Rules and Regulations Relating to Rentals Within Pitchfork

September 11, 2018

The following Rules and Regulations Relating to Rentals Within Pitchfork (the "Rental Rules") were adopted by the Board of Directors of Pitchfork Association, Inc. (the "Board" and the "Association") as specifically authorized in Paragraphs 2.38, 3.4C, 3.5A, 3.13, 4.1 and 4.30 of the Amended and Restated Declaration of Protective Covenants for Pitchfork as recorded in the real property records of Gunnison County, Colorado at Reception No. 523046 (the "Declaration") and may be added to, amended, or repealed at any time by the Board. The Rental Rules apply to Pitchfork Condominiums, Pitchfork Townhomes and Pitchfork, but shall not apply to Pitchfork Flats, except as provided in the Declaration of Pitchfork Flats as recorded in the real property records of Gunnison County, Colorado at Reception No. 575116. Pursuant to Section 3.6.2 of the Declaration of Pitchfork Flats, no leases shall be made for less than a twelvementh period.

They are designed to help accomplish three purposes: (1) to protect the integrity and condition of the entire common interest community and thereby protect each owner's investment; (2) to provide a safe and pleasant living environment for all owners and lessees; and (3) to supplement and clarify in one document the Rules of Pitchfork Association, Inc. and the Declaration as those documents relate to the rentals of Dwelling Units within the community. Text included in italics are direct quotes from the Declaration with the exact location indicated in parentheses. As the Rental Rules are in part a consolidation of the Declaration and various Rules of Pitchfork Association, Inc., some portion of the Rental Rules copy, supplement or clarify preexisting Rules. Unless otherwise provided, such Declaration and various Rule provisions, and the supplementation or clarification herein, shall remain in full force and effect to all applicable Dwelling Units within the community.

To the extent any provision herein conflicts with a provision in previous Rules, the provisions herein shall control. Any provision herein that relates to a provision within the Declaration is meant to supplement and clarify such provision. To the extent any provision herein conflicts with the Declaration, the provisions of the Declaration shall control.

1. Right to Lease. An Owner shall have the right to lease his Dwelling Unit in its entirety upon such terms and conditions as the Owner may deem advisable; provided, however, that the right to lease any Dwelling Unit may be restricted in whole or in part so as to comply with any Agency requirements, and (1) a Dwelling Unit may be leased only for the uses provided

¹ Capitalized terms and phrases used herein and not otherwise defined shall have the same meaning as ascribed to them by the Declaration.

herein; (2) any failure of a lessee to comply with the terms of any of the Association documents shall be a default under the lease enforceable by the Association as a third party beneficiary, whether or not the lease contains such a provision; and (3) all leases shall be subject to rules adopted by the Executive Board. The Executive Board shall be entitled, from time to time, to adopt, amend, revise, add to or repeal, Rules that define, and differentiate between, short term and longer term occupancy arrangements, except that, in no event shall the Executive Board be entitled to adopt a Rule that eliminates or prohibits, or had the practical effect of eliminating or prohibiting, leases or occupancy arrangements, whether short term or otherwise. Without limiting the scope of the foregoing sentence, such Rules may, at the discretion of the Executive Board, differentiate between short term and longer term leases or occupancy arrangements, in the enforcement of this Declaration and the Rules, as well as any fines imposed for violation of the same. (4.30) A short term lease shall be defined as any lease with a term of two weeks or less.

