO 81615

\_\_\_\_\_, 20\_\_

Owner  
Mailing Address  
City, State Zip  
*Sent via First Class Mail, Certified Mail - Return Receipt Requested  
and email to: email@address.com*

**Re: [Insert Property Address]  
Unit \_\_, \_\_\_\_\_**

Dear Mr./Mrs./Ms. Owner:

This letter is to notify you that you are delinquent in paying Assessments due to \_\_\_\_\_ Association (the "Association"). As agent for the Association, we are authorized to collect the debt owed to the Association pursuant to the Declaration of \_\_\_\_\_, the Bylaws of the Association, and the Association's Collection Policy (collectively "Association Documents").

As of [date of letter], the total amount of the debt you owe to the Association is \$\_\_\_\_\_. Attached to this Notice is an accounting detailing how the total amount due was calculated.

The Association requests that you forward a certified or cashier's check, payable to the Association, in the amount of \$\_\_\_\_\_ within 30 days of this notice. Payment may be mailed or delivered to the Association as follows:

Mailing Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Delivery Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

You must cure the delinquent amount by lump sum payment or by entering into a written payment plan. Please contact the Association's Managing Agent, \_\_\_\_\_, at \_\_\_\_\_ to verify the amount owed or to discuss entering into a payment plan with the Association. Pursuant to the Governing Documents, payments will be applied in the following order: shall be applied first to post-judgment

attorney's fees, costs and expense; then to costs and attorney's fees not reduced to judgment; then to Interest; then to Late Charges; then to return check charges; then to Other Fees levied pursuant to the Declaration, Bylaws, Association rules, regulations or policies, this Collection Policy, or Colorado law; then to delinquent Assessments; then to current Assessments not reduced to judgment; and finally to amounts reduced to judgment. The Association will pursue all remedies available to it under the Governing Documents and applicable law if you fail to cure the delinquency.

If the total delinquent amount is not cured within 30 days, either by payment in full or by entering into a written payment plan, the Association may record a lien against the Property with the Pitkin County Clerk and Recorder and the account may be turned over to the Association's attorney for collection. Additionally, if the delinquency remains unpaid, the Association is entitled to the following remedies: acceleration of the entire annual or special Assessment, suspension of voting rights, suspension of privileges and access to amenities, appointment of receiver, judgment and/or foreclosure. You will be responsible for continuing late fees, interest, collection costs and attorney's fees incurred due to the Association's collection efforts.

Please contact us with any questions you may have regarding this matter.

**The Association is not a collection agency and neither the Association nor \_\_\_\_\_, the Association's Managing Agent, consider \_\_\_\_\_ to be a collection agency. However, certain disclosures and notifications concerning your rights and duties in this matter are set forth in the attached Notice and Disclosure.**

**FOR INFORMATION ABOUT THE COLORADO FAIR DEBT  
COLLECTION PRACTICES ACT, SEE [WWW.AGO.STATE.CO.US/CAB.HTM](http://WWW.AGO.STATE.CO.US/CAB.HTM)**

Sincerely,

\_\_\_\_\_  
By: \_\_\_\_\_,  
\_\_\_\_\_, its Manager

### NOTICE AND DISCLOSURE

1. The amount of debt you owe is \$ \_\_\_\_\_ through \_\_\_\_\_, 20\_\_\_\_, plus costs of collection.
2. The name of the creditor to whom you owe the debt is \_\_\_\_\_.
3. Unless you dispute the validity of the debt or any portion thereof within 30 days after receipt of this notice, we shall assume the debt to be valid.
4. If you notify us in writing within this 30-day period that you dispute this debt or any portion thereof, we will obtain verification of the debt or judgment, if one exists, and will mail you a copy.
5. Upon your written request within the 30-day period we will provide you with the name and address of the original creditor, if different from the current creditor.
6. If you notify our office in writing within the 30 day period that the debt, or any portion thereof, is disputed, we will cease collection of the debt, or any disputed portion thereof, until we obtain verification of the debt or a copy of the judgment or the name and address of the original creditor and we will mail a copy of such verification or judgment to you.
7. Your failure to dispute the validity of the debt shall not be construed by a court as an admission of liability by the consumer.
8. If you refuse to pay the debt or you wish our office to cease further communication and you so advise our office in writing, we shall not communicate further with you except:
  - A. To advise you we intend to invoke specified remedies permitted by law or that we may invoke specified remedies which we ordinarily invoke;
  - B. To advise you our efforts are being terminated.
9. This is an attempt to collect a debt. Any information obtained will be used for that purpose.
10. Collection agencies are licensed by the collection agency board. The board's current address is Office of the Colorado Attorney General, Collection Agency Board, 1525 Sherman Street, 5th Floor, Denver, CO 80202.
11. Consumers shall not send any payments to the collection agency board.

**EXHIBIT B**

**PAYMENT PLAN AGREEMENT FOR DELINQUENT ASSESSMENT**

This PAYMENT PLAN AGREEMENT FOR DELINQUENT ASSESSMENT (the "Agreement") is made between Snowmass Villas Condominium Association, a Colorado non-profit corporation, through its Managing Agent, (the "Association"), and **[insert Owner's name as it appears in Public Record], [insert mailing and email addresses]**, (the "Owner").

