

June 29, 2004

TO: Members of the Stapleton Filing 2 Townhome Association

SUBJECT: Rules and Regulations / Landscaping

Rules and Regulations

Enclosed you will find the first version of the Rules and Regulations adopted by the Board of Directors for the Stapleton Filing 2 Townhome Association. These Rules and Regulations, the Bylaws, Covenants and Declaration govern the operation of the Association and the responsibilities of the Association and its members. You should familiarize yourself with each of these documents.

In drafting the Rules and Regulations, the Board has made its best effort to focus on its responsibilities to the property owners to maintain the integrity of the Common Area property and to keep the costs of the Association in check. The Rules and Regulations also recognize the responsibility of each property owner and resident to do the same.

It is likely that after discussing and re-reading the Rules and Regulations several times, that what is perfectly clear to the Board may not be so clear to you. It is also possible that we missed something important or that a rule may have unintended consequences. If so, we will revise the Rules and Regulations as required.

Landscaping

The Board is working with McStain and the landscaping firm to bring resolution to the problems with the landscaping. Work should begin shortly to replace plants that did not survive the winter or have limited growth. In some cases different plants will be used where we determined that they are better suited for the location than the original plants. Work will also be done to correct problems with the watering system.

We have also been in contact with the Master Association about the replacement of trees in the tree lawn on 29th Ave; this tree lawn was not installed by McStain and is the responsibility of the Metropolitan District. At this time we have no firm commitment as to when the work in the tree lawn will be completed.

If you have questions or need additional information, please contact Cathy Vannerson at Management Specialists. Cathy can be reached by email at CVannerson@managementspecialists.com or by telephone at 303-420-4433.

For the Board of Directors
Dennis Scott
President

Stapleton Filing 2 Townhome Association

Stapleton Filing 2 Townhome Association
A Colorado Non-Profit Corporation

Rules and Regulations
Adopted June 17, 2004

DEFINITIONS

"Owner" means the person or persons whose estates or interests, individually or collectively, aggregate fee simple ownership of a townhome unit.

"Occupant" means a person or persons in possession of a unit regardless of whether said person is an owner.

"Common Area" for our purposes refers to the Common Maintenance Areas described in the Covenants. Generally speaking, the Common Area consists of most of the outside elements of the Lots and the Townhomes, such as the building facade and landscaping. The Common Areas specifically do not include the backyards of the Mission Townhomes.

INTRODUCTION

The Association is organized and governed by the Colorado Common Interest Ownership Act, the Covenants and the Association Bylaws and has the responsibility to preserve, protect and enhance the property included in the Association. To this end, the Association provides hazard insurance and exterior maintenance of the townhome buildings, garages and landscaping.

In order to promote the objectives of the Association, the Board has adopted this set of Rules and Regulations. The Board will enforce these Rules and Regulations and the provisions of the other governing documents, which can include assessment of monetary fines, after Notice and Hearing, for infractions. The amount of fines will be in accordance with the Association's enforcement policies and procedures.

GENERAL PROVISION

1. No temporary or permanent changes, alterations or additions can be made to the Common Areas without prior approval of the Board, or unless specifically provided for in the Rules and Regulations.

ARCHITECTURAL CHANGES AND AESTHETICS

2. Aluminum external storm or security doors may not be installed. Steel external storm or security doors can be installed with prior approval of the Board. The Board will create a list of approved doors as requests are made from the Owners.
3. Nothing may be attached, hung or displayed from or on the Common Areas, including but not limited to: balconies, windows, fences, building facade, roof or landscaping, without the prior approval of the Board. Small and limited personal decorations at the front or back entries are permitted; e.g. door wreaths, wind chimes, wall hangings. Specific exceptions have been adopted for holiday displays, and other situations, as described herein. Damage to the Common Area that results from a violation of this rule or the exercise of the exceptions provided herein, will be the responsibility of the Owner and the cost of repairs will be added to the account of the Owner and will be due and payable to the Association as assessments.

