

**DESIGN GUIDELINES
AND
RULES AND REGULATIONS
OF
HILLSIDE AT STONY CREEK HOMEOWNERS ASSOCIATION, INC.**

The Board of Directors of Hillside at Stony Creek Homeowners Association, Inc., a Colorado nonprofit corporation (the "Association"), acting pursuant to the powers enumerated by the Association's Bylaws, the Declaration of Covenants, Conditions and Restrictions for Hillside at Stony Creek recorded in the Office of the Jefferson County Clerk and Recorder on December 7, 1999 in Reception Number F0987323, Pages 1 through 47, as amended from time to time (the "Declaration"), and the Colorado Common Interest Ownership Act (the "Act"), have enacted the following Design Guidelines and Rules and Regulations. All articles, sections and subsection references are to the Declaration. Unless otherwise indicated, capitalized terms used in these Design Guidelines and Rules and Regulations shall have the meaning set forth in the Declaration or the Act. Additional definitions, contained within each Guideline or Rule, may be applicable to other Design Guidelines and Rules and Regulations. A certification by the Secretary of the Association follows these Design Guidelines and Rules and Regulations.

DESIGN GUIDELINES

1.0 GENERAL DESIGN STANDARDS

Pursuant to Article XI of the Declarations, the Association establishes the following General Design Standards.

1.1 Windows and Window Coverings.

1.1.1 All windows shall be covered with curtains, drapes, blinds, or other acceptable treatments or coverings within no more than six months of occupancy. Prior to the installation of permanent coverings (such as drapes or blinds), bed sheets, brown paper, and other similar expediciencies do not meet acceptable temporary coverings standards.

1.1.2 Window coverings visible from the exterior shall be compatible with the architectural character of the Residence.

1.2 Satellite Dishes. Satellite dishes which do not visually impact the Community or the public shall not be barred from the Community. Therefore, the Association has adopted the following guidelines with respect to installation of satellite dishes:

1.2.1 All installations must be approved by the ARC, in its sole and absolute discretion.

1.2.2 Factors to be considered by the ARC include (i) visibility of dish by Persons outside of the Unit; (ii) location of dish; (iii) size of dish; and (iv) screening of dish.

1.3 Swamp Coolers; Air Conditioners; HVAC Equipment. On-grade utility appurtenances, such as electrical transformers, utility meters, conditioners, swamp coolers, heating equipment shall be installed as an integral part of architecture whenever possible.

1.3.1 All installations must be approved by the ARC, in its sole and absolute discretion.

1.3.2 Factors to be considered by the ARC include (i) visibility of unit by Persons outside of the Lot; (ii) location of unit; (iii) size of unit; and (iv) screening of unit.

1.4 **Garages.** All Residences have garages with the capacity for at least two cars. Garage doors shall be kept closed, except when entering or exiting the garage, or during the removal of materials from the interior of the garage.

1.5 **Fencing.**

1.5.1 All fencing constructed within the Community shall be approved by the ARC.

1.5.2 All fencing, including that within or upon the boundaries of a Lot and interior fencing to enclose patios, screen trash receptacles or support arbors, shall be of a type, finish, color, height and quality acceptable to the ARC and compatible with the approved perimeter fencing type and the Residence architecture, as determined by the ARC.

1.6 **Screening.** The following unsightly or objectionable objects shall be screened:

1.6.1 All trash, refuse, rubbish, garbage and other waste shall be kept in closed containers, such as garbage cans (with lids), or waterproof boxes. Storage of such containers shall, whenever possible, be kept within the garage, and when placed outside, shall be screened. The enclosure shall be kept neat, clean and weed free. Garbage containers shall not be placed in front of a Lot for collection for longer than 24 hours.

1.6.2 Any swimming pools, spas, hot tubs, and Jacuzzi shall be screened or require approval by the ARC if outside of the allowable screened area.

1.6.3 Dog houses, shelters and runs shall be built from materials compatible with the existing Residence and/or fencing and approved by the ARC.

2.0 **LANDSCAPING**

2.1 **General Requirements.**

2.1.1 All provisions of the Declaration shall be strictly enforced.

2.1.2 All landscaping shall be installed in accordance with a landscaping plan approved by the ARC. The plan shall show all proposed landscape improvements including, but not limited to: irrigation systems, trees (type and size), shrubs (type and size), turf, ground cover (gravel, rock, bark), patios, fences, arbors, swimming pools, hot tubs, rock work, retaining walls, vegetable and flower beds and gardens, vehicle parking areas.

