

**REVISED POLICIES, PROCEDURES, RULES AND REGULATIONS OF  
LANGTREE PROPERTY OWNERS ASSOCIATION, INC.**

**Dated: May 18, 2010**

I. Homeowners Association: The Langtree Property Owners Association, Inc. (the "Association") complies with all federal, state and local laws.

- A. Each owner or occupant of a Lot in the Subdivision shall read the following documents and any amendments thereto (which are collectively referred to as the "Association Documents "): the Declaration of Protective Covenants, recorded on June 8, 1995, Book 6662 at Page 351 Reception No. 95055930 of the real property records of El Paso County, Colorado (the "Declaration"); the Bylaws of Langtree Property Owners Association, dated February 1999 (the "Bylaws. Any policies, procedures, rules or regulations, including without limitation any design guidelines or community standards adopted by the Association's Board of Directors ("Rules"). All Owners and occupants shall strictly comply with the Association Documents, which are incorporated herein by this reference. The Association's Board of Directors (the " Board") shall have the power to enforce the Association Documents and to amend these Rules from time to time.
- B. The Association Documents, including these Policies, Procedures, Rules and Regulations, shall include those matters required or allowed by the Colorado Common Interest Ownership Act.

II. Architectural Control: Each owner shall strictly comply with the requirements for architectural approval set forth in the Association Documents. However, notwithstanding any provision of the Association Documents, the Association shall:

- a) allow reasonable modifications to dwellings that are necessary to afford a person with disabilities full use and enjoyment of those dwellings in accordance with the Federal "Fair Housing Act of 1968", 42 U.S.C. Sec. 3604(f)(3)(A); and
- b) regulate "renewable energy generation devices" (as that term is defined in C.R.S. § 38-30-168), which are permitted only on an owner's property, to the extent of reasonable restrictions upon dimensions, placement or external appearance that do not significantly increase the cost or significantly decrease the performance or efficiency of such devices, unless there are bona fide safety requirements or sound issues, within the meaning of C.R.S. § 38-30-168(2)(b) and (c).

Subject to the above limitations, the Board shall have sole and complete discretion in interpreting, enforcing and determining compliance with the architectural control provisions of the Association Documents and upholding the authority of the Architectural Control Committee the "Committee" which may be the Board itself. The Board may

determine in its sole discretion whether any applicant has met the procedural and other requirements of architectural review as set forth in the Design Guidelines, and this includes any “renewable energy generation devices as mentioned above.

III. Emergency Motor Vehicles: Notwithstanding Article 29 of the Declaration, emergency vehicles are permitted in a home occupant's driveway or in Association's streets if the emergency motor vehicle meets each of the following requirements:

- a) the emergency motor vehicle is required by the home occupant's employer as a condition of employment;
- b) the emergency motor vehicle weighs ten thousand pounds or less;
- c) the home occupant is a bona fide member of a volunteer fire department or is employed by a primary provider of emergency fire fighting, law enforcement, ambulance, or emergency medical services;
- d) the emergency motor vehicle has some visible emblem or marking designating it as an emergency vehicle; and,
- e) the parked emergency motor vehicle does not block emergency access or interfere with the reasonable needs of other Owners or occupants to use the streets and driveways within the subdivision.

IV. Violations of Association Covenants & Rules: In addition to themselves, each Owner shall be liable for any violations, omissions or damage done by that owner's guests, tenants, contractors, invitees, or family members, and each owner shall be subject to fine for any violations of the Association Documents, including these rules, by those persons. Each Owner shall make such persons fully aware of the Association Documents and their requirements and shall incorporate the same into any leases and agreements.

- A. Initial complaints of any violation must be presented to any Board member in writing or email by any Owner, or by the whistleblower section on the website, and shall be investigated by any subset of at least two Board members, appointed by the President, who will convene an "impartial decision making body" except such a Board member(s) who will receive a greater benefit or detriment from the outcome of an investigation than the general membership of the Association and/or Board members who initiated the complaint must recuse themselves from acting as members of the “impartial decision making body” during investigation, fact finding, meetings or hearings. Any Owner observing a violation of the Association Documents, including these rules, and who wishes to file a complaint should notify the Association in writing, via whistleblower or e-mail, and include the name, lot number and address of the person(s) in violation (if known), and the date, time, and location of the violation. Reports will be handled confidentially (within reason or unless disclosure is legally required).

