

VILLAS AT MT. CRESTED BUTTE

RULES AND REGULATIONS

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SECTION I – GENERAL REGULATIONS

ARTICLE 1 – OWNERS

a. Management Company Access

When access to a unit is necessary for an emergency or utility services, the management company may access the unit if a key or access code has been provided by the owner. If a key or access code has not been provided, the management company is only responsible for notifying the owner. The management company is not responsible for obtaining a key or access code from a property manager, cleaning service or other local service providers.

b. Emergency Vehicles

Emergency vehicles may be parked in the emergency service provider's driveway and in the community's streets and guest parking spaces if parking the vehicle will not obstruct emergency access or interfere with the reasonable needs of the other residents to use the community's streets and driveways. The resident must be a member of a volunteer fire department or other emergency service provider.

ARTICLE 2 – BOARD OF DIRECTORS

a. Conflicts of Interest

If any action taken by the Board would financially benefit any member of the Board of or any person who is a parent, grandparent, spouse, child, or sibling of a Board member, or a parent or spouse of any of those persons, then, in advance of taking the action, that interested Board member shall declare at a meeting of the Board, that a conflict of interest exists and shall describe in detail all of the particular facts of the conflict. The interested Board member may participate in a discussion of the matter giving rise to the conflict of interest, however, the interested Board member may not vote on the issue.

b. Fiscal Year

The fiscal year of Villas at Mt. Crested Butte Association shall be from October 1 through September 31.

c. Collection

1. An invoice for assessments shall be sent to each owner quarterly within 10 days of the beginning of each quarter.
2. All amounts are due at the end of the first month of the quarter.
3. A late fee of \$25 shall be assessed for amounts not paid by the last day of the quarter and interest at 1% per month will begin to accrue.
4. A demand letter will be sent for amounts not paid within 120 days.
5. A payment plan will be offered for amounts not paid within 150 days.
6. A notice of lien will be sent for amounts not paid within 180 days.
7. A lien will be filed within 15 days of the notice of lien and a lien fee of \$100 will be assessed.
8. After the lien is filed, the Association may turn the account over to attorneys or a collection agency for collection. All attorney fees and collection agency costs shall be added to amounts owed.
9. Automatic monthly bank drafts are encouraged, and owners paying monthly are not considered past due.

d. Returned Checks

A fee of \$25 shall be assessed for any returned checks.

e. Amendment of Rules and Regulations

The authority to adopt, enforce, amend and repeal rules and regulations lies with the Board of Directors of the Association.

f. Conduct of Meetings

All meetings of the Association are open to every Owner, and Owners so desiring shall be permitted to attend, listen, and speak at an appropriate time during the deliberations and proceedings; except that, for regular and special meetings of the Board, Owners who are not Board members may not participate in any deliberation or discussion unless expressly so authorized by a vote of the majority of a quorum of the Board. Notwithstanding the foregoing, the Board or a committee thereof may hold an executive session and may restrict attendance to Board members and other persons specified by the Board; provided that any such executive session may only be held in accordance with the provisions and requirements of the Colorado Common Interest Ownership Act.

f. Inspection and Copying Association Records

The Association shall keep as permanent records the following documents:

1. Articles of Incorporation, Declaration, and Bylaws.
2. Rules and Regulations.

3. The minutes of all Owners meetings and records of all actions taken by Owners without a meeting for the past three years.
4. The minutes of all Board meetings for the past three years.
5. All written communications within the past three years to Owners generally as Owners.
6. A list of the names, addresses and phone numbers of the Association's current directors and officers.
7. The Association's most recent annual report.
8. A record of Owners in a form that permits preparation of a list of the names and addresses of all Owners, showing the number of votes each Owner is entitled to vote.
9. All financial audits or reviews conducted during the immediately preceding three years.

The above records shall be available to Owners for inspection within normal business hours. The Association may charge a fee for copies of the Association records.

g. Investment of Reserves

Reserve funds shall be invested in an FDIC insured, interest-bearing account.

ARTICLE 3 – COMMON AREAS

SECTION 2 – DESIGN REGULATIONS

a. Irrigation System

Each unit completed after August 7, 2006 will be required to install irrigation and tie into the irrigation system installed by the Association.

b. Solar Energy Panels

Solar panels are permitted on the south facing shed roof. Each panel is to be flush mounted with the top surface not to exceed 10 inches above roof surface. The top of panels are to be located against the vertical siding. All panel absorber surfaces, either thermal or PV (photovoltaic), are to be blue sputter in color with a flat bronze anodizing aluminum frame. Any exceptions should be approved by the Design Review Board.

SECTION 3 – NON-COMPLIANCE REGULATIONS

ARTICLE 1 – ENFORCEMENT

a. Authority

The Board of Directors shall have the power and duty to hear and make decisions regarding violations and written complaints filed with the Board and impose fines or other sanctions. The Board 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, the Articles of Incorporation, Bylaws, and Rules and Regulations.

b. Enforcement Process

In the event of any alleged violation, the following procedures shall apply:

1. A notice of violation shall be provided to the Owner by US mail.
2. The Owner may request a hearing within 30 days.
3. The Board shall set a hearing date within 30 days.
4. The Board shall make a decision with respect to the violation and may levy a fine or take other enforcement action as deemed appropriate.
5. A fine of \$25 per month may be levied as long as violation continues.
6. Fines shall become an assessment imposed against the real estate and collectible in accordance with assessment collection policies.