**RECITALS**

**A.** The Association is a Colorado nonprofit corporation formed to represent the interests of Unit Owners as provided in the Declaration of \_\_\_\_\_ recorded on \_\_\_\_\_, at Reception No. \_\_\_\_\_, as amended and supplemented (the "Declaration"), County of Pitkin, State of Colorado (the "Declaration"). The Owner owns Unit \_\_\_\_\_, \_\_\_\_\_, County of Pitkin, State of Colorado, and is subject to the Declaration.

**B.** The Association is owed the following Assessments, pursuant to the Declaration and the Association's Collection Policy.

<b>Description Of Charges</b>	<b>Balance Due</b>
Delinquent Assessments from DATE to DATE	\$ _____
Late Charges to DATE	\$ _____
Interest to DATE	\$ _____
Attorney Fees since _____	\$ _____
<b>TOTAL</b>	<b>\$ _____</b>

**C.** The Owner and Association desire to provide a payment plan for Owner to cure the Assessment delinquency upon the terms set forth in this Agreement.

IT IS THEREFORE AGREED AS FOLLOWS:

**AGREEMENT**

**1.** Payment. The Owner agrees to pay the delinquent Assessment in the total amount of \$ \_\_\_\_\_ as follows:

**a.** Six (6) equal installment payments of \$ \_\_\_\_\_, which must reach the office of the Association's Managing Agent by the **[insert day]** of each month, starting \_\_\_\_\_, 20\_\_ and ending \_\_\_\_\_, 20\_\_.

**b.** All payments must be mailed delivered to the following address:

Mailing Address: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Delivery Address: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

c. The Owner further agrees to pay in full and on time all Assessments becoming due under this Agreement, and under the Association's governing documents, including all future monthly Assessments which are currently in the monthly amount of \$\_\_\_\_\_.

d. The delinquent Assessments due under this Agreement will accrue interest at the rate of 18% per annum from the date of this Agreement until paid in full.

e. So long as the Owner is in compliance with the terms of this Agreement the Association will be not pursue any further collection remedies or incur additional costs.

2. Default/Acceleration of Assessments. If the Owner does not pay all Assessments and interest as provided in this Agreement the Owner will be in default. In the event of default the Association may declare all Assessments due under this Agreement, plus future Assessments for the remainder of the fiscal year, accumulated interest, Late Charges, and attorney's fees due.

3. Enforcement/ Entry of Judgment. If the Owner defaults, without further notice the Association may file this Agreement in the Pitkin County Court and obtain judgment in the total amount then due and owing under this Agreement, including all Assessments, accumulated interest, late fees, attorney's fees, costs and expenses incurred by the Association, plus attorney's fees and other collection costs and expenses incurred by the Association. The Owner and the Association agree that the Association is not waiving any rights it may have under the Declaration or Collection Policy if payments are not made as provided above. Upon Owner's default this Agreement may be recorded in the Pitkin County, Colorado Clerk & Recorder's office.

4. Review and Voluntary Agreement. By executing this document each party represents that he/she/it has had the opportunity to review this Agreement with an attorney, has fully read, understands and voluntarily accepts the terms and conditions contained herein.

5. Counterpart Execution. This Agreement may be executed by electronic signature in counterpart by the parties, which parts when taken together shall constitute a binding agreement.

6. Entire Agreement. This Agreement contains the entire agreement of the parties, and no promise, agreement, statement or representation not herein expressed has been made to or relied upon by them in entering into this Agreement.

7. No Oral Modifications. This Agreement may not be amended, modified, or extended except by a written instrument executed by both the parties.

8. Severability. In the event that a court of competent jurisdiction enters a final judgment holding invalid any material provision of this Agreement, the remainder of the Agreement shall be fully enforceable.

**OWNER:**

\_\_\_\_\_  
Date: \_\_\_\_\_  
\_\_\_\_\_  
Date: \_\_\_\_\_

**ASSOCIATION:**

Snowmass Villas Condominium Association

By: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

## CONDUCT OF MEETINGS

This Policy regarding Conduct of Meetings is as follows:

With regard to the conduct of meetings for the Board of Directors:

1. Notwithstanding any provision of the Declaration, these Bylaws, or other documents to the contrary, all meetings of the Board of Directors are open to every Owner, or to any person designated by an Owner, in writing, as such Owner's representative. Agendas for meetings of the Board of Directors shall be made reasonably available for examination by all Owners.

2. At an appropriate time determined by the Board of Directors, but before the Board of Directors votes on an issue under discussion, Owners or their designated representatives shall be permitted to speak regarding that issue. The Board of Directors may place reasonable time restrictions on those persons speaking during the meeting. If more than one (1) person desires to address an issue and there are opposing views, the Board of Directors shall provide for a reasonable number of persons to speak on each side of the issue.

3. The members of the Board of Directors, or any committee thereof, may hold an executive or close door session and may restrict attendance to Board of Directors members and such other persons requested by the Board of Directors during a regular or specially announced meeting or a part thereof. The matters to be discussed at such an executive session shall include only matters enumerated below:

(i) Matters pertaining to employees of the Association or the Managing Agent's contract or involving the employment, promotion, discipline, or dismissal of an officer, agent, or employee of the Association;

(ii) Consultation with legal counsel concerning disputes that are the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client;

(iii) Investigative proceedings concerning possible or actual criminal conduct;

(iv) Matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosures;

(v) Any matter, the disclosure of which would constitute an unwanted invasion of individual privacy; and

(vi) Review of or discussion relating to any written or oral communication from legal counsel.

