

**RULES, REGULATIONS, POLICIES AND PROCEDURES  
OF MOUNTAIN LAKE VILLAS OWNERS ASSOCIATION, INC.**

These Rules, Regulations, Policies and Procedures of the Mountain Lake Villas Owners Association (“**Rules**”) have been adopted and implemented to protect the investment of the members and to enhance the values of the properties within the Mountain Lake Villas community (the “**Community**”) subject to regulation by Mountain Lake Villas Owners Association, Inc., a Colorado nonprofit corporation (“**Association**”). These Rules are promulgated by the Board of Directors of the Association (the “**Board**”) in accordance with the authority of the Association as provided for in the Master Declaration Of Covenants, Conditions, And Restrictions For Mountain Lake Villas recorded on March 16, 2020 as may be amended from time to time (the “**Declaration**”) and the Bylaws of the Mountain Lake Villas Owners Association dated March 16, 2020 (the “**Bylaws**”). Terms defined in the Declaration shall have the same meaning herein, unless defined otherwise in these Rules.

1. **SERVICE AND MAINTENANCE POLICY STANDARDS.**

1.1. **In General.** The diverse responsibilities of the Association to the Owners with regard to the maintenance of individual Units and Common Elements are stated in the Declaration as may be stated in further detail in these Rules. It is the policy of the Association to maintain those portions of the Community in a condition comparable to that which existed when the Declaration was recorded. The Owner of a Unit shall undertake maintenance of his/her/its Unit and any Limited Common Elements assigned to them for maintenance and repair in the Declarations using the same standard. Cycle periods will be established by the Association for items that the Association is required to maintain, which shall be undertaken at regular intervals.

1.2. **Maintenance Service - Specific Policy.**

1.2.1. **General.** The Association in its reasonable discretion shall determine what maintenance shall be undertaken with respect to the interior and exterior portions of the Community.

1.2.2. **Snow.** The Association will endeavor to clear snowfalls prior to 9 a.m. on the next day following the snow or sooner if required by applicable law. Snow plowing shall occur for any snowfall of four inches or more. Shoveling of snow shall timely occur on all north facing driveways upon any accumulation of snow. In major storms, interim clearing will be provided. Owners are responsible for clearing snow from entryways and decks. The Association is responsible for roadways, driveways, sidewalks and roofs if deemed necessary.

1.3. **Fire Protection.** Each Owner and Guest will have and maintain at least one fire extinguisher in each Unit. This extinguisher should be of the dry chemical or similar type that would be suitable for use in combating electrical as well as other kinds of fires. Smoke detectors must be installed in each Unit and maintained by each Owner.

2. **PETS.** Owners are responsible for controlling and cleaning up after their pets. Pets must be kept on leashes in the General Common Elements, and feces must be removed from the General Common Elements and properly disposed of. Any damage or bodily harm caused by any such pets will

be the responsibility of the Owner and the Association shall be indemnified and held harmless by such owner.

3. **MOTOR VEHICLES/PARKING.**

3.1 **Safe Operation of Vehicles.** Vehicles within the Community shall be operated in a safe manner at all times, including by following all speed limit, and other traffic signage.

3.2 **Vehicle Parking, Storage, Operation, and Repair.**

3.2.1 No owner vehicles shall be parked on any portion of the Community except within the individual garages or Limited Common Element driveways of the Units.

3.2.2 No boats, trailers, buses, motor homes, mobile homes, off-road motorcycles, snowmobiles, recreational vehicles, all-terrain vehicles, abandoned or inoperable vehicles (as defined below), or any other similar vehicles (excepting passenger automobiles and pick-up trucks) shall be parked or stored in the Community, except within the garage area of each individual Unit.

3.2.3 No motorized vehicle of any kind shall be maintained, repaired, repainted, serviced, or rebuilt outside of the garage area of each individual Unit. Each Owner shall be responsible for any damage caused by any vehicle, including oil or other chemical leaks, parked within any Limited Common Element driveway, General Common Element, guest parking space, or any parking otherwise occurring within a Common Element. In the event that such damage is caused by a Guest, the individual Unit owner shall be liable for such damage.

3.2.4 An "abandoned or inoperable vehicle" shall mean any motorized vehicle which does not display a current motor vehicle license, or which is not capable of being driven under its own propulsion or which does not have an operable propulsion system within the vehicle.

