

POLICY FOR CONDUCTING ASSOCIATION MEETINGS
Effective: October 15, 2015

1. Introduction. The Board of Directors ("Board of Directors" or "Board") of Townhomes at Old Town North Homeowners Association, a Colorado nonprofit corporation, ("Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation and the Declaration of Covenants, Conditions and Restrictions for Townhomes at Old Town North Homeowners Association, as amended ("Declaration") (such documents being collectively referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act, as amended ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms used in this Policy shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

2. Policy Purpose. The purpose of this Policy is to emphasize that meetings of the Association's Board of Directors and its Members must be conducted in accordance with the Association Documents and applicable law. The Association Documents (in particular, its Bylaws), CCIOA and the Colorado Revised Nonprofit Corporation Act, as amended ("Nonprofit Act") contain numerous provisions governing meetings of the Association's Members and Board of Directors members, including, without limitation, provisions regarding notices, quorums, proxies, voting and Member participation in the meetings. It is not the intent of this Policy to restate those provisions, but rather to provide overall guidance on the requirements governing the conduct of Association meetings.

3. Member Meetings.

3.1 Governing Documents and Laws. Meetings of the Association's Members shall be conducted in accordance with the requirements of the Association Documents (especially the Bylaws), CCIOA and the Nonprofit Act, to the extent applicable.

3.2 Parliamentary Procedure. Unless otherwise provided in the Association Documents, meetings of the Members shall be conducted in accordance with (a) Robert's Rules of Order Newly Revised, or (b) such other generally recognized rules of parliamentary procedure as may be adopted by resolution of the Board.

3.3 Order of Business. Unless otherwise provided in the Association Documents, or unless a different order of business is set forth in any meeting agenda established by the Board, the order of business at meetings of the Members will be the following:

- Establish quorum.
- Call meeting to order.
- Approval of minutes of prior meeting.
- Reports of committees/officers.
- Old business.
- New business.
- Adjournment.

3.4 Meeting Minutes. Minutes of Member meetings will be taken by (a) the Association Secretary, (b) in the absence of the Secretary, any other officer designated by the President, or (c) a representative of the Association's management company, provided that the Secretary must review and sign the minutes prepared by such representative, and further provided that the Secretary is ultimately responsible for the accuracy of the minutes. The minutes will be maintained in the Association's permanent records.

4. Board of Directors Meetings.

4.1 Governing Documents and Laws. Meetings of the Association's Board of Directors shall be conducted in accordance with the requirements of the Association Documents (especially the Bylaws), CCIOA and the Nonprofit Act, to the extent applicable.

4.2 Parliamentary Procedure. Unless otherwise provided in the Association Documents, meetings of the Board shall be conducted in accordance with (a) Robert's Rules of Order Newly Revised, or (b) such other generally recognized rules of parliamentary procedure as may be adopted by resolution of the Board.

4.3 Order of Business. Unless otherwise provided in the Association Documents, or unless a different order of business is set forth in any meeting agenda established by the Board, the order of business at meetings of the Board will be the following:

- Establish quorum.
- Call meeting to order.
- Approval of minutes of prior meeting.
- Reports of committees/officers.
- Old business.
- New business (including owner input on both sides of an issue that is going to be voted on by the Board).
- Adjournment.

4.4 Meeting Minutes. Minutes of Board meetings will be taken by (a) the Association Secretary, (b) in the absence of the Secretary, any other officer designated by the President, or (c) a representative of the Association's management company, provided that the Secretary must review and sign the minutes prepared by such representative, and further provided that the Secretary is ultimately responsible for the accuracy of the minutes. The minutes will be maintained in the Association's permanent records.

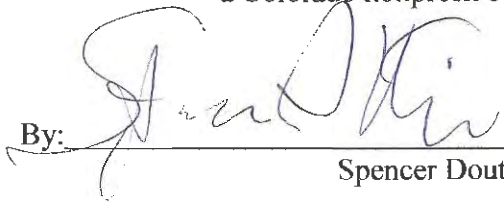
4.5 Executive Sessions. Executive or closed-door sessions of the Board shall be conducted in accordance with CCIOA (C.R.S. § 38-33.3-308).

CERTIFICATION

The undersigned, being the duly elected and acting Secretary of Townhomes at Old Town North Homeowners Association, a Colorado nonprofit corporation ("Association"), certifies that the foregoing Policy for Conducting Association Meetings was approved by the vote of at least a majority of the Association's Board of Directors at a meeting of the Association's Board of Directors held on Oct. 15, 2015.

Dated: October 15th, 2015.

