

Candlelight Ridge Home Owners' Association

Declaration of Covenants, Conditions and Restrictions

Board of Directors Adopted Rules

**Note: Declaration of covenants, conditions and Restrictions Recorded
5/8/2007 with Boulder County Clerk Number 2854388**

Introduction:**Establishing Rules for the Candlelight Ridge Home Owners' Association.**

The CC&Rs of the HOA has provided the Board of Directors the authority to establish, amend and repeal rules in conjunction with the Association's functions and operation. Such rules shall not be contrary to the provisions of the CC&R Declaration.

(The CC&R paragraph pertaining to **Rules** is copied below for reference.)

4.1.1 Rules. To make, establish and promulgate, and in its discretion to amend or repeal and reenact such rules that are not in contradiction of this Declaration, as it deems proper covering any and all aspects of its functions, including the use and occupancy of the Units and the Common Elements ("Rules"). Without limiting the generality of the foregoing, such Rules may set penalties and fees and establish the regulations governing the operation of Association Property and/or Common Elements, as well as the use of the Units, to the extent not prohibited by the Declaration. The Rules may further restrict, explain, elaborate on, or explain issues that are addressed in this Declaration but only those Rules that expressly conflict with the terms of this Declaration shall be invalid. Each Member shall be entitled to examine such Rules at any time during normal working hours at the principal office of the Association.

In addition to the "Rules" paragraph multiple paragraphs within the CC&Rs delegate to the Board of Directors the authority to establish and further define and/or restrict parameters pertaining to the topic addressed within the CC&R paragraph. Some examples of such CC&R paragraphs are as follows:

- 3.1.4 Unsightly Articles
- 3.1.5 Antennas/Satellite Dishes
- 3.1.8 Signs and Flags
- 3.1.9 Nuisances
- 3.1.14 No Hazardous Activities
- 3.1.17 Vehicles
- 3.1.19 Fencing
- 3.1.20 Animals

Commentary Notes:

1. Contained within the CC&Rs and this paragraph is the term "Common Elements". Within Candlelight Ridge there are no common elements such as owned real estate property, outlots, buildings or other amenities. All land elements, other than the 94 individual lots, is owned by the Town of Erie. The Association has entered into an agreement with the Town of Erie to perform landscape maintenance on portions of the Town owned property. The landscape maintenance includes the responsibility for the maintenance and operation of the irrigation system used in providing irrigation water to the turf, shrubs and trees.
2. The rules paragraph identifies, members shall be entitled to examine Rules at the principal office of the Association. In addition, for the convenience of the members, the Rules are available on the Association web site. The address of the web site is www.Flagship-PM.com.

3. In accordance with the provisions of the CC&Rs, the Board of Directors previously generated "Addendums" identifying rules and regulations for a number of topics associated with the operation and function of the Association. By recommendation of counsel, it was felt the use of the term "Rules" was more desirable since the CC&R specifically used the term "Rules" rather than "Addendum". In addition, in updating the various "Addendums" to "Rules", some "Rules" items included clarifying amendments or updates to the information as originally contained in the "Addendums". Some of the original "Addendums" were repealed since they were no longer applicable. A list of the originally adopted "Addendums" is included as a cross reference to the new "Rules". Those that have been repealed have been identified in this list. Copies of the original "Addendums" will be retained at the office of the Association for a period of five years for reference by a member; however, the "Rules" as adopted by the Board of Directors shall be applicable to the continuing Association's operations once adopted.

Board of Directors Adopted Rules As Authorized by the CC&Rs

<u>Number</u>	<u>Title</u>
0001	Irrigation Infrastructure Protection and Relocation Identifies protective measures when installing driveways along Meadow View Parkway or Walters Drive.
0002	Adoption of Design Standards Document Formally adopted the Design Standard for Candlelight Ridge.
0003	Nuisances Addresses noise considerations within the Development.
0004	Recreational Vehicles Loading and Unloading Clarifies restrictive conflicts in the CC&Rs.
0005	Passenger Vehicle Storage Clarifies restrictive conflicts in the CC&Rs.
0006	Animals and Pets Clarifies household pet provisions and definitions.
0007	Adoption of Basketball Equipment Standards Consolidates provisions for basketball equipment. Revised in 2015 to address portable basketball equipment.
0008	Hazardous Items and Activities Consolidates provisions for fire pits, barbeques and firearms.
0009	Renewable Energy Generation Devices Defines requirements for solar devices in compliance with Colorado Revised Statutes.
0010	Home Occupations Clarifies single family residential purposes of CC&R associated with home occupations, highlighting other pertinent CC&R restrictions.
0011	Fence & Fence Enclosures This addendum has been generated in conjunction with an update to the Development Plan regarding fence heights. This addendum defines the height of fences in Candlelight Ridge and permits flexibility for installation of garden and dog run fence enclosures. The requirement that all fences must be wrought iron (or aluminum with an appearance of wrought iron) is unchanged. All Design Standard and CC&R requirements remain unchanged and are not affected by this addendum
0012	HOA Dues and Fines Collection Policy Documents the policy and process associated with the imposition and collection of fines and dues for the Association.
0013	Live-in Caregivers and Single Family Definition Provides information pertaining to live-in caregivers occupying single family residences and clarifies the "single family" terminology as it applies to residential occupancy.

Addendum to the CC&Rs

This is a list of the Addendums adopted in the past by the Board of Directors (BOD). Some of these have been replaced by the updated rules previously listed. Some have been repealed as they are no longer necessary for the operation of the Association. A note of status is included for each of the addendums.

<u>Number</u>	<u>Title</u>
2010-01	Irrigation Infrastructure Protection and Relocation Identifies protective measures when installing driveways along Meadow View Parkway or Walters Drive. Replaced by BOD adopted Rule 0001.
2010-02	Snow Removal From Sidewalks Clarifies individual responsibilities for snow removal. Repealed by the BOD since this is an understood practice.
2010-03	Maintenance and Mowing of Lots Identifies responsibility for mowing of vacant lots. Repealed by the BOD since there are no vacant lots remaining.
2010-04	Adoption of Design Standards Document Formally adopted the Design Standard for the Development. Replaced by BOD adopted rule 0002.
2010-05	Nuisances Addresses noise considerations within the Development. Replaced by BOD adopted rule 0003.
2010-06	Recreational Vehicles Loading and Unloading Clarifies restrictive conflicts in the CC&Rs. Replaced by BOD adopted rule 0004.
2010-07	Passenger Vehicle Storage Clarifies restrictive conflicts in the CC&Rs. Replaced by BOD adopted rule 0005.
2010-08	Animals and Pets Clarifies household pet provisions and definitions. Replaced by BOD adopted rule 0006.
2010-09	Adoption of Basketball Equipment Standards Consolidates provisions for basketball equipment. Revised in March 2015 addressing portable basketball equipment. Replaced by BOD adopted rule 0007.
2010-10	Hazardous Items and Activities Consolidates provisions for fire pits, barbeques and firearms. Replaced by BOD adopted rule 0008.
2011-01	Renewable Energy Generation Devices Defines requirements for solar devices in compliance with Colorado Revised Statues. Replaced by BOD adopted rule 0009.

2012-01 CC&R Trash Removal (para. 4.13.1) Correction

Corrects restrictive terms concerning trash contract duration.

This Addendum to the CC&Rs is retained since it was executed by the Developer and permits multi-year trash removal contracts essential for contracting with trash and recycle companies.

2012-02 Control of Landscape Areas Maintained by Association

Addresses landscape control requirements for Town owned property.

This Addendum was repealed in a Resolution passed by the Board of Directors at the Board Meeting of August 28, 2013. This was repealed based on the preference of Association members to retain turf between the street and sidewalk of Meadow view Pkwy. and Walters Dr. as identified in the 2012 Annual Meeting held in February 2013.

2012-03 Home Occupations

Clarifies single family residential purposes of CC&R associated with conducting home occupations, highlighting other pertinent restrictions.

Replaced by BOD adopted rule 0010.

2014-01 Fence & Fence Enclosures

This addendum has been generated in conjunction with an update to the Development Plan regarding fence heights. This addendum defines the height of fences in Candlelight Ridge and permits flexibility for installation of garden and dog run fence enclosures. The requirement that all fences must be wrought iron (or aluminum with an appearance of wrought iron) is unchanged. All Design Standard and CC&R requirements remain unchanged and are not affected by this addendum.

Replaced by BOD adopted rule 0011.

2015-01 HOA Dues and Fines Collection Policy

Provides a written policy and process associated with the imposition and collection of fines and dues for the Association.

