UNIVERSITY VILLAGE HOMEOWNERS ASSOCIATION

October 19, 2007

Dear University Village Homeowners:

Your Board of Directors is pleased to announce that the Rules & Regulations for University Village have been revised. We felt this was necessary because some of the old rules were too vague, and many residents were not in compliance or not aware of the rules.

As your Board of Directors, we will strive to keep University Village one of the most desirable places in the city. If you will help us by working with your tenants, we can help you keep your units leased at the rents you desire. To assist you, enclosed is a copy of the revised rules for you to give to your tenants. These rules go into effect December 1, 2007, and will be enforced. Please help us keep this a desirable place to live by giving a copy to each of your tenants if you are a landlord. You may want to stipulate in future leases that compliance with these rules is a requirement for residency at University Village, and any violation of the Rules constitutes a violation of the lease.

If you have any questions or comments, please call Richard Beall at 719-473-5000 or email him at service@managementadvantage.com.

Thank you in advance for your anticipated cooperation.

Sincerely, University Village HOA Board of Directors

UNIVERSITY VILLAGE HOMEOWNERS ASSOCIATION, INC.

RULES AND REGULATIONS

(Revised September 2007)

NOW THEREFORE BE IT RESOLVED THAT the following policies, rules and regulations be restated and adopted by the Board of Directors for University Village Homeowners Association, Inc. ("the Association"), and where in conflict with any previously adopted rules these rules shall prevail:

1. STREETS, DRIVEWAYS, AND PARKING

- 1.1 Speeding in the community is not permitted; traffic shall not exceed 15 mph in order to present a safe environment especially for children residing in the community.
- 1.2 All vehicles shall meet local noise ordinance requirements. All vehicles must have mufflers and exhaust systems in good working conditions. Radio/music volume levels should be at levels only to be heard within the vehicle.
- 1.3 No boats, trailers, mobile homes or commercial vehicles shall be parked in the community except for limited periods of time not to exceed 72 hours for the purpose of loading and unloading. Such vehicles must be stored off the property when not loading and unloading.
- 1.4 No wrecked, inoperative, or unregistered vehicle is permitted on any Association street or lot except in the garage. Vehicles must display current registration, and any in violation are subject to immediate removal (towing) at the expense of the vehicle owner.
- 1.5 No mechanical work will be performed on vehicles in the community except work performed inside the enclosed garage, providing screening from sight, sounds and odors of such repairs. Such repair activity shall be limited to the necessary repairs of the resident's vehicles only and shall not extend to the repairs of vehicles not belonging to the resident.
- 1.6 Driveways must be free of oil spots; no cat litter is permitted. An oil pan must be used.
- 1.7 Parking in a designated fire lane or no parking area is a safety hazard, and a violation of local fire laws. This includes parking of vehicles in the driveway that do not fit within the driveway and extend out into the street/fire lane area. Any vehicles so parked will be towed at the vehicle owner's expense.

2. TRASH COLLECTION AND REMOVAL

- 2.1 The Association has contracted with a waste removal company for the servicing of all Townhome units in the complex. The expense for this service is included in the monthly dues.
- 2.2 All trash must be securely placed in a covered tote (provided by the trash company). All totes and recycle bins shall be stored inside the garage, except for the 24 hours beginning at 6:00 p.m. the night before pickup. Replacement of lost or missing totes shall be the responsibility of the owner.
- 2.3 All additional trash that does not fit into the provided containers (including, but not limited to furniture, appliances, carpet, etc.), shall be the sole responsibility of the resident for removal. The Association may remove any such items left in common areas

for more than 24 hours, and the incurred cost will be assessed to the townhome/owner. Residents may contact the trash company with any questions or to arrange for special pickup of large items.

3. GROUNDS, SIDEWALKS AND COMMON AREAS

3.1 Sidewalks and entrances must not be obstructed.

3.2 No owner or occupant shall plant flowers, plants, gardens or shrubbery outside of

their individual courtyard or entry.

Vehicular traffic across the lawns and landscaped areas is prohibited. The expense to repair landscaping damaged by repeated foot traffic, vehicle use, damage caused by pets, or willful destruction, may be assessed to the owner of the unit or resident causing said damage.

No littering such as cigarette butts and junk mail shall be permitted in any 3.4 common area, nor shall any fire hazard be allowed. A trash receptacle is provided at the

mailbox area for disposal of junk mail.

3.5 The sidewalks, stairways, and entrances may not be obstructed, enclosed, or used for any purpose other than entry or exit to and from the residences. These areas are not to be used for the storage or temporary placement of objects including bicycles, grills, or trash.

