Delmonico Townhomes Association, Inc.
November 12, 2021

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Delmonico Townhomes Association, Inc.
RULES AND REGULATIONS

These Rules & Regulations dated November 12, 2021, supersede all previous Rules and Regulations

NOTE:
The governing documents of the Association are the Declaration of Covenants, Conditions and Restrictions for Delmonico Townhomes recorded in Book 3991 at Page 834 of the El Paso County records ("CC&R's"), the Articles of Incorporation, the Bylaws, and these Rules and Regulations hereinafter referred to as the governing documents. In the event of a conflict between these documents, the CC&R's shall prevail, followed by the Articles of Incorporationand then the Bylaws.

Please be reminded this document highlights many of the common issues that surface but is by no means exhaustive. These Rules and Regulations are not comprehensive and are intended to supplement and or enhance the CC&Rs and Bylaws. The Board may adopt individual Rules and Regulations at times and amend these Rules and Regulations from time to time. For clarification, fuller explanation, or additional information, owners and tenants should refer to theCC&Rs and the Bylaws. Copies of all governing documents are available from the Property Manager.

INTRODUCTION

The Board of Directors (the "Board") of the Delmonico Townhomes Association, Inc., a Colorado non-profit corporation (the "Association") is empowered by the Articles of Incorporation, Article III, Sections A, B and C, the Bylaws, Article IV, Sections 4.2 and 4.3, the Colorado Common Interest Ownership Act in 38-33.3-302(1)(a) and (k) and the Declaration of Covenants, Conditions and Restrictions ("CC&R's"), Article X, Section 10.5 to adopt and enforce such rules and regulations as it deems advisable for the operation, control, and clarification of the Articles of Incorporation, Bylaws, and CC&R's. The Board is publishing this booklet with two purposes:

1. To provide a set of guidelines that will address issues, which may not be specifically detailed in the CC&Rs and to present those and other guidelines in a clearer, more concise manner.

2. To ensure all owners and residents are aware of the Association's policies and procedures,and information.

Delmonico Townhomes Association, Inc.
RULES AND REGULATIONS
November 12, 2021

I. ASSOCIATION STRUCTURE

A. Board of Directors
Articles of Incorporation, Article VI

The Association is a non-profit corporation, which is governed by its Board of Directors. The Board is a volunteer group of homeowners who meet on a regular basis to conduct the business of the Association; that is, to exercise discretion, reasonable efforts, and reasonable business judgment standards; to keep up maintenance and repairs as needed; to take steps to ensure all contractors are honoring their service agreements, and to ensure that violations of the governing documents are corrected. Directors are elected during regular annual meetings by a vote of homeowners or are appointed to the Board to fill vacancies. Appointments to fill vacated positions will remain in place until the term expires. All board-member terms are for three (3) years. Officers are elected by the Board and serve a one (1) year term.

B. Board Meetings
Bylaws, Article IV, Section 4.8

The Board meets with the Property Management Company (Property Manager) and other contracted representative(s) on a regular basis. All owners are welcome at the meetings to observe and/or present concerns during the agenda item allowing such concerns. If an owner wishes to discuss an issue at a meeting, there is an owner forum section at the beginning. An owner is asked to notify the Property Manager at least 10 days prior to the meeting if the issue requires research so that the item can be placed on the agenda. The Board may limit the time allowed for any one (1) speaker to hold the floor. The Governance Policies will govern meeting procedures.

C. Architectural Control Committee (ACC) - Actions Requiring Board Approval
CC&R's, Article XI, Sections 11.1-11.8

The Architectural Control Committee (ACC) must approve any alteration to the exterior of a Lot. To obtain approval for such actions, owners must submit a written request to the Property Manager to include any brochures, colors, material details, drawings, etc. Owners are responsible for obtaining a receipt indicating the date on which they submitted their request. The Board, acting as the ACC, shall approve or deny all submissions within thirty (30) days from the submission date, except when a request requires more investigation or other preparatory work, in which case the Board will advise the Owner of the time needed to reach a decision. In such a case, the submission will be deemed to be denied until the investigation is complete. Examples of this include the installation of central air conditioning, a screen door, window or door replacement, and back patio fencing or privacy walls. If you are unsure about any item or request, it is your responsibility to contact the Property Manager.

II. PORCHES / PATIOS / DECKS

A. Appearance

1. Residents must keep their porches, patios, and decks neat, clean, and free from debris. This includes (but is not limited to) immediate pickup and removal of animal excrement and removal of personal items. Storage of personal items on porches, decks, or patios is prohibited with the exception of reasonable patio furniture (as detailed below), specifically designed for outdoor use. No trash cans are permitted.

2. No forms of lighting are permitted to be installed in a temporary or permanent manner outside on the exterior surfaces of any unit, including the front or rear patio areas or in the Common Areas. This includes, but is not limited to, rope lights, lighted ornaments, statues, and figurines, which are not to be placed in the Common Areas or attached to the structure in any manner.

   Exception: Seasonal/holiday lighting may be displayed outside a home on the front or rear patio area and on bushes/trees immediately adjacent to the home in the rock border area. Lights may be installed thirty (30) days before the holiday date. Note: exceptional care should be taken in how lights and/or decorations are mounted to the structure. No nails, screws, tacks, staples, etc., are permitted to penetrate the stucco. The use of gutter hangers is encouraged, and if lights are displayed on the wooden handrail and support posts for porches, try to use the least invasive attachment methods possible. Any holiday lights and/or decorations must be removed thirty (30) days after the holiday date.