Replaced by BOD adopted rule 0012.

This completes the list of Addendums that were originally enacted by the Board of Directors and the status of each.

Board of Directors Adopted Rule Number: 0001

Title: Irrigation Infrastructure Protection and Relocation

The Board of Directors has adopted the following rule pertaining to the above titled subject in accordance with the authority provided by the CC&Rs of the Association. For convenience this information is included as an introduction to the HOA rules information titled: **Establishing Rules for the Candlelight Ridge Home Owners' Association.**

Rationale:

By agreement with the Town of Erie, the Association is responsible for the operation and maintenance of the irrigation system infrastructure within the right-of-way of Meadow View Parkway and Walters Drive, except for the park area. This irrigation infrastructure serves a diverse area of the development and is essential in providing irrigation water for the turf, trees and shrubs.

The irrigation infrastructure lies in and beneath the landscape turf, located in the right-of-way between the paved street and the sidewalk of Meadow View Parkway and Walters Drive. This infrastructure includes distribution pipes, sprinkler heads and the main supply distribution pipe. It is essential that care be taken to maintain the integrity of these elements during construction activities that may have an adverse impact. The following activities have been identified as having the potential to adversely affect the installed irrigation infrastructure.

Newly Installed Driveway or Walks

The BOD adopts the following regulation pertaining to the installation of a new driveway or walk that crosses the street right-of-way turf area and the installed irrigation infrastructure. For a new driveway or walk the property owner shall be responsible for the relocation of sprinkler heads, distribution pipes or main lines which may be affected by the installation. The installation shall include two continuous 4" schedule 40 sleeves that shall be placed beneath the driveway or walk from side to side. The top of the sleeve shall be 15" +/- 3" below the finished surface. These sleeves are for future use in the event that repairs to the irrigation infrastructure are necessary. Should future irrigation system infrastructure repairs require tunneling beneath the driveway or walk, the property owner may be held responsible for these costs if the sleeves are not installed.

Frequently during the construction period, access to an individual lot is gained by vehicles driving across the landscaped sod areas. The owner is encouraged to provide adequate protection against damage to the irrigation system infrastructure; however, the owner shall be responsible for any damage that may occur. Should the owner not take immediate corrective action to any damage, the Association may perform the repair at its sole discretion and bill the owner for the cost. Any non-payment of the amount billed shall be subject to the CC&R provisions regarding delinquent payments, fines and liens.

The owner or any subsequent purchaser of the property shall be responsible for the integrity of the irrigation infrastructure relocation and/or repairs for a period of one year from the time the Certificate of Occupancy is issued by the Town of Erie.

The property owner shall be responsible for the restoration of the landscape area surrounding the installed driveway or walk.

Driveway or Walk Replacement:

The BOD adopts the following regulation pertaining to the replacement of an existing driveway or walk that crosses the right-of-way and the installed irrigation infrastructure.

The property owner shall be responsible for any damage that may occur to the irrigation infrastructure during the replacement process.

The installation shall include two continuous 4" schedule 40 sleeves that shall be placed beneath the driveway or walk from side to side. The top of the sleeve shall be 15" +/- 3" below the finished top of the driveway. These sleeves are for future use in the event that repairs to the irrigation infrastructure are necessary subsequent to the completion of the installation. Should future irrigation infrastructure repairs require tunneling beneath the driveway, the property owner may be held responsible for these costs if the sleeves are not installed.

If during the replacement process the irrigation infrastructure is damaged, the property owner shall be responsible for the repair. Should the owner not take immediate corrective action, the HOA may perform the repair at its sole discretion and bill the owner for the cost. Any non-payment of the amount billed shall be subject to the CC&R provisions regarding delinquent payments, fines and liens.

The owner or any subsequent purchaser of the property shall be responsible for the integrity of the irrigation infrastructure adjacent to or under the replaced driveway for a period of one year from the time the driveway replacement is completed.

The property owner shall be responsible for the restoration of the landscape area surrounding the replaced driveway or walk.

Adopted by the Board of Directors on this date:

9/10/15

Signed on behalf of the Board of Directors by:



President of the HOA Board of Directors

Board of Directors Adopted Rule Number: 0002

Title: Adoption of Design Standards Document

The Board of Directors has adopted the following rule pertaining to the above titled subject in accordance with the authority provided by the CC&Rs of the Association. For convenience this information is included as an introduction to the HOA rules information titled: **Establishing Rules for the Candlelight Ridge Home Owners' Association.**

Rationale:

The Design Standards has been the document utilized as the standard for the review of homes currently existing in the Candlelight Ridge Development. This rule formally accepts this document as the standard to be applied in the future.

Requirements:

The Design Standards shall be the planning document associated with architectural implementations and changes for properties in the Candlelight Ridge Development. The Architectural Control Committee (ACC) will rely heavily upon these Design Standards in decisions pertaining to applications submitted. The Design Standards shall be a supplement to specific requirements contained in individual paragraphs in the CC&Rs and other Recorded documents. Should a conflict exist among the requirements of the documents; the more stringent of the requirements shall prevail.

The completion timing for new home construction shall be as identified in the Design Standards paragraph "Completion of Work after Approval", which requires completion within 18 months. All other activities shall comply with the requirement of CC&R paragraph 5.8.

The ACC shall compile a guide or check list identifying the source of requirements that shall be considered in addition to the Design Standards document in the review of any application submittal.

Copies of the Design Standards and the ACC check list shall be provided to the applicant along with or at the time of submittal of an application.

The current applicable review fee shall also be provided to the applicant at the time of the application submittal.

Requirements in the CC&Rs and other recorded documents defining implementation requirements for homes and properties cannot be altered by the Board of Directors or the Architectural Control Committee.

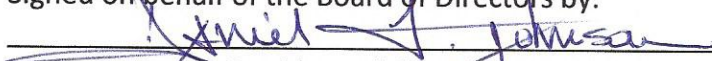
If the Architectural Control Committee rejects an application based on a requirement, stated in the Design Standards and that requirement is NOT included in the CC&Rs and/or other recorded documents, the Board of Directors may grant the applicant a variance for good and sufficient reason if an appeal is made to the Board of Directors as provided for in the CC&Rs.

The Board of Directors may make changes to the Design Standards based on recommendations by the Architectural Control Committee and/or other knowledgeable advisors as long as the requirements of CC&Rs or other recorded documents are not affected.

Adopted by the Board of Directors on this date:

9/10/15

Signed on behalf of the Board of Directors by:



President of the HOA Board of Directors

Board of Directors Adopted Rule Number: 0003

Title: Nuisances

The Board of Directors has adopted the following rule pertaining to the above titled subject in accordance with the authority provided by the CC&Rs of the Association. For convenience this information is included as an introduction to the HOA rules information titled: **Establishing Rules for the Candlelight Ridge Home Owners' Association.**

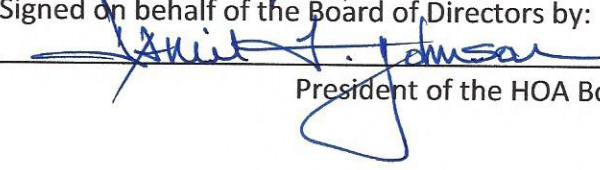
Rationale:

The CC&Rs identify that nuisances, including noise, shall not be permitted to exist or operate upon any part of the Property so as to be offensive or detrimental to any other property or to its occupants. This rule adds clarifying items known to cause objectionable noise conditions.

Requirements:

1. Residents are requested to be considerate of their neighbors in the use of stereo amplifier systems, television systems, motor vehicles and power tools.
2. No objectionable noise shall be audible beyond the property line, including the noise created by barking dog(s).
3. No subterranean vibration, as may be caused by stereo amplifier systems, shall be permitted beyond the property line.
4. Horns, whistles, bells, wind chimes or other sound producing devices (except devices connected to a security system) shall not be permitted if the sound extends beyond the property line.
5. Landscape installation and maintenance equipment shall be permitted to be used on the property only between the hours of 8 AM and 8 PM.
6. Snow blowers or snow throwers shall be permitted to be used between the hours of 6 AM and 11 PM.
7. For home construction activities the hours are defined in the Design Standards document.
8. A special use request shall be submitted for special activities involving affairs, receptions or parties held external to the residence that is likely to result in unusual sound conditions. In any event these special activities shall not extend beyond 10 PM.

