

SUMMARY OF RULES, PROCEDURES, AND RESTRICTIONS

FAIRWAY PINES ESTATES PROPERTY OWNERS ASSOCIATION

November 15, 2012

Fairway Pines is a planned unit development (PUD). As such, the community is required by Colorado law to have and enforce covenants, which are documents each owner received and acknowledged when acquiring property within the development. Covenants run with the land, meaning they apply to subsequent owners. The association's board of directors has a legal obligation to fairly enforce all provisions of the covenants, and it has the authority under state law and the covenants to adopt rules and regulations to carry out this obligation.

This document was prepared by the association's Covenants and Rules Committee as a plain-English summary of the more significant rules, procedures, and restrictions applying to owners, guests, invitees, and tenants of residential and commercial properties in the Fairway Pines Estates Property Owners Association. For legal or enforcement purposes, users should refer to the association's governing documents, including the Covenants, By-Laws, ARC Standards, and board-adopted Rules and Procedures, all of which are published on the association's website, www.fairwaypinespoa.com.

Enforcement procedures, including opportunity for members to appeal, are provided in the association's governing documents, particularly Section 6 of the Rules and Policies, Covenant and Rule Enforcement.

Dues & Assessments

Because delinquent dues are unfair to dues-paying members, the association has a strict policy for collecting delinquent assessments, including liens, involvement of attorneys, and foreclosure. See Section 8 of the Association Policies and Procedures, Collection of Past Due Assessments.

Fire Mitigation

Extreme fire conditions can occur on Log Hill Mesa. While streets and the golf course provide more firebreaks than other communities on the Mesa, Fairway Pines has some significant forested areas with enough fuel to get out of control and cause serious damage.

Trash, slash, or garbage is not permitted to accumulate on any lot. Open burning of trash is not permitted. Emergency burn bans issued by the board or government agency shall be obeyed.

Owners should be familiar with the Mesa's Evacuation Plan. Owners are urged to take advantage of community cleanup days, clean pine duff in Ponderosa forested areas, remove low hanging tree branches and dead vegetation (ladder fuels), and create defensible space to reduce the chance of fire from reaching your house, and to give firefighters a chance to protect it.

Refer to the Log Hill Fire Department's website for more information on the evacuation plan and fire mitigation, www.loghillfire.org.

Architectural Review

The covenants say that no structure or improvement of any kind shall be made on any property without the review and approval of the Architectural Review Committee (ARC). Improvements include removal of trees and landscaping.

The association's control of satellite antennae and energy conservation devices (e.g., solar panels, clothes lines) is limited by state and federal law. However, these devices are still subject to ARC review and approval.

If there is any question of whether or not ARC approval is required,

members are urged to contact the committee chair, whose phone number and email address are posted on the Association's website, www.fairwaypinespoa.com.

The association's Architectural Standards are reviewed and updated regularly and are available on the Association's website.

Snow Removal

Snow clearing of Fairway Pines roads will normally begin within 2-4 hours of an accumulation in excess of 3-4", or prior to 6AM on the morning following a late evening/night snowfall. In general, work will begin with clearing of the major streets, such as Marmot Drive, North and South Badger Trails and Divide Ranch Circle.

Questions or issues involving streets in Fairway Pines should be directed to the chair or a member of the Road Committee. Their contact information is available on the association's web site, www.fairwaypinespoa.com.

Signs

Signs are generally prohibited on residential properties. Real estate sales signs are specifically addressed in both the covenants and the Architectural Standards. Refer to those documents or contact the ARC chair before erecting any kind of sign on properties within the association.

The association's ability to regulate patriotic or political expression is limited. Political signs may be posted no more than 45 days before an election and must be removed within seven days after the election. The American, Colorado, or service flags may be flown at any time.

Tree Removal, Vegetation, & Weeds

The covenants and ARC Standards limit tree removal. Owners should contact the ARC chair before removing any indigenous trees or perennial bushes. Unauthorized tree removal may result in the owner having to replace the tree.