B. Prohibited Items

1. Items strictly prohibited include, but are not limited to, any condition deemed to be unsightly, that creates liability or monetary cost to the Association, that endangers the health or safety of the residents of the community, that poses a fire hazard, or produces any noxious or offensive odors, and the storage of any item(s) that may attract insect or other parasitic infestation, as determined by the Board. Items such as trash bags, coolers, brooms, snow shovels, and lawn and/or gardening supplies must all be stored inside.
2. Residents may not dry clothes outside on clotheslines, drying racks, porch/patio/deck railings, etc. Awnings, shutters, sunshades, window coverings, or other projections that are attached to an exterior wall or building surface are not permitted.

C. Permitted Items

1. **Front Porches:** The only items permitted to be placed or installed are one (1) sitting bench orone (1) to two (2) patio chairs, a small metal or plastic accent table, and one (1) dairy box (depending on the size of the porch), flowerpots, and bird feeders as long as they are not attached to the stucco or siding surfaces and are kept in a clean and attractive manner. All flowerpots must be placed on the front stoop or adjacent to the front entry; none are allowed on the steps for safety. Bird feeders must be located above a solid surface to prevent weeds and to aid in cleanup to prevent attracting rodents. All patio furniture must be specifically designed for outdoor use.

2. **Back Patios / Decks:** Only one (1) propane or electric barbecue grill is permitted per unit. All other forms of cooking apparatus, charcoal grills, smokers, etc., are strictly prohibited. Anything that could pose a hazard or attract insects is strictly prohibited. Bird feeders must be located above a solid surface to prevent weeds and to aid in cleanup to prevent attracting rodents. The only other items permitted are one (1) sitting bench or one (1) table with up to four (4) chairs or one (1) to two (2) patio chairs in serviceable condition (depending on the size of patio/deck), flowerpots, bird feeders as long as they are not attached to the stucco or siding surfaces and are kept in a clean and attractive manner, one (1) storage container, suitable for outside use, no larger than 60 inches wide by 24 inches deep by 24 inches high (60 "W x 24" D x 24 "H), sitting on the concrete or within the confines of the deck only, that is used to store toys, furniture pads, etc. The container should be neutral in color and must be secured shut with a lock. All patio furniture must be specifically designed for outdoor use.
3. **Statues / Figurines / Mini Decorations:** Items such as small animal figurines, small portable waterfall units, small lawn ornaments, etc., may be displayed on a front or rear patio if they are not attached to the structure or wood railing. A reasonable number of items, not to exceed 5, may be placed on the wood railing or concrete surface and should be kept in a clean and attractive manner, as determined by the Board of Directors. The intent of this Rule is to allow owners to display small, personalized items that allow individuality but that does not detract from the overall pleasing aesthetics of the community.

D. Bicycles

Bicycles must be stored inside the Dwelling Unit or in the bicycle storage area located on-site. They are not permitted to be stored on the porch/patio/deck, sidewalks, or communal areas. Any bicycles stored in the on-site enclosure must always be locked, be identifiable with an Association ID, and be in serviceable condition. Any property not secured, in disrepair, or not able to be easily and readily identified will be subject to removal and disposal without notice. The Association disclaims any liability or guaranty for security in this storage area.

III. COMMON AREAS

CC&R's, Article VI, Sections 6.1 & 6.4, Article X, Section 10.10

"Common Area shall mean and refer to all real property owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first Lot is described in Exhibit B [of the Declaration]."

A. Personal Possessions

Personal possessions (stereos, tools, bicycles, patio furniture, tents, toys, BBQ grills, etc.) must not be left in the Common Area, including parking areas, carports, streets, or sidewalks. The Association disclaims any and all liability for any article left in any of these areas or any resulting injury.

B. Recreational Activities

Recreational games and sports, motorized scooters, rollerblades, skateboards, and street hockey are prohibited. Owners are encouraged to utilize off-site facilities or city parks.

C. Structures

Residents and guests are not permitted to climb/walk on roofs (of Dwelling Units, carports, or structures on Common Area), garages, dumpsters, carports, fences, and/or retaining walls or any other Common Area.

D. Property Damage

1. Owners are responsible for any damage to any property (landscaped areas, structures, carports, and sprinkler apparatus, etc.) or injury to guests, tenants, etc., due to their own actions or actions of their family members, residents, contractors, guests, pets, etc. The Association disclaims any and all liability for any such activities conducted in the community.
2. Owners, tenants, guests, and their family members are not allowed to conduct recreational activities or participate in other types of activities so close to the buildings or parked vehicles as to create a danger to the structure/ vehicle or cause Common Area or private property damage.

IV. MAINTENANCE

A. Association Maintenance

CC&R's, Article VI, Section 6.1, Article VIII, Sections 8.1 & 8.2

1. Exterior Building Maintenance: "The Association shall provide exterior maintenance upon each Lot which is subject to assessments hereunder as follows: paint, repair, replace and care of the roof, gutters, downspouts, exterior building surfaces, walks, landscaping, maintenance of the front, side, and rear Lots, except patio areas, and other similar exterior improvements. Such exterior maintenance shall not include the maintenance or the repair of entry doors, frames, or sliding glass doors and windows, which shall be the sole responsibility of the Owner."