Adopted by the Board of Directors on this date:

9/10/15
Signed on behalf of the Board of Directors by:

President of the HOA Board of Directors

Board of Directors Adopted Rule Number: 0004
Title: Recreational Vehicles Load, Unload & Parking

The Board of Directors has adopted the following rule pertaining to the above titled subject in accordance with the authority provided by the CC&Rs of the Association. For convenience this information is included as an introduction to the HOA rules information titled: **Establishing Rules for the Candlelight Ridge Home Owners' Association.**

Rationale:

The original Candlelight Ridge CC&Rs, dated 2000, were replaced by the CC&Rs in 2007, which are now in effect. The earlier CC&Rs included provisions to permit for the care and preparation of recreational vehicles during a 24 hour period before and after use. This was inadvertently omitted from the updated CC&Rs. These rules do not change any requirement associated with the storage of such vehicles.

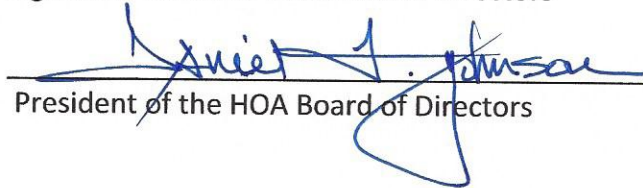
Requirements:

1. The intent of this rule is to permit the owner of licensed recreational vehicle to load and unload and perform routine upkeep such as washing or cleaning the vehicle prior to and after the recreational use.
2. Licensed recreational motor homes, licensed recreational trailers, licensed boat trailers, licensed camper vehicles and similar licensed recreational vehicles, too large to be placed in the owners garage, may be kept on the owner's property for a period not exceeding 24 hours before and after trips.
3. The CC&R requirements pertaining to maintenance of vehicles is not altered by this rule.
4. On street parking shall comply with the Town of Erie municipal code and shall not exceed 24 hours. The on street parking shall be in front of the individual's residence.
5. Recreational vehicles of a guest may be parked on an owner's property for not more than 48 hours.
6. Recreational vehicles shall not be parked at any time on the cu-de-sac streets from the beginning of the one way area to the end of the one way area. This is necessary for fire equipment safety reasons and is consistent with the restrictions for parking in these areas as defined in the recorded Development Plan.

Adopted by the Board of Directors on this date:

9/10/15

Signed on behalf of the Board of Directors


President of the HOA Board of Directors

Board of Directors Adopted Rule Number: 0005

Title: Passenger Vehicle Storage

The Board of Directors has adopted the following rule pertaining to the above titled subject in accordance with the authority provided by the CC&Rs of the Association. For convenience this information is included as an introduction to the HOA rules information titled: **Establishing Rules for the Candlelight Ridge Home Owners' Association.**

Rationale:

The original CC&Rs of 2000 that have been replaced by the CC&Rs dated 2007 now in effect. The original CC&Rs included the requirement that vehicles must be stored in a garage. This was omitted in the updated CC&Rs and is being updated by this rule to identify parameters associated with the storage of vehicles.

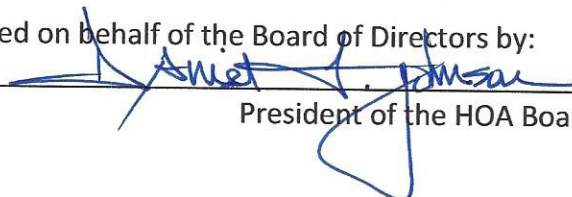
Requirements:

1. Generally it is desired that all vehicles be kept or stored in a garage overnight. This addendum allows for exceptions to passenger vehicles used on a continuing basis.
2. Any commercially licensed vehicle or any vehicle that includes signs associated with commercial endeavor shall be kept in a garage overnight.
3. Passenger vehicles used on a continuing basis and licensed by a recognized state motor vehicle authority may be kept overnight on the driveway instead of within the garage.
4. Passenger vehicles licensed by a recognized state motor vehicle authority shall not be kept outside of the garage if not used on a continuing basis. If not used for a continuing period of 15 days, the vehicle shall be stored in the garage or otherwise removed from the property.
5. The definition of a passenger vehicle, for the purpose of this rule, includes those vehicles that on a regular basis are used for the transportation of individuals but are not used for purposes of commerce.
6. Any unlicensed vehicle shall be kept or stored within the garage.
7. No vehicle shall be kept or stored on unpaved areas of the property.

Adopted by the Board of Directors on this date:

9/10/15

Signed on behalf of the Board of Directors by:



President of the HOA Board of Directors

Board of Directors Adopted Rule Number: 0006

Title: Animals and Pets

The Board of Directors has adopted the following rule pertaining to the above titled subject in accordance with the authority provided by the CC&Rs of the Association. For convenience this information is included as an introduction to the HOA rules information titled: **Establishing Rules for the Candlelight Ridge Home Owners' Association.**

Rationale:

The original CC&Rs of 2000, have been replaced by the CC&Rs now in effect, including provisions related to animals. The provisions of the new CC&Rs are updated by these rules to include provisions concerning household pets.

Historically the number of household pets was identified as a "reasonable number". No specific number was identified by the term "reasonable", however, traditionally this number was considered to be three (3). Admittedly the term "reasonable" is open to interpretation and therefore the Board of Directors is incorporating a specific number to replace the term "reasonable" associated with the number of household pets.

Requirements:

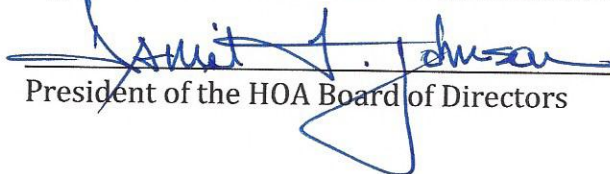
1. Household pets shall be kept under control at all times including avoidance of excess noise such as barking.
2. Household pets shall not be kept, bred, maintained or boarded on any property for commercial purposes.
3. Kennels or kennel operations shall not be permitted.
4. Occasional sale of household pets such as kittens and puppies is permitted.
5. Dog houses or similar structures shall require the approval of the ACC. Such structures shall meet the requirements of the Design Standards and the ACC checklist for any ACC approval to be granted.
6. Household pets owned by the property owner (or lessee of the property) shall not be kept in such numbers as to constitutes a nuisance to the community or to neighbors. The total number of dogs over twelve (12) weeks of age shall not exceed three (3).
7. Dogs visiting or temporarily staying at a residence shall be allowed in accordance with the provisions of this paragraph.
 - a. The total number of existing household dog(s) plus "visiting" dog(s) or dog(s) temporarily staying at a residence shall not exceed a combined total of five (5).
 - b. Under no circumstances shall the number of dog(s) "visiting" or temporarily staying at a residence exceed two (2).
 - c. Item 11 of these rules allows an exception for current residents who may have a number of dogs in excess of the provisions stated in Item 6 above. Until compliance with Item 6 has been achieved, no additional "visiting" dog(s) or dog(s) temporarily staying at a residence shall be permitted.
 - d. The length of stay for "visiting" dog(s) or dog(s) temporarily staying at a residence shall not exceed ten (10) days total in any six month period. This ten (10) day limit is the total number of days allowed, whether there are one or two dogs visiting or temporarily staying at the property. This ten (10) day limitation is independent of whether the dog(s) are owned by the same or different individuals.

- e. Written requests to extend the ten (10) day limit for "visiting" or temporarily staying dog(s) may be submitted to the Management Company for review and approval. Sufficient justification, including the reason and amount of extension, shall be included in the request. If approved, the Management Company and/or the Board of Directors reserve the right to withdraw approval at any time. If approval is withdrawn, the dog(s) shall be removed from the property within twenty-four (24) hours of written notification (email or USPS mailed letter) being provided to the property owner. Failure to comply is subject to the imposition of a fine or fines in accordance with CC&R Rule 0012, payable by the property owner. The Board of Directors shall determine the amount of the fine for the violation.
8. The provisions of CC&R paragraph 3.1.20 shall apply to all animals, including household pets. If a conflict should be identified between these rules and the CC&Rs the more stringent requirement shall prevail.
 - a. In addition to the CC&Rs and this set of rules there exists further documentation in the recorded Development Plan for Candlelight Ridge. Under Permitted Uses item 1.b. the following is included:
"Private building for housing dogs, cats and similar domestic pets, but not including horses, cattle, sheep, goats, chickens, ducks, geese, or other fowl."
9. It shall be the responsibility of the property owner, pet owner or person in control of a pet to pick up and dispose of pet litter (excrement) immediately when not on the premises of the owner.
10. Failure to pick up and dispose of pet litter (excrement) on the premises of the property owner (or lessee of the property) on a timely basis is considered to be a nuisance in accordance with CC&R paragraph 3.1.9 and shall be addressed as a rule violation subject to the imposition of a fine.
11. Since the term "reasonable number" was identified in CC&R paragraph **3.1.20 Animals**, a current property owner may already have a number of dogs in excess of the number of dogs stated in Item 6. If so, the current household dogs may be retained, but shall not be added to or replaced until the total number of dogs is reduced to the total stated in Item 6. Any addition to the existing number of dogs or maintaining the current number of dogs by replacing, exchanging, swapping or retaining puppies, when an existing dog expires or is otherwise disposed of, shall be a violation of the policy set forth by these rules and is considered a code violation subject to the imposition of a fine or fines.
12. Existing property owners who have more than three (3) dogs shall provide a description and name of each dog on their premise including the dog license number and information as recorded by the Town of Erie.
13. All property owners taking possession of property in Candlelight Ridge after the date these rules are adopted shall comply with the rules set forth in this document.