- B. The ACC shall inform the Board of its findings and will make a determination as to whether or not the complaint shows cause for further proceedings. The Board shall then, at its discretion, determine whether or not the complaint shows cause for further proceedings, but not decide the validity of the complaint at that meeting. In the case that the Board decides that the complaint shows cause for further proceedings, they shall notify the alleged violator Owner and shall set it for hearing before the Board at a later date. Any such notice must be sent by certified mail, return receipt requested, at least 7 days prior to the scheduled hearing date. Any Board member(s) who would receive a greater benefit or detriment from the outcome of a hearing than the general membership of the Association must recuse themselves from any Board action on this matter.
- C. The primary purpose of hearings before the Board is to resolve covenant enforcement matters as early as possible, without the expense of litigation. As a result, any alleged violator Owner who appears at a hearing is encouraged to discuss resolution at the hearing. If, at the hearing, the Board believes that the alleged violator Owner is acting in good faith and that there is a realistic chance of resolution, the Board, at its discretion, may reschedule the hearing to determine whether the Owner/Violator has remedied the complaint). If an agreement or acceptable plan-of-action can be reached at this meeting, the minutes of the meeting and/or a separate letter signed by the Board and the alleged violator Owner will describe the binding agreement. However, if an agreement cannot be made, or if at any time the Board, in its sole judgment, believes that delay will harm the interests of the Association, it may proceed with the hearing and further proceedings as it deems necessary.
- D. At the hearing, the Board may consider any written or oral information produced by the complaining Owner, the alleged violator or other interested party. Any legal or statutory rule of evidence or procedure shall not apply to the hearing, and the Board may restrict testimony or proceed in any manner or order that it deems appropriate in its discretion. Generally, any relevant evidence may be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule that might make improper the admission of such evidence over objection in civil actions. Hearsay evidence shall be sufficient in itself to support a finding.
- E. The Board may tape record or otherwise transcribe the hearing. The Board may proceed with the hearing even if the alleged violating Owner fails to appear or refuses to participate or to submit information. The alleged violating Owner may be represented by legal counsel so long as said Owner gives the Board at least five (5) days prior written notice, in which case the Board's attorney may be present as well. Any participant may question any witnesses and examine any documents presented at the hearing. After hearing any information, witnesses, or documents presented at the hearing, the Board's decision shall be made by majority vote of the Board quorum present and a brief summary of the decision

and the sanction, if any, should be sent by certified mail to the alleged violator Owner and complaining Owner at the address of record with the Association.

F. Hearings, with respect to this section, shall be conducted in Executive Session because they may involve privacy and or possible litigation issues.

V. Fines and Penalties: The Board may impose such fines as it determines after following the procedures outlined in the section, "Violations of Association Covenants and Rules". Each incident or each day of a continuing violation may be considered a separate violation for which the maximum fine may be imposed. Any fines shall be both a personal obligation of the Owner of the Lot and the violator or both and shall also constitute a statutory lien which may be recorded against the lot and foreclosed as provided by the Declaration for foreclosure of assessment liens. Any technical irregularities or defects in the proceedings or notifications shall not invalidate any fine imposed hereunder. A schedule of fines, Exhibit E, shall be determined by the Board and may be amended by 2/3 majority vote of Owners, present or by proxy, at the annual meeting. The schedule is not intended to cover all possible violations and there are instances where the amount of the fines may vary depending on the circumstances. The amount of any fines are intended to bear a reasonable relationship to the actual harm that is being caused, the potential risk of loss to the Association if compliance does not take place and the costs of investigation, investigative demand letters and hearings to ensure compliance and the cost of remedial measures if used. Repeat offences and/or repeat offenders will justify higher fines. The schedule of fines is an attempt to ensure uniformity for routine violations.

VI. Assessments: Any assessment made in accordance with Article VII, Section 6 of the Bylaws of Langtree Property Owners Association which is not received by the due date shall be subject to an administration fee of \$25.00 as the initial fee and \$10.00 per month or part of for each month the assessment is not paid. The Association shall have all rights and remedies set forth in the Association Documents and in law and statute. All payments shall be applied to outstanding balances in the following order of priority: (a) late charges, (b) interest, (c) attorney fees and costs, (d) returned check charges, (e) unpaid assessments beginning with the oldest unpaid assessment.

VII. Meetings: Meetings shall be called and conducted in accordance with the rules and procedures attached hereto as Exhibit A.