3.2.5 In the event that the Board shall determine that a vehicle is abandoned or inoperable, or is otherwise in violation of the provisions of this section, a written notice of violation describing said vehicle shall be personally delivered to the vehicle owner (if such owner can be reasonably ascertained and located) or shall be conspicuously placed upon the vehicle (if the owner cannot be reasonably ascertained or located), thereafter, the Board shall have the right to remove the offending vehicle, or cause the vehicle to be removed and stored, at the sole expense of the owner of the vehicle if the vehicle is located on a Common Element, all without liability on the part of the Board.

3.2.6 All General Common Element visitor parking spaces shall be for day use only. Such visitor spaces shall not be parked in between 12:00 a.m. and 6:00 a.m. . No parking shall be allowed on the main road or other Common Element not specifically designated for parking.

3.3 **Motor Vehicle Fines.** In the event of any violation of the Declaration or these Rules concerning the presence, use, operation, parking, and/or maintenance of motor vehicles in the Community, then in addition to all rights and remedies provided by the Declaration, a reasonable fine assessment may be imposed, after notice and hearing, as set forth in Article IV of the Responsible Governance Policies. Notwithstanding the foregoing, written notice of intent to tow an improperly parked vehicle shall be given to the Owner/vehicle owner or posted on subject vehicle. If the vehicle

in violation is not removed within 24 hours after notice of intent to tow (except in emergencies), the Association shall be entitled to tow the subject vehicle at the expense of the Owner or Guest.

4. **STORAGE OF PERSONAL PROPERTY.** All personal property of Owners and Guests shall be kept and stored within the Units and out of plain view from the Common Elements. Personal property includes but is not limited to sporting equipment (skis, kayaks, tubes/floats, bikes, etc.), tools, clothing, and gardening equipment. Personal property customarily kept outside, such as barbeque grills and patio furniture, may be kept outside as long as such items are kept within the Limited Common Elements (except driveways) appurtenant to each Unit.

5. **INCREASED RISKS, DAMAGE.** Nothing shall be done or kept in or upon a Unit or upon the Common Elements or any part thereof, which would result in the cancellation of or an increase in the premiums for the insurance as maintained by the Association, without the prior written approval of the Association. Nothing shall be done or kept in or upon any Unit or in or on the Common Elements, or any part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit, or other imposed requirement of any governmental body. No damage to, or waste of, the Common Elements or any part thereof, shall be committed by any Owner, or any member of the Owner's family, or by any Guest or contract purchaser of any Owner. In the event of any violation of this Section of these Rules concerning increased risks and damage, in addition to the rights and remedies available under the Declaration, a reasonable fine may be assessed, after notice and hearing.

6. **GARBAGE AND TRASH DISPOSAL.** All garbage and trash, including garbage cans, shall be kept within the Units. In an effort to reduce exposure to wildlife, garbage cans and trash shall not be brought to the curb for pick up until the morning of trash pickup day. If a Unit does not have a garage to keep the trash can inside then the trash can must be a bear proof can. All trash must fit inside the closed container.

7. **APPORTIONMENT OF LIMITED COMMON EXPENSES.** Consistent with the Declaration, the Association, through the Board, shall assess the cost and expense incurred by the Association in maintaining, repairing, and replacing Limited Common Elements against the Owners of the Units benefited by the particular Limited Common Element, each in equal allocations. For example, if a particular Limited Common Element serves two Units, the costs shall be allocated 50% to each Unit.

8. **ELECTRICAL DEVICES OR FIXTURES.** No electrical device that creates electrical overloading of standard circuits may be used without written permission from the Board of Directors. Misuse or abuse of appliances, circuits, or fixtures within a Unit, which affects other Units or the Common Elements is prohibited. Any damage resulting from this misuse shall be the responsibility of the Owner from whose Unit it was caused. Total electrical usage in any Unit shall not exceed the capacity of the circuits as labeled on the circuit breaker boxes.

9. **PROPER USE.** Common Elements shall be used only for the purposes for which they were designed. No person shall commit waste on the Common Elements, interfere with their proper use by others, or commit any nuisances, vandalism, or damage on or to the Common Elements.

10. **SHORT-TERM RENTAL UNIT COMMON ELEMENT ACCESS.** All units rented as short-term rentals shall include in their rules summary (listed in item 11) that wondering between and

behind other units is prohibited. Short-term rental guests may use the common element peninsula that is accessed by community sidewalks only.