Association Responsibility:

The Board shall exercise reasonable business judgment in determining the respective maintenance responsibilities of the Association and the Owners. The following is a more comprehensive list of items the Association shall be responsible for but is not all-inclusive:

- Exterior stucco surfaces of the home to include stucco, soffit, fascia, and other components of the surface leading to the studs of the structure;
- The entire roofing system that serves one or more units (the shingles, vents, flashing, felt, and decking material) up to the point of the roofing trusses. Owners are not to climb onto the roofing system for any reason;

- The entire gutter system and its related components for the Buildings and carports (downspouts, tip-outs, flashing, etc.);
- All window shutters;
- All wooden address base plates and brass numbers;
- Window wells, whether wood or steel. (Each Owner is responsible for covers, cleaning of the area, and installing a ladder if required.) Window wells may not be used for the storage of any item(s) at any time. Steel covers can be black, white, or tan to closely match the stucco body color.
- Any vertical rear stucco divider walls that do not enclose the rear patio; some rear decks and cement patio slabs connect to these structures. Each Owner will have to coordinate any deck repairs or replacements and notify the Association if any problems are seen with the stucco wall. If the Association is performing repairs, the Owner must grant access if required to complete the work. If it is determined that damage is caused to the divider wall by an owner who fails to maintain the deck or patio, that Owner will be responsible for promptly repairing the patio or deck and the divider wall at his or her expense. Any work performed by the Association, after timely notification to the Owner, will be billed directly to the Owner.
- Front Porches: all the concrete for the sidewalk, steps, and front stoop; all wood handrails and railings and support posts and the roof overhang structure;
- The Association is responsible for the exterior surface of the foundation;
- The carport structures.

Maintenance of Common Areas: The Association shall be responsible for the landscaping and maintenance of the Common Area and shall have the grass, weeds, trees, and vegetation cut and/or trimmed when necessary. Other Common Area items include the sprinkler system and its related components (above and below ground), underground utilities located in the Common Area until such facility enters the Lot, the asphalt streets, concrete curb & gutter, sidewalks, front steps, and stoops [only if this is on Common Area and not the Lot], all light poles, exterior security lighting, and street lights, fire hydrants, trash enclosures (concrete & wood), perimeter fencing, bike storage area, all landscaping and vegetation (rocks, edging), and other items not specifically listed above that are outside the confines of each Lot. No Owner shall, in whole or in part, change the landscaping adjacent to his or her Lot by the addition or removal of any items without the prior written approval of the ACC.

Interior Damage from Exterior Leak: The individual homeowner is responsible for repairs, replacement, and maintenance of the interior of his or her Dwelling Unit. Interior repair shall include, but not be limited to, the repair of any damage resulting from the skylight, window, doors, or other exterior or ground leaks or the intrusion of water through the foundation or window wells. If the Association is performing maintenance, repair, or emergency replacement of the Common Areas or other area for which the Association is responsible and interior damage is sustained, any interior repairs shall be an expense of the Association. The Association will promptly repair the exterior problem after receiving actual notice of it.

B. Owner Responsibility

CC&R's, Article VI, Section 6.7, Article VII, Section 7.2, Article VIII, Section 8.1

2. <u>Maintenance of Dwelling Units and Lots</u>: Lot Owners are responsible for the maintenance, repair, and replacement of the improvements and properties located within their Lot boundaries, which are not specifically the obligation of the Association to maintain, replace, or keep in good repair. "The obligation to maintain any Privacy Fence or other structure enclosing a patio, balcony, storage room, yard, or deck area shall be that of the Owner." Owners shall also maintain the interiors of their Dwelling Units so as not to create a nuisance to or damage the Common Area or other Lots/Dwelling Units or create an unsightly condition from outside the Dwelling Unit. The Owner shall maintain the interiors of each Dwelling Unit, patio, porch, deck, and carport in a neat and attractive manner thereof.

<u>Owner Responsibility:</u>

(a) All windows, glass, casings, locks and related hardware, all framing and window screens;

(b) All doors, front/rear, any storm/screen doors, and their related hardware andframing;

(c) All interior walls, including the surface materials such as plaster, drywall, paneling, wallpaper, paint, tile and carpeting, all ceilings and floors, and the studs making up the structural components of the walls and ceilings/floors;

(d) Any fireplace, whether wood or gas, all related components including the flue and firebox (excluding chimney caps). Each Owner is responsible for having wood-burning fireplaces cleaned and/or inspected each year;

(e) All electricity, water, gas and sewer lines, heating and cooling systems – air conditioning condenser, the furnace, ductwork, water heater, and their related systems, [dryer vent - each Owner is responsible for having the venting cleaned and/or inspected each year]; telephone and television cable lines, any communication or other service receptacles and/or boxes, outside water spigots, exterior electrical outlets, the doorbell, front and rear light fixtures, etc., located within the Lot;

(f) The Association will maintain all extensions that exit the roof system that serves one or more units (furnace vents, pipe jacks, chimney cap, etc.). Owners are not to enter upon the roofing system for any reason;

(g) Light fixtures/bulbs: the front and rear light fixtures and light bulbs shall be maintained in such a manner that the light automatically turns on at dusk and off at dawn;

