

WALDEN PROPERTY OWNERS ASSOCIATION, INC.

RULES AND REGULATIONS

Advertising/Signs

Only standard "FOR SALE" or "FOR RENT" no more than four (4) feet in height and not more than two (2) feet by three (3) feet in dimension, and which are conservative in color and style may be installed on the front yard of the lot of the property for sale or lease only, without approval provided there is no more than one per lot. Except as restricted by governmental entities, no more than three political signs (not to exceed 3 feet by 4 feet) may be placed on property owned by the owner or in a window of the home. The maximum dimensions of each sign may be limited to the lesser of the following: A) The maximum size allowed by Colorado Springs and / or El Paso County ordinance that regulates the size of political signs on residential property; or B) 36" x 48". Political signs can be emplaced no earlier than 45 days prior to an election and must be removed no later than one week following the election for which they have been placed. No other advertising or signs of any character shall be erected, placed, permitted or maintained on any lot or home other than a name plate of the occupant and a street number. No signs will be permitted to be placed on the common tract maintenance areas without the written consent of the Board of Directors.

Alternative Dispute Resolution

In the event of any dispute involving the Association and an Owner, the Owner is invited and encouraged to meet with the Board of Directors to resolve the dispute informally and without the need for litigation. If the Owner requests to meet with the Board, the Board shall make a reasonable effort to comply with the owner's request. Nothing in this policy shall be construed to require any specific form of alternative dispute resolution, such as mediation or arbitration, or require the parties to meet. Neither the Association nor the Owner waives any right to pursue whatever legal or other remedial actions available to either party.

Any controversy between the Walden Property Owners Association, Inc. and homeowner(s) arising out of the provisions of the governing documents may be submitted to mediation or arbitration by agreement of the parties prior to the commencement of any legal proceeding. The agreement, if one is reached, may be presented to the court as a stipulation. Either party to the mediation may terminate the mediation process without prejudice.

Antennae

No exterior television, radio or other communication antenna or aerials of any type are permitted including satellite dishes and microwave receivers without the prior written notification to the Board of Directors and acceptance by the Board of Directors of the location for installation. The Association has adopted the following rules, regulations and restrictions for the installation and maintenance of exterior antennae in the community in compliance with the FCC Rules, which became effective October 4, 1996: Notification: Before installation of an DBS (direct broadcast satellite) satellite dish that is one (1) meter or less in diameter, MMDS (multi-channel multi-point distribution service wireless cable) antenna that is one (1) meter or less in diameter or diagonal measurement, or television (TBS) antenna (collectively

referred to an “antenna”) is permitted, the Owner of the property where the antenna is being installed must notify the Association in writing. Antenna Location: The primary installation location for a DBS satellite dish and MMDS antenna shall be in a location in the backyard that is shielded from view from the street(s) and adjacent residences, provided such location does not preclude reception of an acceptable quality signal.

Architectural Control – this rule applies to any and all Architectural requests after original construction and completion of lot improvements

A. No exterior additions to, alterations of or decoration of buildings, drainage patterns, landscaping nor any changes in fences, hedges, walls or other structures shall be permitted without the prior written approval of the Association's Board of Directors. Requests for architectural approval must be submitted by homeowners to the Architectural Control Committee (ACC) in writing by electronic (EMAIL, fax, etc.) or hardcopy means with sufficient detail to convey the type, scope, location, materials, etc. to be used in the project as well as the timeframe for completion. Simple hand drawn or computer generated sketches should accompany the request to facilitate ACC / Board member understanding. Additionally, the homeowner should include the Architectural Review Fee payment of \$100.00 made payable to Walden Property Owners Association, full contact information to include address, telephone number, EMAIL, etc. Upon submission of a written detailed plan, the Architectural Control Committee shall review and recommend action to the Board of Directors. Homeowners should allow up to 30 days (Walden Preserve Filing 1 and Walden III Filing 7) and 60 days (Walden III filing 2) for ACC review and Board action although the goal will be to complete the process within 2 weeks as long as sufficient detail is provided by the homeowner.

B. Examples of modifications requiring Board of Directors approval are: antennae, flag pole, house number, exterior lighting, alterations in color schemes for home or decks, landscaping; any addition, modification, or change which involves the common tract maintenance areas, lots or homes, screening of balconies, porches or patios, storing of items outside where visible, creation of a dog runs, construction of additional buildings or the addition of additional buildings including sheds or any other improvement, modification, or change which is not of original construction.

C. To assist residents in determining whether an improvement or addition to the home or lot would fall within the guidelines of the Association and if a request would need to be made, Exhibits F – H were created. These Exhibits list common items for improvement or addition to a home or lot but should not be considered all-inclusive. Homeowners with questions about an item not on this list must contact the Architectural Review Committee or a Board Member for further clarification. Some items on this listing have pre-approved guidelines specific to that subject and are outlined in brief. All changes to a home or lot must be submitted through the Architectural Control Committee regardless whether they have a pre-approval or not.

D. Flags- (1). The American flag may be displayed on an owner's property or within the window of a home or a balcony adjoining a home, but may not be attached to the exterior of the home in any manner except by a bracket which has been approved by the Association, or a flagpole located in the rear of the home. The flag must be displayed in a manner consistent with Federal Flag Code P. L. 94-344; 90 stat. 810; 4 U.S.C. Secs. 4 to 10. The flag may not be any larger than 3 feet by 4 feet. (2). A Service flag bearing a star denoting the service of the occupant, homeowner or a member of homeowner's immediate family in the active or reserve military service of the United States during war or armed

conflict may be displayed on the inside of a window or door of the property owner's home. The Service flag may not exceed 3 feet by 4 feet.

Attorney Fees Resolution

The respective homeowner shall be billed for any and all attorney fees incurred by the Association which are directly or indirectly connected to levying of fines as a result of violation of any Covenant, Rule, Regulation or Resolution, and/or when the Board of Directors is required to retain an Attorney as a result of a legal challenge to the fine or other reason through any of the following means:

- The retention of an attorney resulting in correspondence with the Association.
- The filing of a lawsuit against the Association.
- Any other legal method taken against the Association resulting in the need for the Association to seek legal advice.

The costs of the Association attorneys or other legal fees shall immediately be passed on to the owner involved as an attachment to the homeowner's account and shall remain a part of that account until removed by payment thereof or a vote of the Board of Directors.

If as a result of the fact-finding process, it is determined that the homeowner should not be held responsible for the alleged violation, the Association shall not allocate to the homeowner's account with the Association any of the Association's costs or attorney fees incurred in asserting or hearing the claim. Notwithstanding any provision in the declarations, bylaws, or rules and regulations of the Association to the contrary, a homeowner shall be deemed to have consented to pay such costs or fees.

Enforcement Limitation: In any civil action to enforce or defend the provisions of this article or of the declaration, bylaws, articles, or rules and regulations, the court may award attorney fees, costs, and costs of collection to the prevailing party.

Business (Household Occupations)

No business activities of any kind shall be conducted in any building or in any portion of the community without the prior written consent of the Board of Directors. Distribution or warehousing services are strictly prohibited. In-home childcare may be conducted with a limit of no more than 4 children under care that are not resident of the home. Board approval must be sought and all proper licensing and insurance submitted to the board prior to start of business. Work at Home employees are excepted if there is no traffic pattern in/out of the property owner's residence.

Clean and Sanitary

All parts of the community including each home, garage, patio, deck, and lot shall be kept in a clean and sanitary condition. Fences and decks must be kept in good condition/repair at all times. New construction must be painted or stained within six months of installation or by May 1st (the beginning of the next growing season when new construction occurs during colder months and temperatures do not reach a high enough temperature (above 50 degrees F) to apply protective coatings.

Energy Efficiency Provisions

A. Walden Property Owners Association, Inc. does not prohibit the installation or use of energy efficiency measures. Requests for installation of energy efficiency measures (except as noted below)

must be submitted to the Board for approval through the Architectural Control Committee, Managing Agent or Board members. As used in this section, "energy efficiency measure" means a device or structure that reduces the amount of energy derived from fossil fuels that is consumed by the residents or business located on the real property. "Energy efficiency measure" is further limited to include only the following types of devices or structures:

- (1). an awning, shutter, trellis, ramada, honoring or other shade structure that is marketed for the purpose of reducing energy consumption;
- (2). a garage or an attic fan and any associated vents or louvers (Board approval not required);
- (3). an evaporative cooler;
- (4). an energy-efficient, outdoor lighting device, including without limitation, a light fixture containing a coiled or straight fluorescent light bulb, and any solar recharging panel, motion detector, or other equipment connected to the lighting device (Board approval not required);
- (5). a retractable clothesline which may only be located in a rear yard and not closer than 40 feet from the side street line and screened from public or other lot's views as approved by the Board;
- (6). building / roof mounted solar panels;

B. Reasonable aesthetic provisions govern the dimensions, placement, or an external appearance of an energy efficiency measure. In creating reasonable aesthetic provisions, the Walden Property Owners ACC and Board of Directors will consider:

- (1). The impact on the purchase price and operating costs of the energyefficient measure;
 - (2). The impact on the performance of the energy-efficient measure;
 - (3). The criteria contained in the Walden Property Owners governing documents;
 - (4). Bona fide safety requirements, consistent with applicable building code or recognized safety standard, for the protection of persons and property.
- C. Walden Property Owners Association, Inc. does not prohibit renewable energy generation devices such as solar panels, as defined in section 38 -- 30 -- 168 of the Colorado revised statutes; however, Board approval is required and installation must meet aesthetic standards.
- D. In any litigation involving the significance of an increase in the cost of a renewable energy generation device, the party that prevails on the issue of the significance of the increase shall be entitled to its reasonable attorney fees and costs incurred in litigating that issue. This shall not be construed to limit or prohibit an award of attorney fees or costs on other grounds or in connection with other issues.

Freeze Ups

It is the owner's responsibility to prevent water pipes from freezing. Thermostats should be maintained at a high enough setting to prevent freezing during times of extremely cold weather. Homes having a bathroom adjacent to an outside wall should leave the sink

It is the owner's responsibility to prevent water pipes from freezing. Thermostats should be maintained at a high enough setting to prevent freezing during times of extremely cold weather. Homes having a bathroom adjacent to an outside wall should leave the sink cabinet doors open so warm air can circulate

around the water supply and drain lines. Any damage determined to be caused by the freezing of water lines shall be the sole responsibility of the Owner and the Association shall require that the Owner pay any damages to common area or common tract maintenance area or adjacent private property.

Garage Doors

Garage doors must be closed at all times except for ingress and egress. Exceptions are understood and approved when conducting garage cleaning, housework, landscaping, etc. and individuals are present. Garage doors may also be open for a recreational activity.

Hazardous Activities

No hazardous or unsafe activities shall be permitted. This includes, but is not limited to: open fires outside of a contained grill or started on the lot or the common tract maintenance area, the discharge of firearms, unsafe storage of flammable materials anywhere within the confines of the property or within the homes, and exceeding the posted speed within the community. The Association will not accept responsibility for damage or injury, which is a direct or indirect result of a guest, tenant, or Owner engaged or allowing any of the activities listed above. Hunting in the community is strictly prohibited. Posted speed limits will also be followed at all times.

Insurance Claims Filing Policy

A. If any owner files a claim against the Association's insurance policies, that Owner shall be responsible for: 1) paying the deductible on that insurance policy or increased premiums as provided by the Association Documents and 2) any costs or loss, as well as any costs of collection and reasonable attorney fees to the Association if the Owner, guest, or tenant of the Owner is responsible for the cause of the loss, or if the loss resulted from any equipment or item located within the Owner's home.