Adopted by the Board of Directors on this date:

9/10/15

Signed on behalf of the Board of Directors by:



President of the HOA Board of Directors

Board of Directors Adopted Rule Number: 0007

Title: 2010 - 09: Adoption of Basketball Equipment Standards

The Board of Directors has adopted the following rule pertaining to the above titled subject in accordance with the authority provided by the CC&Rs of the Association. For convenience this information is included as an introduction to the HOA rules information titled: **Establishing Rules for the Candlelight Ridge Home Owners' Association.**

Rationale:

Revision: March 2015

This revision addresses the use and storage of portable basketball equipment not previously addressed in the original rules. Prior to this rules revision, CC&R paragraph 3.1.4 Unsightly Articles, required portable basketball equipment to be stored in enclosed structures (approved by the Architectural Control Committee).

Revision Rationale:

Whereas: Permanently installed basketball equipment may be installed based on ACC approvals and conditions.

Whereas: Portable basketball equipment was not subject to the same level of review and approval as permanent basketball equipment.

Whereas: Portable basketball equipment was subject to storage requirements unlike the permanent installed equipment.

Whereas: Individuals found the ability to store portable basketball equipment to be inconvenient or impractical when not in use.

Whereas: It is impractical to enforce the storage 'when not in use' provision for portable basketball equipment.

Whereas: The Board of Directors desire to provide equity in application of regulations for all residents including the use of both portable and permanently installed basketball equipment.

Therefore: The Board of Directors adopts the following regulations associated with basketball equipment whether portable or permanent installed:

1. Henceforth, the requirement that portable basketball equipment be stored in an approved structure, when not in use, is eliminated.
2. The same backboard and use requirements as previously imposed on permanently installed basketball equipment shall apply to portable basketball equipment with an exception provision for existing backboards as identified in paragraph 2.c Backboard Requirements.
3. The "in use" location and the "storage" location of the portable basketball equipment shall be submitted to the Architectural Control Committee (ACC) for review and approval.
4. Those residents currently possessing portable basketball equipment will be given a period of 90 days, from the date this rule is signed, to comply with the requirements, after which a notice of violation may be issued. (Please refer to item 2.c. for existing backboards.)
5. The ACC shall update the ACC application check list to reflect the provisions of these rules.

Original Rules Application:

The original rules, adopted by the Board of Directors in 2010, primarily addressed permanently installed basketball equipment. Paragraphs within the CC&Rs, while applicable to such installations and use, were subject to interpretation. The rules addressed items related to the installation and use of permanently installed basketball equipment to

clarify and document specific requirements. The current revision addresses portable basketball equipment requirements including a more realistic requirement for storage of this equipment, when not in use.

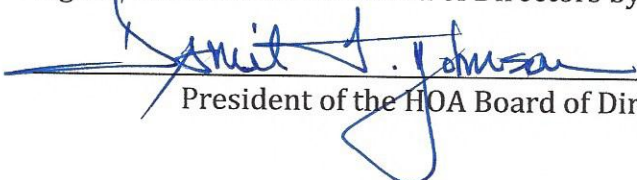
Consolidated Rules Effective With This Rules Update:

1. All permanently installed and portable basketball equipment shall be subject to an ACC application and approval.
 - a. The ACC review of the location of any portable or permanently installed equipment shall consider the proximity of adjacent homes and the potential for noise and nuisances which may be created by the installation.
 - b. An approval may include additional restrictions to avoid noise and nuisances situations.
 - c. A written agreement with the applicant pertaining to the use and or installation may be imposed as a condition of approval.
 - d. Such conditions may include but is not limited to the hours of use or the removal of the installation after certain periods of time or at the time of the sale of a home. (The ACC may at its option waive the removal of the installation at the time of sale if the prospective purchaser agrees in writing to the prior imposed conditions.)
2. Backboard Requirement:
 - a. For permanently installed equipment, backboards shall be of glass or Plexiglas.
 - b. For portable basketball equipment, new installations, upgrades or replacement backboards shall be of glass or Plexiglas.
 - c. Backboards currently existing on portable basketball equipment may continue to be used and are not required to be glass or Plexiglas, unless changed or replaced.
 - d. No permanently installed backboards shall be permitted on the front of any home.
 - e. Other permanently installed backboards, attached directly to a home shall be carefully considered by the ACC with regard to aesthetic impacts.
3. Portable basketball equipment shall be located within the owner's property when in use. (Equipment shall not be used in the street right-of-way which includes paved streets, sidewalks and driveway aprons.)
4. When not in use the portable equipment shall be stored in an ACC approved area. (The previous requirement for storage within an ACC approved structure has been eliminated by this rules revision.)
5. Portable or permanently installed equipment shall not be used after one hour after sunset or 9 PM (local time) whichever is earlier; or be used in a manner that creates a nuisance to other residents.
6. No artificial light source shall be utilized to extend the time of use after normal daylight hours.

Adopted by the Board of Directors on this date:

9/10/15

Signed on behalf of the Board of Directors by:



President of the HOA Board of Directors

Board of Directors Adopted Rule Number: 0008

Title: Hazardous Items and Activities (Fire Pits, Barbeques and Firearms)

The Board of Directors has adopted the following rule pertaining to the above titled subject in accordance with the authority provided by the CC&Rs of the Association. For convenience this information is included as an introduction to the HOA rules information titled: **Establishing Rules for the Candlelight Ridge Home Owners' Association.**

Rationale:

In accordance with the CC&Rs paragraph 3.1.4 these rules are provided to identify items considered to be hazardous and to compile information for the convenience of residents.


Requirements:

1. Installation of permanently installed barbeque units and fire pits shall be approved by the Architectural Control Committee.
2. The ACC shall not approve the construction of a barbeque unit or fire pit located outside the designated building envelope for the lot.
3. Prefabricated barbeque or fire pit units shall not be permitted to be used or installed outside the building envelope for the lot.
4. Whether prefabricated or constructed, the fuel source shall be such that it can readily be extinguished such as gas or electric.
5. For fire pits, spark arresting screens shall be utilized when in operation.
6. No open fires shall be permitted on the property.
7. No firearms of any kind shall be discharged in the Development or in the Town of Erie in accordance with codes and ordinances of the Town of Erie.

Adopted by the Board of Directors on this date:

9/10/15

Signed on behalf of the Board of Directors by:


President of the HOA Board of Directors

Board of Directors Adopted Rule Number: 0009
Title: Renewable Energy Generation Devices

The Board of Directors has adopted the following rule pertaining to the above titled subject in accordance with the authority provided by the CC&Rs of the Association. For convenience this information is included as an introduction to the HOA rules information titled: **Establishing Rules for the Candlelight Ridge Home Owners' Association.**

Rationale:

The CC&Rs and Design Standards of Candlelight Ridge do not address requirements or standards for installing renewable energy generation equipment or devices. With the increasing interest in such equipment, it is appropriate that consideration be given to requirements for the installation of such devices. In accord with the Colorado Revised Statutes (38-30-168), homeowners associations shall not prohibit the installation of a renewable energy generation devices, however, the statute does permit for aesthetic provisions that impose reasonable restrictions associated with the installation of such devices. The intent of these rules is to define those reasonable restrictions while not precluding the installation of a renewable energy device.