- 2. <u>Owner Occupied Leasing.</u> The Rental Rules applicable to short term leases shall not apply to short term leases of less than an entire Dwelling Unit when the Owner occupies the remaining portion of the Dwelling Unit during the term of the short term lease. Nothing in this Section shall be construed to affect any provisions of the Declaration or other Rules and Regulations of Pitchfork.
- 3. **Registration of Owners.** Each Owner shall register Owner's mailing address, phone number(s) (home and work) and electronic mail address with the Association. If an Owner wishes to short term lease Owner's Dwelling Unit, Owner shall notify the Association of such intent. The Association shall provide a unique listing number to Owner within seven (7) days of notification, and Owner shall include such unique listing number on every advertisement or listing relating to short term rentals.
- 4. <u>Limits on Unrelated Inhabitants.</u> No Single Family Residence or Unit shall be inhabited by more than the following number of occupants:

| <u>Residence Size</u> | Maximum Number of Occupants |
|-----------------------|-----------------------------|
| 1 bedroom | 3 |
| 2 bedrooms | 4 |
| 3 bedrooms | 5 |

Notwithstanding the foregoing, no Dwelling Unit shall be inhabited by more persons than are permitted by the ordinances of the Town or as otherwise provided by law, whichever is more restrictive. (4.2)

The lease shall limit the number of occupants to the maximum permitted under Section 4.2. (4.30)

The foregoing limits on the number of occupants shall only apply to unrelated inhabitants.

5. Parking and Vehicles. Parking of vehicles on a Lot is permitted only within Garages or designated parking spaces, except that vehicles may be parked temporarily in other areas as an expedience while loading and unloading. Personal property storage in each Garage shall be limited so as to enable the intended number of motor vehicles to be stored in each such Garage. No Persons shall park any vehicles on Outlot A, designated on the Plat, except Owners and Permitted Users of Lots 7, 8, 9 and 10. (4.6)

The following are absolutely prohibited from within the Common Interest Community and shall not be parked or stored on any street or Lot or in a Garage:

- A. Motor homes, recreational vehicles, and campers except a camper mounted on a pickup;
- B. All terrain vehicles (ATVs);
- C. Trailers of any kind;
- D. Snowmobiles;
- E. Boats, except kayaks and inflatable rafts, which shall be stored inside or outside in the rear of the Lot if such storage is neat and not visible from any street;
- F. Abandoned or inoperable vehicles of any kind. An abandoned or inoperable vehicle shall mean any vehicle which is not capable of being driven under its own propulsion or does not have current registration. (4.7)

An illegally parked vehicle is subject to towing and impounding in accordance with Town ordinances. Such action may be initiated by any Owner, resident or lessee without prior notice. Parking is expressly prohibited on any grass or landscaped area. Each parking space shall be maintained in a clean, safe and attractive condition and shall be kept free from litter and debris. No gasoline, gasohol, distillate, diesel, kerosene, naphtha, or other similar volatile combustible or explosive materials shall be stored in any parking area except in the fuel tanks of vehicles parked therein and used for transportation purposes. Owners, residents and lessees shall abide by all traffic laws within Pitchfork.

6. Refuse. No refuse, including without limitation trash, garbage, lumber, grass clippings, shrub clippings or tree clippings, plant waste, compost, ashes, metals, bulk materials, or scrap materials shall be allowed to accumulate on any Lot. Each Owner of a Lot on which a Single Family Residence is constructed shall provide suitable covered, noiseless, animal-proof receptacles for the collection of such refuse in preparation for regularly scheduled periodic

pickup. Refuse shall be stored for such pickup in such containers which shall, in turn, be enclosed in a structure approved by the Design Review Board so as to be screened from public view and protected from disturbance. Except on Perimeter Lots, such containers may also be stored neatly in the rear of a Lot if such containers are not visible from any street. No refuse may be thrown or dumped on any part of the Common Interest Community. The Association may arrange for regular trash removal as a Common Expense, and in such event each Owner shall use the services of such provider, except that the Executive Board may require any Owner to arrange for removal of excessive amounts of trash, garbage, or other refuse. The burning of refuse shall not be permitted within the Common Interest Community. (4.12)

All refuse shall be disposed of in an appropriate receptacle by short term lessees. Owners shall provide instructions to short term lessees about how to dispose of refuse during their short term lesse.