TOWNHOMES AT OLD TOWN NORTH HOMEOWNERS ASSOCIATION,
a Colorado nonprofit corporation

By: 
Spencer Douthit, Secretary

**POLICY FOR HANDLING CONFLICTS OF INTEREST
OF BOARD OF DIRECTORS MEMBERS
Effective: October 15, 2015**

1. Introduction. The Board of Directors ("Board of Directors" or "Board") of Townhomes at Old Town North Homeowners Association, a Colorado nonprofit corporation ("Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation and the Declaration of Covenants, Conditions and Restrictions of Townhomes at Old Town North, as amended ("Declaration") (such documents being collectively referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act, as amended ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms used in this Policy shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

2. Policy Purposes. The purposes of this Policy are:

2.1 To set forth procedures and rules to identify and handle conflict of interest situations involving Board members;

2.2 To provide a framework for appropriate education of existing and new Board members as to (a) their responsibilities in terms of timely disclosing conflict of interest situations and (b) the limits CCIOA places upon the participation of a Board member with a conflict of interest; and

2.3 To provide a mechanism for the Board to take up and reconsider any decision or action which may inadvertently be rendered without appropriate disclosure and handling of a Board member conflict of interest.

3. Identification and Disclosure of Conflict of Interest Situations.

3.1 Definition of Conflict of Interest. Unless the Declaration provides a more expansive definition, in which case the Declaration controls, a "conflict of interest" exists pursuant to CCIOA where a contract, decision or other action being considered by the Board would financially benefit:

- a. Any Board member; or
- b. Any person who is a Board member's parent, grandparent, spouse, child, sibling; or who is the parent or spouse of one (1) of these persons.

3.2 Declaration and Disclosure of Conflict of Interest. A Board member who has a conflict of interest regarding any contract, decision or other action shall declare and disclose the conflict of interest in an open meeting before the Board conducts any substantive discussion of the issue. In making such declaration and disclosure, the affected Board member shall:

- a. Identify, by agenda item or otherwise with such particularity as necessary to identify the issue in question, the specific pending contract, decision or other action as to which the conflict of interest arises; and
- b. Describe the person or person(s) among those described above in the definition of "conflict of interest" who would financially benefit from the contract, decision or other action; and
- c. Disclose the nature and magnitude of the financial benefit that would arise out of or as a function of the Board's decision on the contract, decision or other action.

4. Limits on Participation by Board Member who has disclosed a Conflict of Interest.

4.1 Discussion. Unless the Declaration provides for stricter limits on participation, in which case such stricter limits control, a Board member who has a conflict of interest may, after identifying and disclosing the conflict, participate in the Board's discussion of the pending contract, decision or other action.

4.2 Voting. A Board member who has a conflict of interest shall not vote on any matter related to consideration of the contract, decision or other action implicated by the conflict of interest.

5. Reconsideration of Decisions Impacted by Improperly Handled Conflict of Interest.

5.1 Effect of Non-Compliance. Any contract, decision or other action of the Board which is adopted subject to a conflict of interest in violation of the identification, disclosure, and participation limitations set forth above shall be void and unenforceable.

5.2 Reconsideration/Ratification. Where the Board identifies a previous contract, decision or other action which was adopted in violation of the identification, disclosure and participation limits above, the Board shall, at an open meeting, take the matter up for reconsideration. At such meeting:

- a. The Board member with a conflict of interest shall fully identify and disclose the conflict as provided above; and
- b. The Board shall discuss the reasons the identification, disclosure or participation limitations above were overlooked or otherwise improperly handled during previous adoption of the decision; and
- c. The Board shall discuss whether, after having considered the foregoing, the contract, decision or other action should be ratified by a new vote in compliance with this Policy; and

d. The Board shall conduct a new vote on the question of ratification, with the Board member(s) affected by the conflict of interest abstaining from participation in such vote, as required by this Policy.

6. Board Member Education.

6.1 Existing Board Members. Upon adoption of this Policy, the Association Secretary shall provide all existing Board members with a copy of this Policy.

6.2 New Board Members. Following adoption of this Policy, the Association Secretary shall promptly provide all new members of the Board elected or otherwise seated on the Board with a copy of this Policy.

6.3 Signed Copies. Each Board member shall sign an acknowledgement that the Board member has received and read this Policy. All such acknowledgements shall be maintained by the Secretary with the books and records of the Association.

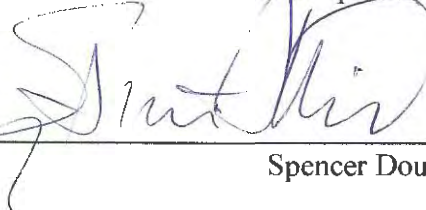
6.4 Annual Refresher. At least annually, the Board of Directors shall discuss this Policy and its requirements.

CERTIFICATION

The undersigned, being the duly elected and acting Secretary of Townhomes at Old Town North Homeowners Association, a Colorado nonprofit corporation ("Association"), certifies that the foregoing Policy for Handling Conflicts of Interest of Board of Directors Members was approved by the vote of at least a majority of the Association's Board of Directors at a meeting of the Association's Board of Directors held on October 15th, 2015.