Requirements:

1. Any exterior modification or change to a home or property requires a review and approval of the Architectural Control Committee of Candlelight Ridge.
2. Installation of any renewable energy generation device shall require a building permit to be issued by the Town of Erie.
3. Wind-Electric Generators - As provided for in the Colorado Revised Statute 38-30-168, the installation of wind-electric generators will be carefully reviewed by the ACC as to the proposed placement, safety and sound levels, remembering that sound levels beyond property lines is addressed in the CC&Rs. Interference with the use and enjoyment of residents of property situated near a proposed wind-electric generator installation will be carefully considered based on the potential for unreasonable sound levels.
 - a. Application requests shall require detail sound level metrics at various wind speeds as can be expected for the installation location.
 - b. Consideration shall be given to the potential for damage to adjacent properties in the event of any structural malfunction or failure of the device as well as view corridor impacts.
 - c. Safety shall consider height of blades above ground to avoid contact with individuals or equipment.
 - d. Any installation shall be in the rear yard of the property and within the recorded building envelope.
 - e. The application shall include a plat plan drawing identifying the location and footprint of the proposed structure.
 - f. The application shall include a complete structural review of the proposed structure including foundation design requirements.

4. Solar Panel Installation - It is preferable that no solar device be located on any street facing roof. Consideration will be given to permitting street facing installations if no reasonable alternate location is feasible. Consideration will be given to increased cost and/or decreased efficiency of the device resulting from an installation in potential alternative locations. As a guide the potential alternate locations should not result in an increase in cost by more than 15% and/or a decrease in efficiency of the installation of greater than 10%. No ground level installations will be permitted.
- a. Any solar system must be for and restricted to the exclusive residential use of the homeowner. Such use shall not preclude the homeowner from having a system, which feeds power back to their electric utility company.
 - b. Solar panels shall be mounted only on the roof of homes and when installed, shall be the same pitch as the roof section on which they are mounted. The solar panels shall not extend beyond the vertical height (ridge) or the horizontal width (hip) of the roof section on which they are mounted.
 - c. The solar system components shall be comprised of commercially available products. The system must be professionally installed and all proper permits must be obtained prior to beginning installation. A homeowner who is also a professional installer of solar systems shall be allowed to do their own installation provided all provisions of this rule are followed.
 - d. It is understood that solar panel installations are likely to add new and unfamiliar elements to the exterior appearance of a home. The proposed system should consider the visual effect on neighboring homeowners and view corridors to the extent practical.
 - e. It is preferred that the color of the solar panels be black instead of blue or another color. The applicant shall submit a color sample or brochure identifying the panel and color to be installed. The applicant shall identify the rationale for any deviation necessary from the preferred color.
 - f. It is preferred that the solar panel edge trim be black and not white or chrome/stainless steel. The applicant shall identify the rationale for any deviation necessary from the preferred color.
 - g. Electrical conduit used for the installation shall be in accord with electrical building codes and standards. The applicant shall identify the type of conduit that is to be installed. The homeowner shall maintain the appearance of the installed conduit and not allow the appearance to fall into disrepair such as peeling paint.
 - h. To the extent practical the electrical conduit shall be installed to minimize the appearance from the street.
 - i. The electrical inverter is usually installed in close proximity to the existing meter power panel. This is the preferred location. The applicant shall identify the rationale for any deviation necessary from the preferred location.

- j. Once installed the visual appearance of the installed solar panels shall be maintained in accordance with the standards of maintenance required for other exterior elements of the home.
- k. Applicants are advised the installation of a solar panel system requires a confirmation of structural integrity of the installation. This structural verification should consider wind effects as well as the additional weight. Such information is needed for the Town of Erie Building Permit application.

Adopted by the Board of Directors on this date:

9/10/15

Signed on behalf of the Board of Directors by:



President of the HOA Board of Directors

Board of Directors Adopted Rule Number: 0010
Title: Home Occupations

The Board of Directors has adopted the following rule pertaining to the above titled subject in accordance with the authority provided by the CC&Rs of the Association. For convenience this information is included as an introduction to the HOA rules information titled: **Establishing Rules for the Candlelight Ridge Home Owners' Association.**

Rationale:

Since the establishment of the CC&Rs of many Associations, including the Candlelight Ridge Home Owners' Association, economic conditions have changed and activities that were once not considered to be the norm have now become acceptable practices in residential communities. This includes the provision of CC&R paragraph 3.1.3 Residential Use/Rentals (and related CC&R paragraphs). This paragraph currently states; "No Unit shall be used for any purpose other than single-family residential purposes." Based on inquiries by individuals, coupled with the recognition that some residents of our Association may already be engaged in some sort of a home occupation, it is felt that this CC&R paragraph should be clarified to recognize the changes, both in our Association and other Associations on an overall national basis.

With certain exceptions, the Board of Directors feels compelled to recognize the operation of home occupations in single family residences in the Candlelight Ridge Development. In clarifying the "single family residential purposes" provision of the CC&Rs, to allow for the operation or creation of a home occupation, the BOD continues to be duty bound to enforce the other provisions of the CC&Rs. This too is consistent with actions taken by many other HOAs in addressing the "single family residential purposes" question.

Requirements:

While the BOD recognizes the practicality of conducting or establishing a home occupation in a single family residence, there are CC&R requirements that shall continue to be observed in conducting any home occupation operation. The enforcement of these is intended to provide a reasonable degree of equity for all residents of the Association, whether or not they conduct a home occupation operation. These include current CC&R requirements each resident or lot owner has agreed to abide by.

Thus, the BOD expects the following items to be observed in the operation of any home occupation while, neither encouraging or discouraging the establishment or conduction of such.

1. Should a resident establish or conduct a home occupation they are reminded that other than the single-family residential use provision (para 3.1.3), there are numerous other CC&R requirements that are applicable and are to be complied with. The resident creating or operating a home occupation should be aware of each of these. As a reminder, there are CC&Rs provisions that address violation of restrictions. It is suggested that the resident review all of the CC&Rs provisions and in particular the following:
 - a. 3.1.4 - Unsightly Articles
 - b. 3.1.6 - Insurance Rates
 - c. 3.1.8 - Signs and Flags
 - d. 3.1.9 — Nuisances
 - e. 3.1.14 – No Hazardous Activities (This paragraph includes provisions for observation of laws & ordinances compliance.)
 - f. 3.1.17 — Vehicles

Note:


For the convenience of interested individuals, CC&R paragraphs referenced in these rules are included as an Attachment.

2. Certain home occupations may be more acceptable than others. A concern of the **BOD** is related to the amount of vehicular traffic that a home occupation may create. Home occupations that create a steady flow of customer vehicular traffic would not be considered to be acceptable as it could have a negative impact or effect on surrounding neighbors and residents. Examples of home occupations that would likely create unacceptable amounts of vehicular traffic would be barber or beauty salons. Occasional vehicular traffic is considered to be acceptable.
3. Besides the amount of vehicular traffic, parking is also a concern. Parking of visitors to access the home occupation shall not become a nuisance to neighbors or other residents such as may be created by the quantity or location of parked vehicles.
4. No exterior building alterations shall be permitted to accommodate the home occupation.

Adopted by the Board of Directors on this date:

9/10/15

Signed on behalf of the Board of Directors by:


President of the HOA Board of Directors

Attachment

The following are copies of CC&R paragraphs. The entire CC&R is available on our web site.

ARTICLE 3

GENERAL RESTRICTIONS/PERMITTED USES

3.1 General Restrictions. All of the Property shall be owned, held, conveyed, encumbered, leased, used, occupied and enjoyed subject to the following limitations and restrictions:

3.1.1 Residential Use and Common Elements. All of the Property (excluding any Common Elements) shall be improved and used for residential use for single-family homes. Any Common Elements may be improved and used for the purpose(s) set forth on the Subdivision Plat for the primary benefit of the Owners and occupants of Units. In addition, Declarant (or the Board if such authority is delegated to it by Declarant) may, in its sole and absolute discretion, as to any specific residential area, permit other Improvements and uses consistent with the zoning and Subdivision Plat then in effect for such specific residential area.

3.1.2 Improvements and Use. All Units shall be improved and used as a dwelling or structure ("Improvement") designed to accommodate no more than a single family and its occasional guests. All exterior improvements to a Unit must be reviewed and approved by the Architectural Control Committee, provide for herein.

3.1.3 Residential Use/Rentals. No Unit shall be used for any purpose other than single-family residential purposes. No terms of this Declaration shall be construed to prevent the rental of all or any portion of a Unit or Improvement thereon by the Owner thereof for residential purposes, on either a short or long-term basis subject to all the provisions of these Restrictions. No commune or similar type living arrangements shall be permitted anywhere on the Property.