VIII. Conflicts of Interest: Conflicts of interest should be resolved in accordance with the attached Exhibit B.

IX. Records: Maintenance, inspection and copying of the Association's records

shall be done in accordance with the rules and procedures on the attached Exhibit C.

X. Xeriscaping: If water use restrictions have been imposed by a controlling town, county or other municipal entity, the Association shall not enforce any covenants or rules that restrict or limit xeriscaping or require the extensive use of turf grasses, nor shall the procedure for approving proposed landscaping plans place additional requirements on Owners who wish to use xeriscaping.

XI. Amendment Policy: Policies, Procedures, Rules and Regulations of the Association –may be amended, deleted, replaced, or augmented at any time by the Board, in accordance with the Association Documents except for Exhibit E, which can only be amended with 2/3 majority at annual meeting. Any Owner who desires any type of modification of these Policies, Procedures, Rules and Regulations should submit a request in writing to the Board. The Board may, but shall not be obligated to, consider such a request.

XII. Dispute Resolution: Disputes arising between the Association and Owners shall be handled with the attached Exhibit D.

XIII. Reserve Funds: The Board shall invest or not invest the Association's reserve funds in accordance with its reasonable business judgment, and as required by the Association Documents, and applicable state and federal law.

XIV. Insurance Coverage's for Board: The Board shall maintain investments coverage of two types. A General Liability Policy and a Director's and Officer's Policy. Limits are specified in Exhibit F.

XV. Licensed Passenger Vehicles: Passenger vehicles parked in driveways will not be considered a violation so long as vehicle parked in a driveway is movable and registered to owner or owner/occupant. These vehicles can be assessed fines as provided in Exhibit E upon filed complaint.

XVI. Grandfather Clause of Covenant Violations: With regards to any unreported current Covenant violations, none are outstanding as of date of this document's acceptance. Going forward, any future violations will require reporting to the ACC or BOD member within one year of violation. Any violation reported within that year will be handles according to the standard remediation procedure.

XVII. Required Water Meter Readings upon Sale of Property: As a continued protection to water rights and owner values are stressed, LPOA contracted lot and/or home sales will require certification of reading of the water meter

as part of the close process and the HOA certification included with that close process. This certification will be performed by ACC Chairman or LPOA President.

XVIII.Fire Mitigation Plans: Any Owner instituted Fire Mitigation Plan requiring the removal of trees, shrubs, or other vegetation around the house must be registered with the Association before the commencement of the work and the Association may require changes to the plan if the Association obtains consent of the person (if accredited in fire mitigation planning) or municipal agency that originally created the plan. Any such work shall comply with the Association Documents.

XIX.Substantial Compliance: Technical irregularities or defects in the complaint, notice or other compliance with this Rule shall not invalidate the proceedings or any fine or sanction imposed. This Rule shall be liberally construed to accomplish prompt, effective enforcement of the Association's Declaration, Articles of Incorporation, Bylaws and Rules.

XX.Board Resolves Questions of Construction: If any doubts or questions shall arise concerning the true intent or meaning of any of the Covenant, By Laws or these Rules, the Board shall determine the proper construction of the provision in question, and shall set forth in a written statement the meaning, effect and application of the provision. These determinations will thereafter be binding on all parties so long as it is not arbitrary or capricious, and they may be filed for record with the Clerk and Recorder of El Paso County.

These Rules were adopted this 18 day of May, 2010.

**LANGTREE PROPERTY OWNERS  
ASSOCIATION, INC.**

By: \_\_\_\_\_

Title: President – Langtree Property Owners

Association

## EXHIBIT A

### Meetings

#### I. Conducting Meetings

- A. Association meetings shall be conducted in accordance with the Association Documents, especially the Association Bylaws, and in accordance with the Colorado Common Interest Ownership Act and the Colorado Revised Nonprofit Corporation Act. In addition, all meetings shall be conducted in accordance with the most recent version of Robert's Rules of Order.
- B. At all meetings, Owners and/or their representative are expected to maintain proper behavior and decorum, which requires that Owners and/or representative shall:
  - 1. Be respectful to others present and to the meeting process;
  - 2. Refrain from name-calling, use of foul language, and other aggressive behavior;
  - 3. Differentiate statement of opinion from statements of fact; and
  - 4. Speak only when acknowledged by the Chair.