(h) Any lighting in the attic;

(i) Rear patio areas, any concrete stoops, stairs, wooden decks and stairs, and any item installed within the confines of the rear patio (concrete, any landscaping, underground utilities, drainage, etc.), this includes the entire deck or patio structure (stairs, handrails, spindles, floorboards, and joist/supporting materials, concrete, etc.);

(j) Rear entrance stoop or stairs;

(k) The foundation of the residence, except as provided above;

(l) Any exterior improvements made to the Dwelling Unit or Lot, including but not limited to patio extensions and modifications to the patios originally installed, even if they extend onto Common Area;
(m) The main water supply line from the point where it enters the Lot;
(n) Any skylights installed;

In addition, each Unit Owner shall have the responsibility:

- To keep the Dwelling Unit in a neat, clean, and sanitary condition. The maintenance and repair of the interior of each Dwelling Unit shall be the responsibility of the Owner. To perform his or her responsibility in such a manner as not to unreasonably disturb other persons in other Dwelling Units.
- The Owner shall maintain the exterior patio, porch, deck, and carport in a neat and attractive manner. An owner shall not paint or change the appearance of the exterior of his or her Dwelling Unit without the prior written approval of the ACC. To promptly report to the Association or its agent any defect or need for repairs for which the Association is responsible.

Emergency Response & Repairs: In the event there is an emergency in your Dwelling Unit (loss of water, electricity, gas, sewer backup, etc.), each Owner is to contact a service provider to respond and initially investigate the cause. Owners are also responsible for contacting Colorado Springs Utilities to inquire about utility concerns, 448-4800. If it were determined that the cause of the emergency lies within the confines of that Lot, that Owner would be responsible for effecting repairs. An example would be in the event of a sewer line backup; if the blockage were found to be within the boundary of the Lot, that Owner would be responsible for the repairs. If the blockage were found to be outside the confines of the Lot, in an area for which the Association is responsible, the Association would reimburse the cost of the service provider to repair the cause of the blockage. The Association is not responsible for reimbursing the Owner for the cost of any repairs to the interior of the Dwelling Unit or other areas for which the Owner is responsible.

Interior Damage from Exterior Leak: The Association will promptly repair the exterior problem after receiving actual notice. Owner repairs shall include, but not be limited to, the repair of any damage resulting from window, roof, gutter, sprinkler system, or other exterior or ground leaks, or the intrusion of water through the crawlspace/foundation.

- The Association will be responsible for interior damages resulting from a leak in the roofing system. This includes the main roof of the home and the garages.
- If the Association performs maintenance, repair, or emergency replacement of the Common Elements and those actions result in damages being sustained to any interior unit, interior repairs shall be an expense of the Association.

3. Sharing of Repair and Maintenance: The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use. This applies to interior walls and back patio fencing. If a common fence is shared, the fees related to its upkeep, repair, and/or replacement are to be divided equally by each Owner.

4. Windows & Doors

a. *Windows & Doors – Frames*

Owners have the responsibility of replacing all windows and doors, including the frames and hardware. The approval of the ACC must be obtained prior to any replacements. The Association will not perform stucco repairs or paint for individual replacements. When replacing windows, all windows on the front and/or back of the home must be done at one time (meaning updating 1 window is not permitted). Front entry door: owners can have brass in color locksets or dark bronze color. This is for the primary front entry door, not the storm door.

All homes, including those located on Iveystone Court and Hargrove Court, must have white vinyl windows (white facing the outside) with matching white grids, even when replacing the dark older bronze-style windows. **Rear patio doors** can be replaced with white grids or no grids, or you can install a white **French door** style with or without white grids.

Garden-style windows can be replaced with a traditional flat-style window with white grids. Any window can be a casement or sliding style if the original window opening size is not changed.

b. *Windows – Glass*

When being replaced, the windows must match the existing dimensions and style (e.g., the crossbar/grid design and style of opening [double hung/sliding]). **The approval of the ACC must be obtained prior to any replacements.**

c. *Window coverings*

Anything other than serviceable blinds, curtains, drapes, interior shutters, window quilts, blinds, and sunshades is not permitted as window coverings. Owners are not permitted to use sheets, towels, tin foil, cardboard, or other coverings that are not intended as a reasonable window blind.

5. Air Conditioners:

a. *Installation*

Temporary air conditioners (e.g., window mountable units) or similar appliances such as evaporative (swamp) coolers are permitted seasonally from Memorial Day to Labor Day and under special restrictions. The units may ONLY be mounted in the rear windows during the timeline noted above and may not be mounted to or touching the stucco surfaces in any manner. Ranch style homes (1-story) may use a side window for these types of units. All units must be properly secured in the window.

Central air conditioners installed on the ground immediately next to the Dwelling Unit are permitted. All units must have written ACC permission prior to installation. Condenser or window-mounted units that have an unreasonable amount/level of noise or are deteriorating maybe required to be repaired and/or replaced as determined by the Board.

b. Operation

All central air conditioners (or similar appliances) and any related fixtures are to be maintained in an attractive, clean, quiet, and safe condition. Any air conditioner or similar appliance which is creating an annoying condition will be repaired, replaced, or removed at the Owner's expense. Any loss, damage, or expense incurred from their operation will be the sole liability of the Owner.

