

**RULES AND REGULATIONS OF
THE MASTER CONDOMINIUM ASSOCIATION FOR
THE WEST FRISCO GATEWAY CENTER**

September 18, 2005

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**RULES AND REGULATIONS OF
THE MASTER CONDOMINIUM ASSOCIATION
FOR WEST FRISCO GATEWAY CENTER**

1.0 INTRODUCTION

- A. These Rules and Regulations are revised by the Board as of the 31st day of April, 2005 in accordance with Section 14.9 of the Declaration. These Rules are designed to protect the common interests of every Owner and Resident, and to collectively assure the rights of all Owners, Tenants and Residents of the West Frisco Gateway Center. Violations may be charged by any Resident or the Property Manager by signing and delivering a written explanation of the asserted violation to the Property Manager's office, and by the Property Manager.
- B. These Rules, the Declaration, the Articles and the Bylaws (collectively, the "Governing Documents") shall be enforceable by the Board and the Property Manager. Appropriate legal action may be taken for infractions thereof.
- C. The Association will make copies of these Rules and all other Governing Documents available to any Owner or Resident requesting the same at the Property Manager's office.
- D. A signed and dated acceptance form from each Owner and Resident indicating that such Person has read, understands, and agrees to abide by these Rules shall be kept on file in the Property Manager's office.

2.0 INTERPRETATION OF THE RULES AND REGULATIONS

- A. The interpretation of the Rules will be in the sole discretion of the Board.
- B. No failure of the Board to insist on the strict adherence to any provision of these Rules shall constitute a waiver of such provision. Failure to enforce any provision of these Rules shall not prevent the Board from exercising any of the remedies found in these Rules or the Governing Documents for subsequent breach.
- C. These Rules are adopted by the Ownership in accordance with Section ____ of the Declaration. These Rules are designed to protect the common interests of every Owner, and to collectively assure the rights of all Owners of the Master Condominium Project. Violations may be charged by any Owner by signing and delivering a written explanation of the asserted violation to the Manager.
- D. These Rules, the Declaration, the Articles and the Bylaws (collectively, the "Governing Documents") shall be enforceable by the Board and the Manager on behalf of the Association. Appropriate legal action may be taken for infractions thereof.

- E. A signed and dated acceptance form from each Owner indicating that such Person has read, understands, and agrees to abide by these Rules shall be kept on file in the Manager's office. Whether or not signed by an Owner or Resident, these Rules and Regulations are binding, valid and enforceable pursuant to the Declarations.

3.0 ASSESSMENT AND FINES

- A. General Assessments are due and payable to the Master Association on the first day of each month. If the General Assessment (or any other Assessment imposed under the Declaration) is not paid within 15 days after the due date, the Master Association may also collect Delinquency Costs, including interest from the date of delinquency at the rate of 21% per annum, and a late charge thereon in the amount of 5% of the delinquent Assessment, which charge may be made every month thereafter until the delinquent Assessments are paid. The Master Association may bring an action at law against the Pad or Residential Condominium Association's Owners personally obligated to pay the same and/or foreclose the lien against the subject Pad or Condominium, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such Assessment.
- B. In addition to fines the amount of which may be authorized and passed by the Association Board, or as specified in a fine schedule or as in the Declaration or the Bylaws, the Master Association may levy fines against Pad or Residential Condominium Association's Owners who violate (or whose Permittees violate) any provision of the Governing Documents for which no specific penalty is provided. Such fine may be levied following prior written notice sent by first class mail or personal service providing the Owner an opportunity to be heard before the Board on the subject violation. First violation fines shall be not less than \$25.00, and subsequent violation fines for the same or similar infraction shall be double the immediately preceding fine. All such fines shall become an expense of the subject Unit and shall be due and payable with the next installment of General Assessments. All such fines shall constitute a lien on the subject Unit as provided in Section 7.4 of the Declaration, and may be referred for legal action; and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such fine. The presumptive fine schedule, subject to modification by the Board in its sole discretion, shall be as follows:

First Violation \$50
Second Violation \$100

- C. The Association's Board or agent may or may not, in the sole discretion of the Association, provide a warning to an Pad or Residential Condominium Association's Owner, Tenant or Resident concerning a violation of the governing Documents. Prior to levying any fine, the Board shall follow the notice and hearing procedure set forth in the Governing Documents, including specifically but not limited to Section 16.7 of the Declarations and Section 8.1 of the Bylaws.

- D. The assessment and collection of Periodic Assessments, Special Assessments, other charges, costs, interest, fees, fines, and other Assessments are otherwise governed by the Declaration and the Bylaws.