B. Claims submitted to the Association's insurance carrier can have a negative impact on the insurance, including increased premiums or even cancellation of the policy. No property owners may contact the Association's insurance carrier directly to file a claim. All claims submissions must go through either the Management Company or Board members. Prior to filing any claim on the Association's insurance policy, owners shall file claims under their personal insurance policies and those submissions / responses from personal carriers must be submitted to the Association with requests for filing claims. The Board can then determine whether the damage should be paid by the Association directly or the Association's insurance company. The Association shall notify owners within fifteen (15) days of the date of submission regarding the current status of decision-making on filing any claim under the Association's insurance policy.

C. Individual Owners are responsible for obtaining insurance on their own homes to cover the exterior and interior of the home and all personal belongings. In addition, each Owner shall be responsible for obtaining any liability insurance for injuries within that Owner's home and any other insurance desired by the Owner or otherwise required. Owners must consult with their own insurance agents as to appropriate coverage.

Landscaping Guidelines

A. Lots are to be maintained in as natural a state as possible. Less than 2 ½ acre lots may have 2000 square feet of lot around the home dedicated to lawn and plantings. Lots of 2 ½ or more than 2 ½ acres

may have 3500 square feet of lot around the home dedicated to lawn and plantings (Walden Preserve Filing 1). Lots shall be limited to a maximum of 5000 square feet of lawn or garden in Walden III Filing 2. Lots in Walden III Filing 7 shall be limited to a maximum of 2000 square feet of lawn or garden. Any landscaping that is approved must be completed within 9 months of initiation (Walden Preserve Filing 1) and within 1 year (Walden III Filing 2).

B. Mitigation of dead or diseased trees is mandatory on all lots. Removal of 4-inch diameter trees or smaller does not require approval by the CCC. Removal of any trees larger than 4 inches in diameter which are not dead, diseased or infected must be approved by the WPOA CCC prior to removal. Removal of trees or other landscaping shall include the prompt removal of all cuttings as well as stumps.

C. Mowing: All turf areas should be maintained to an approximate height of no higher than 3 inches each week during the growing season. Mowing frequency should be scheduled to ensure that not more than 1/3 of the grass blade is removed. Equipment best suited to the site should be used and owners should follow correct horticultural guidelines to keep turf in a healthy state. Clippings should be removed when there is an over-abundance such as immediately after a rain. Concrete and asphalt surfaces should be left free of grass clippings.

D. Edging: Vertical edging should be installed as needed during the growing season along all sidewalks and curb junctures. All surfaces should be cleaned of debris. Chemicals can be sprayed along asphalt edges and around trees. Only string trimmers or chemical herbicides should be used along foundation perimeters.

E. Area Clean Up: At the time of mowing, all turf, shrub, rock and garden areas, and curb lines on all streets should be cleaned up and weeded with loose trash and debris removed. Grass clippings should be removed from the walkways.

F. Garden, rock and shrub bed areas should be weeded by hand or by the application of chemicals to prevent the appearance and accumulation of objectionable weed growth. The property should be checked on a regular basis and sprayed to kill weeds in rock, asphalt, concrete cracks and planter beds. Bedding materials such as rock, bark or mulch should be maintained in an aesthetically acceptable manner.

G. Fall Cleanup: Cleanup leaves on the property during Fall.

H. Owners must maintain any drainage easements and drainage structures located on their lots to ensure proper functioning of drainage and may not redirect or impeded drainage flow.

Nuisance

Nuisances or any use / practice which is a source of annoyance or which interferes with the peaceful enjoyment, possession or proper use of the community by its residents shall not be allowed. No electronic or radio transmitter of any kind shall be operated upon the property, with the exception of garage door openers, wireless Internet routers, and other devices which are designed to be non-intrusive to other property owners. No annoying light, sound or odor shall be emitted from any lot, which is noxious or offensive to others. No activity, which causes a noise disturbance, shall be allowed between the hours of 10:00 p.m. and 7:00 a.m. on weekdays and between 11:00 p.m. and 9:00 a.m. on weekends. This includes loud appliances, moving in and out of homes, etc. Holiday lights may be put up

30 days prior to the holidays and removed no later than 30 days after the holiday. If not removed, a fine may be imposed until they are removed.

Parking/Tow Away/Maintenance

- A. No vehicle so disabled or deteriorated as to constitute a visual eyesore or obstruction to traffic shall be stored or parked within the community including on any lot without being completely screened from common tract maintenance area, common areas, and nearby lots.
- B. Any vehicle that is parked illegally according to the parking ordinances of the City of Colorado Springs or El Paso County then in effect will be reported to the authorities.
- C. A vehicle that is immobile, not properly licensed or registered for a period of seven (7) days may be deemed abandoned. A notice will be given to the authorities to have it removed.
- D. A vehicle that is driven or parked upon a common tract maintenance area or common area will be towed without further notice.
- E. Owners or residents going on vacation should contact the management office regarding the parking of their vehicle so it will not be considered abandoned.
- F. Any owner, tenant, or guest who has a vehicle removed or towed pursuant to the provisions of these Rules shall be responsible for all costs of removal incurred by the Association. Should any legal action be brought by the Association with respect to a violation of any of the foregoing Rules, the owner, in addition to any other damages incurred by the Association, shall be liable for all reasonable attorney's fees and costs incurred by the Association in such legal action subject to the enforcement limitations listed in article 5 above.
- G. Commercial and Recreational Vehicles: Commercial and recreational vehicles are prohibited from parking within lots, common elements and streets adjacent to any property subject to the Declaration of Covenants except as authorized below:
 - a. Any vehicle that is marked with lettering on any exterior panels is considered to be a commercial vehicle and may only be parked in a closed garage or screened from view from adjacent streets and nearby lots.
 - b. Any vehicle with a ladder rack and / or a tool container is considered to be a commercial vehicle and may only be parked in a closed garage or screened from view from adjacent streets and nearby lots.
 - c. Any vehicle that has construction supplies (wood, landscape material, pipe, duct work, etc.) or business inventory (tanning beds, hot tubs, latrines, trash containers, etc.) visible is considered to be a commercial vehicle and may only be parked in a closed garage or screened from view from adjacent streets and nearby lots.
 - d. Pick-up trucks one ton or less that do not fit in garages strictly due to the size of the vehicle are permitted in driveways and on streets as long as they are not a commercial vehicle and upon written approval of the board for more than 4 consecutive days/nights. The beds of pick-up trucks parked outside garages must be clear of contents unless loading/unloading or if the contents are concealed by a "topper."
 - e. Pickup toppers must be enclosed on all sides and cannot extend above the level of the top of the cab. Pickups with toppers that extend above the cab are considered recreational vehicles. Toppers are acceptable screens for materials or tools kept in the bed of a pickup truck.

- f. No recreational vehicles (RV's, bus, camping trailers, boat trailer, running gear, boat or accessories) or hauling trailers are allowed to be parked in the community unless parked in a closed garage or screened from view from adjacent streets and nearby lots.
 - g. Recreational vehicles being used by visitors may be parked outdoors for 10 days without special permission of the Board.
 - h. No trail bikes, mini-bikes, ATVs, motorcycles, snow mobiles, vehicles without mufflers or other noise making vehicles shall be allowed to be used within the community except on county roads and to and from homes.
- H. No repair, maintenance, rebuilding, dismantling, repainting or servicing of any kind of vehicles, trailers, boats, or vans may be performed on any lot unless completely screened for sight and sound from the common tract maintenance areas and other homes.
- I. Garage doors shall generally be kept closed.
- J. Recreational vehicles being used by visitors may be parked outdoors for 10 days without special permission of the Board.
- K. Two vehicles driven on a regular basis may be parked in the driveway close to the house or in an approved parking area.
- L. Vehicles that the Board determines to be particularly unsightly may be required to be parked in ACC approved structure.
- M. Notwithstanding the foregoing, emergency motor vehicles are permitted in the homeowner's driveway, in Association's streets, and guest parking spaces if the emergency motor vehicle meets each of the following requirements:
- a. the emergency motor vehicle is required by the homeowner's employer as a condition of employment;
 - b. the emergency motor vehicle weighs ten thousand pounds or less;
 - c. the homeowner is a member of a volunteer fire department or is employed by an emergency service provider;
 - 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 prevent other homeowners from using the streets.

For the purpose of this rule, an "emergency service provider" is defined as a primary provider of emergency fire-fighting, law enforcement, ambulance, emergency medical, or other emergency services. The parking of an emergency service vehicle shall not obstruct emergency access or interfere with any reasonable need of other homeowners to use the streets or driveways within the Association, including without limitation extending into such streets, driveways, extending into other parking spaces or to denying other owners use of parking spaces or guest parking.

Pets/Animals

Not more than four (4) dogs and/or cats. El Paso County ordinances permit a maximum of 4 domestic pets in any one household. No animals, livestock or poultry of any kind shall be raised or bred. The right to keep a household pet shall be coupled with the responsibility to pay for any damage caused by an Owner's pet. Every owner of a pet shall maintain strict control over the pet and shall prohibit the pet from making loud, disturbing noises or any other behavior reasonably annoying to other owners. Pets must be leashed and accompanied when outside of an enclosed area. Tethering pets outside, on decks,

patios or porches in the front or the side of a home not surrounded by fencing is not permitted. Pet waste must be removed immediately. If a pet is deemed a nuisance to others by a majority vote of the Board of Directors, after the owner has been given an opportunity to be heard, the animal shall be removed immediately. Pets deemed dangerous may be required to be kept in an enclosure with a height of at least 6 feet and the enclosure located at least 10 feet from any lot line. The Board of Directors may accept requests for variance of this policy on an individual basis.

Renters/Leases

The owner has the right to lease his home providing:

- A. No less than the entire home is rented.
- B. All leases shall be in writing.
- C. All leases shall provide that the terms of the lease and the Lessee's occupancy of the home are subject in all respects to the provisions of the Declarations, Article and Bylaws of the Association and shall include a signed copy of the lease addendum which can be obtained from the Association's Managing Agent. Any failure by the Lessee to comply shall be a default under the lease. Every owner is obligated to provide a copy of the lease to the Association's Managing Agent within ten (10) days after signing of such a lease.
- D. No owner may lease his home for transient, hotel or time-sharing purposes.
- E. No home may be leased or rented for a period of less than thirty (30) days.
- F. Owner shall provide the Association's Managing Agent the name and phone numbers of lessee within ten (10) days after signing a lease.

Residential Use

The residential dwellings are restricted to residential use only. The number of individuals living in the home shall be limited to 2 per bedroom/living area or the total number allowed by the Housing Authority per square foot of living space at any given time.

Storage of Articles

No condition shall be permitted within any home, balcony, porch, patio, deck, or lot which is visible from other homes, the street, common area or the common tract maintenance area, which is inconsistent with the design integrity of the community. No objects shall be stored on patios, porches, balconies, or adjacent to the home for more than twenty-four (24) hours. Articles, which are approved, to be placed on decks, porches, and patios without prior approval of the Board of Directors are grills, planters, and outdoor furniture. Wood shall not be stored except in a screened area. The Board of Directors reserves the right to determine what will be considered appropriate furniture or articles that may be placed in view of other homes or the common tract maintenance areas.

Temporary Structures

No structures of a temporary character, trailer, tent, shack, garage, barn or other out building shall be permitted on any part of the community at any time.

Trash/Fire Hazard

No rubbish, refuse or garbage shall be visible from other homes, common area or the common tract maintenance area except when placed out for pickup. Trash containers may be located in the front of lots as long as they are behind the front footprint of the foundation, odor free and completely screened from sight. The board reserves the right to revoke this permission if the area becomes unsightly or creates unpleasant odors. Storing a trash container in a fenced backyard is appropriate screening, but homeowners must ensure that all trash bags are in an appropriate garbage container. The placement of furniture, cabinets, mattresses, Christmas trees, tires, paint cans, etc. at the curb is strictly prohibited unless prior arrangements have been made for pick up on the same or next day. Violations will result in fees assessed by the Board to the responsible parties.