3.1.4 Unsightly Articles. No unsightly article shall be permitted to remain on any Unit or any other portion of the Property. Without limiting the generality of the foregoing, trailers, mobile homes, recreation vehicles, graders, trucks, boats, tractors, campers, wagons, buses, sleighs, motorcycles, motor scooters, snowmobiles, snow removal equipment and garden and maintenance equipment shall be kept at all times (except when in actual use) in an enclosed garage or other structure approved in writing by the Architectural Control Committee. Basketball backboards shall be glass, Plexiglas or portable. If portable, the

backboard shall be stored in an enclosed structure (approved by the Architectural Control Committee) at all times when not in use. Refuse, garbage and trash shall be kept at all times in a covered container and any such container shall be kept within an enclosed structure. No clotheslines will be allowed. No lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials or scrap or refuse or trash shall be kept stored or allowed to accumulate on any portion of the Property; provided, however, that normal household waste can be set out for pickup not more than twelve (12) hours before a scheduled garbage pickup. The Board may adopt and revise Rules which regulate, restrict, or prohibit the existence, storage, use or appearance of items, including but not limited to those items listed above, throughout the Property.

3.1.6 Insurance Rates. Nothing shall be done or kept on or at the Property which will increase the rate of insurance on any Association Property without the approval of the Board, nor shall anything be done or kept on or at the Property which would result in the cancellation of insurance on any Association Property or which would be in violation of any law.

3.1.8 Signs and Flags.

Except to the extent specifically prohibited by applicable law, only the U.S. flag, other national flags, "For Sale" signs, seasonal flags, signs which support the owner's positions on political issues, and flags supporting sporting teams shall be displayed upon the Property. Political signs and flags supporting sporting teams shall be removed the day following the political or sporting event. Notwithstanding the foregoing, the Board may revise these Rules authorizing the display of certain flags and signs upon the Property as specifically set forth in the Rule.

3.1.9 Nuisances. No rubbish or debris of any kind shall be placed or permitted to accumulate upon any part of the Property and no odors shall be permitted to arise there from so as to render the Property or any portion thereof unsanitary, unsightly, offensive, or detrimental to any other property or to its occupants. No noise or other nuisance shall be permitted to exist or operate upon any part of the Property so as to be offensive or detrimental to any other property or to its occupants.

Garage doors should be shut when activities in the garage or outdoors on the property are not underway.

The Board may further restrict or regulate the use of Units, Common Elements, and any other portions of the Property through a Rule.

3.1.14 No Hazardous Activities. No activities shall be conducted on the Property and no Improvements shall be constructed on the Property that are, or might be, unsafe or hazardous to any person or property. No violation of any law, ordinance, rule, regulation or code of any governmental or quasi-governmental body having jurisdiction over the Property shall be allowed. Without limiting the generality of the foregoing, no firearms shall be discharged upon the Property and no open fires shall be lighted or permitted on the Property except in a contained barbecue unit while attended. Exterior Barbeque units and fire pits must conform to Town of Erie and Mountain View Fire Protection District requirements.

The board shall have final authority and jurisdiction regarding compliance with this rule.

3.1.17 Vehicles. In addition to the provisions of Section 3.1.4, the existence, use and storage of all vehicles, including, but not limited to, gliders, trucks, automobiles, graders, boats, tractors, pickups, mobile homes, trailers, buses, campers, recreational vehicles, bicycles, motorcycles, motor scooters, wagons, sleighs and snowmobiles, may be subject to Rules promulgated by the Board that may prohibit or limit the use thereof within specified parts of the Property and upon the public and private streets within the Association's community. These Rules may also provide parking and storage regulations. Parking of emergency service vehicles shall be allowed to the extent that such parking is specifically authorized by applicable law.

Board of Directors Adopted Rule Number: 0011
Title: Fences and Fence Enclosures

The Board of Directors has adopted the following rule pertaining to the above titled subject in accordance with the authority provided by the CC&Rs of the Association. For convenience this information is included as an introduction to the HOA rules information titled: **Establishing Rules for the Candlelight Ridge Home Owners' Association.**

Rationale:

The Candlelight Ridge design documents including the CC&Rs, the Design Standards and the recorded Development Plan identify requirements pertaining to the installation of fences. The requirements for fences include details regarding height, type, color and location of termination of fences.

Residents indicated a desire to install fence enclosures for an area smaller than the area of the entire rear yard as would be created by fences installed along lot lines of the rear yard. These smaller area fence enclosures would be for the creation of a dog run or garden enclosure. In reviewing the possibility of allowing dog runs or garden enclosures the BOD identified wording associated with fence heights, in the original Development Plan, precluded the installation of fences for enclosures at heights that were appropriate. In addition there were constraints in the Development Plan paragraph (1 a.) that resulted in fence height requirements being different within the same lot, based on whether the lot was or was not adjacent to Town owned Open Space.

The constraints of the old paragraph (1 a.) of the Development Plan have been eliminated by the adoption of the new paragraph (1 a.) wherein the Town Fence Code, for residential fences, has been adopted to address the height of fences. The Town Code identifies this maximum height is 5' without specifying a minimum.

Within the framework of the new Development Plan paragraph (1 a.) it is now possible to create the rules identified in this document establishing constraints for each fence application, whereas the old Development Plan paragraph (1 a.) precluded the creation of fence enclosures as desired by residents. In addition the new Development Plan paragraph (1 a.) allows flexibility as to height requirements for lot line fences.

The requirements for lot line fences as well as dog run enclosures and garden enclosures are identified in this document and have been detailed in the Architectural Control Committee (ACC) Application Check List.

The new paragraph (1 a.) of the recorded Development Plan is as follows:

Only wrought iron fences or metal fences with an appearance of wrought iron shall be permitted for installation on residential lots in Candlelight Ridge. Fences or sections of fences shall not be more than fifty percent opaque. Residents are not required to erect a fence. Fence heights shall be governed by the Town of Erie Fence Code as applicable to residential fences. The Candlelight Ridge Home Owners' Association (CRHOA) may impose further

requirements pertaining to the installation of fences or fenced enclosures, however, enforcement of any further requirements shall be the responsibility of the CRHOA.

In addressing the fence height constraints in paragraph (1 a.) of the Development Plan, no other requirements of the Development Plan are affected. In addition, the CC&Rs and the Design Standard requirements for fence style and color remain unchanged. Thus, all of the requirements for fences or fenced enclosures remain the same as to material, color and location of termination and only height considerations have been altered. Thus, the use of wrought iron (or metal with an appearance of wrought iron), as originally required, is continued and achieves the feeling of openness envisioned in the design for Candlelight Ridge. As with the original Development Plan, this requirement precludes the use of wood, such as dimensional lumber or lattice as a fence material.

With the changes to the Development Plan paragraph (1 a.); the BOD has developed requirements associated with dog run enclosures and garden enclosures. In addition, lot line fence requirements are restated, providing residents greater flexibility than previously permitted. This flexibility is applicable to fences adjacent to other lots (lot line fences) within Candlelight Ridge and lot line fence when they are adjacent to or abut Town owned Open Space.

2013 Annual Meeting Held 2/12/2014

At the annual meeting the matter of the Development Plan fence height information was presented. This included the intent to allow residents to install enclosures for dog runs and gardens. A unanimous vote of those present or represented by proxy concurred with proceeding with the change to the Development Plan to provide the flexibility for fence heights as applicable to the items addressed in this document.

Requirements:

The following provides the information pertaining to the installation of fences and fence enclosures in Candlelight Ridge. The Architectural Control Application and Check List details the requirements for each type of installation.

General:

1. Fences are not required to be installed (See Pool, Hot Tubs & Spas below)
2. All fence installations shall be approved by the Architectural Control Committee.
3. All fence installations shall require a Town of Erie Building Permit.
4. Pool, Hot Tubs & Spas fences or safety protection shall meet the International Residential Code Requirements.
5. Fences shall be located in the rear yard of a residence and shall not be closer to the street than the rear corner of the residence.
(Due to shapes of lots and orientation of homes on lots, the ACC may consider

the rear corner of an adjacent home in determining the permissible location for a fence at an applicant's home in complying with the "rear corner of the residence" requirement.)

6. Fences, when installed, shall be wrought iron or of a wrought iron appearance (aluminum).
7. Fence shall be black in color.
8. Vertical spacing of fence elements shall be either 3" or 4"
9. Mesh or "doggie panels" of not greater than 30" in height may be installed on fences. The mesh shall be at least ½" and be black in color. "Doggie panels" shall be black in color and compatible with the fence. (Other materials, black in color, may be approved by the ACC for use in keeping animals either inside or outside a fence installation.)

Fence Types & Descriptions:

1. Peripheral Lot Line Fences -

- a. May be either 4' or 5' in height.
- b. Applicants are urged to match to the extent practical the height of fences already installed on adjacent property.
- c. (5' fences adjacent to open space may require an additional approval by Community Development personnel when obtaining a building permit but is acceptable to the Town.)