3.0 ACCESS PRIVILEGES

- A. Each Pad or Residential Condominium Association's Owner and its Permittees shall be entitled to access and to use the Master Common Elements as provided in the Governing Documents, except to the extent that such access has been suspended or limited by the Master Association, or is otherwise restricted by specific policies, procedures, or these Rules.
- B. An Owner who has leased such Owner's Unit to a third party tenant ("Tenant") and who does not retain any rights to occupy or use such Unit (a "Non-occupant Owner") shall be entitled to have access to the Master Common Elements only for the purpose of (i) entering the Unit such Owner has leased to such Owner's Tenant, (ii) conducting any Association business, or (iii) as a Permittee of an Owner or Tenant. A non-occupant Owner is deemed to have transferred such Owner's Common Element privileges to the Tenant of such Owner's Unit, and shall not otherwise have Master Common Element privileges of his/her own.

4.0 ALTERATIONS

- A. No Pad or Residential Condominium Association's Owner or Owner's Permittee may construct anything upon, remove anything from, or alter any of the Master Common Elements, or paint, decorate or landscape any portion of the Master Common Elements. No Pad or Residential Condominium Association's Owner or Owner's Permittee may do anything which impairs or affects (i) the structural stability or building systems of the Master Condominium Project, or any structural component of the buildings within the Master Condominium Project; or (ii) any easement or right granted pursuant to the Declaration.
- B. Failure to comply with Article 8 of the Declaration regarding any alterations, modifications, or additions may result in substantial assessments or fines levied against the Pad or Residential Condominium Association's Owner. Moreover, the Master Association may in its discretion remove or remedy any nonconforming alteration, modification, addition, items, or signs and charge the cost thereof to the Owner as a Special Assessment as provided in the Declaration, which shall be a lien upon the subject Unit as provided in Section ____ of the Declaration.

5.0 PARKING

- A. The Master Association Board may adopt rules from time to time effecting the parking policies.
- B. Owners and their Permittees must park their motor vehicles within the marked Parking Space(s). A motorcycle, motor scooter, etc., may be also parked in a Parking Space if it can be accommodated within the painted lines marking the boundary of such Parking Space and does not adversely impact the vehicles parked on either side

or access to Residential Storage Areas or traffic lanes.

- C. No trailers, motorhomes, boats, etc. will be permitted, kept, or stored in any Parking Space at any time except with special written permission from the Manager (unless special written permission has been granted in accordance with the rules and regulations of the Master Association), and then only for a short, temporary period of time in unusual circumstances.
- D. Washing of cars or other vehicles, changing oil or fluids, or making mechanical repairs on cars or other vehicles, is not permitted. Vehicles shall be maintained so as to avoid excessive and unsightly oil and other operating fluid stains or pools. Vehicle owners are responsible for the cleanup of excessive fluid leakage if it does occur.
- E. Storage of any type in Parking Spaces is prohibited. Storage of personal property other than vehicles in the Parking Spaces constitutes a violation of enforceable fire codes. Such items will be removed by the Manager at the expense of the Owner of the subject Unit and if not claimed within 20 days will be disposed of.
- F. Storage of gasoline, oily rags, or any other highly flammable materials is strictly prohibited in any other place within the Project.
- G. The Master Association will not assume any responsibility for loss of or damage to any vehicle parked in any Parking Space.
- H. Any vehicle parked or abandoned in any Common Element, is subject to immediate towing at vehicle owner's expense.
- I. If an Owner or its Tenant provides the Manager with reasonable evidence that such Owner or Tenant is entitled by applicable law to use the Parking Spaces designated as handicapped parking located in the Garage, such Owner or Tenant will be granted the non-exclusive use of such handicapped parking; provided that such Owner or Tenant shall simultaneously grant the Master Association a license for the exclusive use of such Owner's or Tenant's designated Parking Space, if any, for as long as such Owner or Tenant is entitled to use handicapped parking.
- J. The Master Association may hold special events in the Parking Area.

6.0 BICYCLES, SKATEBOARDS AND ROLLERBLADES

- A. The use of skateboards and rollerblades is not permitted on the Subsidiary Common Elements or the Subsidiary Limited Common Elements of the Association or the Master Common Elements or Master Limited Common Elements of the Master Association.

- B. Bicycles should be parked in Racks provided by the Master Association except for Residential Owners subject to regulation by their Subsidiary Association. Bicycles are not permitted to be brought into and out of Commercial spaces.
- C. Bicycle racks have been provided. If so, any bicycles stored and/or locked in the bicycle racks are the responsibility of the Owner. No bicycles may be parked overnight in commercial areas.

7.0 PETS

- A. The keeping of pets in the Center is subject in all respects to Section _____ of the Declaration. Pets of Residential Owners are also subject to the rules and regulations of the Subsidiary Associations.
- B. Permissible Pets in Commercial Areas
 - 1. Only usual and ordinary domestic pets (e.g. dogs, cats, small birds in cages) Commercial Tenants and their Employees may bring their Dogs or Cats to their work space.
 - 2. No pit bulls or other aggressive breeds.
 - 3. Pets must be licensed and vaccinated as required by the Town of Frisco.
- C. Restrictions on Pets
 - 1. Pets shall be kept in accordance with any applicable law, ordinance or regulation. Pets are not permitted in the Master Common Elements at any time other than as necessary to bring such pets into and out of the Buildings.
 - 2. No pet shall be allowed to become a nuisance or create any unreasonable disturbance. Examples of nuisance behavior for the purpose of this paragraph include but are not limited to:
 - a) Personal injury or property damage caused by unruly behavior.
 - b) Pets in common areas, which are not under the complete control of a responsible human companion, and on a short hand-held leash or in a pet carrier.
 - c) Pets which relieve themselves on walls or floors of common areas.
 - d) Pets which exhibit aggressive or vicious behavior.
 - e) Pets which can be heard in another unit.

