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RULES AND REGULATIONS

THE HIGHLAND TERRACE LOFTS CONDOMINIUM ASSOCIATION

These are the Rules and Regulations governing the Condominiums and the Highland Terrace Lofts Condominium Association, Denver, Colorado. They apply to all residents of Highland Terrace Lofts, Owners and non-Owners alike. They are enforceable in accordance with our Declaration and Bylaws. The ultimate purpose of these Rules and Regulations is to provide all residents maximum enjoyment in living at Highland Terrace Lofts.

Highland Terrace Lofts Condominium Association is an association of individuals

and a community of residents with many common interests. One common interest is to maintain the highest quality home for all residents.

1. ARTICLE ONE: PERTINENT INFORMATION

1.1. OFFICE: The Highland Terrace Loft Condominium Association is managed by

_____, whose address is _____ . _____

_____ (the Management Company or the Managing Agent). Office hours are 8:00 a.m. to 5:00 p.m., Monday

through Friday. The telephone number is _____ . There is a

24-hour answering service at the same number.

1.2. MAINTENANCE: Maintenance of Common Elements is provided by a contracted maintenance service. The Condominium Declaration specifically sets out which items are the responsibility of the Association and which are the responsibility of the Owner.

1.3. GOVERNING DOCUMENTS: The Condominium Project and the Association are governed by three documents: (a) The Condominium Declaration of the Highland Terrace Condominium, (b) Articles of Incorporation, and (c) Bylaws of the Highland Terrace Lofts Condominium Association, Denver, Colorado. These documents, as well as Budgets and other Association-related documents, are kept on file at the office of the Management Company and are available for your inspection and copying in accordance with Article Nine of the Association's Bylaws. If any conflict between these Rules and Regulations and the aforementioned documents exists, the aforementioned documents shall govern.

1.4. ANNUAL MEETING: The annual meeting of the Association will be held each year on such date as will be selected by the Board of Directors. At such meetings the Members will transact such business of the Association as shall properly come before the meeting, including election of members of the Board

whose terms are expiring. Your Board of Directors encourages all residents to become involved in and with the Highland Terrace Lofts Condominium Association, and your attendance at Annual Meetings and Board Meetings, and service on various committees that advise the Board, is strongly

recommended. Information on these committees is available from the Board members or the Management Company. Only through active resident participation can your Association be responsive to your needs and wishes, and your participation will make Highland Terrace Lofts Condominiums a sound investment, as well as a pleasant and enjoyable place to live.

2. ARTICLE TWO: COMMON ELEMENT REPAIRS

Owners should submit requests for repairs of the Common Elements to the Board through the Management Company.

3. ARTICLE THREE: DEFINITIONS

Terms used in these Rules and Regulations have the same meaning in these Rules

and Regulations as such terms have in the Condominium Declaration and the Bylaws of the Highland Terrace Lofts Condominiums.

4. ARTICLE FOUR: GENERAL RULES

4.1. These Rules and Regulations, the Declaration, the Articles and Bylaws are enforced by the Board of Directors. Fines and Individual Assessments for infractions may be levied in accordance with the Declaration and the Bylaws.

4.2. Owners are responsible for infractions committed by their tenants and guests.

4.3. No resident shall sweep or throw any debris onto the Common Elements. Unit Owners, tenants, occupants and guests shall keep all common areas free from trash. Disposition of garbage and trash shall be by the use of common trash facilities. Trash receptacles shall not be used for the disposal of hazardous waste or large items such as, but not limited to, building materials, furniture, appliances, or hot water heaters. Removal of these items from the property is the responsibility of the unit owner.

4.4. No flammable, combustible or explosive fluids, chemicals or substances will be kept within the Community except those required for normal household use. In no case shall flammable, combustible or explosive fluids, chemicals or substances be stored in exterior patios, decks or yards.