C: If an Owner and/or their representative fail to observe the above standards which in the Chair's sole opinion negatively impacts the Association's meeting(s), the Chair shall issue one warning (to the Owner and/or representative). If the inappropriate behavior continues, the Chair shall ask the Owner and/or their representative to remove themselves from the meeting. If the Owner and/or their representative refuse to comply, the meeting may be adjourned at that time even though there are agenda items not heard.

#### II. Owner Participation at Board Meetings

- A. All meetings of the Board of Directors, except the Executive Session, are open to attendance by any Owner or any person designated in writing by that Owner as the Owner's Representative.
- B. The Board shall designate an appropriate period of time, either at the beginning of the meeting or before an agenda item, for Owners or their representative to speak on any matter shown on the agenda, but such period shall not exceed a total of 20 minutes without Board approval. Owners who wish to discuss a certain issue, complaint, or request shall submit such in writing at least five days prior to the Board meeting. If more than one person desires to address an issue and there are

opposing views, the Board shall provide for a reasonable number of persons to speak on each side of the issue. All or any Owners or designated representatives wishing to speak shall sign a sheet with the Secretary prior to the meeting and the Board's President shall allocate the time permitted among the various Owners or designated representatives who wish to speak. After the designated time, Owners who are not Board members shall not participate in any deliberation or discussion of the Board unless expressly authorized by a vote of a majority of a quorum of the Board so present.

III. Owner Participation at Annual and Special Meetings of Owners

- A. Any Owner or designated representative of Owner may speak at the designated time in the agenda upon any issue requiring a vote of the Owners.
- B. The total length of any time for Owners or designated representatives speaking on a single issue of any meeting of the Owners shall not exceed the time set forth by the president at the beginning, but not exceeding a time limit of 20 minutes total, except with Board approval, and the President shall pro-rate that time among the various Owners who speak on the issue.
- C. All issues, complaints, and requests shall be submitted to the Board in writing five days prior to the annual meeting.

IV. Notice of Meetings

- A. Board Meetings: Notice of Board Meetings shall be given in accordance with the By Laws.
- B. Annual Owners Meetings: Notice of Annual Owners Meetings shall also be given in accordance with the By Laws, but in addition, notice of such shall be physically posted in a conspicuous place to the extent such posting is feasible and practical and may be given by electronic posting or electronic mail notices pursuant to C.R.S. § 38-33.3-308.

- V. Executive Sessions of the Board: The Association's Board may meet in executive closed sessions to discuss matters pertaining to, consultation with legal counsel, investigative proceedings concerning possible or actual criminal misconduct, matters which are subject to specific constitution and statutory or judicially imposed requirements protecting the proceedings, any matter of disclosure which would constitute an unwarranted invasion of individual privacy, and a review and/or discussion relating to any written or oral communication from legal counsel. The Association Board

Members and other members shall preserve attorney-client privilege regarding consultation and communications from legal counsel.

VI. Voting Procedure –

- A. The Association Secretary shall be in charge of providing secret ballots which protect the voters' privacy but also provide for the security of the voting. Either the Association Secretary, or representative decided by the Chairman, or both, shall constitute a neutral third party to count the ballots. If no neutral party is available, the ballots may be counted by a committee of volunteers, who shall be Owners selected or appointed at an open meeting, in a fair manner, by the Chair of the Board or another person presiding during that portion of the meeting, provided however, that said volunteers shall not be Board members and, in the case of a contested election, shall not be candidates.
- B. The results of a vote taken by secret ballot shall be reported without reference to the names, addresses, or other identifying information of Owners participating in such vote.

Exhibit B  
Conflicts of Interest

- I. The Board of Directors shall comply with all of Colorado's statutory provisions against conflicting interest transactions as found in the Colorado Revised Nonprofit Corporation Act and the Colorado Common Interest Ownership Act. A "conflicting interest transaction" is defined by the Colorado statutes, but generally means a contract, transaction, or other financial relationship between the Association and a director of the Association, or between the Association and a party related to a director, or between the Association and an entity in which a director of the Association is a director or officer or has a financial interest. A conflicting interest transaction does not include transactions that are of a general benefit to a group of homeowners that includes one or more directors.
- II. Each Board member is obligated by law to disclose, in an open Board meeting, any existing conflict of interest prior to any discussion or action on that issue, and the Board member shall not vote on such issue.
- III. The above notwithstanding, at any Board meeting, a Board member with a conflict of interest may be counted "present" for the purpose of determining whether a quorum exists.
- IV. Any Board member who is suspected of violating this rule shall be subject to Article V, Violation of Association Covenants and Rules, and if after investigation is found in violation of this Conflicts of Interest rule, may be removed from the Board by a majority vote other members of the Board. Any vote made by the Board member while in violation of this Conflicts of Interest rule may be reviewed by the Board and the Board member's vote shall be nullified.
- V. The Association may require that all Board members sign a copy of this rule to acknowledge that they have read and understand it and will comply fully with it.