Dated: October 15th, 2015.

TOWNHOMES AT OLD TOWN NORTH HOMEOWNERS ASSOCIATION,
a Colorado nonprofit corporation

By: 
Spencer Douthit, Secretary

POLICY REGARDING INSPECTION AND COPYING OF ASSOCIATION RECORDS
Effective: October 15, 2015

1. Introduction. The Board of Directors ("Board of Directors" or "Board") of Townhomes at Old Town North Homeowners Association, a Colorado nonprofit corporation ("Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation and the Declaration of Covenants, Conditions and Restrictions of Townhomes at Old Town North, as amended ("Declaration") (such documents being collectively referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act, as amended ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms used in this Policy shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

2. Policy Purposes. The purposes of this Policy are to:

2.1 Identify records to be maintained by the Association;

2.2 Set forth procedures and rules to promote the consistent and predictable handling of requests by Owners for the inspection and copying of Association records;

2.3 Protect the Association and its members from abusive records requests which fail to describe with reasonable particularity the records sought, or which seek records legally protected from disclosure on the basis of privilege or other valid grounds for confidentiality.

3. Association Records to Be Maintained. The Association shall maintain in electronic or paper format the following records, which are considered the Association's sole records for purposes of document retention and production to Owners, at the Association's office or the office of the Association's managing agent:

3.1 Operating budget for the current fiscal year, and detailed records of receipts and expenditures affecting the operation and the administration of the Association.

3.2 Records of claims for construction defects and amounts received in settlement of those claims.

3.3 Minutes of all Board and Owner meetings, a record of any Board or Owner action taken without a meeting, and a record of action taken by any Board committee.

3.4 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 the Colorado Revised Nonprofit Corporation Act, as amended ("Nonprofit Act"), or the Association's Bylaws.

3.5 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 cast.

3.6 A list of the names, email addresses and physical mailing addresses of current Association Board members and officers.

3.7 The Association's current Declaration, Bylaws, Articles of Incorporation, Rules and Regulations, responsible governance policies and any other Policies adopted by the Board.

3.8 Financial statements for the past three (3) years and Association tax returns for the past seven (7) years, to the extent available.

3.9 The most recent annual report filed by the Association with the Colorado Secretary of State.

3.10 A list of current assessments by type of unit, and financial records sufficiently detailed to enable the Association to provide an Owner with a written statement listing the amount of unpaid assessments currently levied against that Owner's unit.

3.11 The Association's most recent reserve study, if any.

3.12 Current written contracts to which the Association is a party, and contracts for work performed for the Association within the preceding two (2) years.

3.13 Records of Board or committee action to approve or deny any Owner request for design or architectural approval.

3.14 Ballots, proxies and other records relating to voting by Owners for a period of one (1) year after the election, action or vote.

3.15 Board resolutions relating to the characteristics, qualifications, rights, limitations, and obligations of Owners.

3.16 All written communications within the past three (3) years from the Association to all Owners generally as Owners.

3.17 Results of the most recent available financial audit or review, if any.

3.18 A list of all Association insurance policies, including insurance company names, policy limits, policy deductibles, additional named insureds and expiration dates.

4. Inspection and Copying of Records.

4.1 Availability of Records. Except for the records described in Section 5 below, the records required to be maintained by the Association shall be made available for inspection and copying by either an Owner or that Owner's authorized agent (such as an attorney or other representative of the Owner).

4.2 Written Request. Any Owner wishing to inspect and copy Association records shall submit a written request in substantially the form of the attached Request for Inspection and Copying of Association Records ("Request") to the Association through its managing agent, if applicable, or if the Association has no acting managing agent, then through the Association's secretary. The Request shall describe with reasonable particularity the records sought.

4.3 Time for Inspection and Copying. The Request must be received by the Association at least ten (10) days prior to inspection or copying of the records. Any inspection and copying of records shall be conducted during normal business hours.

4.4 Cost. Any Owner requesting copies of Association records shall pay the Association, in advance, for the Association's labor and material costs related to producing and copying the records. If requested by an Owner, the Association may provide copies of records to the Owner via email, if available.

4.5 No Obligation to Compile or Synthesize. The Association is not obligated to compile or synthesize information.

4.6 No Use for Commercial Purposes. Association records and the information contained within those records shall not be used for commercial purposes.

5. Exclusions.

5.1 List of Owners. Notwithstanding anything in this Policy to the contrary, a list of Owners, or any part of such list, may not be obtained or used for any purpose unrelated to an Owner's interest as an Owner without the consent of the Board. More specifically, a list of Owners, or any part of such list, 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 or entity.

5.2 Other Excluded Records. The following records are not subject to inspection and copying:

5.2.1 Architectural drawings, plans, and designs, unless the owner of those drawings, plans or designs authorizes their release in writing.

5.2.2 Contracts, leases, bids or records related to the purchase or provision of goods or services currently under negotiation.