Noise and Nuisance. No noxious, offensive, dangerous or unsafe activity shall be conducted or permitted to exist in or on the Common Interest Community, nor shall anything be done or permitted, either willfully or negligently, which is or may be or become an unreasonable annoyance or nuisance to the other Owners or Permitted Users. (4.21) All exterior lighting shall be designed and directed as approved by the Design Review Board and in compliance with the Town municipal code. No light shall be emitted from any Lot or Unit which is unreasonably bright or causes unreasonable glare. All exterior lights shall be shielded to reduce to the extent practicable visibility of such exterior lights from adjacent property and shall be directed downward. No mercury vapor lights shall be permitted. No sound shall be emitted on any Lot or from any Unit which is unreasonably loud or annoying. No odor shall be emitted on any Lot or from any Unit which is noxious or unreasonably offensive to others. (4.11)

The prohibition against disturbing noises includes, but is not limited to, musical instruments, radios, televisions, or other noise-producing devices that are played in such a manner that disturbs residents of a neighboring Dwelling Unit. Quiet hours are 10:00 P.M. to 7:00 A.M. During these hours all Owners, residents and lessees must avoid loud noises, stereos, and televisions. Power tools may not be used between 10:00 P.M. and 7:00 A.M.

8. Animals. No Owner or Permitted User shall keep more than two (2) dogs or cats or more than three (3) of a combination of dogs and cats at any time. Vicious and habitually barking, howling or yelping dogs shall be deemed a nuisance and prohibited. All household pets shall be confined to the Owner's Lot or Unit or controlled on a leash. No dog shall be tied up outside for more than one hour at a time. Owners will be held responsible for any litter, waste, mess or damage created by their pets in the Common Elements and for any offensive or prolonged noises created by their pets. All dog waste shall be immediately cleaned up and properly disposed of. Animals may not be kept for any commercial purposes. The Owner of any

animal and the Owner of any Lot or Unit where the animal is visiting or staying shall be jointly and severally personally liable and responsible for all actions of such animal and any damage or violation of this Declaration caused by such animal. The right to keep animals as household pets shall be coupled with the responsibility to pay for any damage caused by such animals, and any damages and any costs incurred by the Association in connection with the enforcement of the Association's rights shall be subject to all of the Association's rights with respect to the collection and enforcement of assessments as provided in this Declaration. The Association is specifically empowered to impound any dog, cat or other animal running at large within the Property. Upon impoundment, the owner of the dog, cat or other animal, if known, shall be notified and the animal shall be taken to the nearest facility which accepts impounded dogs, cats or other animals. It is the duty of the owner of such dog, cat or other animal to recover the animal from such facility and if the animal is not recovered by the owner in accordance with the rules and regulations of such facility, the facility may destroy the animal without liability. The Common Interest Community is adjacent to agricultural land used for livestock grazing. Owners of dogs should be aware that Colorado law allows owners of livestock to destroy dogs that harass livestock. Nothing in this Section 4.5 shall prohibit or limit the use of qualified service animals as permitted or required under federal, state, or local law, including but not limited to the "Americans With Disabilities Act," or the "Fair Housing Amendments Act." (4.5)

The Board shall have the right and authority to determine in its sole discretion that household pets are being held for commercial purposes or are being kept in such number or in such manner as to be unreasonable or to create a nuisance, or that an Owner, resident or lessee is otherwise in violation of the provisions of this Section. The Board shall take such action or actions as it deems reasonably necessary to correct the violation to include, after complying with any rules and regulations regarding enforcement, directing permanent removal of the pet or pets from the common interest community.

- 9. Owner Responsible for Association's Insurance Increase. The cost of additional insurance premiums incurred to maintain the existing policy coverages caused by short term rental of Dwelling Units shall be allocated, in equal shares, to the Owners of Dwelling Units that enter into any such leases during the applicable policy year for which the premiums are owed. Such share of insurance premiums will be special assessments of such Owners.
- 10. <u>Owner Insurance.</u> An Owner of a Dwelling Unit entering into a lease, whether short term or long term, for that Dwelling Unit shall acquire and maintain insurance adequate to cover any and all liability of the Association relating to such lease. Such insurance shall name the Association as an additional insured. An Owner subject to this Section shall furnish proof of such insurance to the Association before entering into a lease for that Dwelling Unit and shall furnish proof of renewal of such insurance on each anniversary date thereof.