4. Upon the final resolution of any matter for which the Board of Directors receives legal advice or concerns pending or contemplated litigation, the Board of Directors may elect to preserve the attorney-client privilege in any appropriate manner, or may elect to disclose such information, as it deems appropriate, about such matter in an open meeting.

5. Prior to the time the members of the Board of Directors, or any committee thereof, convene in an executive session, the chair of the body shall announce the general matter of the discussion as enumerated above. No rule or regulation of the Board of Directors, or any committee thereof, shall be adopted during an executive session. A rule or regulation may be validly adopted during a regular or special meeting or after the body goes back into session following an executive session.

6. Minutes of all meetings of which an executive session was held shall indicate that an executive session was held and the general subject matter of the executive session.

**Certificate**

The undersigned certifies that the foregoing Rules, Regulations, Policies and Procedures Regarding Conduct at Meetings were adopted by the Board of Directors of Snowmass Villas Condominium Association as of the 15<sup>th</sup> day of December, 2015.

  
Allison Mangelsen, Secretary

## CONFLICTS OF INTEREST

This Policy regarding Conflicts of Interest for the Members of the Board of Directors is as follows:

Conflicts of Interest for the Members of the Board of Directors. With regard to any conflict of interest for the Board of Directors, a “conflict of interest” means any contract, decision, or any other action (hereinafter collectively referred to as “Action”), entered into or taken by or on behalf of the Association where:

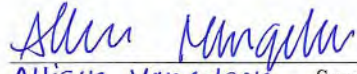
- (i) The Action would financially affect, either beneficially or detrimentally, any member of the Board of Directors or any person who is a spouse, a descendent, an ancestor, a sibling, the spouse or descendent of a sibling, an estate or trust in which the member of the Board of Directors or a party related to such member has a beneficial interest, or an entity in which a party related to a member is a director, officer or has a financial interest (collectively, “Related Party”); provided, however, that a Board member shall not be deemed to have a conflict of interest if he or she or a Related Person will not, as the result of a decision on the Action, receive any greater relative benefit or detriment than will similarly situated members of the Association;
  - (ii) Any member of the Board of Directors’ decision with respect to an Action may be affected by his or her, or a Related Persons’ personal interests or motives; provided, however, that a Board member shall not be deemed to have a conflict of interest if his or her, or a Related Persons’ personal interests or motives are not substantially different than similarly situated members of the Association; or
  - (iii) A majority of the Board of Directors otherwise determines that a conflict of interest exists between any member of the Board of Directors or a Related Party and the Association.
- A. Declaration of Conflict of Interest. In the event a conflict of interest exists, then that interested member of the Board of Directors or the Board of Directors, as the case may be, shall declare that a conflict of interest exists. The interested member of the Board of Directors or the Board of Directors shall declare the conflict of interest as soon as is reasonably practicable upon the introduction of a motion or discussion regarding the action, and shall describe in detail all of the particular facts of the conflict of interest. The declaration of a conflict of interest may be set forth in writing by the interested member or the Board of Directors, in which case the written description of the conflict shall be read aloud into the record by a disinterested member, or may be presented verbally.
- B. Vote of Interested Member. After a conflict of interest is declared, the interested member may not participate in a discussion of the matter giving rise to the conflict of interest nor vote on the Action. The interested member of the Board of Directors may be counted for purposes of determining quorum. In the event multiple members of the Board of Directors declare or are declared to have a conflict of interest, the affirmative vote of a majority of the remaining members shall constitute an act of the Board of Directors.
- C. Conflicting Interest Not Void. No conflicting interest transaction, as defined by C.R.S. 7-128-501(1), as amended, shall be void or voidable if any of the following conditions have been met:
- (i) The interested member of the Board of Directors disclosed the material facts relating to the conflict of interest or the Board of Directors is aware of them and the Board of Directors authorizes the transaction by a majority vote;



- (ii) The interested member of the Board of Directors disclosed the material facts to the membership or the membership is aware of them and the membership votes to authorize the transaction; or
  - (iii) The conflicting interest transaction is fair to the Association.
- D. Review. The Board of Directors shall periodically review this Section and any additional any additional Rules and Regulations it may pass regarding conflicts of interest for the members of the Board of Directors.

**Certificate**

The undersigned certifies that the foregoing Rules, Regulations, Policies and Procedures Regarding Conflicts of Interest were adopted by the Board of Directors of Snowmass Villas Condominium Association as of the 15<sup>th</sup> day of December, 2015.

  
Allison Mangelsen, Secretary

## **DISPUTE RESOLUTION PROCEDURES**

**Dispute Resolution.** If a dispute ever arises between an Owner and the Association, or between two or more Owners, the parties shall use the procedures set forth in the following provisions for any dispute that does not involve an imminent threat to the peace, health, or safety of the Project.

(a) ***Negotiation.*** The Owner and the Association, or the Owners, shall attempt in good faith to resolve any dispute promptly by negotiations between persons who have authority to settle the controversy ("Representatives"). Any party may give another party written notice of any dispute not resolved in the normal course of business. Within twenty (20) days after receipt of said notice, Representatives of the parties to the dispute shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, to exchange relevant information and to attempt to resolve the dispute. If the matter has not been resolved within sixty (60) days of the notice of dispute, or if the parties fail to meet within twenty (20) days, any party to the dispute may initiate mediation of the controversy as provided below.