Unlawful Use

No unlawful, immoral, improper or offensive use shall be permitted or made of a home within the community. All laws, ordinances and regulations of the Federal Government, City, County and State shall be observed.

Violations, Special Assessments, and Fines

This Rule shall apply to any alleged violation ("violation") of the Association's Declaration, Articles of Incorporation, Bylaws and Policies, Procedures, Rules and Regulations, except and excluding non-payment of assessments or other sums.

A. Complaints: Initial complaints of any violation must be presented to the POA in writing unless made orally by an Owner at any Board meeting. Written complaints may be made to the POA or the managing agent via email, letter, the Association's website or other approved means. The POA shall, in its discretion, determine whether or not the complaint shows cause for further proceedings. The POA may refer the complaint to a relevant Committee for its assessment. The POA shall not decide the validity of the complaint without first informally contacting the individual(s) complained against. This will be done by contacting the individual(s) by e-mail, telephone, letter, or a personal visit. If the POA finds cause that the owner or alleged violator has committed or permitted a violation it will attempt to gain the cooperation of the individual(s) to resolve the violation and invite the alleged violator to appear at a Board meeting to discuss the issue. If the issue is resolved, then no further action will be taken. If the issue is not resolved, then a letter will be sent by USPS outlining the complaint, the requested corrective action and a reasonable time to correct the problem. Informal POA communication with the individual(s) may continue as part of the process. If the time expires without resolution or time extensions granted, then a notice of hearing will be sent.

B. Notice:

Warnings. The Association may send courtesy notices and warnings regarding violations and/or fines. This notice starts the formal violation process and the time frame of the process.

Notice of Hearing. If the POA decides that cause has been shown for a hearing, the POA, or its officers or agents, shall then send a written notice (the "Notice"), by regular mail and certified mail, return receipt requested, to the Owner, and a copy may be sent to the alleged violator (if known) such as a tenant, contractor, guest or family member of the owner. The Notice shall indicate the time and place of the

hearing, and any other information regarding the violation which the Board deems appropriate in its discretion. The Notice shall be deemed received by the Owner three (3) days after mailing. The Notice may be sent to the home if the Owner has failed to register a current mailing address. The Notice will also be sent to the complaining party. The complaining party must be willing to attend the hearing and present the complaint unless a Board member is willing to carry the complaint. If a Board member elects to carry the complaint that Board member is not allowed to vote on the complaint.

C. Hearings: Hearings shall be held in executive session because they may involve privacy and/or possible litigation issues. The POA may exclude any person other than the Owner or alleged violator and witnesses, when testifying. At the hearing, the POA may consider any written or oral information produced by the Owner, the alleged violator, the complainant, or other interested party. Any legal or statutory rule of evidence or procedure shall not apply to the hearing, and the POA may restrict testimony or proceed in any manner or order which 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 which might make improper the admission of such evidence over objection in civil actions. The POA may tape record or otherwise transcribe the hearing. The POA may proceed with the hearing even if the Owner fails to appear or refuses to participate or to submit information. The 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 POA'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 POA's decision shall be made by majority vote of the Board members present and a brief summary of the decision and the sanction, if any, should be sent by regular mail to the Owner and, if necessary, to the alleged violator.

D. Extent of Violations: Each incident or each day of a continuing violation shall constitute a separate violation for which any maximum fine may be imposed. For example, each day during which a prohibited vehicle is permitted to remain is a separate violation. The POA may in its discretion impose increased fines for repeated or intentional violations.

E. Parties to Violations: Owners shall be responsible for violations committed by their contractors, guests, family members, and tenants; for example, pets kept by tenants or signs placed by real estate agents. The Board may proceed against both the Owner and the alleged violator, simultaneously or separately, and actions against one shall not bar action against the other. The Board may contact the police, any regulatory or licensing authorities or other third parties regarding the alleged violation, but any action or decision by those parties shall not bar the Board from proceeding.

F. Fines and Sanctions

(1). The Association penalties for violation of the Rules and Regulation of Walden Property Owners Association, Inc. shall be as follows:

- (a). First offense Written Warning
- (b). Second offense Written Warning
- (c). Third Offense \$50.00 fine and a warning 10-days
- (d). Fourth offense \$100.00 fine and a warning 20-days
- (e). Fifth offense \$200.00 45-days fine and eviction of tenant or injunctive relief against Owner.

(f). Each additional offense \$200.00 fine

(g). Failure to respond in writing within 14 days of the date of the violation will result in the next violation being sent automatically. Responses must be received by a Board Member or the Management Company by the 14th day to avoid the next violation being sent and a possible fine being assessed.

(h). The board reserves the right to back bill each owner the cost of the certified mailing that is issued for any violation that contains a fine.

(2). Any fine shall be both a personal obligation of the Owner or the violator or both, and shall also be an assessment creating a lien which may be recorded against the home and may be foreclosed as provided in the Declaration. The Board may notify any lender and credit agency of such obligation and lien. Additionally, the Board may bring legal action to enforce the violated provision and to recover the fine.

(3). Any violation shall entitle the Board to recover from the Owner or violator or both, its reasonable attorney's fees, court costs, interest, and any other collection expenses, regardless of whether litigation is instituted or is successfully concluded. The Board may seek to recover such fees and costs by all legal remedies, including without limitation, charging such fees and costs to the owner's account with the Association.

(4). The Board, in its discretion, may waive fines, attorney fees, court costs, interest and other collection expenses.

G. 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.

Well Lots

Well Lots are subject to the Augmentation Plan and the association is responsible to administer and enforce the provisions of said plan. Well Lots are required to have meters installed to record water usage and report such meter reading to the association by January 15 each year for the preceding calendar year January 1 through December 31. Each well is limited to .47 acre feet per year of Dawson Aquifer groundwater. This is the equivalent of 153,149 gallons for both in-home and irrigation use. Fines for excess use are \$100.00 for every 2500 gallons over the allowed maximum. Fines may also be imposed at a rate of \$100.00 plus \$25.00 per day after January 15 for any lot that has not submitted the annual usage. The association has an easement right to enter into a lot and read the meter for any lot that fails to submit the required documentation timely and to charge a fee of \$100.00 to accomplish this task.

EXHIBIT A

WALDEN PROPERTY OWNERS ASSOCIATION, INC.

POLICY AND PRACTICES FOR ASSESSMENT COLLECTION

Payments and Late Charges

Owner Responsibility.

(a) Owners are responsible for paying assessments as provided in the Association's Governing Documents. In addition, Owners may have a statutory duty to pay under certain provisions of the Colorado Common Interest Ownership Act (CCIOA) to the extent that statute applies. The term "assessments" includes, as applicable, any and all regular and special assessments and associated fees, charges, late charges, attorney fees, fines and interest.

(b) Owners are responsible for contacting the Association, and for making arrangements for the delivery of all payments to the Association, whether by mail or direct deposits. Owners must notify the Association in writing of any change in their mailing address or status immediately. The Association shall not be liable for any errors or omissions in any billing to the Owner or collection action as a result of a failure to notify the Association in writing of an address change.

(c) Owners are encouraged to use direct deposit of annual assessments to avoid late charges, payment disputes, or other problems.

(d) Checks containing a restrictive endorsement on the back may, at the option of the Association, either (i) be returned to the Owner and the amount tendered shall be considered unpaid, or (ii) be deposited without waiving any of the rights and remedies of the Association to unpaid sums, whether or not the restrictive endorsement is crossed out.

Due Date Interest and Late Charges.

(a) The Association's Annual Common Expense Assessment shall be due and payable as provided in the Association's Governing Documents, and unless otherwise provided, monthly assessments shall be due on the 1st day of each month that assessments are due. The Board may accelerate assessments under certain circumstances, and further, special assessments, fines, fees and other charges shall be due on the date specified in any notice thereof or if not specified on the first day of the following month after the notice.

(b) Any payment, which is not received by the 15th day after such payment is due, shall be considered past due and delinquent, and will be charged a late fee of \$10.00, which fee shall be levied and owed by the Owner for each month during which there is a balance on the account.

(c) In addition to the late fee, the Association shall be entitled to receive any and all costs of collection, attorney's fees, and interest allowed by the Association's Governing Documents or any statute or law. The interest rate for delinquent sums is set forth either in the Association's Governing Documents at 12% percent per annum, or if not set forth therein, it shall be the highest rate allowed by Colorado law. Interest shall be levied each month on the 15th of the month during which that account has a balance owing.

Returned Checks.

(a) The Association will impose an administrative fee (currently \$25.00), or other amount deemed appropriate by the Board, for all returned checks, drafts or money orders.

(b) If notice of a returned check, draft, or money order is sent as provided in C.R.S. 13-21-109 and the total amount due as set forth in the notice is not paid within 15 days after such notice is given, the Owner who provided the returned check, draft or money order shall be liable to the Association for collection for three times the face amount of the check, draft or money order, but not less than \$100.00, and any expenses of collecting such sums.

(c) If two or more of an Owner's checks are returned unpaid by the bank within any fiscal year, the Association may require that all of the Owner's future payments, for a period of one year, be made by ACH draft, certified check or money order.

(d) The Association shall not be obligated to process any payment more than once, but in its discretion, it may attempt to process up to three times. Any costs associated with such processing, including charges by the payee's bank, shall be the sole responsibility of the payee.

Payment Plan.

(a) Statutory Payment Plan. Owners may be entitled to a one-time payment plan under Colorado statutes. Such statutory payment plan shall be subject to the following:

Any request for a statutory payment plan must be made by an Owner in writing and delivered to the Association's Registered Agent at the Registered Address. Requests for a payment plan must be submitted not later than when the balance owed is equal to five (5) months of assessments as calculated using the currently approved budget. Any payment plan will be a legally binding contract, and the plan will require the Owner to pay all delinquent sums, including late fees, interest, attorney fees, charges and other costs. The payment plan will require that the Owner keep all monthly payments current and must pay off the entire delinquent amount in payments over a time period agreed by the Board, unless CCIOA requires equal monthly installments over a period of at least six (6) months. No statutory payment plan is available if the Owner does not occupy the Unit, and has acquired the Unit as a result of: (1) a default of a security interest encumbering the Unit, or (2) foreclosure of the Association's lien.

(b) Other Payment Plans. In its sole discretion, the Board may consider any other request for a payment plan, but such request must be in writing, describing the necessity for such plan and its terms.

(c) Remedies. Nothing in this Rule prohibits the Association, or a holder or assignee of the Association's debt from pursuing legal action against an Owner if the Owner fails to comply with the terms of his or her payment plan. An Owner's failure to remit payment of an agreed-upon installment when due, to remain current with regular assessments as they come due during the repayment period, or if any payment is returned for insufficient funds, constitutes a failure to comply with the terms of his or her payment plan.

(d) Complete Discretion. The Association is not obligated to negotiate a payment plan with an Owner who has previously entered into a payment plan. The Board shall have complete discretion as to payment plans, except as otherwise required by Colorado statute.

Notices of Delinquent Assessments.

(a) The Association may send the Owner various notices of unpaid assessments and may charge for any notices sent to the Owners in connection with such delinquent assessments, but the Owners are responsible for ensuring that their payments are timely and fully made, regardless of whether notice is sent. Assessments are due on the 1st of the month. A grace period may be provided in the association documents prior to the levy of a late fee or interest.

(b) Before the Association turns over a delinquent account of an Owner to a collection agency, or refers it to an attorney for legal action, the Association shall, to the extent required by statute or law, send the Owner a "Notice of Delinquency" specifying:

(i) the total amount due, with an accounting of how the total was determined, which may be shown by enclosing a copy of that Owner's ledger;

(ii) that an opportunity to enter into a payment plan may exist in accordance with Section 4 of this Rule, in which case the Owner (if eligible) must contact the Association's Contact Person in writing at the Contact Address, to request a payment plan within the time frame noted in Section 4.