- f) Odor that is detectable in a common area or another unit.
- 3. Notwithstanding any other provision herein, people with visual, hearing, and physical disabilities may keep certified dogs or service dogs, respectively, in their condominium unit. Further, nothing herein shall hinder full access to the condominium unit and the common areas by persons with disabilities.
- 4. All pets must have the appropriate shots, licenses and tags, as required by applicable ordinance or law.
- 5. Guests and visitors may bring pets into commercial buildingthe building to visit a resident. The guest pets are subject to the same rules as tenant pets and the tenant is responsible for the behavior of the guest pet.
- 6. Pet owners shall indemnify the Association and hold it harmless against loss or liability of any kind arising from their pet(s).
- 7. Pets shall not be kept, bred or used for any commercial purpose.

8.0 GENERAL AND MISCELLANEOUS

- A. Any activity that causes any liquid, dust, or debris to be blown onto Common Elements is prohibited.
- B. The common sidewalks, driveways, entrances, hallways, and stairways shall not be obstructed in any way. Loitering in these areas is not permitted.
- C. No Common Elements shall be used as play areas. Skateboarding, rollerblading, is not permitted.
- D. No fireworks or firearms may be discharged or fired from within the Center

- G. Roberts Rules of Order shall be used in conducting meetings of the Board or Ownership.
- H. Funds of the Association shall be invested only in Banks insured by the Federal Deposit Insurance Corporation.
- I. All records required to be available by CCIOA shall be maintained on a web site with appropriate access controls. If not available, said documents shall be made available within 48 hours at a cost to the person requesting of 7 cents per page.
- J. Conflicts of Interest--As described in Colorado Revised Statutes 7-128-501, a "conflicting interest transaction" means: A contract, transaction, or other financial relationship between the Association and a director of the the Association, or between the the Association and a party related to a director, or between the the Association and an entity in which a director of the the Association is a director or officer or has a financial interest.
 - (1) A "party related to a director" shall mean a spouse, a descendent, an ancestor, a sibling, the spouse or descendent of a sibling, an estate or trust in which the director or a party related to a director has a beneficial interest, or an entity in which a party related to a director is a director, officer, or has a financial interest.
 - (2) No loans shall be made by the Association to its directors or officers. Any director or officer who assents to or participates in the making of any such loan shall be liable to the corporation for the amount of such loan until the repayment thereof.
 - (3) The following rules apply to approval of any transaction deemed to be a "conflicting interest transaction"
 - (a) The material facts as to the director's relationship or interest and as to the conflicting interest transaction shall be disclosed to the board of directors or the committee, and the board of directors or committee in good faith shall authorize, approve, or ratify the conflicting interest transaction by the affirmative vote of a majority of the disinterested directors, even though the disinterested directors are less than a quorum; or
 - (b) The material facts as to the director's relationship or interest and as to the conflicting interest transaction shall be disclosed to the members entitled to vote thereon, and the conflicting interest transaction shall be specifically authorized, approved, or ratified in good faith by a vote of the members entitled to vote thereon; and
 - (c) The disinterested directors determine that the conflicting interest

transaction is fair as to the the Association.

(4) Common or interested directors may be counted in determining the presence of a quorum at a meeting of the board of directors or of a committee which authorizes, approves, or ratifies the conflicting interest transaction.

- K. OWNERS ARE IN ALL CASES RESPONSIBLE FOR ANY AND ALL INFRACTIONS OF THESE RULES AND THE OTHER GOVERNING DOCUMENTS COMMITTED BY THEMSELVES AND THEIR FAMILIES, GUESTS, INVITEES, AND LICENSEES. OWNERS ARE RESPONSIBLE FOR ANY AND ALL INFRACTIONS COMMITTED BY THEIR TENANTS AND THE GUESTS, INVITEES, AND LICENSEES OF THEIR TENANTS. OWNERS ARE RESPONSIBLE FOR THE BEHAVIOR OF ANY CHILDREN LIVING WITH THEM OR VISITING THEM, ANY FINES AS A RESULT OF THEIR ACTIONS WILL BE ASSESSED AGAINST THE OWNER OF THE UNIT.

9.0 AMENDMENT OF THE RULES AND REGULATIONS

A. The Rules and Regulations may be amended at any meeting of the Board subject to advance notice to Owners as prescribed in Section 9.1 of the By Laws setting forth in writing the proposed amendment.

B. The Rules and Regulations may also be amended at any meeting of the Ownership by a majority vote subject to an advance notice to all Owners as prescribed in Section 9.1 of the By Laws setting forth in writing, the proposed amendment.