Weeds should not be allowed to become unsightly or a fire hazard. Additionally, Ouray County has a noxious weed list and a weed management plan requiring property owners to control listed noxious weeds. Information on the county weed program is available on the county's web site <http://ouraycountyco.gov/weedcontrol.html> or by calling 970-626-5391.

Commercial Activity

In general, no business or commercial use is allowed on any residential lot. However, permission to operate home businesses such as cottage industries may be granted upon request by the Board of Directors, upon finding that the home business activity will not interfere with the peace and quiet of

the neighborhood, increase traffic, or create a safety hazard.

Residential lots may not be used as a base of operations for businesses that store inventories, goods, or vehicles or equipment outside of the residence.

Occupancy & Use

The covenants say, "Each residential lot and each unit within a cluster lot shall be used for one single family private dwelling only per lot, designed for the occupancy of and by one family...." Association policy defines "family" to include domestic help, caregivers, and "significant others" as well as persons related to one another by bonds of blood or legal ties.

Damage to Common Area

Property owners are responsible for the activities of their tenants, guests, and invitees, and shall assure these activities comply with the covenants and other rules or the association. Owners are ultimately responsible for any damages to common elements or other property of the Association caused by their tenant, guest, or invitee, or the guests or invitees of the tenant.

Rental/Leasing of Properties

Effective January 1, 2013, before renting or leasing any residential or commercial property within the subdivision, the owner is required to submit a refundable security deposit

and disclose to the association the contact information for the owner and tenant and the names and relationship of all occupants, to include telephone numbers and email addresses.

The rules and procedures regarding rental properties are set out in Section 12 of the association's Policies and Procedures, available on the association's website, www.fairwaypinespoa.com.

Conflicts of Interest

Conflicts of interest are not permitted in association affairs. Section 3 of the association's rules and policies sets out the conflict of interest standards that must be followed by association board members, advisors, and committee members, as well as consultants and employees.

Pets

The covenants specify that no more than three pets may be kept on a property and pets must be appropriately confined, fenced, leashed, or otherwise under the control of the owner.

Ouray County's pet control ordinance defines "control" as the pet is within sight and hearing distance of its custodian AND upon command returns to the immediate vicinity (within four feet) of such person. The ordinance goes on to say that a pet is not under control when it inflicts damage or injury, or harasses, chases or attacks persons, vehicles, cyclists,

pedestrians, livestock, other domestic animals, or wildlife.

Vehicles, Parking & Storage

Overnight parking on streets within the subdivision is prohibited for any type of vehicle. No abandoned or dilapidated vehicles are permitted on any lot.

Except for automobiles or pickups, all vehicles including RVs, cycles, campers, trailers, snowmobiles, shall be parked in a garage or screened from view from streets, roads, golf course and neighboring properties by an ARC-approved structure or natural vegetation or terrain.

Motor homes, RVs and campers may be hooked up to an owner's water or sewer system and may be occupied by the owner's guests on a temporary basis and in any event for not more than ten days in any calendar month.

Garage Doors

Open garage doors attract rodents and other wildlife, including bears, and can be unsightly. The covenants specify that residential garage doors be kept closed at all times unless required to be open to accommodate vehicle entry/exit or maintenance of the door or garage area.

Trash & Garbage

Trash, slash, and garbage are not allowed to accumulate on any lot.

Garbage cans attract bears and other animals. Garbage cans should not be put out on the street until the morning of the trash pickup, and should be removed from the street by the day after the pickup.

Owners are urged to arrange for a neighbor to put out the garbage if they are not able to do it themselves on the pickup morning.

Offensive Activity/Outdoor Lighting

No noxious or offensive activity, sounds, lights, or odors shall be permitted on any lot. Firearms shall not be discharged on any lot. Exterior lighting shall be approved by the Architectural Review Committee and shall comply with Ouray County's Dark Sky Ordinance.