(iii) that the name ("Contact Person") and contact information ("Contact Address") for the individual whom the Owner may contact to request a copy of the Owner's ledger in order to verify the amount of the debt shall be as set forth in the Notice of Delinquency and; (iv) that action is required to cure the delinquency, and that failure to do so within thirty (30) days may result in the Owner's delinquent account being turned over to a collection agency, a lawsuit being filed against the Owner, the filing and foreclosure of a lien against the Owner's property, or other remedies available under Colorado law.

(c) Only one "Notice of Delinquency" shall be required during any collection process.

Payment Priority.

Regardless of inscriptions or notations on the front or back of the check, all payments shall be applied to outstanding balances in the following order of priority:

(i) late charges; (ii) interest; (iii) attorney fees and costs; (iv) returned check charges; (v) past-due Special Assessments, past-due fines, or other charges, if any; (vi) currently due Special Assessments, or currently due fines, or other charges if any; and (vii) unpaid Assessments beginning with the oldest unpaid assessment.

This method of application of payments may result in the account continuing to be delinquent for current dues if the amount tendered is less than the total resulting in the application of late fees and interest.

Remedies for Collection of Delinquent Assessments.

(a) The Association may exercise any and all rights and remedies available under the Association's Governing Documents, or under Colorado law, including without limitation, the Owner's delinquent account being turned over to a collections agency, a lawsuit being filed against the Owner, the filing and foreclosure of a lien against the Owner's property, or other remedies available under Colorado law.

(b) In the Board's sole discretion, and to the fullest extent permitted by the Association's Governing Documents and/or Colorado law, in the event at least one (1) installment(s) are past due, the entire Annual Assessment may be accelerated upon at least 30 days written notice to the Owner, so that all monthly installments for the remainder of the Assessment year are immediately due and payable.

(c) To the fullest extent permitted by the Association's Governing Documents and/or Colorado statutes, the Association may also deny rights to use Association facilities, voting rights, or other rights in the Association (including but not limited to inspection of records) until all assessments and other sums are paid in full. In order to be a "Owner in good standing" for purposes of this Rule, and to obtain a release of liens, restoration of voting or other rights, or to terminate litigation, the delinquent Owner must make payment in full of all assessments and other sums, including sums which arise after the collection process or after the Owner delivers a payment to the Association. The Association shall not be liable for any errors or omissions in any billing address or payment statement to the Owner.

(d) To the fullest extent permitted by the Association's Governing Documents and/or Colorado statutes, the Association may (but shall not be required) proceed by filing litigation against any Owner who has not paid his assessment and, without affecting that remedy, may also file a lien against the delinquent Unit, which may be foreclosed as provided in the Association's Governing Documents and/or the CCIOA.

(e) To the fullest extent permitted by the Association's Governing Documents and/or Colorado statutes, the tenant in any rental Unit in the Association shall, upon written notice from the Association which may be included with the Notice of Delinquency described in Section 5(b), pay any delinquent annual or special assessment owed by the Owner of the rental Unit to the Association, and all payments made by the tenant to the Association shall reduce the tenant's obligation to make monthly rental payments to the Owner under the lease by the same amount. Despite such payments, the Association shall not be obligated to perform or incur any obligation under the lease. If the tenant fails to comply with the Association's written notice and to make the payments required, the Owner and tenant shall be subject to all rights and remedies described the Association's Governing Documents, and/or the CCIOA, including the right to request that a court appoint a receiver to manage the Unit.

(f) To the fullest extent permitted by the Association's Governing Documents and/or Colorado statutes, the Association may also assign its assessment lien and/or collection rights against the delinquent property and/or delinquent Owner to a third-party assignee, without recourse or warranty of any kind. The assignee shall assume all responsibility for the enforcement of the assigned lien, and the Association shall not be liable for any actions of said assignee. Unless the Board otherwise agrees assignments shall apply only to assessment as described above that are owed to the Association prior to the assignment, and shall not assign, release or supersede any claims or lien the Association may have for assessments accruing after said date. If an assignee does not pay any assessments levied after the assignment, the assigned assessment lien shall be subordinate to any future assessment by the Association, and the assignee may not take any actions that would hinder the Association's right or ability to collect those unpaid future assessments. Any assignment shall automatically include the above terms without the necessity of any recital therein.

Association's Collection Action through its Attorneys.

(a) After a delinquent account has been referred to the Association's attorney, the Association may require that all communication with the delinquent Owner shall be handled through the Association's

attorney. At the discretion of the Association, neither the manager, if any, nor any member of the Board of Directors have any authority to discuss the collection of the account directly with an Owner after it has been turned over to the Association's attorney unless the attorney is present or has consented to the contact. However, the Association has the option and right to continue to evaluate each delinquency on a case by case basis.

(b) Once accounts are turned over to the Association's attorney, Owners shall make payment to the Association at the address of the Association's attorney, and the Association shall be entitled to collect interest at the rate set forth in this Rule, from the due date of such payments, as well as reasonable attorney fees, court costs, and all other expenses of collection on said delinquent payment. The reasonable attorney fees incurred by the Association shall be due and payable from the delinquent Owner on the date(s) when such expense(s) are incurred by the Association. Payments made to the Association directly may not stop the legal process and may not pay the account current.

Foreclosure of Liens.

(a) Liens under CRS 38-33.3-316. The Association may, have rights and remedies to collect assessments under the CClOA, including liens. Any sums expended by the Association for repairs or other actions needed to preserve or protect any abandoned Unit within the Association during a foreclosure against said Unit shall be additional indebtedness secured by the priority lien claim described in CRS 3833.316(2)(b)(i) and 38-33.3-316(c). The Association, or holder, or assignee, of the Association's lien under CRS 38-33.3-316, whether the holder or assignee of the Association's lien is an entity or a natural person, may only foreclose on the lien if:

(i) the balance of the assessments and charges secured by its lien, as defined in Subsection (2) of CRS 38-33.3-316, equals or exceeds six months of common expense assessments based on a periodic budget adopted by the Association; and

(ii) the Board has formally resolved, by a recorded vote, to authorize the filing of a legal action against the specific unit on an individual basis. The Board may not delegate its duty to act under this Subparagraph to any attorney, insurer, manager, or other person and any legal action filed without evidence of the recorded vote authorizing the action must be dismissed.

(b) Lien under Association's Governing Documents. In addition to the lien under CRS 38-33.3-316, the Association, or its assign, may exercise its rights and remedies under the Association's Governing Documents in accordance with Colorado law, including the filing and foreclosure of liens. The lien and other rights of the Association under the Association's Governing Documents shall not be affected or impaired by any restrictions or provisions set forth elsewhere in this Rule.

Bankruptcy of Owner.

(a) The filing of a bankruptcy action does not terminate the Association's right to collect assessments, because:

(i) the Association has an Assessment lien claim against the Unit for all past assessments as described above, and

(ii) the Owner will remain personally liable for all post-bankruptcy filing assessments so long as they retain title to the Unit. A notice of an intent to surrender the property is not the same as the transfer of title.

(b) Based on the above, when the Association learns that a bankruptcy action has been filed, the accounting for that Unit shall thereafter be based upon the filing date of that bankruptcy action (the "Petition Date"), and the Association should create two separate ledgers for the Unit showing assessments owed prior to the Petition Date and after the Petition Date.

Proof of Payments.

(a) Since the records of the Association are kept in the ordinary course of business and the Association relies upon same on the behalf of all Owners, there is a presumption that those records are correct and that the Assessment is valid if there is no written dispute received by the Association within thirty (30) days after the mailing of a billing statement or other account status.

(b) An Owner who wishes to dispute the amount or the validity of any Assessment charged to his/her Unit must submit a statement within thirty (30) days after the mailing of a billing statement or other account status that describes all disputed payments and can request information from (or request a hearing before) the Board, but must put that request in writing in accordance with this Rule.

(c) The Board may require that the Owner deliver documentation, such as cancelled checks or bank statements, to support the Owner's claims.

(d) All payments made to settle a dispute and ALL correspondence regarding payment disputes must be sent by certified mail to the Association's Registered Agent at the Registered Address. If payment or correspondence is delivered by any other method, the Owner using that non-authorized method assumes the risk that the payment and any communication was not received by the Association. 12. Certificate of Status of Assessments.

Upon receipt of the written request described below, and the advance payment of the fee described below, the Association should furnish to an Owner or such Owner's designee a written statement setting forth the amount of unpaid assessments currently levied against the Owner's Unit. Such request must be delivered personally or by certified mail, first-class postage prepaid, return receipt, to the Association's Registered Agent at the address shown on the records of the Colorado Secretary of State. The statement should be delivered within 14 calendar days after actual receipt of the request. The request must include payment of the Association's fee for such statements. Failure to pay any delinquent assessments or sums (including the fee), or to comply with any conditions stated in the statement will render the statement null and void. Any such statement shall be without warranty or liability to the Association. Despite the above, the Association, in its sole discretion, may accept other types of requests and other payment arrangements for such requests.

General.

(a) Nothing in this Rule requires the Board to take specific actions at a specific time. The Board has the option and right to continue to evaluate each delinquency on a case-by-case basis. The Board may modify the procedures contained herein as the Board shall determine appropriate under the particular circumstances.

(b) Failure of the Association to strictly comply with any provision of this Rule shall not be deemed a waiver of the Association's right to require strict compliance by the Owner and shall not be deemed a defense to payment of assessments, fees or other charges, late charges, return check charges, attorney fees and/or costs as described and imposed by this Rule nor be asserted as a claim against the Association.

(c) This Rule shall be effective as provided in the Association's Governing Documents, at which time it shall replace and supersede any prior rule or policy regarding assessments, collections, liens and legal remedies, provided however, that the Board may in its discretion suspend the effective date of any provision of this Rule for any collection actions filed or taken prior to January 2, 2014. This Rule may be amended by the Board in the future.

(d) If any portion or provision of this Rule is found to be invalid, the remaining provisions shall continue in full force and effect.

EXHIBIT B

WALDEN PROPERTY OWNERS ASSOCIATION, INC.

MEETINGS

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, Members are expected to maintain proper behavior and decorum, which requires that Members shall: (i). Be respectful to others present and to the meeting process; (ii). Refrain from name-calling, use of foul language, and other aggressive behavior; (iii). Differentiate statements of opinion from statements of fact; and (iv). Speak only when acknowledged by the Chair.

If a member fails to observe the above standard, demonstrating inappropriate behavior which negatively impacts the Association's meeting(s), the Chair shall issue one warning to the Member. If inappropriate behavior continues, the Member may be asked to leave the meeting. If the Member refuses to comply, the meeting may be adjourned at that time, even though there are agenda items not yet heard, or the Chair may take other action, at the sole discretion of the Chair, including request for police assistance.

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). All Owners or designated representatives so desiring shall be permitted to attend, listen, and speak at an appropriate time during the deliberations and proceedings of the Board. The Board shall designate an appropriate time at the beginning of the meeting for all Owners or their representatives to speak on any matter shown on the agenda, but such period shall not exceed a total of 20 minutes. Owners who wish to discuss a certain issue, complaint, or requests shall submit such in writing at least five days prior to the Board meeting. A reasonable number of persons may speak on each side of any 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.

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 per issue raised, 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.

Notice of Meetings

(a). Board Meetings: Notice of Board Meetings shall be given in accordance with the Association Documents.

(b). Homeowners Meetings: Notice of Homeowners Meetings shall also be given in accordance with the Association Documents, but in addition, notice of such may 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 CRS § 38-33.3-308.