- 4.5. No articles will be stored on, or in, any of the Common Elements except for those articles of personal property which are the common property of all Unit Owners, and except as determined by the Board.
- 4.6. The Association assumes no liability for any loss or damage to articles left or stored in any Common or other area.
- 4.7. There will be no loud noises or playing of musical instruments, radios, stereos, televisions, etc. in such a manner as to disturb other residents. Volumes shall be appropriate between the hours of 10:00 p.m. to 8:00 a.m., and at all other times, as determined by the Board.
- 4.8. Except as set forth in Sections 6.10 and 10.6 of the Declaration, no sign of any type is allowed to be placed on the Common Elements without prior written permission from the Board of Directors.
- 4.9. All roadways and walkways shall be clear for emergency traffic. No cars, furniture, bicycles, barbecues, toys or other items of personal property shall be stored, left or parked on a roadway, walkway or any other place within the Common Elements.
- 4.10. Rugs, clothing or other household items may not be hung from any window, balcony, fence, or facade of the buildings. No clothesline of any type shall be allowed which is visible from the Common Elements, the street, or any neighbor's Unit.
- 4.11. Window coverings shall be blinds or verticals in a color matching as closely as possible to "Alabaster 112" as manufactured by Bali. Drapery or drapery liner that does not allow color to show through to the Common Elements or the street may also be installed as long as the exterior color matches Bali "Alabaster 112." No other covering may be used without written approval of the Board of Directors.
- 4.12. No fireworks or firearms may be fired or discharged within the Community.
- 4.13. Any immoral, improper, offensive or unlawful act may be reported to the appropriate governmental authorities and will be deemed an infraction of these Rules.
- 4.14. No unit owner, tenant, occupant or guest may install exterior wiring for electrical or telephone installation or for any other purpose, nor shall any items, such as but not limited to, television, cable, or radio antennae; furnace or other vent; machines or air conditioning unit vents be installed on the exterior of the Common Elements or protrude through the walls or the roof of condominium

improvements, except as may be authorized in writing by the Board of Directors.

4.15. Unit owners who wish to install a satellite dish must apply to the Board of Directors. The Board will review applications on their individual merit, and will consider aesthetic, safety and practical issues.

4.16. The interior vehicular garage is designed to maintain a nominal air temperature so as to keep the utilities located in the garage from freezing. The thermostat located in the garage that monitors the temperature has an audible alarm system that will activate should the temperature drop for a certain period of time below the acceptable level. The loss of air temperature below acceptable levels can be caused by a number of occurrences, including:

- a. air being brought into the garage by the exhaust fan is not being heated properly;
- b. the automatic garage door has become stuck in the open position; and/or
- c. the thermostat monitoring the air temperature has broken.

Should a unit owner hear this audible alarm, they should not attempt to correct the problem but should contact the Managing Agent immediately to notify the Agent that the alarm is sounding.

4.17. City codes require that emergency services (e.g., fire, medical, and police services) be provided unobstructed access to the Community at all times. One of the designated access routes for emergency services includes the exterior patios designated as Limited Common Elements assigned to 3068A and 30500 Umatilla Street. Therefore, these patios shall retain a five-foot wide access aisle the entire length of the patios. These aisles shall remain clear at all times of any obstructions that would prohibit the free and clear access through this patio by emergency personnel and related equipment.

4.18. The Board may adopt such reasonable rules as it deems proper for the Association. A copy of the rules, as they may from time to time be adopted, amended or repealed, will be mailed or otherwise delivered to each Owner. Upon such mailing or delivery, whether or not actually received by the Owner, the rules will be in full force and effect and shall be enforced against each Owner. It will be the Owners' responsibility to provide the Owners' tenants with the Rules and Regulations.

HT 4/11/01

5. ARTICLE FIVE: PETS

5.1. No Pets, other than domestic dogs and cats, are permitted within The Condominium Community. The maximum number of pets allowed for each unit shall conform to local laws and regulations.

5.2. No animal may be leashed to any object in any Common Element.

5.3. Unit owners shall be responsible for damage to common areas or elements, or private property caused by pets owned by the owner, tenant, occupant, guest, and invitees.

5.4. The pet owner is responsible for immediate clean-up should the pet urinate, defecate, expectorate or vomit on the property.

5.5. Any unit owner, tenant, occupant or guest who keeps an animal inside a private patio (Limited Common Element) will be responsible for maintaining the area in a sanitary manner to prevent health problems and odors from offending other residents.

5.6. The owner of any pet that is found to be vicious, malicious, or threatens or attacks a person, or another pet, shall be given a warning and reported to appropriate City authorities.

5.7. Any unit owner, tenant, occupant or guest who owns an animal that causes excessive noise which creates a nuisance to another owner or resident will be given a written warning of such disturbance. If a subsequent incident occurs, the appropriate City authorities will be notified.

5.8. Any Owner of a unit wherein the animal resides violating the provisions of this Article will be assessed a Fine in accordance with Section 11.3 of these Rules & Regulations. All costs incurred by the Association in collecting this Fine, including reasonable attorneys' fees and costs, will be assessed against such Owner. It will be the duty of the Association, and its representatives, to notify the appropriate City authorities of pets found at large within the Common Elements in violation of City Ordinances.