VI. Exhibit C

Records

The Association shall keep as permanent records:

- Minutes of all Board and Property Owner meetings
- All actions taken by the Board and Property Owners by written ballot instead of holding a meeting
- All actions taken by a Committee on the behalf of the Board
- All financial statements
- All records of meetings of Property Owners and Board of Directors or any Committee of the Board
- All written communications within the last three years to Property Owners
- Association insurance policy

In addition to the above records the Association shall keep a copy of the following documents to be made available to all Property Owners via the web:

- Articles of incorporation or applicable documents
  - Covenants
  - Bylaws
  - Rules and Regulations
  - Board resolutions affecting property owners
  - Most recent annual report
  - Operating Budget
  - A list of all current Property Owners and their address with voting rights
- Water decree

Each Property Owner is responsible to know the information in the Association documents and for abiding by the standards for the Association, as set forth in the Association documents.

The Association shall maintain its records in written form or in another form capable of conversion into a written form within a reasonable time (i.e. Website). A “reasonable time” means available during normal business hours, upon notice of five business days. All requests for documents must be in writing.

The Association may charge a fee to cover copying costs, not to exceed the Association’s actual cost per page, for copies of the Association records

Property Owners have the right to examine certain records of the Association. It is the obligation of every Property Owner to hold this information in appropriate confidentiality so that information is not released to other parties. Certain information may be deemed “not available” to general Property Owners. This information may include the following:

- Files pertaining specifically to other Property Owners
- Delinquent account information, unless requested by the owner responsible for said account
- Attorney-client communications
- Information involving pending or anticipated litigation or contract negotiations
- Other privileged information

The Association shall not be liable for the disclosure or copying of any materials which are required to be provided by statute or judicial proceeding. **The Association does not warrant or represent the accuracy, completeness, or any other matter in the materials provided.**

Exhibit D  
Procedure for Addressing Disputes

At the Board's discretion, the Association may, but shall not be required to, submit any dispute between the Association and Owner(s) to mediation, arbitration, or other alternative dispute resolution device; provided, however, that the Association reserves all rights to seek equitable and legal relief through any court having jurisdiction over the dispute, as do the owners.

Exhibit E  
Schedule of Fines and Langtree Covenant Issue Process

Failure to Pay Annual Dues	\$25; and \$10 each month or part thereof that the dues remain unpaid.
Architectural Non-Compliance	\$100; and \$25 each month or part thereof of non-compliance; and additional fines commensurate with degree of non-compliance
Prohibited Signs	\$25; and \$10 each month or part thereof the prohibited sign is displayed
Landscaping Covenant Violations	\$25; and \$10 each month or part thereof the landscaping is in violation
Non-permitted Fences	\$25; and \$10 each month or part thereof the non-permitted fence is standing
Non-permitted Antennas	\$25; and \$10 each month or part thereof the non-permitted antenna is standing
Nuisance Covenant Violations	\$25 per violation
Obstructions at Intersections Violations	\$100; and \$100 each month or part thereof that the intersection is obstructed
Refuse and Rubbish Covenant Violations	\$25; and \$10 each month or part thereof the refuse and rubbish covenant is in violation
Vehicles Parking and Equipment Covenant Violations	\$25; \$10 each month or part thereof the covenant is violated
Prohibited Animals	\$25; and \$25 each month or part thereof the prohibited animal(s) are present
Water Augmentation Plan Violations	\$100; and additional fines commensurate with excess water usage

Exhibit F  
Required Insurance Coverage

General Liability Policy

- \$2,000,000 General Aggregate
- \$2,000,000 Products/Completed Operation Aggregate
- \$1,000,000 Personal and Advertising Injury
- \$1,000,000 Each Occurrence Limit
- \$ 100,000 Damage to Premises Rented to You
- \$ 5,000 Medical Payments – any one person
  
- \$1,000,000 Hired and Non-Owned Automobile Liability

Director's and Officer's Policy

- \$1,000,000 Limit of Insurance
- \$ 1,000 Retention

**LHOA Covenant Issue Process**  
2/11/2004