5.2.3 Communications with the Association's attorney that are protected by the attorney-client privilege or attorney work product doctrine.

5.2.4 Records (other than publicly filed pleadings) relating to pending, potential or threatened litigation, mediation or arbitration.

5.2.5 Records the disclosure of which would be in violation of the law.

5.2.6 Records of any executive session of the Board.

5.2.7 Records requested by an Owner relating to a unit owned by someone else.

5.2.8 Personnel, salary or medical records relating to specific individuals.

5.2.9 Personal identification and account information of Owners, including bank account information, telephone numbers, email addresses, driver's license numbers and social security numbers.

5.2.10 Any records that are otherwise confidential under constitutional, statutory or judicial imposed requirements.

6. Variations. The Board may from time to time vary from the requirements set forth in this Policy if the Board determines in its sole discretion that such variance is reasonable under the circumstances.

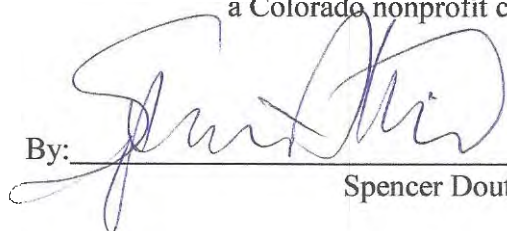
7. Amendment. This Policy may be amended from time to time by the Board.

CERTIFICATION

The undersigned, being the duly elected and acting Secretary of Townhomes at Old Town North Homeowners Association, a Colorado nonprofit corporation ("Association"), certifies that the foregoing Policy Regarding Inspection and Copying of Association Records was approved by the vote of at least a majority of the Association's Board of Directors at a meeting of the Association's Board of Directors held on October 15th, 2015.

Dated: October 15th, 2015

TOWNHOMES AT OLD TOWN NORTH HOMEOWNERS ASSOCIATION,
a Colorado nonprofit corporation

By: 
Spencer Douthit, Secretary

POLICY FOR INVESTMENT OF RESERVE FUNDS
Effective: October 15, 2015

1. Introduction. The Board of Directors ("Board of Directors" or "Board") of Townhomes at Old Town North Homeowners Association, a Colorado nonprofit corporation ("Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation and the Declaration of Covenants, Conditions and Restrictions of Townhomes at Old Town North, as amended ("Declaration") (such documents being collectively referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act, as amended ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms used in this Policy shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

2. Policy Purposes. The purposes of this Policy are to:

2.1 Manage the Association's reserve funds in a prudent manner to promote the preservation of those funds for their intended uses;

2.2 Structure the maturities of investments to ensure the Association will have liquid assets available for its anticipated needs; and

2.3 Realize appropriate returns on the Association's investments.

3. Segregated Accounts. All liquid and non-liquid reserve fund investments shall be maintained in an account or accounts separate from the Association's operating account or accounts.

4. Types of Investments. The Board shall invest the Association's reserve funds in one (1) or more of the following types of investments:

4.1 FDIC-insured interest bearing liquid bank accounts (money market deposit accounts) with no more than One Hundred Thousand Dollars (\$100,000.00) in any one (1) financial institution.

4.2 FDIC-insured certificates of deposit with no more than One Hundred Thousand Dollars (\$100,000.00) in any one (1) financial institution.

4.3 Money market funds that invest only in United States Treasuries and Treasury-backed securities.

4.4 Treasury bills, notes or bonds purchased with the intent to hold to maturity.

4.5 Any other type of investment that is (a) FDIC-insured or guaranteed by the United States government (but only to the extent of such insurance or guarantee), or (b) an obligation of the United States government.

5. Liquidity. The Board shall maintain from time to time a sufficient portion of its reserve funds in one (1) or more liquid accounts to meet required expenditures for repairs or replacement that the Association will incur before its non-liquid assets mature.

6. Laddering of Non-Liquid Investments. The Association's non-liquid investments should be structured with laddered maturity dates so that the investments mature during successive time periods. The length of maturities should be based on market conditions and the Association's anticipated repair and replacement needs. This laddering strategy is intended to provide the Association with the benefit of longer term rates, which are customarily higher than short-term rates, while maintaining sufficient liquidity from time to time to meet the Association's repair and replacement schedule.

7. Investment Advisor. The Board may retain a professional investment advisor to assist in investing its reserve funds pursuant to this Policy.

8. Control of Investments. All reserve fund investments will be made in the name of the Association. Any withdrawal or transfer of reserve funds requires the signatures of at least two (2) Association officers or Board members. The Board will review the periodic account statements sent to the Association for the reserve fund investments at the next Board meeting following the Association's receipt of the statements.