6. ARTICLE SIX: TRASH

6.1. Trash will be picked up by an independent trash company on regularly scheduled days. The specific days are posted within the Condominium Community. All trash should be put into the trash dumpsters, and the area around the dumpsters should be kept clean.

- 6.2. Bagged trash or trash cans must be kept inside the Unit until put into the trash dumpsters to be picked up.
- 6.3. No rubbish, garbage, trash or discarded smoking materials will be allowed to accumulate upon the Common Elements outside of the trash dumpsters.
- 6.4. All trash dumpsters must remain clear to enable the trucks to remove trash from the property.

7. ARTICLE SEVEN: VEHICLE PARKING AND TRAFFIC POLICIES

- 7.1. Vehicles shall be parked only in parking spaces which are specifically assigned to each Unit.
- 7.2. No vehicle may be parked in such a manner as to impede or prevent ready access to any entrance or exit of a building or parking space. Any offending vehicle is subject to immediate towing.
- 7.3. Speed limit signs, stop signs, yield signs and no parking signs may be erected at the Board's discretion with authorization of the appropriate governmental agency.
- 7.4. Vehicles shall not extend beyond the marked boundaries of any parking space while parked. The front of a vehicle shall not obstruct pedestrians from walking along the sidewalks, where applicable.
- 7.5. Parking is not permitted in drive aisles, blocking parking spaces, in front of garbage containers, or anywhere posted as a no parking or tow away zone.
- 7.6. All vehicles parked at Highland Terrace Lofts Condominiums must have current license plates. Inoperative or abandoned vehicles may not be parked on any part of the property. Vehicles shall be deemed to be abandoned or inoperative if they meet one or more of the following criteria:
- a. Has not moved from location for 30 days, except with the permission of the Board of Directors.
 - b. Does not have current license plates.
 - c. Is in an obvious state of disrepair, such as a flat or missing tire, smashed window, missing or damaged body panel or other parts
- 7.7. Motorcycles' kick stands must have a block of wood, or some other method to support the stand when in use, so as not to damage the surface beneath.

7.8. Vehicles in violation of parking regulations are subject to being towed at owner's expense and or being fined by the Board of Directors.

7.9. Owners of vehicles contaminating the parking surface with any type of fluids will be responsible for the clean-up.

7.10. Each Owner must maintain the interior of his or her garage space in a clean, safe and attractive condition and shall keep the same free from litter and debris.

8. ARTICLE EIGHT: DESIGN REVIEW

No exterior alteration, modification or addition to a condominium unit shall be commenced, altered, moved, removed, installed or maintained within the Project until the plans and specifications showing the nature, kind, shape, height, materials, locations and approximate cost of the same shall have been submitted to and approved in writing by the Board of Directors, as further provided in Section 9.5 of the Declaration.

The Board shall exercise its best judgment to see that all alterations, modifications and additions within the project conform to and harmonize with existing surroundings and structures.

Any modification, alteration or addition without the written approval of the Board shall be deemed to be a violation of these rules and the Declaration.

Any temporary exterior holiday decorations may be displayed within 35 days before a holiday and must be removed within 15 days after the holiday. Christmas lights and decorations will be allowed from November 25 through February 1. All installations of exterior decorations for holiday purposes must not jeopardize the safety, welfare or convenience of the community.

9. ARTICLE NINE: LEASED UNITS

9.1. Leasing of a Unit for business purposes is subject to City zoning restrictions and to the requirements and restrictions set forth in Section 6.1 of the Declaration.

9.2. There shall be no more people residing in the Unit than are allowed by the zoning ordinances of the City of Denver.

- a) Name and identity of individual committing the infraction;
- b) The identification of the specific Rule or Regulation violation
- c) The date, time and place of the infraction;
- d) The name, address, and telephone number of the person making

the complaint, and the complaining individual's relationship to the community.

11.3. Upon receipt of a written complaint, the Board of Directors shall conduct the Notice and Hearing Procedure in accordance with ARTICLE TEN of the Association's Bylaws.

Except as otherwise provided herein, or in the Declaration, fees may be imposed according to the following schedule:

First Offense Second Offense Third Offense

Fourth & Successive Offenses

Written warning \$25.00 \$50.00 \$100.00

11.4. The Offenses of the Owner, such Owner's guests and/or tenant shall be attributable to the Owner. Each infraction need not be of the same rule or other regulation ..

