

**RESOLUTION
OF
THRAEMOOR IN THE PARK TOWNHOME ASSOCIATION, LLC**

SUBJECT: Leasing, Rental and Tenant Screening Rules and Regulations

PURPOSE: To provide notice of the Association's adoption of a Resolution approving rules, regulations and restrictions promoting the recreation, health, safety and welfare of the residents of the properties subject to the Declaration and preserving and protecting the values of the properties subject to the Declaration.

AUTHORITY: The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law.

**EFFECTIVE
DATE:**

3-12-09, 2009 *me*

RESOLUTION: The Association hereby gives notice of its adoption of a Resolution establishing rules, regulations and restrictions regarding the leasing and rental of Units and rules, regulations and restrictions regarding tenant screening. The Resolution adopted is as follows:

A. INTRODUCTION

- 1) In 2000, the Hill Development, Inc., the developer of Thraemoor in the Park Townhomes, filed a Declaration which subjected all of the property now owned by members of Thraemoor in the Park Townhomes to its provisions.
- 2) While the Declaration represents the Association's primary governing document and provides in general for the manner in which the Association is entrusted with the responsibility for implementing and enforcing its provisions, it is clear that it does not address and cannot deal with every situation. Rather, it describes a general framework for the administration and control of all properties within the Community.
- 3) Specifically, Section 10.10 of the Declaration permits the leasing of townhomes subject to the terms and conditions of the Declaration.

- 4) Since the Declaration provides general guidance on leasing and rentals and vests responsibility for the administration and enforcement of such matters in the Board of Directors of the

Association, the Board, hoping to achieve standards pursuant to which all Association members will be better able to own, maintain and enjoy their properties, promulgates the Rules and Regulations that follow.

- 5) Colorado law permits the Board of Directors to adopt Rules and Regulations to interpret the provisions of the Declaration.

B. LEASING, RENTAL AND TENANT SCREENING RULES AND REGULATIONS

- 1) Owners are Responsible for Tenants. Responsibility for a positive experience with tenants in the Community rests with the Owner of each leased Unit. Owners are responsible for the behavior of their tenants. In order to preserve the character of the Community, the leasing of Properties shall be governed by these Rules and Regulations.
- 2) Rule Restricting Leasing Without Prior Tenant Screening. Owners desiring to lease their Units may do so only if they have screened and qualified the prospective tenant. Screening services are available through third-party vendors. Until such time as the Owner complies with these rules, the Leasing of an Owner's shall be prohibited.
- 3) "Lease" or "Leasing" Definition for these Rules. Any "Lease" or act of "Leasing," for purposes of these Rules, is defined as regular, exclusive occupancy of a Unit by any person other than the Owner; provided, however, that Leasing shall not include the occupancy of the Unit by the child or parent of an Owner. Occupancy by a roommate of an Owner who occupies the Unit as such Owner's primary residence shall also not constitute Leasing.
- 4) Required Components of Screening/Tenant Qualifications. Before any tenant may occupy a Unit in the Community, or renew or extend an existing Lease after the effective date of these Rules, the following information must be provided to the Association's managing agent:
 - a) Criminal history of the proposed tenant; and
 - b) Eviction history of the proposed tenant.

Additionally, the Owner must approve or reject each proposed tenant and Lease based on the information provided by the proposed tenant and the above information. Nothing in these Rules and Regulations shall be construed as giving the Association

the right to approve or disapprove a proposed tenant. The requirement of these Rules and Regulations is to inform the Owner of a prospective tenant's background before leasing, to require Owner approval or rejection of a proposed tenant and to establish other supporting Rules and Regulations.