(b) ***Mediation.*** If the dispute has not been resolved by negotiation as provided above, either party may give written notice to mediate (Mediation Notice) and the parties shall endeavor to settle the dispute by mediation between their respective Representatives with a neutral third party mediator. If the parties encounter difficulty in agreeing on a neutral third party, each of the Owner and the Association may appoint a neutral third party, and such third parties shall appoint a neutral third party to mediate.

(c) ***Arbitration.*** Any dispute which has not been resolved by mediation as set forth above within sixty (60) days of the date of the Mediation Notice, shall be finally settled by binding arbitration conducted in accordance with the terms of this subparagraph, upon written demand for arbitration made by any party (Arbitration Demand) provided, however, that if one party has requested the other to participate in mediation and the other has failed to participate, the requesting party may make demand for arbitration before expiration of such sixty (60) days.

(i) As soon as reasonably possible following the Arbitration Demand, but not later than fifteen (15) days after the date of such Demand, the parties, in good faith, shall attempt to select a mutually acceptable arbitrator to hear and decide the matter or matters in controversy. In the event the parties cannot agree on a mutually acceptable arbitrator within thirty (30) days after the date of such Demand, each party shall appoint an unrelated third party within forty (40) days after the date of such Demand and, within fifteen (15) days of the date of the appointment of the last of such unrelated third parties, such third parties shall appoint an arbitrator to hear and settle the dispute in accordance with the terms and provisions hereof. If any party does not appoint an unrelated third party in a timely manner or if such third parties cannot or do not appoint an arbitrator in a timely manner, then any party may make application to the District Court for Pitkin County, Colorado for appointment of an arbitrator.

(ii) The arbitration shall be conducted by a single arbitrator and the decision of the arbitrator shall be final, enforceable, binding and unappealable to any court or tribunal, except as otherwise may be provided by Colorado law. Such decision shall be enforceable with the same force and effect as if issued by any court of competent jurisdiction. The decision of the arbitrator shall be based upon the evidence and facts presented by the parties and shall be in accordance with Colorado law. The arbitrator is not empowered to award damages in excess of compensatory damages.

(iii) The costs of the arbitration, including reasonable attorney fees, shall be awarded to the prevailing party. If there is no prevailing party, such fees and costs may be awarded at the discretion of the arbitrator who, in making such award, shall assess the relative good or bad faith of the parties throughout the dispute.

(iv) All arbitration proceedings shall be conducted to expedite resolution and minimize cost. Disclosures shall be required and discovery shall be allowed and both shall be governed by Rules 26-37 of the Colorado Rules of Civil Procedure, as amended, except that upon application of either party, the arbitrator, in the interest of justice and efficiency, may limit discovery as such arbitrator deems appropriate.

(v) The place of arbitration shall be in Pitkin County, Colorado.

(d) **Provisional Remedies.** The procedures specified in this paragraph entitled Dispute Resolution shall be the sole and exclusive procedures for the resolution of disputes between an Owner and the Association, or between two or more Owners; provided, however, that a party may seek a preliminary injunction or other provisional judicial relief if in its judgment such action is necessary to avoid irreparable damage or to preserve the status quo. Despite such action, the parties will continue to participate in good faith in the procedures specified herein.

(e) **Performance to Continue.** Each party is required to continue to perform its obligations under the Declaration and Rules, Regulations and Policies pending final resolution of any dispute.

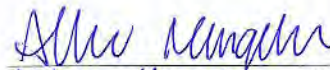
(f) **Extension of Deadlines.** All deadlines specified in this paragraph may be extended by mutual agreement.

(g) **Costs.** Each party shall pay its own costs with respect to negotiation and mediation. The prevailing party in any arbitration or provisional judicial relief shall be entitled to reimbursement from the other party for all reasonable costs and expenses, including attorney fees in connection with such arbitration or provisional judicial relief.

(h) **Notices.** All notices or demands under this paragraph shall be in writing and provided in accordance to the addresses required to be provided by the Association, and the address of the Owner required to be kept on file by the Association.

#### Certificate

The undersigned certifies that the foregoing Rules, Regulations, Policies and Procedures Regarding Dispute Resolution Procedures were adopted by the Board of Directors of Snowmass Villas Condominium Association as of the 15<sup>th</sup> day of December, 2015.

  
Allison Mangelsen, Secretary

## ENFORCEMENT

**Enforcement of Association's Documents.** The Board of Directors shall have the power and duty to hear and make decisions regarding violations of the Association's Documents and written complaints filed with the Board of Directors, and impose fines or other sanctions, pursuant to this policy. The Board of Directors may determine enforcement action on a case by case basis, and take other actions as it may deem necessary and appropriate to assure compliance with the Declaration, Articles of Incorporation, Bylaws, and any Rules, Regulations and Policies promulgated thereunder (hereafter collectively the "Association's Documents"), and to create a safe and harmonious living environment.

(a) ***Complaint.*** A proceeding to determine if the Association's Documents have been violated and any enforcement measures and remedies that may apply shall be initiated by the filing of a written complaint with or by the Board of Directors. The complaint shall state the specific provision(s) of the Association's Documents alleged to have been violated and as many specifics as are available as to time, date, location and persons involved, including the name of the complainant.