4. No sign of any type is allowed without the prior approval of the Board. One "For Sale", "For Rent" or "Open House" sign is permitted, provided that the sign is not larger than five square feet and that the sign is placed on the inside of the window of the unit. One small security service sign is permitted. No lighted signs are allowed.
5. Limited and temporary holiday decorations are permitted for the following traditional or public holidays: Christmas, Hanukkah, Thanksgiving, Easter, July 4th and Halloween. The decorations shall be taken down within a reasonable period of time after the day or days of the holiday have passed. In all cases, the Owner and Occupant are responsible to comply with all other rules and regulations and will be held responsible for the cost of repairs to the Common Areas that result from their holiday displays.
6. Small, temporary signs or displays in recognition of personal events such as birthdays, anniversaries, homecoming, house warming, bar/bat mitzvah, graduation and similar occasions are permitted if they do not exceed five square feet in size and for a period not to exceed two days. A similar type sign announcing the birth of a child is permitted for a period not to exceed 14 days. The Board will rely on the Owners and Occupants to exercise restraint and good judgment with respect to such signs and displays.
7. Window air conditioning units and fans that extend outside of the window frame are not permitted.
8. Driveways and Common Areas must be kept clear and may not be used for storage or display of any kind. This includes but is not limited to: temporary structures, signs, bikes, furniture, garbage cans, firewood, bicycles, barbeque grills, toys, or other items of personal property.

MAINTENANCE OF COMMON AREAS

9. Only routine maintenance for normal wear and tear and replacement of the Common Areas is included in the Association's budget. Extraordinary repairs or maintenance of any Lot or Townhome will be separately identified and the cost added to the assessment account of the Owner and will be due and payable to the Association as assessments.
10. Each Owner is responsible to keep the Common Areas of their Lot clean and free of trash, junk, lumber, animal waste, etc. Rubbish, refuse and garbage must be stored in suitable containers and in a sanitary and inoffensive manner.
11. Replacement of all light bulbs in the Common Area is the responsibility of the Owners. Light bulbs must be replaced promptly and with similar bulbs. Only the original lighting fixtures are permitted; no additional lighting is permitted in the Common Area.
12. Snow removal of one inch or greater will be provided by the Association through its designated contractor. Snow will be removed from the public sidewalk and the sidewalk leading up to the front door of each townhome. Owners and Occupants are responsible to remove snow of less than one inch from all sidewalks on their Lot and the adjacent public sidewalk.
13. All animals kept within any Lot or Townhome must comply with the ordinances of the City and County of Denver. All animals must be leashed while on the Common Areas. It is the responsibility of the Owners and Occupants to promptly remove and dispose of all animal waste.
14. Satellite dishes are permitted as allowed by law; however, their placement and cabling into the unit must minimize the potential for damage to the Common Areas and limit the

visual impact on the aesthetics of the property.

15. Maintenance of the landscaping in the Common Areas will be provided by the Association through its designated contractor. The landscaping is not to be changed or altered by the Owners or Occupants without prior approval of the Board.
16. Planters and flower pots may be displayed in the Common Areas provided that they are located within six feet of the front door, limited to three, are not larger than 24 inches in diameter and more than 24" high. Plants and pots displayed in the Common Areas must be aesthetically similar to the character of the building, be properly maintained and not disturb the landscaping or create an obstacle to foot traffic or maintenance crews.

MISSION TOWNHOME BACKYARDS

17. Maintenance of the Mission Townhome backyards is the responsibility of each townhome owner; except for the building facade, fences and other areas defined as Common Areas.
18. Sec 5.07 Maintenance of Drainage in the Covenants states in part that: "Unless otherwise approved by the Executive Board, the five foot area surrounding the foundation of any townhome structure may not be landscaped with live plant material that requires watering. No sprinkler system may ever be installed in such five foot zone."

The Board may approve certain landscaping within the five foot area as required in Sec 5.07 of the Covenants provided that the Lot Owner executes an acknowledgement form provided by the Association which states that the Lot Owner understands and accepts that: 1) installing live plant material is not recommended due to the increased possibility of damage to the foundation; 2) McStain may not honor its warranty of the foundation if such planting is installed; and 3) the Association and Executive Board will be held harmless to any claim for damage to the foundation resulting from having provided its approval for planting in the five foot zone.

The Board will not grant its permission under Sec 5.07, does not and will not provide its approval without the signed acknowledgement form. The Board will conduct periodic inspections to assure compliance with these Rules and Regulations and will initiate enforcement action against those Owners who are in violation of this requirement of the Covenants.

Fine Policy

From time to time the Board may deem it necessary to assess fines against any homeowner that is in violation of Stapleton Filing 2 Townhome Association's Rules and Regulations or other governing documents.

These fines will be assessed when a homeowner does not correct a rule violation after they have been apprised of the violation in writing, given a reasonable amount of time to correct the problem and an opportunity to be heard by the Board regarding the alleged violation.

1 st offense in a 6 month period.....	\$25.00
2 nd offense in a 6 month period.....	\$50.00
3 rd offense in a 6 month period.....	\$75.00
4 th or more offenses in a 6 month period.....	\$100.00