11. **REQUIRMENTS FOR SHORT-TERM RENTAL UNITS.** All online listings for short-term rentals shall include a detailed summary of these Rules (a “**Rules Summary**”). A Rules Summary shall also be posted in at least one conspicuous place in every Unit being rented on a short-term basis. The Association will make efforts to provide Owners with a sample Rules Summary for use by the Owners.

12. **FEEDING WILDLIFE.** Feeding wildlife is prohibited.

13. **NO NOXIOUS OR OFFENSIVE ACTIVITIES.** No noxious or offensive activity shall occur or be allowed at any time within the Common Elements or the Units, nor shall anything be done or placed therein which is or may become a nuisance or cause an unreasonable embarrassment, disturbance, or annoyance to Owners, Guests, or the Association; or which interferes with the peaceful enjoyment or possession and proper use of the Units and Common Elements by Owners or Guests. The Board, in its sole discretion, shall have the right and authority to determine the existence of any nuisance or unreasonable embarrassment, disturbance, or annoyance under this Section.

14. **PROHIBITION ON LARGE GATHERINGS.** No Owner or Guest shall hold any gatherings of eight or more people on the Common Elements, including Limited Common Elements.

15. **QUIET HOURS.** All Common Elements, including Limited Common Elements, shall be subject to quiet hours each day from 10 p.m. to 6:00 a.m.. Such quiet hours shall apply to sounds emitted from the Common Elements or within Units but heard in other Units or the Common Elements.

16. **OCCUPANCY LIMITATIONS.** No Unit’s occupancy shall exceed occupancy limitations promulgated by the Town of Pagosa Springs.

17. **ADDITION OF IMPROVMENTS AND ACCESSORIES.** An Improvement, addition, accessory, or structure requiring approval pursuant to Section 10.1 of the Declaration includes, but is not limited to, any alteration or addition to a Unit and/or Common Element that (i) would be visible from the General Common Elements, (ii) requires a building permit from the City of Pagosa Springs (whether or not actually obtained) or (iii) an alteration or addition to the electrical, plumbing, or HVAC system of a Unit.

18. **COMPLIANCE WITH LAW.** No immoral, improper, offensive, or unlawful use may be made of the Property. Owners shall comply with and conform to all applicable laws and regulations of the United States, State of Colorado, and City of Pagosa Springs. The violating Owner shall hold the Association and other Owners harmless from all fines, penalties, costs, and prosecutions for any violation or noncompliance.

19. **RETURNED CHECK CHARGES.** In addition to any and all charges imposed or allowed under the Declaration, Articles of Incorporation, Bylaws, or these Rules, a returned check charge shall be due and payable immediately, upon notice thereof, in the same manner as provided for payment of assessments under the Declaration. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law.

20. **FURTHER ENFORCEMENT OF THE RULES.** In addition to the imposition of the fines, the Association may enforce these Rules in the manner that the Association may enforce violations of Declaration in the manner provided for in the Declaration.

21. **MISCELLANEOUS.**

21.1. In the event of a specific conflict between the Declaration and the Rules, the Declaration shall prevail.

21.2. Notwithstanding anything to the contrary contained in these Rules, the Board hereby reserves the right, at any time and from time to time hereafter, to modify, amend, repeal, and/or re-enact these Rules in accordance with the Declaration, Bylaws, and applicable law.

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

21.4. The provisions of these Rules shall be deemed to be independent and several, and the invalidity of any one or more of the provisions hereof, or any portion thereof, by judgment or decree of any court of competent jurisdiction, shall in no way affect the validity or enforceability of the remaining provisions, which provisions shall remain in full force and effect.

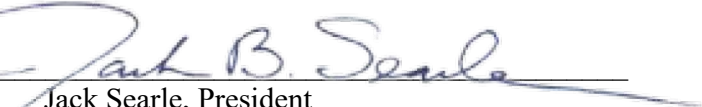
21.5. Unless the context provides or requires to the contrary, the use of the singular herein shall include the plural, the use of the plural shall include the singular, and the use of any gender shall include all genders. The captions to the sections are inserted herein only as a matter of convenience and for reference, and are in no way to be construed so as to define, limit or otherwise describe the scope of these policies and procedures or the intent of any provision hereof.

**APPROVAL AND EXECUTION**

The foregoing Rules are hereby adopted by a majority of the directors of the Board effective as of December 17<sup>th</sup>, 2021.

**ASSOCIATION:**

Mountain Lake Villas Owners Association, Inc.  
a Colorado nonprofit corporation

By:   
Jack Searle, President