(b) ***Notice of Violation.*** Upon receipt of a complaint, the Association shall determine that the allegations in the complaint are sufficient to constitute a violation of the Association's Documents and, if action is warranted, the Association shall send a Notice of Violation to the Owner, by email, by posting directly on Owner's unit door, and/or by certified mail, return receipt requested addressed to the mailing address of the Owner on file in the records of the Association at the time of such mailing. The notice shall advise the Owner of the following: (i) the alleged violation; (ii) the action required to abate the violation, if any; (iii) if deemed appropriate, a time period, not less than two days, during which the violation may be abated without further sanction, if such violation is a continuing one, or a statement that any additional similar violation may result in the imposition of a sanction after notice and hearing, if the violation is not continuing; and (iv) if deemed appropriate, the fine or other action which the Association proposes to impose against the Owner as the result of such violation.

(c) ***Notice of Hearing.*** If the Notice of Violation given pursuant hereto includes a fine or other action to be imposed against an Owner, such Notice of Violation shall be accompanied by a written notice of a hearing (Notice of Hearing) to be held by the Board of Directors. The Notice of Hearing shall contain: (i) the nature of the alleged violation; (ii) the date, time and place of the hearing, which time shall not be less than ten days from the date of the Notice of Hearing; (iii) an invitation to attend the hearing and produce any statement, evidence, and witness on his or her behalf; and the proposed sanction to be imposed; and (iv) shall contain the following statement: **The Board of Directors may determine that the Owner's failure to respond or appear at the hearing constitutes a no-contest plea to the complaint, and enforce the provisions of the Association's Documents.**

(d) ***Hearing and Fine.*** The hearing shall be held pursuant to the Notice of Hearing affording the alleged violator or a representative a reasonable opportunity to be heard. Each hearing shall be open to attendance by all Members of the Association. If the Board of Directors determines by a majority of the Directors present at the hearing that a violation occurred, the Board of Directors may assess a reasonable fine, not to exceed \$500, require the Owner to reimburse the Association for costs and expenses incurred as the result and consequence of the violation, suspend the Owner's voting rights for a period not exceed sixty days, or both, and shall provide the Owner with written notice of its action. If the Owner does not pay the fine or costs incurred by the Association within thirty (30) days after receipt of the notice, the fine and such costs shall accrue interest at eighteen percent (18%) annually, and shall become a statutory lien upon the Owner's Unit, without the necessity of recording a lien, pursuant to C.R.S. § 38-33.3-316.

(e) **Decision.** If the Owner appears at the hearing or provides a written response, after all testimony and other evidence has been presented to the Board of Directors at a hearing, the Board of Directors shall render its decision(s), taking into consideration all of the relevant facts and circumstances, including, but not limited to: (i) the extent of the efforts of the Association or Manager to resolve or eliminate the violation; (ii) any costs or expenses incurred by the Association in order to resolve the violation; (iii) the inconvenience to other Owners or Occupants resulting from the violation; (iv) whether the Owner has been guilty of the same or similar violations in the past; (v) the length of time that the violation occurred; and (vi) the overall impact of the violation upon the Association and the Members. The decision of the Board of Directors shall be final. Except as provided herein, the Board of Director's decision shall have an effective date no sooner than five (5) days after the hearing. If the Board of Directors does not inform the Owner of its decision at the time of the hearing, or if no hearing is held, the Board of Directors will provide a written decision to the Owner's address of record via first class mail within five (5) days after the hearing. The minutes of the hearing shall contain a written statement of the results of the hearing and sanction, if any, imposed.

(f) **Waiver and Modification of Procedure.** The Association has the option and right to continue to evaluate each enforcement issue on a case by case basis. The Association may grant a waiver of any provision herein. Such relief granted to an Owner shall be appropriately documented. In addition, the Association is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Association may determine appropriate under the circumstances. In addition, the Association is hereby authorized to modify any of the procedures contained herein, as the Association may determine appropriate under the circumstances.

(g) **Financial Penalties.** The Board of Directors hereby establishes the financial penalties for violation of or noncompliance with the Declaration, the Bylaws or these Rules by a Respondent or Occupant, as follows:

<b>OFFENSE</b>	<b>FINE</b>	
	<u>First Offense</u>	<u>Subsequent Offenses</u>
▪ Tampering or removal of fire alarm devices.	\$250	\$250
▪ Violation of Smoking Policy	\$50	\$100
▪ Failure to provide tenant information.	\$50	\$100
▪ Failure to comply with construction rules.	\$250	\$250
▪ Failure to notify the Association of a project.	\$250	\$250
▪ Failure to provide the Association with project plans.	\$250	\$250
▪ Starting work without a building permit or Association approval.	\$250	\$250
▪ Putting construction materials in Villas dumpsters.	\$250	\$250
▪ Failure to provide construction deposit.	\$250	\$250
▪ Leaving garbage on front or back porch.	\$50	\$100
▪ Failure to clean up pet droppings or failure to comply with Town ordinances.	\$50	\$100
▪ Allowing a vehicle longer than 36' to drive on property.	\$250	\$250

**TOWABLE OFFENSES**

Blocking walkways when parking	\$50 plus Towing Charges
Parking in another unit's carport space without permission	\$50 plus Towing Charges

Parking a non-compliant vehicle on the property	\$50 plus Towing Charges
Failure to move vehicle in a timely fashion for snow removal	\$50 plus Towing Charges

Any infraction of the Rules and Regulations not listed above will be subject to a \$50 fine. For ongoing offenses, each day the offense remains uncured will be treated as a separate finable offense.