12. RELEASE; INDEMNIFICATION

Neither the Association, nor the property Manager assumes any responsibility to any Person for the loss or damage to person or property (whether real or personal) occurring within the Community and which may be caused by, or in any way related to, the Association's exercise of the remedies granted to it by these Rules or by the Association Documents. All persons who commit a Violation, or who by these Rules are responsible for a violation, will have expressly waived any such claims and do further agree to hold the Association and the Property Manager harmless from and against any and all claims for damages or injury arising from or in any way related to the Association's enforcement of these Rules or of any provision of the Codes, or of the Association Documents.

13. ARTICLE THIRTEEN: AMENDMENT

These Rules may be amended from time to time by the Board of Directors. The Amended Rules shall be provided to each Owner by delivery to each Unit address.

Adopted by the Board on _____, 2001.

Jerrold L. Glick, Secretary HT 4/11/01

9.3. Any non-Owner residing in any Unit shall be subject to these Rules and Regulations in the same manner as would an Owner. Any Fines or Individual Assessments incurred by non-Owner residents shall be the liability of the Owner of the Unit, and shall be assessed in accordance with the procedures specified in the Declaration and Bylaws.

9.4. The Owner is responsible for the distribution of the Rules and Regulations to such Owner's tenants.

9.5. All unit owners who lease their unit must register the name and phone number of their tenants and lessees with the Managing Agent for the purposes of emergency contact.

9.6. The right to lease a Unit shall be subject to the requirements and restrictions set forth in Sections 6.12 and 10.2 of the Declaration.

10. ARTICLE TEN: COLLECTION OF DELINQUENT ASSESSMENTS

10.1. All monthly assessments are due and payable on the FIRST DAY OF EACH MONTH. Any assessments not paid within fifteen days after the due date may be assessed a late charge equal to 50% of the monthly fee. If the payment is still delinquent on the 10th day of the second month, the Owner may be notified by letter stating the Association's intent to lien the Owner's Unit. If payment is not forthcoming by the first day of the following month, the account may be forwarded to the Association's attorney, the lien may be filed, and any further legal action deemed necessary will be taken, as further set forth in the Declaration.

10.2. Should it become necessary to file a lien on a Unit, the Owner of such Unit is responsible for all legal fees and all costs incurred by the condominium association.

11. ARTICLE ELEVEN: ENFORCEMENT

11.1. If any action is brought in a court of law or put into arbitration for the enforcement, interpretation, or construction of these Rules and Regulations, the prevailing party in such action shall be entitled to reasonable attorney's fees as well as all costs incurred in the prosecution or defense of such action.

11.2. All complaints pertaining to infraction of the Rules and Regulations of Highland Terrace Lofts Condominiums must be in writing, addressed to the Board of

Directors, c/o _____ Management Corporation, at

The

complaint must include the following:

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AMENDMENTS TO THE RULES AND REGULATIONS OF THE HIGHLAND TERRACE CONDOMINIUM ASSOCIATION

June 26, 2006

Section 10.7 of the Rules and Regulations is hereby amended to the following:

"All monthly assessments are due and payable on the FIRST DAY OF THE MONTH. Any assessments not paid within fifteen days after the due date may be assessed a late charge of \$35.00 per month. If the payment is still delinquent on the 10th day of the second month, the Owner may be notified by letter stating the Association's intent to lien the Owner's unit. If payment is not forth coming by the first day of the following month, the account may be forwarded to the Association's attorney, the lien may be filed, and any further legal action deemed necessary will be taken, as further set forth in the Declaration."

***This amendment is to change the late fee from 50% of the monthly assessment, to a flat fee of \$35.00 a month.*

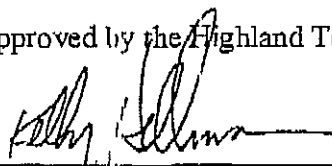
Section 4.15 of the Rules and Regulations is hereby amended by adding to the following:

" Unit owners who wish to install a satellite dish must apply to the Board of Directors. The Board will review applications on their individual merit, and will consider aesthetic, safety and practical issues."

Add:

"Even when the Board approves the installation of a satellite dish, this does not release the owner from any liability. The owner will still be held responsible for any damages done by the installer when placing the dish."

Approved by the Highland Terrace Board at the HOA Board meeting on June 20th, 2006.


Kelly Hellman, HOA President

6/26/06
Date