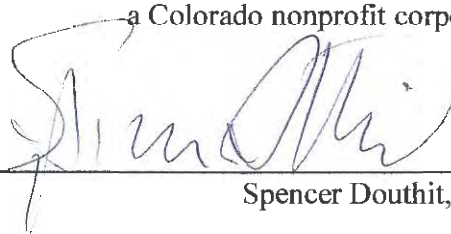
CERTIFICATION

The undersigned, being the duly elected and acting Secretary of Townhomes at Old Town North Homeowners Association, a Colorado nonprofit corporation ("Association"), certifies that the foregoing Policy for Investment of Reserve Funds was approved by the vote of at least a majority of the Association's Board of Directors at a meeting of the Association's Board of Directors held on October 15th, 2015.

Dated: October 15th, 2015.

TOWNHOMES AT OLD TOWN NORTH HOMEOWNERS ASSOCIATION,
a Colorado nonprofit corporation

By: _____



Spencer Douthit, Secretary

POLICY FOR COLLECTION OF UNPAID ASSESSMENTS
Effective: October 15, 2015

1. Introduction. The Board of Directors ("Board of Directors" or "Board") of Townhomes at Old Town North Homeowners Association, a Colorado nonprofit corporation ("Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation and the Declaration of Covenants, Conditions and Restrictions of Townhomes at Old Town North, as amended ("Declaration") (such documents being collectively referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act, as amended ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms used in this Policy shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

2. Policy Purpose. The purpose of this Policy is to emphasize that collection of unpaid assessments is an important part of governing the Association and such collection must be done in a uniform manner in accordance with the Association Documents and CCIOA. It is the intent of this Policy to provide a framework for the collection of past due assessments in a timely and efficient manner.

3. Collection of Unpaid Assessments. To assist with the collection of unpaid assessments in a timely and efficient manner, the Association shall do the following:

3.1 Due Date/Delinquent Payments. Assessments are due upon the date specified by the Board. Any assessment not paid within ten (10) days after its due date is considered past due and delinquent. A monthly late fee in an amount not in excess of Fifty Dollars (\$50.00) will be assessed against a delinquent Owner. Furthermore, and in addition to a late payment fee, the Association may impose interest at any rate up to twenty-one percent (21%) per annum on past due assessments from the date of delinquency.

3.2 Returned Check Charge. In addition to any other charges under the Association Documents and this Policy, if an Owner makes payment of assessments to the Association by a check which is not honored by the bank on which it was written or is returned by such bank for any reason whatsoever, including, but not limited to, insufficient funds, the Owner shall immediately pay the Association, as part of the Owner's assessment, a returned check charge not to exceed Fifty Dollars (\$50.00). If two (2) or more of an Owner's checks are returned unpaid by the bank within any one (1) calendar year, the Association may thereafter require that all of the Owner's future payments, for a period of one (1) year, be made by certified check or money order.

3.3 Notice to Owner/Payment Plan. If any assessments are sixty (60) days past due, and before the Association turns over a past due account to a collection agency or an attorney for legal action, the Association shall send the delinquent Owner a letter via first-class United States mail notifying the Owner of the delinquency and specifying:

- a. The total amount due, with an accounting showing how the total amount was determined.
- b. That unless the Owner acquired the Owner's unit through a foreclosure

and does not occupy the unit, the Owner shall have a one (1) time opportunity to enter into a Payment Plan (defined below) that allows the Owner to pay off the past due amount in equal payments over a period of at least six (6) months pursuant to Section 4.3 below. Under such a Payment Plan, the Owner will be required to make payment of the past due assessments and also remain current with payment of the regular assessments as they come due during the term of the Payment Plan. If the Owner does not comply with the Payment Plan, the Association may then pursue legal action against the Owner.

c. The name and contact information of the individual(s) acting on behalf of the Association in the event the delinquent Owner wishes to enter into a Payment Plan, obtain a copy of the Owner's ledger or has any other questions regarding the amount owing to the Association.

d. That action is required to cure the Owner's delinquency and if the Owner fails to do so within thirty (30) days following the date of the Association's letter, the Owner's past due account may be turned over to a collection agency or an attorney, a lawsuit may be filed against the Owner, a lien may be filed and foreclosed against the Owner's unit and the Association may pursue any other remedies available under Colorado law.

3.4 Application of Payments on Delinquent Accounts. All payments received with regard to a delinquent Owner's account shall be applied to the Association's attorneys' fees and costs, expenses of enforcement and collection, late fees, interest (if any), returned check charges, and other costs owing under the Association Documents prior to being applied to payment of any assessments then due.