**Certificate**

The undersigned certifies that the foregoing Rules, Regulations, Policies and Procedures Regarding Enforcement were adopted by the Board of Directors of Snowmass Villas Condominium Association as of the 15<sup>th</sup> day of December, 2015.

  
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Allison Mangelsen, Secretary

## FOUNDATIONS

The First Amendment to Condominium Declaration for Snowmass Villas Condominiums, dated 15 June 1979, and recorded at Book 396, Pages 900-902, provided Owners permission to expand their Units to enclose porch areas at the rear of their Units, turning what was previously a Limited Common Element into part of the individual Unit; and

a) Many Owners have enclosed the rear porch areas without addressing the need for a reinforced foundation (under what was previously porch only) to support the expanded structure; and


b) Some of the Units have experienced sinking of the support structures beneath the enclosed areas, causing rubbing or binding of doors and/or windows in those areas, cracks in walls, and floors that are not level.

It is the Foundation Policy of the Snowmass Villas Condominium Association that it is the Owners' individual responsibility, and not that of the Association, to undertake and pay for any necessary or desirable repairs to the support structures of the enclosed porch areas of their Unit. Any such repairs must conform to the current outward appearance common to all Units, and the design for and scope of such repairs must be submitted to, and approved by the Architectural Control Committee and the Board of Directors.

The Association will continue to maintain and be responsible for the foundation structures (consisting of poured concrete footings beneath stacked concrete blocking) supporting the original Unit floor plan dimensions.

### Certificate

The undersigned certifies that the foregoing Rules, Regulations, Policies and Procedures Regarding Foundations were adopted by the Board of Directors of Snowmass Villas Condominium Association as of the 15<sup>th</sup> day of December, 2015.

  
Allison Mangelsen, Secretary

## **PARKING**

**Allowed Vehicles.** There shall be a maximum of two cars per Unit parked on the Property. Only passenger cars, vans, pick-ups and motorcycles are allowed to be parked on the Property. Parking of mobile homes, cargo van type vehicles, RVs, trailers, boats, snowmobiles, and other similar or oversized vehicles is prohibited. Short-term exceptions may be approved with prior written approval from the Manager. All vehicles must be in working order and have current registration. Violations will result in possible towing of the offending vehicle. Vehicles over 36' in length are not allowed on the premises. If an Occupant allows a vehicle greater in length than 36' to drive on to the Property, that vehicle may be towed, and Occupant will be subject to an immediate fine. Twenty four (24) hours after a notice of a violation of this provision has been served on an Occupant, the Association may, but is not required to, fine or tow the offending vehicle.

The Association shall not prohibit the parking of a motor vehicle in the community if the Owner or Occupant of the Unit is required by its employer to have the vehicle at his residence during designated times, and:

- (i) The vehicle weighs less than 10,000 pounds;
- (ii) The Owner or Occupant is a bona fide member of a volunteer fire department, or is employed by an emergency service provider;
- (iii) The vehicle bears an official emblem or other visible designation of the emergency service provider; and
- (iv) Parking of the vehicle will not obstruct emergency access or interfere with the reasonable needs of the other Owners or Occupants to use parking areas and driveways within the Project.

**Parking.** (a) All vehicles not parked in carport spaces will be parked parallel to, and as close as possible to, the edge of the asphalt in order to allow for vehicular access to parking carport spaces.

(b) Vehicles shall not be parked in such a manner as to block walkways that provide pedestrian access from the driveway to the Units and other Improvements. Any vehicle so parked may be towed without notice.

(c) Owners shall be responsible for registering all vehicles with the Manager, including tenant and guest vehicles. Unregistered vehicles may be subject to fines or towing.

(d) At the sole discretion of the Board, an Owner may petition the Board for permission to keep one additional vehicle on the property. If granted, permission shall be in writing. In addition to conforming to all of the conditions set forth in this section, an additional vehicle will abide by the following requirements:

- (i) Vehicle will be kept in the carport space of an Owner's Unit with permission of that Owner. If no carport space is available the additional vehicle must:
  - a. At all times be parked between Buildings 3 and 4 if the vehicle Owner resides in Buildings 4-6.
  - b. At all times be parked on the Brush Creek Road side beyond the concrete apron on the north end of the carport serving Buildings 1-3, or between Buildings 3 and 4, if the vehicle owner resides in Buildings 1-3.
  - c. *No other vehicles associated with that unit may remain on property* but must be stored off site. Short term (1 – 2 hours) day vehicle will be allowed provided they park in the designated areas for the approved 3<sup>rd</sup> vehicle.




**Snow Removal.** In order to facilitate snow removal, all vehicles must be moved to a cleared area by noon on days of snowstorms. Vehicles not moved within twenty-four (24) hours following substantial snowfalls of three inches (3") or more will be subject to fines or towing. If Occupants will be away from their Unit or the Property, arrangements shall be made with the Manager or another third party to have the vehicle moved as needed.

**Electric Vehicle Charging Stations.** Per Colorado Senate Bill 13-126, Owners, at their own expense, may elect to install an electric vehicle charging station within their designated carport space. Installation shall conform to all building and municipal codes at time of installation. As is practical and with Board approval, as much of the charging station as is possible shall be concealed within the Owner's carport storage area. Owner shall be responsible for the installation of a separate electric meter for the station. At the discretion of the Board, the Owner may forgo the installation of the electric meter by paying an additional monthly assessment to cover the expense of the cost of the electricity of the charging station. A base monthly assessment shall be negotiated between the Association and the Owner relative to realistic electricity usage of the charging station and current electricity costs. The Association may adjust the monthly fee without notice should electrical service charges fluctuate. Owner shall be responsible for any and all damages imparted upon the carport due to installation or usage of the charging station, and shall carry additional insurance to cover the charging station installation.

