

WILDHORSE AT PROSPECT ASSOCIATION, INC.
A Colorado nonprofit corporation

RULES AND REGULATIONS REGARDING INTERIM SHORT TERM RENTALS

The Wildhorse at Prospect Association, Inc., a Colorado nonprofit corporation (the "Association") adopts the following rules and regulations regarding short term rentals pursuant to Article 8, Section B., and Article 2, Section 2.5, H. of the Wildhorse at Prospect Declaration as recorded in the real property records of Gunnison County, Colorado at Reception No. 571667 (the "Declaration") and hereby adds the following provisions for the Rules and Regulations of Wildhorse at Prospect Association, Inc. Planned Community as recorded as Exhibit C to the Declaration (the "Rules") as follows:

1. Rentals for six months or more are long term rentals. Rentals for less than six months are short term rentals. All rentals of any Dwelling Unit¹ are subject to the Association's Rules and Regulations Regarding All Rentals dated this same date (the "Rental Rule").
2. Pursuant to the Rental Rule, commencing the day following the last day that the lifts are operating at Crested Butte Mountain Resort for the 2018-2019 ski season; but in no event later than May 1, 2019, no Owner shall lease a Dwelling Unit for less than six months. In the interim, all short-term rentals of any dwelling unit for less than six months shall be subject to both the Rental Rule and the following additional restrictions.
3. Any short-term rentals of a Dwelling Unit for less than six months, and any renter thereunder, shall be subject to the following rules and regulations:
 - a. Maximum Occupants. In no event shall the number of occupants for a residence under a short-term rental exceed the sum that is equal to two occupants multiplied by the number of bedrooms in the residence plus an additional two occupants.
 - b. Maximum Vehicles. In no event shall the number of vehicles for a residence that is being short term rented exceed four. All parking of vehicles by such renters shall be off-street. The term "vehicles" as used herein means automotive vehicles of any type or nature intended for legal use on streets and highways, including without limitation cars, trucks, SUVs, and motorcycles. Short term renters shall abide by all traffic laws within the subdivision.
 - c. 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 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.
 - d. Onsite Rules. Each Dwelling Unit rented on a short-term basis shall prominently display on site, and make available to all such renters, the governing documents of the Association, including without limitation the

¹ Capitalized terms used herein shall have the meaning set forth in the Declaration.

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Declaration and all rules and regulations, including specifically, but not limited to, these Rules and Regulations Regarding Interim Short Term Rentals.

- e. No Obnoxious Noises or Smells. No short-term renter may engage in any activity (other than the normal operation of vehicles) that is sufficiently loud that it may be heard from an open window of any other residence in the subdivision. No vehicle operated or used by any such renter may have any modifications that make such vehicle perceptively louder than the stock vehicle as manufactured. No short-term renter may engage in any activity that can be smelled from an open window of any other residence in the subdivision.
 - f. Trash. All trash shall be disposed of in an appropriate receptacle by short term renters. No litter is permitted by short term renters. No trash cans or other receptacles may be left outside except on the day scheduled for pickup in the event any pickup is scheduled. Owners shall advise short term renters of scheduled trash pickup days, and short term renters shall place trash receptacles in the appropriate location for pickup on scheduled trash pickup days.
 - g. No Off-Leash Pets. No such renters shall have any dogs off leash within the subdivision.
 - h. Owner Liable For Renter Violations. The Owner of a Dwelling Unit subject to a short-term lease 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 and policies and procedures of the Association, as such governing documents may be amended, by any and all short-term renters of such Dwelling Unit (and their guests, invitees, agents, employees, visitors, and officers). Any such renters shall also be liable for such fines, which shall be the joint and several obligation of the Owner and such renters and shall also be a delinquent assessment if not paid.
 - i. Schedule Of Fines. Notwithstanding any other schedule of fines for the Association, the fine for a first violation of these rules and regulations shall be \$250.00. An Owner previously found to have violated these rules and regulations shall be subject to fines of \$1,000.00 per night of any lease in violation of these rules and regulations.
4. Owner Responsible For Association's Insurance Increase. Pursuant to subparagraphs I (2) and (3) of Article 16 of the Declaration, the Owner of specific, individual Dwelling Units may be separately assessed for, among other things, "To cover the costs, including overhead and administrative costs, of providing benefits, items or services to the Dwelling Unit or occupants" and "To cover ... any costs incurred as a consequence of the conduct of the Owner or occupants of the Dwelling Unit...." The cost of additional insurance premiums incurred to maintain the existing policy coverages caused by short term rental of units shall be allocated, in equal shares, to the Owners of 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 specific assessments of such Owners.