2. Garden Enclosure Fences -

- a. Enclosed Area - Not Greater than 12% of Rear Yard
- b. Fence shall be 3' in height
- c. Setback Requirements
 - Not allowed within a utility easement
 - Side Lot - 20' from sidewalk
 - Interior Lot - 5' from interior lot line
- d. No cover - Shall be open to the sky

3. Dog Run Enclosures -

- a. Enclosed Area - Not greater than 200 sq. ft.
- b. Preferred Fence Height - 4'
- c. Allowed Fence Height - 5'
- d. Setback
 - Not allowed within a utility easement
 - Side Lot - 20' from sidewalk
 - Interior lot - 5' from interior lot line.
- e. No cover - Shall be open to the sky
- f. No dog houses or coops within dog run

4. Swimming Pool Hot Tubs and Spa Fences:

a. Swimming Pool Fences

Pool fences shall be installed in accordance with the International Residential Code Requirements. Special consideration may have to be given to peripheral lot line fences and pool fences when reviewing such installations. Above ground pools may not require fences if other safety code requirements have been met.

b. Hot tubs and Spas

The International Residential Code requirements shall be observed which may or may not require a fence installation to comply with the code.

In addition to the above information pertaining to fence and fence enclosures, residents are reminded of the following as it pertains to dog run enclosures:

The purpose of permitting the installation of a dog run enclosure is to provide security to contain and allow a dog a degree of freedom for exercise and bodily (potty) functions. Dog runs shall not be used for the long term containment of a dog. ACC approval of a dog run in accordance with these rules does not alter any provisions of the CC&Rs, the Development Plan or other rules adopted by the Board of Director with respect to animals or dogs.

Adopted by the Board of Directors on this date:

9/10/15

Signed on behalf of the Board of Directors by:

David L. Johnson
President of the HOA Board of Directors

Board of Directors Adopted Rule Number: 0012
Title: HOA Dues & Fines Collection Policy

The Board of Directors has adopted the following rule pertaining to the above titled subject in accordance with the authority provided by the CC&Rs of the Association. For convenience this information is included as an introduction to the HOA rules information titled: **Establishing Rules for the Candlelight Ridge Home Owners' Association.**

Rationale:

The "HOA Dues & Fines Collection Policy" will supplement the Bylaws and CC&Rs of the Association and be followed to collect delinquent Association Dues and Fines. Such a written policy is required by rules and regulations of the State of Colorado for Home Owner Associations.

Requirements:

The Association through its Board, Management Company, or legal counsel will pursue the collection of delinquent dues and fines from a property Owner. Should the recovery of delinquent accounts require legal proceedings, those proceedings will be conducted under the direction of the Board in accordance with provisions of this "HOA Dues and Fines Collection Policy".

At each step of the collection process, the Board will be advised of known facts and circumstances concerning the delinquent account by the Management Company, Officers or legal counsel in order to ensure the appropriate collection effort is being made.

Part I Assessments and Dues:

A. Payment Due Dates:

At the time of purchase of property in Candlelight Ridge each Owner agreed to honor the CC&Rs, rules and regulations of the Association. As such, each Owner agrees to pay Association Assessments and Dues.

The date for Dues payments, as set by the Association Board, is the first day of each calendar quarter as follows: January 1- first quarter; April 1- 2nd quarter; July 1 – 3rd quarter September 1- 4th quarter. Balances are due by the dates shown for the quarterly billing.

While Owners are obligated to make dues payments by the dates shown, a courtesy reminder will be provided by US Mail or email in advance of the due dates.

Some owners have chosen to pay dues monthly by automatic payments. Such monthly payment totals shall be in advance of the quarter for which they are applicable and shall be paid in full by the quarterly due date. The same delinquency policy applies for payments made monthly as is applicable to owners that pay a lump sum quarterly amount. In both instances payment totals are due by the start of the quarter and become delinquent thirty (30) days after the start of the quarter. The Delinquent Dues Payment information below identifies the late fee policy.

B. Delinquent Dues Payments:

Unpaid Dues, interest, late charges, attorney fees, Management Company processing fees, court costs and other costs associated with the collection of delinquent accounts are an obligation of the Owner. Failure to satisfy a delinquent account may result in a lien against the property, of the delinquent Owner, until the balance is paid in full. A lien against the property remains in effect until satisfied even when a transfer of property ownership may be involved.

A thirty (30) day grace period is provided for payment of dues after the quarterly due date and prior to the imposition of a fine. If a scheduled payment is not received within twenty (20) days after the quarterly due date, the account will be identified as being overdue and a "Reminder Notice" will be sent to the Owner by US Mail or email. This is a reminder of dues being due and having to be paid prior to the end of the 30 day grace period, to avoid the imposition of a late fee.

Late fee(s) will be assessed as follows:

1. If a scheduled payment is received between 31 and 60 days after the due date, a late fee of \$25.00 is assessed against the account.
2. If a scheduled payment is received between 61 and 90 days after of the due date, a late fee of \$50.00 is assessed against the account.
3. If a scheduled payment is received between 91 and 120 days after the due date, a late fee of \$100.00 is assessed against the account. (Note: Another scheduled quarterly dues payment becomes payable at the 90 day period and is added to the account balance due. If this payment too is late, it is subject to another late fee being assessed in accordance with this schedule.)
4. If the scheduled payment is received after 120 days of the due date, a late fee of \$200.00 is assessed against the account.

C. Process for Addressing Delinquent Dues Payments:

If after the initial "Reminder Notice", sent twenty (20) days after the quarterly due date, dues remain unpaid, additional late notices will be sent to the Owner at two subsequent thirty (30) day intervals notifying the Owner of the overdue account balance, including the amount of the late fee and administrative fee charged to the Owner's account

If the scheduled payment is not received within one-hundred and twenty (120) days after the due date, the Association will send a "Demand Lien Letter" to the Owner requesting immediate payment of all outstanding amounts within fifteen (15) days from the date of the letter. The "Demand Lien Letter" will be sent via regular first class mail and by registered mail (receipt requested). All fees associated with processing will be added to the Owner's account.

If an Owner fails to pay the entire outstanding account balance stated in the "Demand Lien Letter", by the date specified, the Board will record a "Notice and Claim of Lien" with the Boulder County Clerk's Office. If applicable and approved by the Board, the dues payments remaining for the calendar year can be accelerated and will be included in the amount secured by the lien including all administrative costs as of that date. All of these charges will be identified in the Owner's account.

In the event the collection letter, as set forth above, does not result in payment by the Owner, the Board, with inputs and recommendations from the Management Company and legal counsel, will evaluate the course of legal action felt to be in the best interest of the Association, for the recovery of unpaid amounts.

If an Owner requests verification of the indebtedness in writing, the Association, its Management Company or legal counsel, whichever is applicable, will supply verification within fifteen (15) days from date of receipt of request.

D. Association Recovery of Costs:

Costs Associated With Delinquent Dues Payments:

The Association may recover costs incurred during the collection of any delinquent accounts. These costs will be collected in the same manner as dues. Included are any handling charges, collection costs, administrative fees, postage, attorney fees or other expenses incurred by the Association and/or the Management Company in connection with the collection of any account.

Returned Checks:

Any check tendered for payment by an Owner or on behalf of an Owner, that is returned by the bank for any reason, will result in the addition of a returned check fee of thirty-five (\$35.00) to the Owner's account.

E. Payments Received:

All monies received will be applied to the Owner's account in the following order:

- First, to Dues and/or Fines
- Next, to the late fees, collection costs and attorney's fees incurred by or on behalf of the Association.
- Last, to interest accrued

Part II Violation of CC&Rs, Rules and Regulations

A. Notices of Violation:

When a violation of the rules and regulations of the Association have been identified, a notice will be sent to the Owner. Every effort will be made to allow a reasonable amount of time for the Owner to take corrective action. The corrective action period will consider the customary amount of time necessary to implement the corrective measure. Nuisance or safety violations are expected to be addressed and corrected on an immediate basis.

For safety or nuisance situations, where time is of the essence, contact may be made with the Owner by email, telephone or personal contact, followed by formal correspondence, as identified in the following paragraphs.

All violation correspondence will be directed to the person who is the Owner of the property, and will be sent to the most recent address of the Owner, according to the Association records. It is the responsibility of the Owner to update the Association in regards to address changes, ownership changes, or changes in other contact information. Any correspondence directed to the Owner will be considered valid, until written notification of changes regarding contact information has been received by the Association.