6. Screen/Storm Doors: The only screen/storm door permitted in the community is one that is **bronze or black in color**, either triple-track or full view, and meets or exceeds the following specifications:

- 1-1/4" thick aluminum or vinyl frame
- quad seal system / deluxe solid-brass finish handle set inside and out
- brass finish sweep or kick-plate / color-matched closers and screw covers
- a deadbolt with keyed lock is built into the door frame
- tempered glass / heavy-gauge aluminum or vinyl construction

7. Water Intrusion: Each Owner shall be solely responsible for any water intrusion or infiltration into the Dwelling Unit or other improvements located upon his or her Lot, including, without limitation, the basements and crawl spaces. The Owner's liability shall include, but not be limited to, any water extraction, installation of interior drainage systems, installations, maintenance and repair of sump pumps, and any soil treatment. Each Owner shall be solely responsible for any damage to any part of the Lot, including any carpeting or other private property.

C. Board Determination of Maintenance Responsibilities

CC&R's, Article VIII, Section 8.2

The Board shall exercise reasonable business judgment in determining the respective maintenance responsibilities of the Association and the Owners. "Determination of whether such repair or maintenance is the obligation of the Association shall rest solely with the Association, which shall have the sole responsibility for determining the kind and type of materials used in such repair and maintenance." Decisions by the Board shall be final. The Board may make such decisions either by Rules and Regulations or by decisions made in particular instances.

V. MISCELLANEOUS

A. Nuisances - Bright Lights/Loud Noises

CC&R's, Article X, Section 10.9

No noxious or offensive activity shall be carried on in any Dwelling Unit, nor shall anything be done or placed in any Lot, which is or may become a nuisance or cause embarrassment, disturbance, or annoyance to others.

The Board shall exercise sole discretion in determining whether a noise is unreasonably loud or if a light is unreasonably bright [such as 500-watt outdoor spotlights, etc.]. No activities shall be conducted on the Properties and on improvements constructed on the Properties, which are or might be unsafe, hazardous, or cause annoyance to any person or property - no firearms shall be discharged, no open fires shall be permitted on the property, no foul or obscene language, no domestic disturbances, and no fireworks. No light shall be emitted from any Lot that is unreasonably bright or causes unreasonable glare; no sound shall be emitted from any Lot or an automobile that is unreasonably loud or annoying, and no odors shall be emitted from any Lot that is noxious or offensive to others.

B. Soliciting / Flyer Distribution / Advertisement

No forms of solicitation and/or advertisement shall be distributed or displayed within the community. This includes home businesses, Real Estate advertisements, etc. Signs advertising that a Lot is for sale or rent may be placed on the inside of a Dwelling Unit's window. See IX. (A) for further information on Real Estate signs.

C. Garbage / Recycling

Trash is collected multiple days a week. Recycling is collected on Mondays and Thursdays each week. **Trash is not to be kept on the front porch or back patios/decks at any time.** No hazardous materials, including vehicle batteries, oil, parts, furniture, or other items too large or heavy for pickup, shall be disposed of. All trash is to be placed in the dumpster by 7:00 a.m. on the days of pickup. Please see that all trash is placed in sealed plastic bags. If you have oversized items, please call the Property Manager for a special pickup and billing. Any trash left outside the dumpster enclosure that is identified may result in assessment fines and fees for being removed.

D. Porch/Patio/Deck Lights

If owners would like a photocell or motion detector light, they may install a sensor or replace the fixture at their own expense after receiving prior written ACC approval. The fixture must closely match the existing style.

E. Antenna / Satellite Dish

Installation of antennas/satellite dishes is permitted; however, the mounting location is not permitted in the roofing system/area or to any stucco surface. Please contact the Property Management Company for further information.

F. Mailboxes

Mailboxes are the property of the United States Post Office. For information regarding keys, problems with locks, etc., please call the main post office (570-5484). They can direct you to the proper substation that manages your individual box.

G. Quiet Hours

Quiet hours, as set forth by the current city ordinance, are from 10 p.m. through 8 a.m. At all times, residents shall take care not to disturb their neighbor's right to the peaceful use of their property and the neighborhood. Residents shall take particular care during quiet hours. Any resident observing a violation of this Rule at any time is encouraged to call the Colorado Springs Police noise complaint line to file a noise complaint in addition to filing a written complaint with the Property Manager.

H. Pest Control

The Association provides for the treatment and/or removal of nuisance, biting, or stinging insects/animals, including bees, hornets, wasps, skunks, snakes, and squirrels. Pests not covered are mice, ants, and gnats. For any animal or insect not specifically listed, the Board will use its discretion on a case-by-case basis and decide if the Association covers the removal/treatment.

I. Home or Other Business

CC&R's, Article X, Section 10.8

No business activity of any kind shall be conducted in any Dwelling Unit or any other portion of the community, except that permitted by the Association or otherwise provided in the Declaration. Home businesses are permitted to the extent they do not: 1) Violate any Federal or State law or any other ordinance of the City of Colorado Springs, 2) Violate any provision of the governing documents of this homeowner's Association and these Rules and Regulations, 3) Infringe on the peaceful enjoyment of the immediate neighbors, specifically or the community in general, 4) involve regular use of any guest parking space(s) even temporarily, as in dropping off or picking up clients, patrons, patients, customers or students, 5) Receive deliveries on any product(s) for resale, including but not limited to Mary Kay, Creative Memories, Tupperware, etc., 6) Engage in daycare activities having more than one child that is not related, regardless of age and 7) Engage in repair/restoration services, like woodworking, automotive, etc.

