RULES AND REGULATIONS ${\bf FOR} \\ {\bf THE\,SHORES\,\,AT\,\,THE\,HIGHLANDS\,\,ASSOCIATION,\,\,INC.}$

These Rules and Regulations ('Rules') are adopted by The Shores at the Highlands Association, Inc. (''Association'), pursuant to the authority set forth in the Amended and Restated Declaration of Covenants, Conditions and Restrictions for The Shores at The Highlands recorded with the Clerk and Recorder ('Declaration')

These Rules replace in their entirety any and all prior rules and regulations of the Association.

RECITALS

WHEREAS, Section 3.2(c) of the Declaration authorizes the Board to adopt these Rules to govern the affairs of the Association; and

WHEREAS, pursuant to the authority vested in the Board by Section 32(c) of the Declaration, the Board has promulgated these Rules for the purpose of protecting and enhancing the rights and interests of the Members of the Association who are the Owners of the Units and to preserve the property value of the Project.

NOW, THEREFORE, the Board hereby establishes, makes and adopts the following Rules:

ARTICLE 1 DEFINITIONS!EXCEPT ONS

- 1.1 All words and phrases herein shall have the meaning provided in the Declaration, unless otherwise defined herein.
- 12 The use of the word Owner herein shall also apply to and include any Person who is permitted to be on the Project by an Owner including, but not limited to, Owner's Agents.
- 1.3 Notwithstanding provision of these Rules, so long as Declarant owns a Unit within the Project, Declarant shall be exempt from the provisions of these Rules to the extent that it impedes, in Declarant's sole discretion, their development, construction, marketing, sales or leasing activities.

ARTICLE2 USE RESTRICTIONS

Use of Unit and Project. Subject to the provisions of the Declaration and the Bylaws, no part of a Unit shall be used for any purpose other than those permitted by applicable zoning. Each Unit shall be used as a residence for a single family or such other uses permitted by the Declaration or by these Rules. No Unit may be used for any purpose which is unlawful or which fails to comply with rules and regulations that the Board may enact from time to time or which

constitutes a nuisance or disrupts the reasonable use and enjoyment of the Project by other Owners.

22 General Use Restrictions.

- a No Owner shall operate any machines, appliances, electronic devices, accessories or equipment in such a manner as to cause, in the judgment of the Board, an unreasonable disturbance to others, or cause any damage to or overloading of any mechanical, electrical, plumbing or any other system serving the Project. So as not to disturb other Owners, there will be no loud noises or playing of musical instruments, radios, stereos, televisions, etc. in such a manner as to disturb other Owners. Volumes shall be appropriate between the hours of 10:00 pm. and 8:00 am, and at all other times, as determined by the Board.
- b. Except as otherwise provided in the Project Documents, each Owner shall maintain their Unit in good condition and in good order and repair, at the Owner's expense, and shall not do or allow to be done on their Unit or the Common Areas anything which may increase the cost or cause the cancellation of insurance carried by the Association.
- c. No light shall be emitted from any portion of the Project which is unreasonably bright or causes unreasonable glare. Without limiting the generality of the foregoing, no exterior spotlights, searchlights, speakers, horns, whistles, bells or other light or sound devices shall be located or used on any portion of the Project. Any exterior lighting installed on any Unit shall be downward directed and of such controlled focus and intensity so as to not disturb residents of neighboring. Units.
- d. No sign, poster, billboard, advertising device or display of any kind shall be erected or maintained anywhere within the Project, except to the extent the foregoing is in conflict with applicable law and except such signs as may be approved in writing by the Board which may include signs indicating protection by security systems and neighborhood watch programs. One (1) sign advertising a Unit for sale or for lease may be placed on the Unit; provided, however, that standards relating to dimensions, color, style and location of such sign shall be determined from time to time by the Board and shall comply with the local sign codes and with all other applicable statutes, ordinances and regulations.
- e. All equipment shall be stored within a Home, including all bicycles, tractors, snow removal equipment and garden or maintenance equipment, except when actually in use. No laundry or other articles may be hung on or from decks, patios, railings, or any other portions of an Owner's Unit.
 - f. No fireworks or firearms may be fired or discharged within the Project.

23 Vehicular Parking.

a No house trailer, camping trailer, horse trailer, camper, camper shells, boat trailer, hauling trailer, boat or boat accessories, truck larger than three-quarter (3/4) ton, recreational vehicle or equipment, mobile home, or similar vehicle may be parked or stored anywhere within

the Project unless it is parked in a garage, unless otherwise approved by the Board, and unless they are being actively loaded or unloaded. This applies to vehicles referred to above even if they are licensed by the State of Colorado or any other jurisdiction as "passenger vehicles." No emergency or temporary parking shall continue for more than seventy-two (72) hours.