3.5 Collection Remedies. In the event payment is not received from any delinquent Owner within thirty (30) days following the date of the Association's letter referred to in Section 3.3 above, the Association may pursue any one (1) or all of the following remedies:

3.5.1 Record a notice of an assessment lien against the delinquent Owner's property;

3.5.2 Commence a lawsuit seeking a personal judgment against the delinquent Owner for the recovery of delinquent assessments, late fees, interest, attorneys' fees and costs as may be allowed by the Association Documents or CCIOA;

3.5.3 Commence proceedings to foreclose the Association's lien against the delinquent Owner's property;

3.5.4 Pursue collection of judgments obtained against delinquent Owners;

3.5.5 Sell, transfer, convey and assign the Association's claim and lien to a collection agency;

3.5.6 Sell, transfer, convey and assign the Association's claim and lien to any person or entity at such price and upon such terms as the Association may deem appropriate;

3.5.7 Take all other lawful action necessary to collect delinquent assessments in accordance with the Association Documents and Colorado law; and

3.5.8 Suspend the voting rights of the delinquent Owner during the duration of the delinquency.

If the Association fails to follow the procedures set forth above, it shall not be construed as any waiver or release of a delinquent Owner's obligation to pay assessments or the Association's right to collect the assessments in accordance with the Association Documents and CCIOA.

4. Additional Regulatory Constraints on Collection Procedures.

4.1 Third Party Purchasers of Debt. Third party purchasers of the Association's debt or lien must adopt this Collection Policy and comply with its terms prior to taking action to foreclose on the lien or collect on the debt.

4.2 Board Authorization of Foreclosure. The Association, or the holder or assignee of the Association's lien (whether the holder or assignee of the Association's lien is an entity or a natural person), may only foreclose on the Association's lien if the total amount secured by the lien would equal or exceed six (6) months of assessments based on a periodic budget adopted by the Association. Also, the Board of the Association must vote to proceed with the foreclosure on a specific delinquent account and the Board cannot delegate its responsibility to authorize a foreclosure action to any attorney, insurer, manager, or any other person. The decision of the Board to authorize the filing of a legal action against any Owner must be by formal resolution documented by recorded vote and no legal action shall be taken without evidence of the recorded vote. Further, no legal charges (attorneys' fees, court costs, etc.) shall be assessed against the Owner in connection with any legal action that is dismissed for the reason that it was filed without such documentation.

4.3 Payment Plan for Delinquent Owner. Delinquent Owners shall be given one (1) opportunity to pay off their delinquent account over a period of six (6) months or such longer period as the Board may approve in its sole discretion ("Payment Plan"). Such Payment Plan shall be offered to each Owner prior to the Association referring the delinquent account to an attorney or collection agency for collection action. The delinquent Owner must make the scheduled payment as required by his or her Payment Plan and also pay his or her current month assessment as it becomes due. If these payments are not received within twenty (20) days after the scheduled payment date, the Association may immediately initiate formal collection procedures pursuant to Section 3.5 above. This one (1) time opportunity to enter into a Payment Plan does not extend to Owners who do not occupy the property and who obtained title to the property as a result of a default of a security interest (i.e., lender foreclosure or deed-in-lieu of foreclosure) or foreclosure of the Association's lien. Third party purchasers of the Association's debt must also comply with the Payment Plan provisions. Only one (1) Payment Plan will be offered to a delinquent Owner during any twenty-four (24) month period.

5. Association's Attorneys' Fees and Costs. Any delinquent Owner shall be responsible for attorneys' fees and costs incurred by the Association in the collection of past due assessments, whether or not a lawsuit is commenced, in accordance with the Association Documents and CCIOA.

6. Certificate of Status of Assessment. The Association shall furnish to an Owner or such Owner's designee upon written request, first-class postage prepaid, return receipt, to the Association's agent, a written statement setting forth the amount of unpaid assessments currently levied against such Owner's Unit for a Forty Dollar (\$40.00) fee. However, if the account has been turned over to the Association's attorney, such request may be handled through the attorney.

7. Use of Certified Mail/Regular Mail. In the event the Association shall cause a collection or demand letter or notices to be sent to a delinquent Owner by regular mail, the Association may also cause, but shall not be required to send, an additional copy of that letter or notice by certified mail.

8. Defenses. Failure of the Association to comply with any provision in this Policy shall not be deemed a defense to payment of assessment fees or other charges, late charges, return check charges, attorneys' fees and/or costs as described and imposed by this Policy.

9. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and CCIOA.

10. Foreclosure and Bankruptcy Notices. If the Association receives any bankruptcy or foreclosure notice regarding an Owner with unpaid assessments, the Association may seek advice from its attorney regarding the appropriate action to be taken.

11. Variations. The Board may from time to time vary from the requirements set forth in this Policy if the Board determines in its sole discretion that such variance is reasonable under the circumstances.

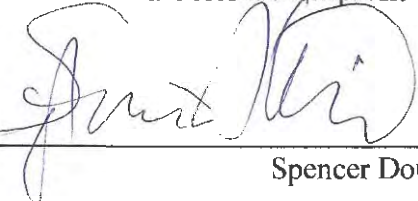
12. Amendment. This Policy may be amended from time to time by the Board.