2.1.3 Landscaping additions, including planting, irrigation systems, retaining wall, planters, patios that were not part of the initial approved plan must be submitted and receive separate ARC approval.

2.1.4 The erosion control fences installed by the builder shall be maintained by the home owner until either the grass or Zeroscaping is installed and established. The purpose of this is to control erosion from the home owner's yard to the adjacent property in case of rain or snow prior to the establishment of natural materials to control erosion.

2.2 Plant Material. Plants used in landscaping shall consist of permanent "long lived" materials, avoiding the extensive use of "short lived" materials, such as annual flowers. Consideration should also be given to the estimated size and growth patterns and other characteristics of plant species used in landscaping, keeping in mind what the tree or shrub will grow to be in 10, 20 or 30 years. Certain nuisance plants are prohibited, including elm and cotton producing cottonwood trees.

2.3 Gravel, Rock and Bark. The use of non-living ground covers such as gravel, rock and bark is permitted but should not be used to cover large areas.

2.4 Ornamentation. The use of non-living objects such as ornaments in the landscape is generally discouraged, particularly in front or side yards visible from adjacent properties and roads. The goal of any landscape improvement is to promote a pleasing and harmonious neighborhood character. Individual expression is permissible so long as it does not detract from this goal.

2.5 Maintenance. All landscaping shall be maintained in a neat and attractive condition. Minimum maintenance includes watering, mowing, edging, pruning, removal and replacement of dead or dying plants, removal and/or killing of weeds and noxious grasses and removal of trash.

2.6 Water Conservation. In the landscaping of Units, the ARC will urge Owners to utilize plant material, irrigation systems, and maintenance practices that conserve "dry land" appearance. It should be noted that a more traditional "green" appearance can be achieved while still using much less water than typical suburban residential landscapes. Utilization of a landscape architect or designer experienced in designing water conserving landscape is encouraged.

3.0 MISCELLANEOUS GUIDELINES

3.1 Signage. (See development guide)

3.2 **Play Equipment.** Play equipment may be erected within a fenced or screened area and shall have the approval of the ARC as to appropriate scale, materials and color. Equipment using natural materials (i.e. wood instead of metal) is preferred.

3.3 **Basketball Backboards.** All basketball equipment shall be subject to approval by the ARC. Placement of free standing basketball poles and backboards visible from the street and/or attached to the front of the residences, will be discouraged. If allowed by the ARC they must be stored away from the front of the house when not in use.

3.4 **Ancillary Structures.** All ancillary structures such as greenhouses, storage sheds, arbors, and cabanas, shall be approved by the ARC. Any such structures shall be sited and designed to be compatible with the Residence and adjacent Lots and improvements thereon. In no case shall ancillary buildings be located within the setbacks required by Jefferson County.

3.5 **Driveways.** Any modification to driveway shall be approved by the ARC.

3.6 **Retaining Walls.** All retaining walls shall be approved by the ARC. Retaining walls which could or will divert water onto other portions of the Real Estate or otherwise substantially alter existing drainage patterns are prohibited.

3.7 **Site Grading.** Any change to site grading shall be approved by the ARC. No new grading shall divert water onto other properties or otherwise substantially alter existing drainage patterns. Care shall be taken to keep water away from foundations. Down spouts shall discharge onto splash blocks or other devices to prevent saturation of soils at foundations. Irrigation of plant material shall be kept well away from the foundation. Patios, lawn areas, shrub beds shall be sloped positively away from foundations to prevent puddling of water.

4.0 **IMPROVEMENT PRACTICES**

4.1 **Improvements for Which Approval is Not Required.** For certain "improvements," the submission of a Request and approval of the Committee is not required. However, please remember this does not obviate the need to check with outside agencies, nor remove the requirement to complete the work in a timely manner. The following are items that do not require prior approval:

4.1.1 Addition of plants to a Lot in accordance with a previously approved landscape plan.

4.1.2 Modifications to the interior of a Residence where the modifications do not affect the outside appearance of the structure.

- 4.1.3 Repainting and/or restaining of structures in original colors.
- 4.1.4 Repairs to a structure in accordance with previously approved plans and specifications. (Maintenance and upkeep of structures.)
- 4.1.5 Reroofing with Good (or Better) Grade shingles of the same color.