- b. Parking shall be permitted only in garages and driveways within a Unit and is not allowed on landscaped areas, lawn areas or fire lanes.
- c. No abandoned, unlicensed, wrecked or inoperative vehicles of any kind shall be stored or parked within the Project except in garages or except in emergencies. Any "wrecked" vehicle shall be as determined by the Board in its sole discretion. An "abandoned or inoperative" vehicle shall be any vehicle that (i) has a flat tire or other condition rendering it inoperable, (ii) is in an obvious state of disrepair, such as having a missing tire, smashed window, missing or damaged body panel or other parts, or the vehicle is on jacks or blocks, (iii) does not have current license plates, or (iv) has not moved from its location for three (3) days, except with the written permission of the Board.

2.4 Pets.

- a No animals, livestock, birds, poultry, reptiles or insects of any kind, shall be raised, bred, kept or boarded in or on any portion of the Project; except that dogs, cats or other customary household pets may be kept thereon if they are not kept in such number or in such manner as to create a nuisance or inconvenience to any Owner or Guest. The Board may prohibit keeping within a Unit certain breeds or kinds of dogs, cats and birds, and other pets, restrict the size of such pets, and impose conditions and restrictions upon keeping such pets, based upon a specific determination that such type or size of pet or that more than one (1) of a particular type of pet may constitute a safety concern or nuisance to other Owners.
- b. No animal of any kind may be raised, bred or maintained for commercial purposes within any Unit.
 - c. No animals shall be kept or raised within any Unit for any commercial purpose.
- d. All Owners shall immediately clean up after their pets and dispose of their pet's refuse in a suitable container, as defined from time to time by the Board.
- e. Pets shall not be allowed to damage grass, shrubs or trees or to become a nuisance or annoyance to others.
- f. Pets shall not be allowed outside of any Home unless restrained by a suitable leash and under the direct control of the pet's owner.
- g Pets shall not be leashed, chained or tethered to any building, patio, deck, stake, sprinkler, fence, trees or other improvements or landscaping contained within the Project, or otherwise left unattended.

- h. Owners agree to comply with:
 - t. Current inoculations of pets as required by applicable Department of Health guidelines; and
 - All other applicable governmental laws and regulations pertaining to keeping, maintaining or raising a pet.

25 Trash.

- a. No Owner shall sweep or throw any debris onto the Common Areas or any right-of-way. Each Owner shall keep all of their trash, garbage and other refuse in a container in their garage. Trash, garbage and other refuse shall be removed from each Unit in accordance with Town regulations.
- b. No trash, litter, garbage, grass, shrub or tree trimmings, scrap refuse or debris of any kind shall be permitted to remain exposed upon any Unit so it is visible from any neighboring Unit, Common Area or from the street except that any container containing such material may be placed outside at proper times for garbage or trash pickup. No trash, garbage or other refuse shall be burned in outside containers, barbecue pits or the like.

ARTICLE3 MAINTENANCE

The Association will undertake maintenance of all landscaping, except for additional, special landscaping installed by an Owner on or around a Unit lot; such additional landscaping maintenance shall be the Owner's responsibility.

Landscape maintenance and service contracts to perform landscape maintenance will be entered into by the Association and shall be performed by or contracted for at the discretion of the Board. Landscape maintenance includes mowing, trimming, fertilization, weeding, general irrigation system repair including sprinkler head adjustment and replacement. Determination of types and levels of services, how services are performed, when services are performed and if services are required is at the sole discretion of the Board. If extraordinary landscape maintenance is required because of items planted on or around a Unit lot by an Owner, the Board may charge the additional costs related thereto to the Owner as an Individual Assessment.

Snow removal on the Driveway Easements and any right-of-way located within a Unit is the responsibility of the Association.

The Association shall be responsible for the maintenance, repair and replacement of entry monument signage for the Project and trails located within the Project, notwithstanding the fact that they may be located within a Unit.

ARTICLE4 MISCELLANEOUS FEES

Owners may be charged a fee for services or materials. The services, materials and related fees that may be charged include, without limitation:

1. Transfer Fee: \$150.00 to \$300.00

2. Governing Documents & other Association information: \$25.00 +copy costs

3. Association Assessment Certification: \$55.00 less than twenty-four (24)-hour notice: \$110.00

In the event of a conflict between the costs provided above and the Association's Management Agreement, the terms of the Association's Management Agreement shall control.

ARTICLE 5 MISCELLANEOUS

- 5.1 Declaration Prevails. In the event that there is any inconsistency between the provisions of these Rules and the Declaration, the Declaration shall prevail.
- 5.2 Amendment. The Board may amend these Rules from time to time as it deems appropriate or convenient *provided*, *however*, no amendment shall be made to impair or limit any Declarant Rights without the written consent of Declarant.

[SIGNATURE FOLLOWS]

IN WITNESS WHEREOF, the undersigned President of the Association certifies adoption of the foregoing Rules of The Shores at the Highlands Association, Inc., by the Board of Directors on the / q day of December, 2014.

Garrett 1mon:resiel1t