If the interest of an Owner is being handled by a representative of the Owner, or if an Owner has notified the Association that his/her interest is being handled by a representative, any correspondence from the Association will be considered valid for all purposes if directed to the representative.

Notices of a violation(s) will be sent to the Owner or representative by US Mail with a copy being sent by registered mail (receipt requested). When possible a copy of the violation notice will be sent to the email address of record.

B. Uncorrected Violations:

If the violation has not been corrected within a time period established by the Association and identified in the Violation Notice or as may have been subsequently agreed to between the Association and the Owner, the violation is subject to the imposition of a fine as determined by the following:

C. Schedule of Fines Amounts:

Violation of the CC&Rs and the rules shall be corrected and resolved by the Owner. If after a reasonable time period the Owner has not taken corrective action, the Association at its sole discretion, may take the necessary corrective action at the expense of the Owner. Fines to enforce the rules and regulations may be imposed in accordance with the fine schedule identified below. Fines may be imposed for each violation or for each additional instance of the same violation that may continue after an initial violation notice has been provided. An initial notice of a violation will be sent to the Owner prior to the imposition of a fine. The notice will detail the violation and will include, to the extent practical, the identification of CC&R and/or rule paragraphs that address the violation.

1. Maintenance Violation -up to \$25 per week.
2. Parking Violation (including commercial vehicle parking restrictions) - up to \$25 per week.
3. Violations associated with landscaping, signs or decorations - up to \$25 per week
4. Unauthorized storage of vehicles or items, including trash and recycle carts -up to \$25 per week
5. Architectural (ACC) Violation:
An ACC Application must be submitted and approved before architectural improvements are made. If the application is not submitted and approved prior to commencement of the work, fines can be imposed from the day work was started. These fines can be up to \$100 per week based on the severity of the situation and the cooperative effort made by the Owner to correct or mitigate the situation.
6. Failure to Update Tenant & Owner Information if Renting Residence -up to \$15 per week.

The Board will make a determination of the amount of fines imposed for the above within the limits stated and will determine the amount of fines for items not identified above, based on the severity of the violation.

Consideration will be given by the Board to the diligence of the Owner to resolve the violation. If the violation is of a continuing nature, fines may be imposed periodically, but not more frequently than once per week for the same violation.

A maximum of \$500.00 in fines, not including fees, interest and/or administrative charges,

may be assessed an Owner for violations of rules and regulations of the CC&Rs in a calendar year.

D. Fines Payment Schedule:

If payment is not received within twenty (20) days after a notification of the imposition of a fine, the account is deemed delinquent and a "Reminder Notice" will be sent to the Owner and a late fee will be assessed as follows:

1. If the payment for a fine is received between 31 and 60 days after the due date, a late fee of \$25.00 is assessed against the account.
2. If the payment for a fine is received between 61 and 90 days after of the due date, a late fee of \$50.00 is assessed against the account.
3. If the payment for a fine is received between 91 and 120 days after the due date, a late fee of \$100.00 is assessed against the account.
4. If the payment for a fine is received after 120 days of the due date, a late fee of \$200.00 is assessed against the account.

E. Process for Addressing Delinquent Fines Payments:

After the initial "Reminder Notice", sent twenty (20) days after the due date, subsequent reminder notices will be sent to the Owner at two subsequent thirty (30) day intervals notifying the Owner of the overdue account balance and the amount of the late fee charges added to the account. Administrative fees associated with the preparation and mailing of the notice will be identified and included in the charge to the Owner's account.

If the scheduled payment is not received within one-hundred and twenty (120) days after the due date, the Association will send a "Demand Lien Letter" to the Owner requesting immediate payment of all outstanding amounts within fifteen (15) days from the date of the letter. The "Demand Lien Letter" will be sent via regular first class mail and by registered mail (receipt requested). All fees associated with processing will be added to the Owner's account.

If an Owner fails to pay the entire outstanding account balance stated in the "Demand Lien Letter", by the date specified, the Board will record a "Notice and Claim of Lien" with the Boulder County Clerk's Office. If applicable and approved by the Board, the dues payments remaining for the calendar year can be accelerated and will be included in the amount secured by the lien including all administrative costs as of that date. All of these charges will be identified in the Owner's account.

In the event the collection letters, as set forth above, do not result in payment by the Owner the Board, with inputs and recommendations from the Management Company and legal counsel, will evaluate the course of legal action felt to be in the best interest of the Association, for the recovery of unpaid amounts.

If an Owner requests verification of the indebtedness in writing, the Association, its Management Company or legal counsel, whichever is applicable, will supply written verification within fifteen (15) days from date of receipt of request.

F. HOA Recovery of Costs:

Costs Associated With Delinquent Fines Payments:

The Association may recover costs incurred during the collection of any delinquent accounts. These costs will be collected in the same manner as violation fines.

Any handling charges, collection costs, administrative fees, postage, attorney fee or other expenses incurred by the Association and/or the Management Company in connection with the collection of any account.

Returned Checks:

Any check tendered for payment by an Owner or on behalf of an Owner, that is returned by the bank for any reason, will result in the addition of a returned check fee of thirty five (\$35.00) to the Owner's account.

G. Payments Received:

All monies received will be applied to the Owner's account in the following order:

- First, to Dues and/or Fines
- Next, to the late fees, collection costs and attorney's fees incurred by or on behalf of the Association.
- Last, to interest accrued


Part III Imposition of Interest Charges on Delinquent Dues and Fine Accounts

The Owner is advised the Board is obligated to impose an interest charge on a delinquent account resulting from fines, dues and administrative charges. These interest charges will be added to outstanding account balances. Paragraph 4.7.3 of the CC&Rs imposes this interest charge at the rate of 21% per annum on all delinquent amounts due, commencing thirty (30) days after the amount becomes due.

Adopted by the Board of Directors on this date:

9/10/15

Signed on behalf of the Board of Directors by:



President of the HOA Board of Directors

Board of Directors Adopted Rule Number: 0013
Title: Live-in Care Givers and Single Family Definition

The Board of Directors has adopted the following rule pertaining to the above titled subject in accordance with the authority provided by the CC&Rs of the Association. For convenience this information is included as an introduction to the HOA rules information titled: **Establishing Rules for the Candlelight Ridge Home Owners' Association.**

Rationale:

Paragraph 3.1.1 of the CC&Rs of the Association is specific in the statement; the property shall be improved and used for residential use for single-family homes. The paragraph states; in addition the Board may, in its sole discretion, as to any specific residential area, permit other improvements and uses consistent with the zoning and Subdivision Plat then in effect for such specific residential areas.

Paragraph 4.13.10 of the CC&Rs provides the Board of Directors broad latitude in establishing rules, however, limits this authority if a rule established by the Board of Directors "expressly conflicts" with the terms of the Declaration.

With respect the CC&R requirement, underlined above, associated with the residential use for single family homes, The Board of Directors, for good and sufficient reason desires to clarify the "single family" definition and include definitions and requirements to compassionately address the potential need of "single family" members needing live-in care giver's assistance in order to continue to occupy and remain a resident of their home. Failure to address the matter of live-in care givers, in conjunction with the "single family" definition, or to ignore the enforcement of this CC&R requirement could have a deleterious effect on the ability of the Board to enforce this and potentially other CC&R requirements and rules. Thus, it is the opinion of the Board of Directors the "single family" terminology should be clarified to provide a reasonable and compassionate definition of the "single family" terminology applicable to residents and properties of Candlelight Ridge.

Requirement:

The current "single family" definition continues to be defined as being a family and members of that family related by blood, marriage or when a domestic partner relationship exists. The Board of Directors based on the authority granted, is clarifying this definition to include live-in care givers, who provide for the welfare of a member or members of a "single family" as being an individual qualified to occupy the same single family residence as follows:

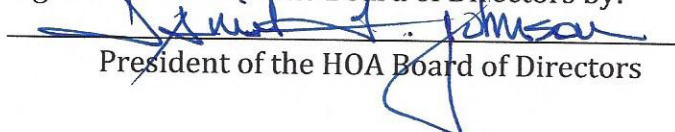
Live-in care givers are defined as individuals providing one or more of the following care. Assistance to a member or members of the "single family", defined above, who are medically or physically in need of continuing assistance in order to occupy the home. Assistance to member or member of the "single family", define above, for the care and supervision of children under the age of 13 years of age.

Each individual that provides assistance on a live-in basis shall have their own bedroom. A bedroom is as defined in the International Residence Code.

Adopted by the Board of Directors on this date:

9/10/15

Signed on behalf of the Board of Directors by:


President of the HOA Board of Directors