Secret Ballots

The Managing Agent shall be in charge of providing secret ballots which protect the voters' privacy but also provide for the security of the election if said election is contested or there are more candidates than positions to be filled. A neutral third party shall count the ballots. For the purpose of counting the ballots, the Managing Agent shall constitute a neutral third party monitor, together with the assistance of two home owners who volunteer and are not candidates, related to any candidates and who are not serving on the Board and who are selected at random if more than two volunteer. For elections that are uncontested or where the number of candidates equals the number of positions to be elected the vote may be taken by hand, acclamation, voice or ballot. At the request of 20% of the Owners who are present at the meeting or represented by proxy elections or other votes by the members affecting the community shall be by secret ballot.

Executive Sessions

The Association's Board may meet in executive closed sessions to discuss matters pertaining to employees, the Managing Agent's contract, 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.

EXHIBIT C

WALDEN PROPERTY OWNERS ASSOCIATION, INC.

INVESTMENT OF RESERVE FUNDS

As a general rule, the investment of reserve funds will be effected by the Board, using the collective reasonable business judgment of the Board members and the advice of the Association Manager and investment advisor, if any. The officers and members of the Board of Directors shall make investment decisions in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Director or officer reasonably believes to be in the best interests of the Association in accordance with the Colorado Revised Nonprofit Corporation Act. However, the following guidelines should be observed:

- (a). No funds should be invested in stocks, bonds, or real estate or in any other venture that is in any way speculative.
- (b). Funds should be invested at financial institutions, in certificates of deposit, money market accounts, and other financial instruments that do not risk any principal or added amount, and/or savings accounts that are fully insured by the U.S. Government agency (e.g. FDIC, FSLIC) and that offer reasonably competitive interest rates.
- (c). Investments should be scheduled in such a way that maturity dates are staggered to facilitate liquidity at any given period not to exceed 12 months; to the extent it is feasible to do so, without incurring withdrawal penalties.
- (d). Sufficient funds should be retained in cash/money market account (s) to enable the funding of reasonably foreseeable expenses during the periods between investment maturity dates. To this end, maturing C/D's should not be automatically reinvested, but will be the subject of Board decisions as to the amount, term and banking institution of placement.

EXHIBIT D

WALDEN PROPERTY OWNERS ASSOCIATION, INC.

RECORDS RULE

Association Records Policy.

(a) The Association shall retain and produce to Owners the records required by C.R.S. 38-33.3-317 and 38-33.3-209.4 as well as any other records specifically set forth in the Association's Declaration or By-laws. The Association's Board of Directors, ("Board"), may adopt, in its discretion, a List of Association Records setting forth the records which may be available for inspection.

(b) Owners of the Association may inspect those records as provided by the Statutory Records Law so long as the Owner is in good standing. For the purposes of this rule "good standing" of a Owner requires that the Owner has paid all assessments, and other sums, due to the Association and is not in violation in any of the Association's documents.

(c) The Association's records shall not include personal emails of officers and directors unless such persons authorize their use for Association's purpose.

Examination Procedure.

(a) The Association requires that the Owner submit a written request (in the form of the attached "Document Request Form") describing with reasonable particularity the records sought; such form must be received at least ten (10) days prior to inspection or production of the documents. The Association may limit examination and copying times to the normal business hours of its manager, if applicable, or the next regularly scheduled Board meeting if the meeting occurs within thirty (30) days after the submission of the written request. Owners who desire to examine Association records must make a mutually acceptable appointment with the records custodian and designate the estimated amount of time requested for records examination.

(b) If possible, the Association shall make an appointment with the Owner at a place and a time convenient to both parties, to conduct the inspection. However, if the request requires the participation of a Board member, or property manager, the time, place and length of inspections will be based upon the schedule of Board member or property manager, if applicable. All appointments for inspection will be limited to one (1) hour unless otherwise agreed by the Board member or manager if applicable; if additional time is needed, additional appointments will be made.

(c) At the discretion of the Board or the management company, if applicable, records will be inspected only in the presence of a Board member, management company employee or other person designated by the Board.

(d) The Owner shall not remove any document from the Association's records, nor shall the Owner remove records from the Association's place of business. Certain records may be copied, at the Owner's expense. During an inspection, the Owner may designate such records for copying by use of tab, clip, or Post-It note upon the pages desired, but may not otherwise alter the records (for example, no folding,

pencil or pen marks, etc.). The Association's records custodian, on behalf of the Association, will make the copies.

(e) The Association shall impose a reasonable charge, which shall be collected in advance and may cover the costs of labor, including labor to use, retrieve, observe, copy and deliver records, and the cost of material for copies of Association records. Maintaining Association information is an important function of the Association. Therefore, in order to ensure that records are not tampered with, removed, or destroyed, an agent of the Association or a staff member of the management company may remain present to observe Owners while they examine Association records and the Association may charge for any labor of such agent or staff member.

(f) Copies should be available within ten (10) working days of receipt of the request, unless the condition or voluminous nature of the records makes this time frame impractical. In such cases, the copies should be made available as soon as is practical.

(g) Depending on the number of pages requested, the records custodian may request that the Owner return at a later date to pick up the requested copies, in order to allow personnel to set aside time to reproduce the documentation requested.

(h) A right to copy records under this Rule includes the right to receive copies by photocopying or other means, including the receipt of copies through an electronic transmission if available, upon request by the Owner. Any applicable charges shall be collected in advance.

(i) All persons inspecting or requesting copies of records shall conduct themselves in a businesslike manner and shall not interfere with the operation of the Association's location where the inspection or copying is taking place.

(j) The Association is not obligated to compile or synthesize any information.

Exclusions.

Records maintained by the Association may be withheld from inspection and copying to the extent that they concern any of the following: (a) Architectural drawings, plans, and design, unless released upon the written consent of the legal owner of the drawings, plans, or designs;

(b) Contracts, leases, bids, or records related to transactions to purchase or provide goods or services that are currently in or under negotiations; (c) Communications with legal counsel that are otherwise protected by the attorney-client privilege or the attorney work product doctrine;

(d) Disclosure of information in violation of law;

(e) Records of an executive session of the Board; or

(f) Individual units other than those of the requesting Owner.

Other Confidential Records.

Records maintained by the Association are not subject to inspection and copying and must be withheld to the extent that they are of concern to the following: (a) Personnel, salary or medical records relating to specific individuals; or

(b) Personal identification and account information of Owners, including bank account information, telephone numbers, electronic mail addresses, driver's license numbers and social security numbers.

5. Prohibition of Illegal or Commercial Use. Any records of the Association, including without limitation, any membership list, or any part thereof may not be obtained or used by any person for any purpose unrelated to a Owner's interest as a unit owner and shall not be used for any purpose which violates any law or this Rule, including without limitation, any use which constitutes harassment, invasion of privacy, or bullying of any person. Without limiting the generality of the above, without the consent of the Board, any record of the Association, including without limitation, any membership list, or any part thereof, may not be: (a) used to solicit money or property unless such money or property will be used solely to solicit the votes of the Owners in an election to be held by the Association;

(b) used for any commercial purpose; or

(c) sold to or purchased by any person.

Seller Disclosures.

(a) Upon written request complying with this Rule, an Owner who is selling his/her unit shall either provide to the buyer or authorize the Association to provide to the buyer, upon payment in advance of the Association's usual fee pursuant to C.R.S. 38-33.3-317(4), all of the Association's governing documents and financial documents, required by the most recent available version of the Contract to Buy and Sell Real Estate promulgated by the Colorado Real Estate Commission as of the date of the contract.

(b) To request written copies of the above records, the Owner or the Owner's agent must follow the rules and procedures listed under Section 2 above, and must pay in advance the copying charges described in Section 2(e) above. If records are available on a website, the Owner or Owner's agent should use that website to obtain the records.

(c) Furthermore, the Owner has the responsibility to obtain from the buyer a signed acknowledgement of receipt of the required information and disclosure statement. The Owner is then responsible for delivering the signed acknowledgement to the Association as soon as possible after it is acquired. The Association uses reasonable efforts to provide copies, but shall have no liability for the information provided, nor for compliance with any deadlines or other contractual requirements.

7. Enforcement of Rule. (a) Any violation of this Rule shall cause the immediate suspension of the inspection or copying until the violator agrees in writing to comply with this Rule, as well as other remedies such as fines. The Association's Board or its representatives may take any available legal action to enforce this Rule.

(b) The Association will not honor any requests for inspection or copying that do not comply with this Rule, but the Association may send a written notice to the person who made the request indicating the nature of any noncompliance. Any Association representative who receives an oral request for inspection or copying shall refer the person making the request to this Rule, and the Association or its representatives will have no further obligation to respond until it receives a written request on the Document Request Form.

(c) The Association's Board shall be entitled to resolve any dispute regarding the Association's records based upon the Board's reasonable business judgment.

(d) It is the obligation of every Owner to hold all information in appropriate confidentiality so that information is not released to other parties or misused by others. The Association shall not be liable for the disclosure or copying of any records 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 records provided. The requesting Owner shall release and indemnify the Association from any and all claims and liability related to the requested records and any disclosure and/or use of such records.

(e) The Board may in its discretion, adopt a records retention and/or deletion procedure for any and all records, except as otherwise restricted by law.

LIST of ASSOCIATION RECORDS FOR POSSIBLE EXAMINATION AND COPYING

The following Association records may be available for examination and copying to the extent in existence and control by the Association, and in compliance with the Association's Records Rule:

1. Declaration of Covenants, Conditions and Restrictions of the Association (the "Declaration"); (this shall include the recording date and recording number of the Declaration);
2. Articles of Incorporation;
3. Bylaws;
4. Policies, Procedures, Rules and Regulations, and Resolutions adopted by the Association under C.R.S. 38-33.3-209.5 and other Rules or Policies, relating to the characteristics, qualifications, rights, limitations, and obligations of Members.
5. Detailed records of receipts and expenditures affecting the operation and administration of the Association;
6. Records of claims for construction defects and amounts received pursuant to settlement of those claims;
7. Minutes of all meetings of its Owners and the Board, a record of all actions taken by the Owners or the Board without a meeting, and a record of all actions taken by any committee of the Board;
8. Written communications among, and the votes cast by, Board Members that are directly related to an action taken by the Board without a meeting pursuant to Section 7-128-202, C.R.S. or directly related to an action taken by the Board without a meeting pursuant to the Association's Bylaws;
9. The names of the Owners in a form that permits preparation of a list of the names of all Owners and the physical mailing addresses at which the Association communicates with them, showing the number of votes each Owner is entitled to vote;
10. Financial statements as described in Section 7-136-106, C.R.S., for the current and past three fiscal years and tax returns of the Association for the past seven years, to the extent available;

11. A list of the names, electronic mail addresses, and physical mailing addresses of its current Board Members and Officers;
12. Association's most recent annual report delivered to the Secretary of State, if any; 13. Financial records sufficiently detailed to enable the Association to comply with Section 38-33.3-316 (8) concerning statements of unpaid assessments;
14. The Association's most recent reserve study, if any;
15. Current written contracts to which the Association is a party and contracts for work performed for the Association within the immediately preceding two years;
16. Records of Board or committee actions to approve or deny any requests for design or architectural approval from Owners;
17. Ballots, proxies, and other records related to voting by Owners for a minimum of one year after the election, action, or vote to which they relate;
18. Resolutions adopted by its Board relating to the characteristics, qualifications, rights limitations, and obligations of members or any class or category of members;
19. All written communications within the past three years to all Owners generally as Owners;
20. The date of the Associations' fiscal year;
21. The Association's operating budget for the current fiscal year;
22. A list (organized by unit type) of the Association's current regular and special assessments;
23. The results of any financial audit or review for the immediately preceding fiscal year;
24. A list of all Association insurance policies;
25. The name, address and phone number of the Association and its managing agent, if any.

EXHIBIT E

WALDEN PROPERTY OWNERS ASSOCIATION, INC.