CERTIFICATION

The undersigned, being the duly elected and acting Secretary of Townhomes at Old Town North Homeowners Association, a Colorado nonprofit corporation ("Association"), certifies that the foregoing Policy for Collection of Unpaid Assessments was approved by the vote of at least a majority of the Association's Board of Directors at a meeting of the Association's Board of Directors held on October 15th, 2015.

Dated: October 15th, 2015

TOWNHOMES AT OLD TOWN NORTH HOMEOWNERS ASSOCIATION,
a Colorado nonprofit corporation

By: 
Spencer Douthit, Secretary

**POLICY FOR ENFORCEMENT OF COVENANTS AND RULES (INCLUDING NOTICE
AND HEARING PROCEDURES AND SCHEDULE OF FINES)**

Effective: October 15, 2015

1. Introduction. The Board of Directors ("Board of Directors" or "Board") of Townhomes at Old Town North Homeowners Association, a Colorado nonprofit corporation, ("Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation and the Declaration of Covenants, Conditions and Restrictions of Townhomes at Old Town North, as amended ("Declaration"), (such documents being collectively referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act, as amended ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms used in this Policy shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

2. Policy Purposes. The purposes of this Policy are to:

2.1 Set forth procedures and rules to promote the consistent enforcement of the Association Documents;

2.2 Provide a framework for mediation of disputes between the Association and Owners, except those related to collection of past due assessments or matters that may require an injunction, restraining order or protection order for the protection of the Common Interest Community; and

2.3 Provide Owners with notice of the schedule of fines for violations of the Association Documents.

3. Mediation.

3.1 Request for Mediation. In the event of a dispute between the Association and any Owner, except disputes regarding past due assessments or any matter that may require an injunction, restraining order or protection order for the protection of the Common Interest Community, either the Association or an Owner may request mediation by an independent, third-party mediator. A request for mediation ("Request") must be in writing and mailed to the Association or Owner by United States mail, first-class postage prepaid to such address for the recipient shown by the public records. The Request shall be considered effective three (3) days following deposit in the United States mail. The parties shall make reasonable efforts to select a mediator and schedule mediation of the dispute within thirty (30) days after the effective date of the Request, or such longer time as the parties may agree upon in writing. If the mediation does not occur within thirty (30) days (or longer if so agreed in writing), or the parties are unable to settle the dispute through mediation, the Association or Owner may pursue any other lawful remedy allowed by the Association Documents or Colorado law.

3.2 Mediation Fees and Costs. Fees and costs associated with the mediation, including payment of fees to the mediator, shall be paid as follows:

- a. The requesting party shall pay the mediator in advance for the first two (2) hours of mediation.
- b. If the mediation lasts more than two (2) hours, the mediator's fees for time beyond the first two (2) hours shall be divided equally between the Association and Owner(s) and paid at the conclusion of the mediation.
- c. The Association and any participating Owner may be represented by an attorney at the mediation. Each party shall pay their respective attorneys' fees associated with the mediation.
- d. If Owner requests mediation but fails to appear at the date and time scheduled for the mediation, the Owner shall pay all expenses of the Association related to the mediation, including attorneys' fees and costs, and those expenses shall be assessed against the Owner as part of the Owner's assessment.

3.3 Continuation of Hearing and Imposition of Fines. A Request for mediation shall not suspend or stay any hearing or imposition of fines in accordance with the fine policy set forth below. Any fines imposed prior to or after a Request for mediation shall remain in place or continue to accrue (in the event of a continuing violation where a daily fine is imposed) pending mediation of the dispute. Unless otherwise agreed at mediation, such fines shall remain legally collectable as assessments in accordance with the Association Documents and Colorado law.

3.4 Continuation of Legal Proceedings. If a lawsuit for the collection of assessments or enforcement of the Association Documents is commenced prior to receiving a Request for mediation, such Request shall not suspend or stay the lawsuit. The lawsuit shall continue forward, in addition to the mediation process described above, unless otherwise agreed upon by the parties in writing.

4. Fine Policy, Notice and Hearing Procedures.

4.1 Fine Policy. The Association may levy fines for violations of the Association Documents in accordance with the following notice and hearing procedures.

4.2 Notice of Violation ("Notice"). The Notice of Violation process is as follows:

- a. The Association or any Member of the Association may note a violation. If noted by a Member, the Member should report the violation in writing to the Association at the Association's address.
- b. The Board will verify the violation and issue a written Notice to the violating Owner. The Notice will describe the nature of the violation, the time frame for correcting the violation (expressed as a certain number of days after the effective date of the Notice as determined below), and state that the Association may seek to remedy the violation and otherwise protect its rights as specified in the Association Documents and as provided by law.

- c. The Notice, together with a copy of this Policy, will be sent via United States mail, first-class postage prepaid, addressed to the last registered address of the Owner as listed in the Association's records. The Notice will be considered effective two (2) days after it is deposited in the United States mail.
- d. The Owner receiving the Notice then has the amount of time specified in the Notice to correct the violation.
- e. If the violation is not corrected within the specified time, a fine is levied starting on the first day after the time period for correcting the violation expires, subject to the request for hearing provisions below.