J. Lease/Rental

CC&R's, Article X, Section 10.7 (A-E)

1. No leases shall be allowed unless the Owner advises the Association of the Owner's off-site address, a copy of the lease is provided with the Addendum, and the Owner and tenant(s) comply with all the terms of these Rules. The Owner shall provide all tenants(s) with copies of the Rules and Regulations; CC&R's and inform said tenant(s) that all these rules and restrictions are enforceable against a tenant.

   Owners must submit the required Addendum as a part of the Lease to the Association upon execution of a new lease, any renewal, or extension.

2. Any lease agreement shall provide that the terms shall be subject in all respects to the provisions of the CC&R's, Rules, and Regulations and that any failure by the tenant to comply with the terms shall be a default under the lease and may be grounds for the Association to impose separate fines and/or evict a tenant. No Lots shall be leased for less than six (6) months. Short-term and hotel-type leases and subletting are not allowed. After the completion of a full lease term, a month-to-month option is permitted.

See Attachment A for information on the Lease Addendum.

VI. Parking and Vehicles

CC&R's, Article VI, Section 6.5, Article X, Section 10.13

A. Parking

Vehicles must be parked in the carport or designated parking area. **Each Lot is assigned two (2) parking spaces.** All Lots are issued one (1) covered space under a carport and one (1) open space (except Units 6106, 6056, 131, 222, and 6343 that have both spaces covered). If an owner has two (2) regularly operated vehicles [driven daily or weekly] in the carport or designated area and owns a third regularly operated and registered vehicle, the third vehicle must be parked off-site. All vehicles must be parked in a designated space and not have any portions of the vehicle protrude beyond the parking space boundary (depth and width of existing parking lines and no portion can extend into the sidewalk area or into the street). No vehicle of any type shall be parked in the complex for the purpose of accomplishing repairs or reconstruction thereto except for emergency repairs and then only to enable the movement of the vehicle. Any vehicle parked in a fire lane, in a designated no parking area, blocking a carport, in violation of the CC&R's and Rules and Regulations, or constituting a threat to the safety of the community may be immediately towed as provided by law, without further notice. Vehicle owners assume the risk and shall be liable for all fines, towing, and attorneys' fees incurred in any violation without liability to the Association. The parking of a motorcycle, scooter, moped, ATV or other licensed or unlicensed vehicles in addition to a car in a carport space is prohibited.

Parking spaces marked "guest" are for the exclusive use of short-term guests and are not to be used by owners/residents. Guests staying for periods of more than 7 days must contact the Property Manager. No owner shall use the street, the carport, driveways, or guest parking areas for storage of a vehicle of any kind.

B. Abandoned – Other Vehicles

No trailers, boats, motor homes, commercial vehicles (as defined in CRS Title 42 Vehicles and Traffic), or inoperable vehicles shall be parked or stored within the confines of the community. Trailers, boats, and motor homes may only be parked for temporary expedience for loading/unloading, deliveries, or emergencies. All vehicles must display a current vehicle registration, proper number of license plates, and be in operable condition (meaning able to drive under its own power, have inflated tires, all-glass, etc.).

An unlicensed, inoperable, or abandoned vehicle is subject to towing at the Owner's expense without liability to the Association. All vehicles are permitted if they can be parked in a designated "assigned" parking space and do not have any portion of the vehicle protrude beyond theparking space boundary (depth and width of existing parking lines and no portion can extend intothe sidewalk area or into the street).

C. Vehicles

All vehicles shall meet local noise requirements; automobiles and motorcycles must have mufflers in good working condition. Vehicles also must be properly maintained and not create a disturbance or annoyance to others. Oil changes, brake replacement, fluid changes, or other more involved vehicle repairs are not permitted. Any damage caused by improperly maintained vehicles will be repaired by the Association and billed to the Owner of the Lot. The number of motorized vehicles permitted in any carport or parking space at any given time is limited to one.

D. Guest Parking Space – Permits Required

Any vehicle using a guest parking space **for more than four hours** must have an Association-issued parking permit, in clear sight being displayed from the rearview mirror. Any vehicle not displaying this permit will be subject to immediate towing at the Owner's expense. The Association will have the community patrolled by a towing contractor, and they will be checking for a permit being displayed. As a reminder, guest parking spaces are not to be used by residents. Replacement guest parking permits may be obtained at the Property Management office for a fee.

1. Reissue fee: $35.00 per permit

Parking spaces marked "guest" are for the exclusive use of short-term guests and are not to be used by owners/residents. Guests staying for periods of more than 7 days must contact the Property Manager to arrange for a special permit.