**Towing and Fines.** Whenever a vehicle is towed due to a violation of the Association Rules and Regulations, the owner of such vehicle and/or the Responsible Owner for such vehicle, as described and defined herein, shall be obligated to pay for the cost of towing and, if applicable, storage of such vehicle, with such cost to be a Supplemental Assessment. In addition to any such towing and storage costs, the Responsible Owner may also be fined as provided for herein.

#### **Certificate**

The undersigned certifies that the foregoing Rules, Regulations, Policies and Procedures Regarding Parking were adopted by the Board of Directors of Snowmass Villas Condominium Association as of the 15<sup>th</sup> day of December, 2015.

  
Allison Mangelsen, Secretary

# **RADON**

## **SNOWMASS VILLAS CONDOMINIUM ASSOCIATION RULES, REGULATIONS & POLICIES FOR RADON MITIGATION**

(Revised December 15, 2015)

The Snowmass Villas Condominium Association (“Association”) hereby adopts the following Rules, Regulations and Policies for Radon Mitigation (“Radon Policies”), effective as of the date set forth below, pursuant to the Declaration of Covenants, Conditions and Restrictions for Snowmass Villas recorded with the Pitkin County, Colorado Clerk and Recorder, as such may be amended from time to time (“Declaration”), and pursuant to the Act. All capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Declaration.

1. **Explanatory Statement.** Radon is a naturally occurring radioactive gas that has been found in residences all over the United States, including those in Colorado. Radon comes from the natural breakdown of uranium in soil, rock and water and typically moves up through the ground to the air above. Through this process, radon can get into a Condominium Unit through cracks and as the result of the naturally occurring movement of air from the ground into the interior of a Unit. Any Unit can have a radon problem, and the fact that one Unit may have a radon problem does not necessarily mean that the Unit next door, or other nearby Units, will have the same radon problem. Generally speaking, the United States Environmental Protection Agency recommends that living areas with a measured radon level in excess of 4pCi/L be mitigated to a level of 4pCi/L or below. Whether a Unit Owner decides to mitigate the radon level in his or her Unit may depend upon a number of factors, including, but not limited to, the radon level measured within the Unit, individual health concerns, the frequency of use of the Unit, the location of the bedrooms or other living areas within the Unit, and numerous other matters. The mitigation of radon in any individual Condominium Unit will, in all likelihood, require the installation of some form of mechanical apparatus within the crawl space of the Unit, as well as a venting apparatus which penetrates into either the interior of the Unit or a chase area within the Unit. In most instances, the undertaking will also require the installation of some form of fan which draws air from the crawl space to the outside of the Condominium Unit, and that fan will require an electrical connection to the Condominium Unit itself.

2. **Radon Mitigation Undertaking.** The decision as to whether to undertake radon mitigation within any Condominium Unit is up to the Condominium Unit Owner. Because each Owner is responsible for interior maintenance and the repair of his Unit, as well as the maintenance of any appurtenant Limited Common Elements, and because the crawl space under each Unit falls within the definition of Limited Common Elements, the Unit Owner is responsible for, and must pay the cost of, any radon mitigation which such Owner determines is appropriate for his or her Unit.

3. **Radon Mitigation Approval Process.** Any Unit Owner desiring to undertake radon mitigation within his or her Unit shall adhere to the Construction Rules and Regulations of the Snowmass Villas, including notifications of the Property Manager of his or her intention to conduct such work and completion of an Owner/Contractor/Association agreement. In order to provide a common and uniform exterior appearance, and as provided in the Declaration, exterior and structural alterations may not be made to any Unit without the prior written consent of the Association. Prior to undertaking any radon mitigation, a set of plans and/or drawings showing all proposed exterior and/or structural alterations must be submitted to the Association for review and approval. Any structural alterations will require a Structural Engineer’s stamp on the plans. The Owner shall also provide, at the time the plans and/or drawings are submitted, the name, address and telephone number, including cell phone number if applicable, of the contractor in charge of the work. The mitigation of a radon level in any Condominium Unit shall be done in a manner so as to minimize, to greatest extent possible, the visible impact of such mitigation from the exterior of the Unit. All fans and venting shall be concealed inside the Unit’s chimney chase, and venting shall only

terminate above the chimney cap. The Association may require that all venting associated with radon mitigation be done in a uniform manner, or in a manner which presents a uniform exterior appearance.

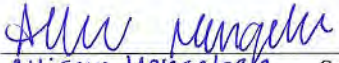
4. **Mitigation Plan Approval.** The Board of Directors shall consider and either approve or reject plans submitted for radon mitigation within thirty days after the Board's receipt of a complete set of plan and/or drawings as required by these Radon Policies. The Board's approval may be subject to such conditions as deemed appropriate by the Board.

5. **Damage Deposit/Liability.** Prior to any construction related to radon mitigation being started on any Unit, a construction clean-up/damage deposit of \$500 shall be paid by the Owner of the Unit to the Association, which deposit shall be refunded upon satisfactory completion of the work and required clean-up. The Owner will pay for any damage to the Common Elements, or to the exterior of the Unit, as the result of such mitigation work.