4.2 Improvements Requiring Approval. Any other improvement modification, alteration, change, not referenced in Section 4.1, must be submitted to the ARC for approval.

RULES AND REGULATIONS

5.0 PROHIBITED USES

5.1 Those Specifically Set Forth in the Declaration.

5.2 Nuisance or Annoying Activity. No noxious, offensive, illegal, dangerous or unsafe activity shall be carried on within this Community, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance, nuisance or disturbance to the other Owners or Related Users or which may interfere with their peaceful and proper enjoyment. No Owner or Related User shall make or permit any disturbing noises or nuisance activities or do or permit anything to be done that will interfere with the rights, comforts or convenience of other Owners or Related Users. No Owner or Related User shall play, or cause to be played, any musical instrument or operate, or cause to be operated, an engine, stereo system, television set, radio, or other device, item or object, at high volume or in any other manner that is audible outside such Owner or Related User's Lot without the prior consent of the Board.

5.2 Outdoor Storage. There shall be no Storage of trash, building materials, equipment, garden supplies, vehicles in unscreened areas within a Lot.

5.3 Commercial Uses. Business activities are prohibited within the Community. The only in-home businesses which are allowed are those (i) allowed by Jefferson County, (ii) for which there is no signage, (iii) with no employees or contractors traveling to or from the Community, and (iv) which do not invite or attract clients, customers or the general public to the Community.

6.0 PENALTIES

6.1 Owner Responsibility. Each Owner shall be responsible for his or her own Violations and for the Violations of all his or her Related Users.

6.2 Notice/Hearing.

- 6.2.1 Prior to the levying of Fines, Person liable for the payment thereof, must be provided written Notice and an opportunity to be heard. Each Violation must be substantiated by written documentation from one of the following: (i) the Association Manager, (ii) a member of the Board of Directors, (iii) a member of the ARC, or (iv) an Owner and delivered to a member of the Executive Board.
- 6.2.2 Persons entitled to a Hearing shall have the opportunity to be heard at the next regularly scheduled meeting of the Board, or at such meeting as may be scheduled by the Board at a date and time no less than ten calendar days after such Person's receipt of the Notice. All Hearings shall be held at a location set forth in the Notice.
- 6.2.3 Notice of Violations required to be given shall be given to the following Persons:
- (i) In the case of a Violation of these Rules by a related user of an Owner or member of his family who is a Minor, and the owner resides at the Lot, notice shall be given to the Owner.
 - (ii) In the case of a Violation of these Rules by a Tenant or a Related User of a Tenant or Owner and the Owner does not reside at the Lot, Notice shall be given to the Tenant and the Owner.
 - (iii) In the case of a Violation of the Rules by an Adult residing at the Lot, Notice shall be given to the Adult, and also to the Owners of the Lot.
- 6.2.4 All Notices required to be given under these Rules shall be in writing and shall be deemed given when delivered personally or when deposited into the United States mail, sent first class postage prepaid, return receipt requested, and addressed to the receiving party as follows:
- (i) If to an Owner, to his or her Lot, or such other address as may be delivered, in writing, to the Association Manager; and
 - (ii) If to a Tenant or a Related Person, to the Lot where he or she resides.
- 6.2.5 In the event a Violation is cured prior to a Hearing and this is the first Violation of a particular Rule, no further action will be taken by the Board.

- 6.2.6 In the event any Person entitled to a Hearing fails to appear, he or she will be presumed to have acknowledged the Violation and will be subject to all penalties for the occurrence of the Violation.
- 6.2.7 Each Hearing shall be heard at the scheduled time, place, and date, provided that the Board may grant continuances for good cause. At the beginning of each Hearing, the presiding officer shall explain the rules, procedures and guidelines by which the Hearing shall be conducted and shall introduce the case before the Board by reading the Notice of Hearing. The general procedure for the Hearing shall consist of opening statements by each party; presentation of testimony and evidence, including cross-examination of witnesses by each party; and closing statements by each party. Notwithstanding the foregoing, the Board may exercise its discretion as to the specific manner in which a Hearing shall be conducted and shall be authorized to question witnesses, review evidence, and otherwise take such reasonable action during the course of a Hearing which it may deem appropriate or desirable to permit the Board to reach a just decision in the case. Neither the complaining parties nor the Owner must be in attendance at the Hearing. However, the decision of the Board at each Hearing shall be based on the matters set forth in the Notice of Hearing and such evidence as may be presented at the Hearing.
- 6.2.8 The Board shall render its written decision thereon within fourteen (14) days after the Hearing date. A decision, either a finding for or against the Owner, shall be by a majority of the Board. The Board may impose said fine as provided in the Rules and may also cause a Notice of Violation to be recorded with the Adams County Clerk and Recorder. Upon satisfactory compliance with the Governing Documents, the Notice of Violation may be released by the Board or Association Manager by issuing a Release of Notice of Violation.