VII. PETS

CC&R's, Article X, Section 10.6

A. General

The Association has encountered considerable difficulties with pets, including damage to the Common Area, defecation, barking and noise, dogs running loose on the Common Areas, and risk of injury to children and other persons. These Rules and Regulations are necessary for the health, safety, welfare, and comfort of the Association. The Board has adopted the following rules and regulations:

- No pet shall be permitted to run loose anywhere in the community;
- When outside, all pet(s) must be on a physical leash and be under the control of the Owner orresponsible person;
- No pet shall be chained or tethered outside any Dwelling Unit unless the Owner is present;
- No pet shall be left outside unattended for any reason;

- If a pet is tethered while an owner is outside on a patio or deck, the tether should be removed when the pet is taken inside;
- No pet shall be permitted to defecate on the walks, driveways, landscape areas, or elsewhere about the buildings and grounds without it being cleaned up immediately.
- No pet shall be allowed to damage the grass, trees, shrubs, or any other portion of the Common Area. Owners failing to clean up after their pet and dispose of the feces in the dumpster immediately may be fined on the first offense. If such offense occurs a second time, the Owner will be compelled to remove the pet from the community.
- No pet shall be permitted to bark, howl, whine, or otherwise create any obnoxious sound, odor, or disturbance.
- No pet(s) shall be kept for the purpose of breeding, boarding, or any other commercial purposes.

Each Owner is limited to a total of two (2) pets, for example, two (2) cats or two (2) dogs, or one
(1) cat and one (1) dog. The Association may require registration of dogs and cats, as well as a pet security deposit if deemed necessary. All pets must be vaccinated and licensed or tagged according to the current city ordinance.

B. Owner's Duties

The Owner of any pet shall assume any and all liability for the pet and its compliance with the governing documents. The Owner of a pet hereby releases the Association, its agents, and representatives from any claims regarding such pet and shall indemnify and hold the Association, its agents, and representatives harmless from any and all liability for bites, enforcement of this Rule, injuries, damages, claims or expenses, including without limitation reasonable attorney's fees, relating to the pet. The Owner of a pet shall ensure that it is kept in a clean, quiet, and controlled condition. The Owner of a pet agrees the Board may revoke the right of the pet owner if there is any infraction of the governing documents and may require immediate removal of that animal.

In addition, the Board may adopt general prohibitions in the future of all dogs or cats or types of dogs or cats. An owner of a Lot shall advise his or her guests, occupants, or tenants of the governing documents, and any future Rules and Regulations, and the Owner shall be responsible for compliance by such people, including without limitation, the payment of fines and the removal of any person's dogs or pets from the premises if any violation occur. Any person entering the community shall be deemed to be aware of the governing documents and to agree to comply fully and promptly with these requirements.

VIII. INSURANCE

The Association carries a master property damage policy on the Buildings and Lot Improvements. For questions regarding the Master Policy, please contact the property manager.

If an owner has a claim that the Owner believes to be covered by the Association's master policy,the Owner must contact the property manager regarding the subject matter of the claim. If the subject matter of the claim falls within the Association's insurance responsibilities, the Association will submit the claim to the insurance carrier, provided the cost of repair is likely greater than the deductible. The Association will absorb the deductible for any covered loss unless the damage is caused by the negligent or willful act of an Owner, his family members, tenants, contractors, guests, and/or other occupants of the Owner's Lot, as determined by the Board. In this event, the Owner will be solely responsible for the payment of the deductible (or, if paid upfront by the Association, for immediate reimbursement to the Association).

All owners should have an HO-6 or Form 6 Homeowners policy that includes a provision called **Coverage A - Dwelling**. This is the policy provision that should allow unit owners to cover their responsibility for the Association's deductible or by another provision called Loss Assessment. It is strongly recommended that each unit owner contact his/her Homeowners' insurance carrier to determine what Dwelling and **Loss Assessment** coverage is included in their HO-6 policy and how their carrier recommends providing coverage for the deductible. Each Owner is responsible for obtaining adequate insurance coverage for personal belongings, improvements, and betterments made to the Lot Improvements, and for their own personal liability. Tenants are responsible for obtaining renter's insurance.

IX. SIGNS & OTHER DISPLAYS

CC&R's, Article X, Section 10.11

A. For Sale/For Rent Signs

Two (2) professional real estate "for sale" or "for rent" signs are permitted to be displayed inside the windows of a unit. Open house advertisements are permitted in the front of the subject Dwelling Unit and in the Common Area ONLY during the hours of the openhouse.

B. All Other Signs

Definitions.

(a) Sign – A display, such as a lettered board, for public view.

(b) Commercial - pertaining to the exchange or buying and selling of commodities and/or intending to make a profit. A commercial sign or commercial flag includes a "for sale" or a "for rent" sign or flag.

Size, Location and Number.

(a) Signs may not exceed 24"x36" inches .

(b) No more than a total of 1 display (whether Signs, Flags, or both) may be displayed on a Lot, including in the windows and balconies of the residence.

(c) All Signs shall be professionally manufactured and lettered. No handwritten signs or flags shall be allowed.

(d) All Signs must be maintained in good condition, free from fading, fraying, and may not be torn or ripped.

(e) Signs may only be displayed within the boundaries of an Owner's Lot, including but not limited to the windows and balconies.

C. Flags / Banners

Definitions.

(a) Flag – A piece of cloth or similar material, typically rectangular, oblong, or square, attachable by one edge to a pole or rope, with a distinctive design.

(b) Commercial - pertaining to the exchange or buying and selling of commodities and/or intending to make a profit. A commercial sign or commercial flag includes a "for sale" or a "for rent" sign or flag.

Size, Location and Number.

(a) Flags may not exceed 3'x5' feet.

(b) No more than a total of one display (whether Signs, Flags, or both) may be displayed on a Lot, including in the windows and balconies of the residence.