CONFLICT OF INTEREST

1. The Board of Directors shall comply with all of Colorado's statutory provisions against conflict of interest as found in the Colorado Revised Non-profit Corporation Act and the Colorado Common Interest Ownership Act. A "conflict of interest" is defined by the Colorado statutes, but generally means any contract, transaction, or other financial relationship between the Association and a Director, 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. Director means a member of the Association's Board of Directors. A party related to a Director means a spouse, a descendent, an ancestor, a sibling, the spouse or descendant of a sibling, an estate or trust in which the Director or a party related to a Director has a beneficial interest, or an entity in which a party related to a Director is a director or officer or has a financial interest. No loans shall be made by the Association to its Directors or officers. Any Director or officer who assents to or participates in the making of any such loan shall be liable to the Association for the amount of the loan until it is repaid.
2. 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.
3. If a Board member is uncertain as to whether a conflict of interest exists, the member must assume that it does in fact exist and proceed accordingly.
4. 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.
5. Any Board member who violates this rule, or any other Association Document, may be removed from the Board, in addition to any other legal penalty or remedy.
6. No conflicting interest transaction shall be voidable by an Owner or on behalf of the Association if the facts about the conflicting interest transaction are disclosed to the Board, and a majority of the disinterested Directors, even if less than a quorum, in good faith approves the conflicting interest transaction; the facts are disclosed to the Owners entitled to vote on the matter and they vote to authorize the transaction; or the conflicting interest transaction is fair to the Association.
7. 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.

EXHIBIT F

WALDEN PROPERTY OWNERS ASSOCIATION, INC.

SPECIFIC TYPES OF IMPROVEMENTS/GUIDELINES

General Accessory Building Additions and Expansions

Address Numbers

Advertising

Air Conditioning Equipment

Antennae

Awnings

Balconies

Barbeque/Gas Grills

Basketball Backboards

Birdbaths

Carports

Clothes Lines and Hangers

Cloth and Canvas Overhangs

Compost

Decks

Dog House, Dog Runs and Kennels

Doors

Driveways

Evaporative Coolers

Exterior Lighting

Fences

Firewood Storage

Garbage Containers and Storage Areas

Gardens-Flower or Vegetable

Gazebos

Grading and Grade Changes

Greenhouses

Hanging of Clothes

Hot Tubs and Jacuzzis

Irrigation Systems

Jacuzzis

Landscaping

Latticework

Lights and Lighting

Microwave Dishes

Overhangs/Awnings-Cloth or Canvas

Painting

Patio Covers

Patio-Enclosed or Patio-Open

Paving Pipes
Play Structures
Playhouses
Poles
Pools
Radio Antennae
Rooftop Equipment or Roofing Materials
Satellite Dishes
Saunas
Screen Doors
Seasonal Decorations
Sewage Disposal Systems
Sheds
Exterior Shutters
Siding
Signs
Skylights
Solar Energy Devices
Spas
Sprinkler Systems
Statues and Fountains
Storage Sheds
Sunshades
Swamp Coolers
Swing Sets
Television Antenna
Temporary Structures
Trash Containers, Enclosures, and Pickup
Tree Houses
Underground Installations
Utility Equipment
Vents
Walls
Walls-Retaining
Weather Vanes or Directional Vanes
Wood Storage

EXHIBIT G

WALDEN PROPERTY OWNERS ASSOCIATION, INC.

PRE-APPROVED IMPROVEMENT(S) RESTRICTIONS - GENERAL

In some cases, where specifically stated, a homeowner may proceed with improvements without advance approval if the homeowner follows the stated guidelines. In some cases, where specifically stated, some types of improvements are prohibited.

A. Barbeque/Gas Grills. All barbeque grills, smokers, etc. must be maintained in the rear yard or within an enclosed structure, not visible from the front of the home.

B. Basketball Backboards. No basketball backboards shall be attached to the garage. Only portable basketball backboards shall be allowed and do not require approval if the following guidelines are met: 1) portable hoops cannot be placed in the public right of ways, streets, or sidewalks; 2) location must be at least half of the length of the driveway away from the street and in an upright position or stored out of sight; 3) goal, backboard, and net must be in operable and good condition.

C. Birdbaths. Approval is not required if placed in the "rear" yard and if finished height is not greater than five (5) feet including any pedestal. Placement in "front" or "side" yard is not allowed.

D. Birdhouses and Bird Feeders. Approval is not required if installed in the rear yard and the size if limited to one foot by two feet. No more than three in number shall be installed on any lot. A birdhouse or bird feeder, which is mounted on a pole, may not exceed six (6) feet in height.

E. Carports. Will not be permitted.

F. Decks. Approval is required. Current deck standard is Trex and or other material similar to the material of the residence and a similar or complimentary color to the exterior of the residence. It must be located so as not to obstruct or greatly diminish the view or create an unreasonable level of noise for adjacent property owners. Construction shall not occur over easements and must be set back a minimum of five (5) feet from the property line.

G. Dog Houses. Approval is required. Doghouses are restricted to ten (10) square feet and must be located in a fenced back yard or dog run. Doghouses must be installed at ground level, and must not be visible above the fence. Must match exterior of home (wood, brick, stone, etc.) Limit of one doghouse per household.

H. Dog Runs. Approval is required. Dog Runs must be located in the rear or side yard, abutting the home and substantially screened from view by planting fastgrowing or mature trees or shrubs. Dog runs will be limited to 250 square feet and cannot be higher than 4 feet. Fencing materials for dog runs shall match the standard fencing options in the guidelines. The dog run may be painted to match the house, or left natural if sealed to prevent weathering. In some cases, written consent from adjacent neighbors may be requested. Tarpaulins and chain-link will not be permitted.

I. Doors. Approval is not required for an already existing main entrance door to a home or an accessory building if the material matches or is similar to existing doors on the house and if the color is generally accepted as a complimentary color to that of existing doors on the house. Complementary colors would be the body color of the house or white. Security Doors and Windows. All security or security-type doors and windows must be approved prior to installation.

J. Driveway. Changes/Alterations will not be permitted; this includes a pull-off area to the side of the driveway.

K. Evaporative Coolers. Approval is required.

L. Fences No fences are permitted in the front yards or lots. Prior to installing any fence on the backyard of a lot, the homeowner must first submit plans for such fence to obtain approval and must comply with the specific fence detail for the community. The Board of Directors may issue, from time to time, design guidelines, which address fencing requirements, including without limitation, approved types, heights, materials, locations, and other criteria governing fencing. Fences must be constructed of six-foot cedar dog eared pickets. Submission of a plan for a fence does not guarantee that a homeowner will obtain approval of such fence. If fence is approved conditions may be imposed upon such approval relating to the design, location or other matters. All fencing shall be located on the property line between two lots unless the neighboring property owner has signed off on the location of the fence.

M. Gardens – Flower or Vegetable. Approval is not required for flower or vegetable gardens. All gardens must be weeded, cared for and maintained. Vegetable gardens should be located in the rear or side yard.

N. Greenhouses. Will not be permitted.

O. Irrigation Systems. Underground automatic irrigation systems will not require approval. All homes must have an underground automatic irrigation system installed with the landscape.

P. Painting. Approval is not required if color and/or color combinations are identical to the original color established on the home. Any changes to the color scheme or color changes must be submitted for approval and must conform to the general scheme of the community. If you choose to use a different color on your home, you will need to submit the Architectural Request Form with your color samples painted on a hard surface at least 12" X 12", with a general description the colors of the house on either side of your home to the Architectural Advisory Committee.

Q. Paving. Asphalt, Stone and Concrete are acceptable paving materials.

R. Play Structures and Sports Equipment. Approval is required. Consideration will be given to adjacent properties (a 5-foot setback from the property line, is recommended for trampolines, swing sets, for tort structures, etc.) so as not to create an undue disturbance. In some instances, additional plant material, around the equipment, may be required for screening. Wood structures should be constructed of pressure treated or other weather resistant materials. All play and sports equipment must be

maintained in a good and sightly manner. The use of multi-rainbow colored cloth/canvas tarps is discouraged.

S. Playhouses. Committee approval is required if a structure is more than 24 square feet and/or over six feet high.

T. Seasonal Decorations. Approval is not required if installed on a lot provided that one is keeping with the Community standards and that the decorations are removed within thirty (30) days of the holiday and erected no more than thirty (30) days prior to the holiday.

U. Storage or garden sheds. Any storage shed proposed for a lot shall be less than 120 square feet in floor area. The structures should be placed on the lot in such a way as to not block a view of a neighbor or be obtrusive in any way. Care should be taken not to locate a shed within five (5) feet of any existing structure due to violation of local building and fire codes. The building should be installed in a manner that would not block water drainage patterns on the lot. The maximum height for a storage shed is eight (8) feet above the finished grade, measured from the lowest point of the proposed location. Colors / shingles for any storage sheds should be closely matched to the residence. Sheds are not pre-approved with this section; homeowners must go through the architectural control process and submit the required paperwork.

V. Statues or Fountains. Approval is not required if they are installed in the rear yard and are a height not greater than five (5) feet, including any pedestal. If the statue or fountain is proposed for the front yard approval is required, and the statue or fountain location should be close to the front or main entrance of the house.

W. Tree Houses. Will not be permitted.

X. Portable "Potties" – If an owner has a contractor wishing to have a "Port-A-Potty" delivered while working on a project for the owner, this must be included in the Architectural Request. Port-a-potties may not be left on-site for more than three (3) weeks. The Board reserves the right to determine location and clean out schedule. Y. Installation of Devices used to Receive; Direct Broadcast Satellite (DBS), Television Broadcast and Multiple Distribution Service (MDS) (Broadband Internet).

1. Definitions

(a). Antenna – any device used for the receipt of video programming or broadband internet services, including direct broadcast satellite (DBS), television broadcast, and multipoint distribution service (MDS). A reception antenna that has limited transmission capability designed for the view to select or use video programming is a reception antenna, provided it meets FCC standards for radio frequency emission. A mast, cabling, supports, guy wires, conduits, wiring, fasteners, or other accessories necessary for the proper installation, maintenance, and use of a reception antenna shall be considered part of the antenna.

(b). Mast – Structure to which an antenna is attached that raise the antenna height. (c). Transmission-only antenna – any antenna used solely to transmit radio, television, cellular, or other signals.

(d). Owner – any association unit owner. For the purpose of this rule only “owner” includes a tenant who has the written permission of the unit owner to install antennas.

(e). Telecommunications signals – signals received by DBS, television broadcast, broadband internet, and MDS antennas.

(f). Exclusive-use area – limited area in which the owner has a direct ownership interest and that is designated for the exclusive use of the owner.

2. Installation Rules

(a). Antenna Size and Type

1. DBS antennas that are one meter or less in diameter may be installed. Antennas designed to receive satellite signals that are larger than one meter are prohibited. MDS and broadband internet antennas one meter or less in diameter may be installed. MDS and broadband internet antennas larger than one meter are prohibited. 2. Antennas designed to receive television broadcast signals, regardless of size, may be installed. Smallest required antenna should be used. 3. Installations of transmission-only antennas are prohibited unless approved by the Board of Directors. 4. All antennas not covered by the FCC rule are prohibited. 5. No more than one antenna for each type of service may be installed by an owner.

(b). Location

1. Antennas must be installed solely on the owners’ individually owned property or exclusive-use area, as designated on the association document defining that property. Installation of antennas on a common tract maintenance area is prohibited. 2. If acceptable quality signals can be received by placing antennas inside a home without unreasonable delay or unreasonable cost increase, then outdoor installation is prohibited. 3. Antennas must not encroach upon any common elements or any other owner’s home. 4. Antennas shall be located in a place shielded from view from outside the community or from other homes to the maximum extent possible; provided, however, that nothing in this rule would require installation in an exclusive use area where an acceptable quality signal cannot be received. This section does not permit installation on common property, even if an acceptable quality signal cannot be received from an individually owned or exclusive-use area.