4. SIGNAGE AND FLAGS

- Only the American Flag and related American military and U.S. States flags may 4.1 be displayed along with the installation of a bracket for the pole. In accordance with flag etiquette, the flag is to be taken down at night unless it is lighted. Any such lighting must be pre approved by the Board. No other flags or banners are permitted.
- For Sale signs are permitted and are not to exceed 24 inches by 18 inches. 4.2
- For Rent signs are permitted and are not to exceed 24 inches by 18 inches. 4.3

5. PETS

- Pets shall be restrained on a leash and accompanied by the pet owner at all times when allowed outside of the residence.
- Pets are not permitted to run unattended in the common area, nor may they be 5.2 tethered in any common area or outdoor patio.
- Pet owners must immediately clean up after their pet. Pet owners should carry appropriate items for cleanup (plastic bag, scoop, spray type water bottle). Pets should be taken to a different location each time so as not to damage grass/landscaping with repeated urination.
- Residents shall be permitted to have not more than two (2) domestic animals per household, not to exceed 35 pounds each, so long as all are bona fide household pets, are not kept for commercial purposes, and are kept in compliance with all applicable ordinances. Pets over 35 pounds or in excess of the two pet per unit limit, residing on the property as of November 1, 2007, shall be grandfathered for the life and residency of that specific pet only.
- No feeding of any wild birds, animals, or pigeons is allowed. 5.5
- Noisy pets, whether inside or outside the unit, will not be tolerated. Complaints regarding noisy or unleashed pets should be directed to Animal Control in accordance

with City Ordinances 6.7.115 and 6.7.107. Association management may also be contacted for assistance regarding pet violations.

5.7 Any pet that is determined to be in the sole opinion of the Board an unreasonable nuisance to the community (due to either noise, odor, or damage to property), or threat to the safety of residents, shall be subject to removal from the community.

5.8 Pet owners are responsible for any damage that is caused by their pet(s).

6. NUISANCES AND NOISE

6.1 Residents shall not create any situation wherein their action or conduct, as determined by the Board, represents an unreasonable nuisance or disturbance to other residents. This includes, but is not limited to noise, late night parties, offensive odors, etc. "Quiet Time" shall be between 10:00 pm and 7:00 am each day.

6.2 Other than the rental of a unit for residential purposes, no townhome or duplex shall be used for any business, manufacturing or commercial purposes. If prior written approval of the Board is obtained, an owner may use a designated portion of a unit as a home business office, which approval may thereafter be withdrawn or terminated by the Board at any time. This rule is not intended to prohibit those business activities in which an individual has an office in their home, but is intended at prohibiting activities which draw the general public to the complex.

6.3 Soliciting is strictly forbidden. Please notify the complex manager if a solicitor appears and appropriate action will be taken.

7. LEASING OF TOWNHOME UNITS

7.1 An owner who leases a unit shall provide a copy of the lease, fully executed, to the Managing agent. The owner and/or occupant must take extreme care in moving into and out of the complex. Any damage done to the common areas of the complex caused by an owner, resident, their agents or visitors will be repaired by the Association at the expense of the owner or occupant. The lease and lessee's occupancy of the residence shall, in all respects be subject to the provisions of these Rules and Regulations, the Declaration, Articles of Incorporation, and Bylaws of the Association. Any failure of the Lessee to comply with these provisions shall be a default under the lease.

8. PROCEDURE FOR VIOLATIONS

- 8.1 Complaints of any violation shall be directed to the Management Company. All complaints shall be in writing, dated and signed by the complainant.
- 8.2 In the event of any violation of the provisions of the Rules and Regulations, Declaration, or Bylaws of the Association, the following steps will be taken and fines may be assessed by the Association, unless the Board of Directors determines that a greater or lesser fine is justified:
 - a. First offense: a Courtesy Violation Notice will be sent to the property owner giving ten (10) days to correct the violation.
 - Second offence: If not corrected, a second Violation Notice will be sent to the property owner giving ten (10) days to correct the violation.
 - c. Third offense: If the violation is not corrected, a hearing is scheduled with the property owner and/or violator and a fine of \$50.00 may be levied. The Notice of Hearing will be mailed no less than ten (10) days prior to the hearing.

- d. If the hearing finds the violator in violation of the Rules and Regulations or Declaration, the Result of Hearing/Fine Notice will be mailed to the owner within fifteen (15) days.
- e. If the violation is not corrected after the hearing and Fine Notice, an additional fine of \$75.00 will be imposed after fifteen (15) days.
- An additional fine of \$100.00 will be assessed for each 30 days thereafter as long as the violation remains uncorrected.

9. EFFECTIVE DATE

9.1 These rules shall apply to any violations occurring after the date of their adoption. The Board shall mail or hand deliver, at its choice, a copy of these Rules and Regulations to each owner.

Adopted by resolution of the Board of Directors of the University Village Homeowners Association, Inc. at a meeting held on September 26, 2007, with the effective date of these Rules and Regulations to be November 1, 2007.

PRESIDENT'S AND SECRETARY'S CERTIFICATION: The undersigned, respectively being the President and Secretary of the University Village Homeowners Association, Inc., a Colorado nonprofit corporation, certify that the foregoing Resolution was approved and adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors of the Association on September 26, 2007 and in witness thereof, the undersigned have subscribed their names.

University Village Homeowners Association, Inc A Colorado non-profit corporation,

By: Mark Scott, President

ATTEST:

Sheila Maio, Secretary/Treasurer