6.3 Fines.

- 6.3.1 After Notice and an opportunity to be heard, Persons responsible for the Violation, shall be subject to the following schedule of Fines.
- (i) for the first Violation - \$50.00
 - (ii) for the second Violation - \$75.00
 - (iii) for the third and subsequent Violations - \$100.00 per Violation
- 6.3.2 Each Owner shall be personally liable for all Fines assessed against the Owner and against such Owner's Related User.

6.3.3 Each Adult residing within the Common Interest Community shall be personally liable for all Fines assessed for the Violations of their dependant children, and guests or invitee of anyone residing at the Lot.

6.3.4 Interest will accrue on all Fines not paid within ten (10) days of the date levied at the rate of 18% per annum.

6.4 Towing.

6.4.1 At any time, and with no prior Notice of Hearing to any Person, the Association Manager or a member of the Board may cause any vehicle parked or stored within the Common Interest Community in a manner which constitutes a Violation, to be removed from the Common Interest Community.

6.4.2 The owner of the towed vehicle will be responsible for paying all towing and vehicle storage fees. Charges for towing are in addition to any Fines that may be assessed.

6.4.3 Excepting only the owner of the towed vehicle, no Person will be responsible for damages caused by the towing of a vehicle.

6.4.4 Owners and Related users shall be jointly and severally liable for all costs incurred by the Association in towing a vehicle, as if the same were Fines, as described in Rule 6.3, above.

6.5 Suspension of Voting Rights. During any period an Assessment remains unpaid, or upon Violation of these Rules which remains uncured, and in either event, without prior notice the voting rights of the delinquent Owner shall be suspended.

6.6 Rights of Owners to Enforce. Every Owner has the right to request members of the Board of Directors or the Association Manager to enforce the Rules. Such request shall be in writing and delivered either to the chair of the board or the Association Manager. Failure to act on a request to enforce within in ten (10) days after the next regularly scheduled board meeting or thirty (30) days, whichever is less, will allow a requesting Owner to take legal, reasonable and appropriate steps to enforce at his or her expense. Upon submission of the bill with clear evidence of the request to enforce and the time when made, the board shall be unqualifiedly responsible for reimbursement of the expense.

6.7 Other Remedies of the Association.

- 6.7.1 In addition to any monetary penalties the Association may assess an Owner or other Person, the ARC may, at its option, after notice to the Owner and an opportunity to be heard pursuant to the provisions of Rule 6.2:
- (i) enter upon the Lot at reasonable hours and make repairs and improve the appearance of the Residence, or landscaping within such Lot in a reasonable and workmanlike manner;
 - (ii) enter upon the Lot at reasonable hours and cause the grass, weeds and vegetation to be cut when and as often as the same is necessary in its judgment, and have dead trees, shrubs, and plants removed from any Unit;
- 6.7.2 The cost of maintenance referred to in Rule 6.7.1 above shall be assessed against the Lot and will be added to and become part of the Common Expense Assessment for which the Owner is liable, and to which the Lot is subject.
- 6.7.3 In accordance with the Governing Documents, it is hereby declared to be the intention of the Association to enforce the provisions of the governing Documents by any and all means available to the Association at law or in equity, and to seek recovery and reimbursement of all attorney's fees, Association expenses and costs incurred by the Association in connection therewith.