(c). Installation on Exclusive Use Areas

1. Antennas shall be no larger nor installed higher than is absolutely necessary for reception of an acceptable quality signal. 2. Antennas must be secured so they do not jeopardize the soundness or safety of any structure or the safety of any person at or near the antennas, including damage from wind velocity. 3. Care should be taken as to avoid damage to a residence during installation that may void the homeowner’s warranty.

3. Maintenance

(a). Owners who install or maintain antennas are responsible for all associated costs, including but not limited to costs to:

1. Place (or replace), repair, maintain, and move or remove antennas; 2. Repair damage to any property caused by antenna installation, maintenance or use; 3. Pay medical expenses incurred by

persons injured by antenna installation, maintenance, or use; 4. Reimburse residents or the Association for damage caused by antenna installation, maintenance or use;

(b). Owners shall not permit their antennas to fall into disrepair or to become a safety hazard. Owners shall be responsible for antenna maintenance, repair and replacement, and the correction of any safety hazard. (c). If antennas become detached, owners shall remove or repair such detachment within 72 hours of the detachment. If the detachment threatens safety, the Association may remove antennas at the expense of the owner. (d). Owners shall be responsible for antenna repainting or replacement if the exterior surface of antennas deteriorates.

4. Safety

(a). Antennas shall be installed and secured in a manner that complies with all applicable city and state laws and regulations, and manufacturer's instructions. Owners, prior to installation, shall provide the Association with a copy of any applicable governmental permit if required for safety reasons. (b). Unless the above-cited laws and regulations require a greater separation, antennas height must be 12 feet less than the distance to the nearest power lines (above-ground or buried). The purpose of this requirement is to prevent injury or damage resulting from contact with power lines. (The required distance from the power lines will vary. Consult the electric utility to determine the proper distance.)

(c). Antennas shall not obstruct access to or exit from any unit, walkway, ingress or egress from an area, electrical service equipment, or any other areas necessary for the safety of the community. The purpose of this requirement is to ensure the safety of association residents and personnel.

(d). Installations must comply with all applicable codes and take aesthetic considerations into account.

(e). To prevent electrical and fire damage, antennas shall be permanently grounded.

5. Antenna Camouflaging

(a). If possible, antennas shall be painted to match the color of the structure to which they are installed (wall, railing). (Some manufacturers now assert that painting may prevent the receipt of an acceptable quality signal. Owners should make sure that paint will not degrade the signal.)

(b). Exterior antenna wiring shall be installed so as to be minimally visible.

6. Mast Installation

(a). Mast height may be no higher than absolutely necessary to receive acceptable quality signals.

(b). Masts extending 12 feet or less beyond the roofline may be installed, subject to the regular notification process (see below). Masts extending more than 12 feet above the roofline must be pre-approved due to safety concerns posed by wind loads and the risk of falling antennas and masts. Applications for a mast higher than 12 feet must include a detailed description of the structure and anchorage of the antenna and the mast, as well as an explanation of the need for a mast higher than twelve feet. If this installation will pose a safety hazard to Association residents and personnel, then the Association may prohibit such installation. The notice of rejection shall specify these safety risks. (This 12-foot may change if the BOCA Code is amended.)

(c). Licensed and insured contractors must install masts.

7. Antenna Removal

Antenna removal requires restoration of the installation location to its original condition. Owners shall be responsible for all costs relating to restoration of this location.

8. Association Maintenance of Locations Upon Which Antennas are Installed

Antennas must not be installed in a manner that will result in increased maintenance costs for the Association or for other residents. If increased maintenance or damage occurs, the owners are responsible for all such costs.

9. Notification Process

(a). Any owner desiring to install an antenna must complete a request and submit it to the ARC, Board or Haley Realty for review and approval. If the installation is routine, conforming to all of the above restrictions, the installation may begin immediately.

(b). If the installation is other than routine for any reason, the owner and the Entity must establish a mutually convenient time to meet to discuss installation methods. (A schedule of convenient time for the Entity should be included.)

10. Installation by Tenants

These rules shall apply in all respects to tenants. Tenants desiring to install antennas shall obtain prior written permission of the homeowner. A copy of this permission must be furnished with the notification statement.

11. Enforcement

(a). If these rules are violated, the Association, after notice and opportunity to be heard, may bring action for declaratory relief with the FCC or any court of competent jurisdiction. If the court of FCC determines that the Association rule is enforceable, the Association for each violation shall impose a fine of \$50. If the violation is not corrected within a reasonable length of time, additional fines of \$10 per day will be imposed for each day that the violation continues. To the extent permitted by law and/or the governing documents, the Association shall be entitled to reasonable attorney fees, costs and expenses incurred in the enforcement of this policy. (b). If antenna installation poses a serious, immediate safety hazard, the Association may seek injunctive relief to prohibit the installation or seek removal of the installation.

12. Severability

If any provision is ruled invalid, the remainder of these guidelines shall remain in full force and effect.

EXHIBIT H

WALDEN PROPERTY OWNERS ASSOCIATION, INC.

LANDSCAPE INSTALLATION GUIDELINES AND MAINTENANCE

A. Completion of Landscaping. Landscaping must be completed no later than six (6) months or by the end of the first growing season following the closing of the purchase of the property, whichever is earlier. A growing season shall mean the period of May 1st through October 31st of each year. Minimal landscape requirements include automatic irrigation, at least one-third grass material in the front yard (for non-xeriscape plans) and one evergreen or deciduous tree. Additionally, multiple shrubs or bushes should be naturally incorporated. The backyard should include grasses or other natural erosion control material, irrigation systems, and maintenance practices that conserve water. Although water conserving landscapes are often associated with a rather bleak or dry appearance, it should be noted that a more traditional green appearance can be achieved while still using much less water than typical suburban residential landscapes.

B. Minimum landscaping requirement options (1 or 2):

- o Standard landscape plans – Minimal landscape requirements include one evergreen or deciduous tree. Additionally, multiple shrubs or bushes should be naturally incorporated. The backyard should include grasses and/or other natural erosion control materials.
- o Xeriscape plans – The front, side and rear yards may be landscaped with a combination of live drought resistant plants / native grasses, mulch and rock materials. There should be at least one deciduous or evergreen tree in the front. Owners should follow the general principles of xeriscaping available from Colorado Springs Utilities (CSU). Colorado Springs Utilities operates a public xeriscape garden and has a variety of xeriscape experts and resource materials available for consultation.
- o Written consent of adjacent property owner(s) is required if deciduous trees are planted within six (6) feet of the property line. Note. Conifer trees should not be planted within ten (10) feet of the property line.

All residential properties must meet the minimum landscape requirements. The landscape improvements are to be installed as required in the Declaration of Covenants, Conditions and Restrictions. Once installed, the landscaping must be maintained in a neat, attractive and well-kept condition.

C. Deposit of landscape materials and supplies: Landscaping materials that could potentially deposit silts and or dusts such as natural or chemically manufactured paints, oils, automobile leaks and trash are not to be deposited for any extended amount of time on lawns immediately next to or on driveways, sidewalks, or streets in front of homes whereon those materials could runoff due to rain, snow or wind, and therefore end up flowing down the storm water gutter. If the deposit of these materials must be located in these areas the proper erosion control could be straw rolls staked into the yard around piles of fertilizer or dirt. Excessive dirt deposits on driveways, sidewalks or adjoining street(s) to homes must first be scraped; then swept up and deposited on the property or in the trash BEFORE utilizing water to hose off those areas. The penalties for not adhering to these guidelines can be severe and will be administered by the Homeowner's Association.

D. Slopes. In some cases, there may be relatively steep slopes on an owner's property. It is important to note that if slopes are not landscaped severe erosion and silting may occur. Therefore, it is

recommended that the homeowner landscape slopes as soon as possible after moving in. Slopes and banks should be planted with drought tolerant plants. Terracing, constructing retaining walls or surfacing with stone or other free draining materials can lessen erosion of slopes. Loose aggregate or wood chips are not recommended on slopes unless measures are taken to prevent erosion or displacement by wind and/or water. Slopes can also be seeded with good covers, shrubs, and bushes to prevent erosion. Rock gardens are another technique to help prevent slope erosion and create a landscape amenity. Slopes given proper design treatment can become an attractive, interesting part of the landscape.

E. Drainage. The Declaration requires that there be no interference with the established drainage pattern over any property. The established drainage pattern means the drainage pattern as engineered and constructed by the homebuilder prior (or in some cases, immediately following) conveyance of title from the home builder to the individual homeowner. When installing landscaping, it is very important to ensure that water drains away from the foundation of the house and that the flow patterns prevent water from flowing under or against the house foundation, walkways, sidewalks, and driveway into the street. The Architectural Review Committee may require a report from a drainage engineer as part of landscaping or improvement plan approval. Landscaping should conform to the established drainage pattern. Sump pump drainage should be vented a reasonable distance from the property line, on the owner's property, to allow for absorption. Adverse effects to adjacent properties will not be tolerated. Some homes may be constructed on "expansive soils". The prime characteristic of expansive soils is that they swell when water is introduced. The soil, in essence, acts as a sponge. When this expansion takes place, extreme pressures are exerted on foundations and other man-made structures, which are placed in the ground. The result can be severe structural damage to your home. It is the Board's intent to remind homeowners that a potential hazard exists when proper drainage is not maintained and/or when water is introduced to these "expansive soils" adjacent to the foundation. Residents should investigate the existing drainage conditions and preserve and accommodate the drainage situation, which exists on their particular site at the time they purchase their home from the builder or other previous homeowner. See guidelines under "Drainage" in the listings of specific types of improvements. Minor drainage modifications may be made to lots providing they do not alter the engineered drainage pattern of the lot existing at the time the lot was conveyed to the owner from the builder or the previous homeowner. Grading can be used to create berm, slopes and swales which can define space, screen undesirable views, noise and high winds. It is suggested that berm slopes not exceed 3 feet of horizontal distance to 1 foot of rise or vertical height (3 to 1 slope) in order to permit greater ease of mowing and general maintenance.

F. Soil Preparation. Soil conditions may vary throughout the community. Individual soil testing is suggested for each lot to determine the exact nature of the soil and the desired level of amendment needed such as mulch, sand and fertilizer to optimize plant growth. Local nurseries may offer assistance in determining the proper quantity and type of soil amendment. A general guide for amendment of all turf area soils is a minimum of three (3) cubic yards per one thousand (1,000) square feet, and then (10) pounds per one thousand (1,000) square feet of lawn area. These materials are to be tilled to a depth of six (6) to eight (8) inches into the soil. Acceptable organic matters include aged compost, wood humus from soft/non-toxic trees, sphagnum moss (excluding that from Colorado origin), or aged/treated manure's. Topsoil is not considered an acceptable organic matter.

G. Retaining Walls. New or old creosote treated timber railroad ties are prohibited. Retaining walls may be used to accommodate or create abrupt changes in grade. Such walls should be properly anchored to withstand overturning forces. Stonewalls should be made thicker at the bottom than at the top to achieve stability. To avoid destructive freeze-thaw action, all retaining walls should incorporate weep holes into the wall design to permit water trapped behind them to be released. Walls should not be located so as to alter the existing drainage patterns, and should provide for adequate drainage over or through (by means of weep holes) the wall structure.

H. Climate. Typical climatic conditions of this area include low precipitation, low average humidity, variable winds, and a fairly wide temperature range.

I. Screening Views and Directing Winds. Plant materials can frame pleasant vistas such as views of the mountains. Less desirable views of adjacent land (e.g. highways) can be screened with dense coniferous plantings, earth mounds, fences or walls. High velocity winds can be effectively directed by dense planting. Care should be taken, however, to respect and preserve views of adjacent lots.