- 11. <u>Owner Liable for Lessee Violations.</u> An Owner of a Dwelling Unit subject to a lease, whether short term or long term, shall be liable to the Association for all violations of the governing documents of the Association, including without limitation the Declaration, bylaws, articles of incorporation, and rules and regulations of the Association, as such governing documents may be amended, by any and all lessees of such Dwelling Unit and their guests, invitees, agents, employees, visitors, and officers.
- 12. **Local Contact.** Any Owner desiring to short term rent a Dwelling Unit shall first provide to the Association, via email to the Association's management company, the name of a local, responsible contact person capable of physically responding to issues that may arise at the rental within one hour of the initial attempt to contact the Owner. The local contact must have physical access to the rental Dwelling Unit and shall be authorized to make decisions regarding the rental on behalf of the Owner. In the event issues arise during the short term rental of a Dwelling Unit, the Association, through its management company, shall first attempt to contact the Owner, and shall then be authorized to contact the designated local contact person.
- Copies to Association. An Owner shall provide a copy of any executed lease, whether short term or long term, of an Owner's Dwelling Unit to the Association prior to the commencement of any such lease. An Owner shall also provide a payment of \$25.00 with each executed short term lease to the Association prior to the commencement of any such lease. Such payment shall compensate the Association for processing, compliance monitoring, administrative costs and fees associated with short term rentals. In the event a lessee cancels a short term lease before occupying the Dwelling Unit, the \$25.00 payment shall be refunded to the Owner within seven days' notice of the cancellation. Copies of leases and short term rental fees shall be provided to the Association's management company.
- 14. Notice of Governing Documents. All leases shall be in writing and shall provide that the lease is subject to the terms of the Association Documents, and a copy of the Association's rules and regulations shall be provided to the Lessee with the lease. (4.30) An Owner of a Dwelling Unit entering into a lease, whether short term or long term, for that Dwelling Unit shall provide the governing documents of the Association to each lessee and prominently display the Rental Rules on site.
- 15. Enforcement of Rules and Regulations. The Executive Board shall be entitled, from time to time, to adopt, amend, revise, add to or repeal, Rules that define, and differentiate between, short term and longer term occupancy arrangements, except that, in no event shall the Executive Board be entitled to adopt a Rules that eliminates or prohibits, or has the practical effect of eliminating or prohibiting, leases or occupancy arrangements, whether short term or otherwise. Without limiting the scope of the foregoing sentence, such Rules may, at the discretion of the Executive Board, differentiate between short term and longer term leases or

occupancy arrangements, in the enforcement of this Declaration and the Rules, as well as any fines imposed for violation of the same (for example, the Executive Board may adopt a Rule that imposes a larger fine for excessive number of occupants during a short term occupancy arrangement.) (4.30)

The Resolution of the Board of Directors Adopting Policies and Procedures Regarding Enforcement ("Enforcement Policies and Procedures") with an effective date of September 11, 2018 is herein incorporated by this reference and is attached to these Rules and Regulations as **Exhibit A**.

A special schedule of fines will apply only to Owners leasing their Dwelling Units on a short term basis. Where fines are applicable, Owners whose short term lessees violate the Rental Rules shall be fined \$200.00 for each violation, and fined an additional \$200.00 for each day after the day the violation occurs that such violation continues to exist. The fines applicable to violations not relating to short term leases are provided in Section 7 of the Enforcement Policies and Procedures.

16. **Severability.** If any provision or portion of any provision in these Rental Rules is deemed invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remainder of the provision or any other provision, which shall to the fullest extent permitted by law be valid and enforceable.