7.0 LEASES.

- 7.1 Each Lot is to be occupied only by a single family and members thereof and only as a residence and for no other purpose. Accordingly, Lot may be leased to Tenants for only the purposes enumerated in Rule 7.0 and in accordance with the Governing Documents; leasing for transient or business purposes is not permitted.
- 7.2 All leases must be in writing and for a term of not less than three (3) months.
- 7.3 All Owners must deliver a true and correct copy of any lease to the Association Manager or to the Board.
- 7.4 All Owners must deliver one true and correct copy of the Governing Documents to the Tenant prior to execution of the lease and prior to Tenant's occupancy of the Lot.
- 7.5 All leases must contain the following provisions:

- 7.5.1 An acknowledgment by the Tenant that he or she has received a copy of the Governing Documents.
- 7.5.2 An acknowledgment by the Tenant that the terms of the lease shall be subject, in all respects, to the provisions of the Governing Documents and in particular, these Rules, which instruments must be referenced with specificity in the lease.
- 7.5.3 An affirmative covenant of the Tenant providing that any failure by the Tenant or his or her Related User or Guest to comply with the term of the Governing Documents will constitute a default by Tenant under the lease.
- 7.5.4 An affirmative covenant of the Tenant in which Tenant agrees to immediately pay to the Association all Fines assessed against it or its Related Users.

8.0 COLLECTION OF FINES, CHARGES, AND ASSESSMENTS.

8.1 Late Fees. In the event any payments are not made to the Association within ten (10) days from the due date, then in addition to any interest charges accruing thereon as provided in the Governing Documents, a late fee in the amount of not less than Ten Dollars (\$10.00) or such other amount as may be set by the Board of the Association no more frequently than annually, shall be charged to an Owner for the expenses, costs and fees involved in handling such delinquency. Payments subject to such late fees shall include, but not be limited to, Common Expense Assessments (including any installment thereof), Special Assessments (including any installments thereof), Fines, administrative fees, fees charged or penalties assessed by any committee of the Association (including its ARC), and all collection costs, including attorneys fees.

8.2 Assessments. Any fine, late charge, or other monetary charge or penalty levied, and all administrative fees charged, by the Association or the ARC, pursuant the Governing Documents, and all legal fees incurred in enforcing the provisions of the Governing Documents, shall be collectible as a "Common Expense Assessment", pursuant to the Act, and as an Compliance Expenditures as that term is used in Article 4.8 of the Declaration.

8.3 Application of Owner's Payments. Payments received from Owners shall be applied to the Owner's account in the following order:

- 8.3.1 Attorneys fees and costs incurred by the Association and for which the Owner is responsible for payment pursuant to the Governing Documents;
- 8.3.2 Interest which has accrued on unpaid amounts;

- 8.3.3 Fines, late charges, or other monetary charges or penalties levied by the Association pursuant to its Governing Documents;
- 8.3.4 Past due Special Assessments;
- 8.3.5 Past due Common Expense Assessments;
- 8.3.5 Current Special Assessments;
- 8.3.6 Current Common Expense Assessments.

8.4 Acceleration. In the event an Owner fails to pay any sums when due, the Association may elect to call due all Common Expense Assessment payments remaining due for the remainder of the fiscal year. If the Association elects to exercise such right, it shall provide Owner with written notice of the acceleration.

DESIGN GUIDELINES AND RULES AND REGULATIONS

9.0 RELEASE; INDEMNIFICATION

The Association assumes no 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 Design Guidelines, Rules and Regulations or by the Governing Documents. All Owners and Related Users having committed a Violation, or who by these Design Guidelines, Rules are responsible for a Violation, will have expressly waived any such claims and do further agree to hold the Association 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 the Design Guidelines, Rules or of the Governing Documents.

10.0 MISCELLANEOUS

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

10.2 The provisions of these Design Guidelines and Rules and Regulations shall be deemed to be independent and severable, 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.

10.3 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.

10.4 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 Rules and Regulations or the intent of any provision hereof.

10.5 Notwithstanding anything to the contrary contained in these Design Guidelines and Rules and Regulations, the Association reserves the right, at any time and from time to time hereafter, to modify, amend, repeal and/or re-enact these Rules and Regulations in accordance with the Governing Documents and The Act.

IN WITNESS WHEREOF, the undersigned, as Secretary of Hillside at Stony Creek Homeowners Association, Inc., a Colorado nonprofit corporation, hereby certifies the foregoing fifteen (15) pages (including the cover page and this page) constitute the complete Design Guidelines and Rules and Regulations as duly enacted by its Board of Directors on December 15, 1999. Said Design Guidelines and Rules and Regulations are to be effective on January 3, 2000, and on that date shall supersede all previously oral or written rules and regulations. These Design Guidelines and Rules and Regulations shall be in full force and effect until amended, in whole or in part, by the Board of Directors.

**HILLSIDE AT STONY CREEK HOMEOWNERS
ASSOCIATION, INC.**

by, 
Paul S. Barru, Secretary