J. Rockscapes. Boulders and cobbles present an attractive alternative landscape element if used sensitively within the overall landscape composition. Large expanses of rock mulch without substantial shrub or groundcover plantings are unacceptable. Stone or gravel mulch with harsh, unnatural or high contrast colors shall be prohibited.

K. Irrigation. The semi-arid climate makes watering necessary. It is recommended that watering be done in the early morning or evening. One of the most common tendencies is to over-saturate lots. The Board urges each homeowner to conserve water and as a result minimize problems on their own lots as well as on adjacent property owner's lots caused by over-watering. This can be accomplished by watering at shorter cycles more often during the course of the day. Several systems can be used to water lawns; automatic sprinkler systems and portable sprinklers. The following are some facts to consider in selecting the type and location of the sprinkler system homeowners are going to use: A) Size and shape of areas to be watered. B) Type of turf or ground cover. C) Available water supplies and pressure. D) Environment of the area-wind, rain, temperature, exposure, and grades. E) Low spraying irrigation devices may help to minimize wasted water due to wind. F) Installation of an irrigation system directly adjacent to front sidewalks may eventually cause undermining and deterioration to concrete and paved areas. G) Type of soil and its ability to accept water. Local nurseries or do-it-yourself sprinkler stores have detailed information concerning the type and installation of irrigation systems. H) Drip irrigation systems are recommended for tree and shrub areas.

L. Paved Areas. Paving may be used to define areas of intense activity and circulation patterns, such as patios, walks, and steps. Materials that can be used to create attractive patterns and textures are brick, flagstones, stepping stones, pre-cast patterned or exposed aggregate concrete pavers. These materials are often more desirable than asphalt or poured concrete. It is suggested that paving materials be earth tones colors. Sufficient slope should be maintained in all paved areas to insure proper drainage. Asphalt is not permitted.

M. Shade. Shade trees should be placed relatively close to the house where they can shade walls or outdoor activity areas. Avoid shading a solar collector, or inhibiting the effectiveness of passive solar design measures. For example, broad-leaved deciduous trees screen out the intense summer sun, but

allow winter warmth to penetrate. Trees and shrubs in general should not be planted within existing drainage swales so as to block designated drainage patterns.

N. Landscape Materials. Suggested Plant List. For homeowner convenience, the following list of shrubs, trees, flowers and grasses is provided.

- Deciduous trees, such as cottonwood, and evergreen trees, such as pinion pine, provide summer shade or can be used as a windbreak. Evergreens provide good backdrops for displaying ornamental trees and contracting flowers as well as providing a visual screen.
- Shrubs such as junipers may be used as specimens or in masses. Shrubs can also be used in combination with trees as windbreaks or to add color and texture to the landscape. Low growing, spreading shrubs may be used as groundcover treatment and present an attractive method of reducing water consumption.
- Ornamental trees such as flowering crabapples provide accent, color, and additional interest to the residential landscape. They may be a more appropriate scale for small areas of the lot. ☐ Groundcovers such as creeping mahonia play an important role in consolidating the surface of fine-grained soils to prevent erosion and sedimentation. They may be useful in place of a lawn, especially on steep banks where they will also require less water than turf grass.
- Vines may be used as a groundcover or as a shading element over a trellis or as a screen when planted adjacent to a fence.
- Garden flowers may be used as elements of seasonal color. Perennials and annuals should be considered. Vegetable gardens may be integrated with planting beds and used ornamentally.

O. Mulches. Mulches modify the extremes of soil temperature and improve soil by producing humus, and reducing evaporation loss. Suggested minimum depth for mulches is three inches. Mulches are typically used in shrubs and groundcover beds and may consist of a variety of organic materials such as ground bark, wood chips, pole peelings or chipper chips. Natural wood mulch has environmental advantages to plant material and its use is strongly encouraged.

P. Landscape Maintenance. Good consistent maintenance is essential for healthy plant materials. The following are some suggested maintenance considerations and ways of minimizing maintenance problems:

- A) Plant with regard to climate. Consider ultimate size, shape and growth rate of species.
- B) Locate plants and irrigation heads out of the way of pedestrian-bicycle traffic and car bumpers.
- C) Provide simple guying systems for trees for a minimum of two years and wrap trees most susceptible to sun scald with burlap or paper during fall or winter months.
- D) Make provisions for efficient irrigation; drain and service sprinkler systems on regular basis and conduct operational checks on a weekly basis to insure proper performance of the system.
- E) Provide good soil mixes with sufficient organic material, 30% per tilled depth is desirable.
- F) Use mulch at least three inches deep to hold soil moisture and to help prevent weeds and soil compaction.
- G) Provide required fertilization, weed and pest controls etc., as required for optimum plant growth.
- H) Prune woody plants when needed. Never prune more than 1/3 of foliage.
- I) Space groves of trees or single trees to allow for efficient mowing.
- J) Locate plants with similar water, sun and space requirements together.

WALDEN PROPERTY OWNERS ASSOCIATION, INC.

SUGGESTED PLANT LIST

Deciduous Trees

Autumn Blaze Maple
Autumn Purple Ash
Burr Oak
Canada Red Cherry
Downy Hawthorn
Ginnala Maple
Hackberry
Kentucky Coffeetree
Lanceleaf Cottonwood
Linden, American or Littleleaf
Marshall Seedless Ash
Narrowleaf Cottonwood
Patmore Ash
Russian Hawthorn
Rocky Mountain Maple
Shademaster Honey Locust
Western Catalpa

Evergreen Trees

Bristlecone Pine
Colorado Spruce
Ponderosa Pine
Pinon Pine
Austrian Pine

Grasses

Big Bluestem
Blue Grama Grass
Buffalo Grass
Feather Reed Grass
Fountain Grass
Prairie Cord Grass
Fescue

Shrubs

American Plum
Russet Buffaloberry
Blue Chip Juniper
Bar Harbor Juniper
Broadmoor Juniper

Buffalo Juniper
Blue mist Spirea
Boulder Raspberry
Blue Stern Willow
Indian Grass
Little Bluestem
Maiden Grass
Compact American Cranberry
Chokeberry
Curl-leaf Mountain Mahogany
Creeping Mahonia
Hughes Juniper
Whitestem Gooseberry
Golden Current
Gambel Oak
Isanti Dogwood
Kelsey's Dogwood
Great Plains Leadplant
Mountain Box
Mountain Ninebark
Mogho Pine
Native Potentilla
Red Coralberry
Red-Twig Dogwood
Rock Spirea
Russian Sage
Saskatoon Serviceberry
Tall Blue Rabbitbrush
Tall Western Sagebrush
Sagebrush
Threeleaf Sumac
Tam Juniper
Waxflower

WALDEN PROPERTY OWNERS ASSOCIATION, INC.

DOCUMENT REQUEST FORM

Name of Requesting Owner:

Requested Date and Time for Examination:

Unit Address: _____

Daytime Phone: _____ Email: _____

I request to examine ___ or copy ___ the following:

Governing Documents:

- Declaration (Covenants)
- Bylaws
- Articles of Incorporation
- Design Guidelines
- Policies, Procedures, Rules and Regulations
- Board Minutes (please specify): _____

Financial Documents:

- Operating Budget
- Financial Statement
- Other: _____

Pursuant to Colorado State Law and the Association's procedure regarding member access, inspection and copying of the Association's documents, I agree to pay in advance the cost of copying and labor, as set by the Association's records custodian. Payment must be received at time of examination, paid by certified funds or money order (no cash). I further agree that if the cost exceeds the estimate I will pay the additional charges at the time of inspection or prior to copying and delivery of records.

I certify that my request to review the books and records of the Association is in accordance with the Association's Records Rules and that this request is not for commercial purposes or my personal financial gain or for any solicitation, illegal or other uses violating the Association's Records Rule.

I understand that examination of books and records of this Association will be made available during normal business hours in accordance with state law at a time and place designated by the Association. I estimate that the inspection will require _____ hours. I understand that this Document Request Form must be submitted at least ten (10) days prior to inspection. I understand that I will pay as noted above, the labor costs for retrieving, copying and/or witnessing the examination of books and records of this Association.

I agree that I am solely responsible for any legal liability or damages arising from or relating to my use of the information; and that the Association assumes no liability or responsibility for the information provided, nor its use or misuse, and that the Association does not warrant or represent the accuracy, completeness, or any other matter in the materials provided.

I agree that any information shall not be used for commercial, solicitation, illegal or other use in violation of the Records Rule, and to indemnify the Association from any claims or expenses resulting from the use of such information, in the event the records provided to me by the Association are used in violation of this Form; in such case, I will be responsible for any and all damages, penalties and costs incurred by the Association, including attorney fees, and I shall be subject to all enforcement procedures available to the Association through its governing documents and/or Colorado law.

Signature of Requesting Owner: _____

Date: _____

WALDEN PROPERTY OWNERS ASSOCIATION, INC.

MAINTENANCE REQUEST FORM

Address: _____

Name: _____

Day Phone: _____

Description of Problem or Concern: _____

(For Management Use Only)

Date Received: _____

Assigned to: _____

Date: _____

Completed: _____

Description of Action: _____

Charge Homeowner: Yes, \$ _____

No

Notified Homeowner of Completion: _____

WALDEN PROPERTY OWNERS ASSOCIATION, INC.

NOTICE OF INTENT TO INSTALL ANTENNA ON INDIVIDUALLY-OWNED OR EXCLUSIVE-USE AREA

Type of Antenna:

1. Direct Broadcast Satellite: 18-inch: ____ other: ____ size: _____
2. Television broadcast: ____
3. Multipoint Distribution Service: ____ size: _____

Identify the Installation Location: Patio: ____ Rear-Deck: ____ Balcony: ____ Other: ____
If Other, Describe: _____

Company performing the installation: _____
Telephone: _____

Date Installation will be Performed: _____
Please indicate the method of installation: _____

Will the installation be in compliance with all association guidelines (which include manufacturers' guidelines and applicable building codes)? Yes No

If no, please provide three days and times for which you are available to meet with us to discuss antenna installation. At this meeting, you will need to provide information supporting the necessity for non-routine installation.

Is a mast necessary for reception? Yes No
If yes, is the mast required to extend more than 12 feet above the roofline or extend to a height greater than the distance from the installation to the lot line? Yes No
If yes, then you must complete the form for the mast installation.

I will comply with all of the Association's guidelines for installing, maintaining, and using antennas. I assume liability for any damage to Association and other owners' property that occurs due to antenna installation, maintenance, and use.

Signed: _____ **Date:** _____

Unit/Homeowners: _____

WALDEN PROPERTY OWNERS ASSOCIATION, INC.

NOTICE OF INTENT TO INSTALL OVERSIZED MAST ON INDIVIDUALLY-OWNED OR EXCLUSIVE-USE AREA

Is a mast extending more than 12 feet above the roofline required for your antenna? Yes No

Is a mast extending higher than the distance from the installation to the lot line? Yes No

If you respond "yes" to either question, please provide your reasons why such a mast is necessary. Include a detailed drawing of the installation plans, including:

- Description of the antenna and mast
- Exact location of the mast and antenna installation
- Description of the manner and method of installation
- Total height of the mast and the height it will extend beyond the roofline (Include an explanation of why the mast must extend to this height)
- Manufacturers specifications regarding the installation of the mast

Please provide a copy of the certificate of insurance of the contractor installing the antenna and mast. Also indicate a date and time that would be convenient for you to meet with the Walden Property Owners Association Board of Directors.

I will comply with all the Association's guidelines for installing, maintaining, and using antenna masts. I assume liability for any damage to Association or other owners' property that occurs due to mast installation, maintenance, and use.

Signed: _____ **Date:** _____

Unit/ Homeowners: _____