6. **Proof of Insurance.** All contractors performing work related to radon mitigation shall complete the Owner/Contractor/Association Agreement and shall provide the Association Manager with proof of necessary permits and adequate insurance prior to the initiation of construction.

#### Certificate

The undersigned certifies that the foregoing Rules, Regulations, Policies and Procedures for Radon Mitigation were adopted by the Board of Directors of Snowmass Villas Condominium Association as of the 15<sup>th</sup> day of December, 2015.

  
Allison Mangelsen, Secretary

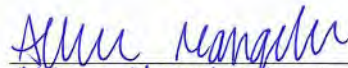
## RESERVE FUNDS

**Investment of Reserve Funds.** The Board of Directors may decide to invest the assessment reserves to generate revenue that will accrue to the balance of such assessment reserves, and in furtherance of that goal, such investment shall be made in accordance with the following policies, listed in order of their priority:

- a. ***Safety of Principal.*** Promote and ensure the preservation of the principal of any assessment reserves.
- b. ***Liquidity and Accessibility.*** Structure maturities to ensure availability of assets for projected or unexpected expenditures.
- c. ***Minimal Costs.*** Minimize investments costs, such as redemption fees, commissions, and other transactional costs.
- d. ***Diversify.*** Mitigate the effects of interest rate volatility upon assessment reserves.
- e. ***Return.*** Invest funds to seek the highest level of return.

### Certificate

The undersigned certifies that the foregoing Rules, Regulations, Policies and Procedures Regarding Investment of Reserve Funds were adopted by the Board of Directors of Snowmass Villas Condominium Association as of the 15<sup>th</sup> day of December, 2015.

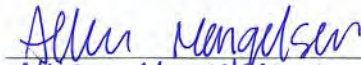
  
Allison Mangelsen, Secretary

## RESERVE STUDY

**Performance of a Reserve Study.** The Board of Directors may, from time to time and in its discretion, cause a reserve study ("Reserve Study") to be performed for those portions of the Common Elements of which the Association is responsible for the maintenance, repair, replacement and improvement. A Reserve Study may be based upon a physical analysis and/or a financial analysis, as determined by the Board of Directors. The Reserve Study may discuss the projected sources of funding for replacement of the Common Elements, and whether there is a current funding plan in place. The Board of Directors may perform an internally conducted Reserve Study, or may retain a reserve study analyst or specialist to complete the Reserve Study. Any Reserve Study conducted may be updated at any time in the discretion of the Board of Directors.

### **Certificate**

The undersigned certifies that the foregoing Rules, Regulations, Policies and Procedures Regarding Performance of a Reserve Study were adopted by the Board of Directors of Snowmass Villas Condominium Association as of the 15<sup>th</sup> day of December, 2015.

  
Allison Mangelsen, Secretary

**SMOKING**  
**SNOWMASS VILLAS CONDOMINIUM ASSOCIATION**  
**RULES, REGULATIONS & POLICIES REGARDING SMOKING**

(Revised December 15, 2015)

The Snowmass Villas Condominium Association ("Association") hereby adopts the following Rules, Regulations and Policies regarding Smoking ("Smoking Policies"), effective as of the date set forth above, pursuant to the Declaration of Covenants, Conditions and Restrictions for Snowmass Villas recorded with the Pitkin County, Colorado Clerk and Recorder, as such may be amended from time to time ("Declaration"), and pursuant to the Act. All capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Declaration.

It has been determined that smoking cigarettes is a hazard to human health and that the inhalation of secondhand smoke by nonsmokers is likewise a hazard to human health.

It is the obligation of the Board of Directors to keep the Common Elements of the Snowmass Villas safe for all residents of the complex. Furthermore, the Declaration of the Association provides the following:

1. Activities within Units. Section 6.04(d) provides that the Association may prohibit activities inside of a Unit "that create an unreasonable source of annoyance."

2. Nuisances. Section 6.05(d) provides, in part, that "any use, activity or practice which is the source of or unreasonably interferes with the peaceful enjoyment or possession of a unit or any portion of the Common Elements or any portion of the planned community is prohibited."

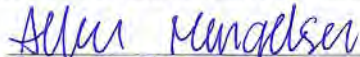
Therefore, as smoking is both a health hazard and a nuisance to non-smokers, the Association has opted to restrict smoking at the Snowmass Villas to the following degree:

- Smoking shall be allowed in the interior of units provided smoke does not migrate from one unit, through open windows or doors, into another unit.
- Smoking shall be prohibited on all front porches or within twenty feet of buildings or within twenty feet of another Snowmass Villas Resident.
- Smoking shall be allowed on back porches providing there is no one occupying an adjacent back porch or that there are no open windows or doors in adjacent units that will allow smoke to enter into said adjacent units.
- Smoking shall be allowed on the driveway area, provided there are no other residents within twenty feet.
- Smoking is not allowed at the pool area.
- Cigarette butts must be disposed of properly.

The disregard of any of the above provisions, including the discarding of cigarette butts onto Common Elements, shall result in an immediate fine as allowed for in the Rules and Regulations.

**Certificate**

The undersigned certifies that the foregoing Rules, Regulations, Policies and Procedures Regarding Smoking were adopted by the Board of Directors of Snowmass Villas Condominium Association as of the 15<sup>th</sup> day of December, 2015.

  
Allison Mangelsen, Secretary