

INFORMATION BROCHURE
FOR
TAMARAC HILLS

This information brochure has been prepared for you as a potential purchaser of Real Estate in the Tamarac Hills community (also referred to herein as the "**Community**"). This brochure is a general summary and outline of the nature of the development, the Community's association and the governing documents by which the Community is governed. As a prospective purchaser, you should be, or should become, generally familiar with Colorado law governing Tamarac Hills. You should obtain and review copies of the Declaration, the Articles of Incorporation and Bylaws for the Tamarac Hills Homeowners Association, Inc. (the "**Association**"), any rules and regulations, the Association's budget, and all subsequent amendments before entering into a contract to purchase.

THE COMMUNITY

Tamarac Hills is a patio home or planned community development located in the City and County of Denver, State of Colorado, consisting of 80 lots ("**Lots**"). After purchasing a Lot, a purchaser's deed is to be presented for recording by the title company closing the transaction, and the purchaser will obtain fee simple ownership of their Lot to set forth certain rights, duties and responsibilities of the owners of Lots within the Community.

Excluding the Lots owned by individual owners, the Community consists of "Common Areas" owned by the Association. Examples of the Common Areas include landscaped areas and the pool and tennis court areas.

THE ASSOCIATION

The Association has been incorporated as Colorado nonprofit corporation. The Association is organized to operate and manage the Common Areas and related improvements within the Community. Every owner has the right to use all of the Common Areas subject to reasonable rules and regulations established by the Association.

Every owner of a Lot automatically becomes a "Member" of the Association upon purchase of a Lot. As Members of the Association, owners are allowed, among themselves, one vote for their Lot.

The business and affairs of the Association are transacted by and through its board of directors. The Members (owners of Lots) of the Association are to meet annually, at which time business of the Association will be transacted and owners may be elected to the board of directors. At the annual meeting, the officers of the Association will present reports and other business will be conducted according to the agenda for the meeting. Special meetings of the Association may be

called at any time by the president, the board of directors or upon petition of owners comprising twenty-five percent (25%) of the votes in the Association.

The officers of the Association are appointed annually by the board of directors. The officers direct the day-to-day business of the Association. The Association is responsible for the maintenance, repair, management and general upkeep of the Common Areas, bookkeeping and accounting functions, establishment and collection of the annual assessment fees from the Members, preparing an annual budget, providing for an annual financial reporting, insuring the Common Areas, and other duties related to the administration of the Community.

Funds of the Association are subject to the combined control of the members of the board of directors of the Association and the officers of the Association, with the management assistance and aid of the managing agent. The managing agent engaged by the Association is be an independent company that specializes in the management of owner associations. The managing agent may be changed from time to time by action of the executive board of the Association, or by resignation of that agent. A new managing agent may then be engaged by the executive board of the Association. The operating accounts and the reserve accounts of the Association are to be kept separate, but other than their separate existence, no other limitations apply to these accounts or funds.

Periodic audits, reviews or compilations by an independent certified public accountant are not required, but may be authorized by the executive board. Financial statements for the Association will be prepared by the managing agent on a periodic basis, and as prepared will be available to the owners at the cost of copying those statements.

ASSESSMENTS

Each Lot owner will be assessed annual assessment fees, which are established by the board of directors of the Association and are payable in monthly installments. Assessments are allocated equally among the owners of Lots. All owners are required to pay assessments on Lots. The Association may only levy and assess assessments based on a budget adopted no less frequently than annually. A summary of the budget is available to owners on request.

Since it is important that each owner pay the monthly installments of the annual assessments when due, procedures for the enforcement and collection of assessments have been established. All assessments are a personal obligation of each owner, and are secured by a lien established by Colorado law and the Declaration. This lien is for the benefit of the Associations and may be foreclosed by the Association. After an assessment is delinquent, the Associations may charge an owner a late charge. In addition, the Associations may file a lawsuit to collect the amount of the assessment, plus late charges, costs, expenses and attorney's fees, with or without foreclosing its lien.

INSURANCE

The Association is to obtain and pay for the hazard insurance for the Common Areas, as well as public liability and property damage insurance for the use of the Common Areas. Insurance coverage on the furnishings and other items of personal property belonging to an owner and public liability insurance coverage within each Lot are the duty and responsibility of each owner. It is recommended that every owner have their insurance agent contact the Association to determine what insurance coverage should be obtained by the owner.

SUMMARY

Due to the nature of a development such as Tamarac Hills and the documentation necessary to establish and maintain such a development, it is impossible to accurately and completely summarize the Development and all future rights and obligations in this Information Brochure. It is for this reason that the Association requests that each prospective purchaser become familiar with Colorado law governing the Community, and obtain and review copies of the Declaration, the Articles of Incorporation and Bylaws for the Associations, any rules and regulations, the budget, and all subsequent amendments before entering into a contract to purchase a Lot. Furthermore, each prospective owner should carefully review the contract to purchase a Lot, and any addendum(s) thereto, before entering into such a contract.