(c) All Flags shall be professionally manufactured and lettered. No handwritten signs or flags shall be allowed.

(d) All Flags must be maintained in good condition, free from fading, fraying, and may not be torn or ripped.

(e) Flags may only be displayed within the boundaries of an Owner's Lot, including but not limited to the windows and balconies.

Flags may be displayed on flagpoles as follows:

(a) Flagpoles may not be installed without the prior written approval from the Association.

(b) Freestanding flagpoles may not exceed 20' in height and may only be located within close proximity to the residence.

(c) No Flags or flagpoles may be placed on, or attached to, Common Areas.

X. AMENDMENT AND GENERAL PROVISIONS

CC&R's, Article XXI, Sections 21.3, 21.4, 21.5

A. General

1. The Board hereby reserves the right, at any time, and from time to time, to modify, amend, repeal, or recommend amendments to these Rules and Regulations in accordance with the CC&Rs, the Articles of Incorporation, and Bylaws of the Association, and applicable law.
2. Failure by the Association, the Board, or any person to enforce any provision of these Rules and Regulations shall in no event be deemed to be a waiver of the right to do so thereafter.
3. Unless the context provides or requires to the contrary, the use of the singular herein shall include the plural, the use of the plural shall include the singular, and the use of any gender shall include all genders.
4. The provisions of these Rules and Regulations shall be deemed to be independent and severable, and the invalidity of any one or more of the provisions hereto, or any portion thereof, by judgment or decree of any court of competent jurisdiction, shall in no way affect the validity or enforceability of the remaining provisions, which shall remain in full force and effect.
5. The captions to the sections are inserted herein only as a matter of convenience and for reference and are in no way to be construed to define, limit, or otherwise describe the scope ofthese Rules and Regulations or the intent of any provision hereto.
6. The Association shall be entitled to recover its attorney's fees and expenses in any enforcement of the CC&R's or these Rules and Regulations, or both.

XI. PROPERTY MANAGEMENT

Balanced Bookkeeping & Community Association Management
PO Box 25696, Colorado Springs, CO 80936
Office: 719-593-9811 / 719-574-7202
E-mail: Derek@BBCamHOA.com

Additional copies of this booklet are available from the property management company or can be viewed/printed online at
www.DelmonicoHOA.com

Attachment A

LEASE ADDENDUM

This Addendum is made this____day of_____, 20__, by and between _____ _____(hereinafter called "Lessor"), _____ _____and_____(hereinafter called "Lessee") adds the following provisions to the residential lease agreement entered into between Lessor and Lessee dated_____("Lease") for the lease of the property located at_____("Lot"):

1. Lessee and Lessor acknowledge that the Lot is in a covenant controlled community and that the Lot this Lease are subject to the Declaration of Covenants, Conditions and Restrictions for Delmonico Townhomes ("Declaration"), the Articles of Incorporation of Delmonico Townhomes Association, Inc. ("Articles"), the Bylaws of Delmonico Townhomes Association, Inc. ("Bylaws") and rules and regulations adopted by the Board of Directors of Delmonico Townhomes Association, Inc. ("Association"). Association shall be a third-party beneficiary of this Addendum.

2. Lessee shall comply strictly with the Declaration, the Articles, the Bylaws, and the rules and regulations adopted pursuant thereto, as any of the foregoing may be lawfully amended from time to time. Lessee shall control the conduct of his or her family and guests in order to assure compliance with the foregoing and shall indemnify and hold Lessor and the Association harmless for any such person's failure to comply. Lessee acknowledges that the violation by Lessee, or any occupant or person living with Lessee, of any provision of the Declaration, Bylaws, or the rules and regulations adopted thereunder, shall constitute a default under this Lease.

In order to enforce the provisions of this Addendum, the Association may bring an action against the Lessor or Lessee for damages or injunctive relief or may impose any other sanction authorized by the Declaration or Bylaws or available at law or in equity including, without limitation, the right to suspend the Lessee's use of Common Area, to impose fines upon Lessor or Lessee for such violations, and/or to terminate the lease. Failure by the Association to enforce any of its rights shall not be deemed a waiver of the right to do so thereafter.

Lessee and Lessor hereby represent that Lessee has been given a copy of the Declaration, Articles, Bylaws, and rules and regulations of the Association, that Lessee has read them, and that Lessee is bound by them. If Lessee or a person living with Lessee violates the Declaration, Articles, Bylaws or a rule or regulation for which a fine is imposed, the Association shall have the option to assess a fine against Lessee; provided, however, if the fine is not paid by Lessee within the time period set by the Board of Directors of the Association, Lessor shall pay the fine upon notice from the Association of Lessee's failure to pay the fine. Unpaid fines shall constitute a lien against the Lot.

3. The Lot may not be sublet by Lessee without the express written consent of the Association, notwithstanding any other provision of the lease.

4. This Addendum shall not be modified without the written consent of the Association.

5. This Addendum shall remain in effect for the duration of Lessee's tenancy, whether by renewal of the lease or as a holdover tenant.

6. If there is a conflict between the Lease and this Addendum, this Addendum shall control. All unaffected provisions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

LESSOR: _____
(Signature)

Name: _____
(Please Print)

LESSEE: _____
(Signature)

Name: _____
(Please Print)