- 5) Third Party Tenant Screening Services. Owner shall contract with third parties to provide the tenant screening services required by these Rules and Regulations, provided that the Owner shall provide evidence that the reports have been obtained to the Manager. A receipt evidencing the reports were obtained shall be sufficient evidence of the reports.
- 6) Additional Leasing Rules and Regulations and Recommendations.
 - a) Avoid Discrimination. Owners cannot make a decision about a perspective tenant based on race, color, sex, sexual orientation, marital status, religion, national origin, disability or family status (children).
 - b) Entire Unit. Units may be leased only in their entirety. No fraction or portion may be leased without prior written Board approval.
 - c) Minimum Length or Term of Leases. All leases must be for an initial term of not less than 30 days.
 - d) Owner to Provide Tenant with Copies of Documents. The Owner must provide the tenant copies of the Declaration, Bylaws and Rules and Regulations.
 - e) Required Provisions to be Included in Each Lease. Each Lease of a Unit shall contain the following language and, if such language is not expressly contained therein, then such language shall be incorporated into the Lease by existence of this rule; and the tenant, by occupancy of the Unit, agrees to the applicability of this rule and incorporation of the following language into the Lease:
 - i) Compliance with Declaration, Bylaws and Rules and Regulations. The tenant shall comply with all applicable provisions of the Declaration, Bylaws and Rules and Regulations adopted pursuant thereto and shall control the conduct of all other occupants and guests of the leased Unit in order to ensure such compliance. The Owner shall cause all occupants

of his or her Unit to comply with the Declaration, Bylaws and Rules and Regulations and shall be responsible for all violations by such occupants, notwithstanding the fact that such occupants of the Unit are fully liable and may be sanctioned for any such violation. If the tenant or a person living with the tenant, violates the Declaration, Bylaws or a rule or regulation for which a fine is imposed, notice of the violation may be given to the Owner and the tenant. A fine may be assessed against the Owner. Unpaid fines shall constitute a lien against the Unit.

- ii) Additional Remedies. Any violation of the Declaration, Bylaws or Rules and Regulations by a tenant, any occupant or any guest of tenant, is deemed to be a default under the terms of the Lease and authorizes the Owner to terminate the Lease, without liability, and to evict the tenant in accordance with Colorado law. If the Association requests that the Owner evict the Owner's tenant based on the terms of the Declaration and the Owner fails to commence such action within thirty (30) days of the date of the Association's notice, the Association may commence its own eviction proceedings. Upon failure by the Owner to comply with the Association's request to evict, the Owner delegates and assigns to the Association, acting through the Board, the power and authority to evict the tenant as attorney-in-fact on behalf of and for the benefit of the Owner for breaches resulting from the violation of the Declaration and Rules and Regulations. If the Association evicts the tenant, any costs, including but not limited to, reasonable attorney's fees actually incurred and court costs associated with the eviction shall be an Assessment and lien against the Unit.
- iii. Use of Common Areas. The Owner transfers and assigns to the tenant for the term of the Lease, any and all rights and privileges that the Owner has to use the Common Elements.

-
- 7) Inapplicability of Leasing and Rental Rules to First Mortgagees and Association. These Rules and Regulations, as set forth above, shall not apply to any leasing transaction entered into by the Association, or the holder of any first mortgage on a Unit who

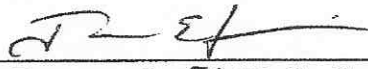
becomes the Owner of a Unit through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such mortgage.

- 8) Enforcement and Attorney Fees. It is hereby declared to be the intention of the Association to enforce the provisions of these Rules and Regulations by any and all means available to the Association at law or in equity, and to seek recovery and reimbursement of all attorneys' fees, Association expenses and costs incurred by the Association in connection therewith.
 - 9) Modification, Amendments, Repeal and Re-Enactment. 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 Declaration, Bylaws and applicable law.
 - 10) Miscellaneous Provisions.
 - a) Failure by the Association, the Board or any person to enforce any provision of these Rules and Regulations shall in no event be deemed to be a waiver of the right to do so thereafter.
 - b) The provisions of this Resolution 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.
 - c) 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.
 - d) 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 policies and procedures or the intent of any provision hereof.
-


**PRESIDENT'S
AND
SECRETARY'S**

CERTIFICATION: The undersigned, respectively being the President and Secretary of Thraemoor in the Park Townhome Association, LLC certify the foregoing Resolution was approved and adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors of the Association on 2-12-09, 2009, and in witness thereof, the undersigned have subscribed their names

**THRAEMOOR IN THE PARK TOWNHOME
ASSOCIATION, LLC**

By: 
James E. FRIESE President

ATTEST:

By: 
Donald E. Warfield Secretary