4.3 Requests for Hearing. Any Owner who disputes the Notice, or who feels there are mitigating circumstances, has the right to request a hearing before the Board. To request a hearing, the Owner must contact the Association in writing within four (4) days after the effective date of the Notice. The Association's Board of Directors shall then set a date for the hearing. If the hearing, for whatever reason, cannot be held prior to the date when the fine is otherwise scheduled to commence, the date the fine begins shall be extended to the day following the hearing. The Board will decide if any potential conflict of interest exists on a case-by-case basis. The purpose of the hearing is to (1) determine if there was a violation as set forth in the Notice; (2) determine if there are mitigating circumstances; and (3) make arrangements for bringing the violation into compliance over a period of time if warranted.

The hearing process will not and cannot be used to determine if a particular provision of the Association Documents is desirable.

4.4 Hearing Procedure. The general procedure for the hearing is as follows:

- a. The presiding Board member shall (1) establish a quorum, (2) explain the fine policy and procedures, and (3) describe the nature of the violation as specified in the Notice.
- b. The Owner may then provide rebuttal to the Notice using witnesses or any other information deemed relevant and necessary.
- c. After all testimony and other evidence have been presented, the Board shall decide whether or not a violation occurred and the Notice was justified, or whether there were mitigating circumstances. If the Board finds a violation occurred and the Notice was justified, a fine shall then be assessed by the Board or mutually agreeable arrangements made with the Owner to ensure correction of the violation and compliance in the future. If the Board finds the Notice was not justified, no fine shall be assessed and no costs or attorneys' fees incurred by the Association in asserting or hearing the claim shall be allocated to the Member's account.

4.5 Fines. If an Owner fails to timely correct a violation, the Board has the right to assess a one (1) time fine in the amount of Seventy-Five Dollars (\$75.00) to Five Thousand Dollars (\$5,000.00) (as the Board deems reasonable and necessary to promote correction of the violation). In addition, the Board may assess daily fines for any continuing or persistent violation in the amount of Ten Dollars (\$10.00) to Twenty-Five Dollars (\$25.00) per day (as the Board determines to be reasonable and necessary to promote correction of the violation) until the Owner has corrected the violation. The Owner is responsible for notifying the Association in writing if and when the violation has been corrected. Any daily fine shall continue at the stated rate until the earlier of (1) the date on which the Owner gives written notice of correction, regardless of when the violation was corrected, or (2) one hundred twenty (120) days after commencement of the daily fine.

4.6 Injunction. If the violation has not been corrected within ninety (90) days after commencement of a daily fine, or after imposition of a one (1) time fine, the Association may commence the necessary legal proceedings under the Association Documents or under Colorado law to compel correction of the violation as well as to recover any unpaid fines, court costs, attorneys' fees and other Association expenses arising from the violation. Nothing in this paragraph shall preclude the Association from commencing legal proceedings to correct the violation prior to expiration of the ninety (90) day period.

4.7 Collection of Fines. Assessed fines may be billed to the Owner by United States mail, and are legally collectable as assessments in accordance with the Association Documents and Colorado law. The fines are the personal obligation of the violating Owner and, in addition, constitute a lien against such Owner's property. Furthermore, the violating Owner is responsible for all costs and reasonable attorneys' fees incurred by the Association as a result of the violation.

4.8 Repeat Violations. A repeat violation is a violation committed by an Owner which is the same as the original violation committed by that Owner, and which occurs within twelve (12) months after the original violation. A repeat violation is considered a continuation of the original violation, and thus an Owner committing a repeat violation is not entitled to the same hearing procedures set forth above. However, the Association shall provide Notice of the repeat violation to the Owner in accordance with Section 4.2 above. If the repeat violation has not been corrected within the time period specified in the Notice for correction of the violation, then the fine (which will be determined by the Board and may be up to double the amount of the fine assessed for the original violation) will commence upon the expiration of the correction time period. Notwithstanding any other provisions of this fine policy to the contrary, an Owner committing a repeat violation shall have no right to a hearing on such repeat violation before the Board.

4.9 Fines Not Exclusive Remedy. Fines levied under this Policy are not the Association's exclusive remedy for addressing a violation. Nothing in this fine policy precludes the Association from pursuing any other remedy provided under the Association Documents or under Colorado law for correcting the violation.

CERTIFICATION

The undersigned, being the duly elected and acting Secretary of Townhomes at Old Town North Homeowners Association, a Colorado nonprofit corporation ("Association"), certifies that the foregoing Policy for Enforcement of Covenants and Rules (Including Notice and Hearing Procedures and Schedule of Fines) was approved by the vote of at least a majority of the Association's Board of Directors at a meeting of the Association's Board of Directors held on October 15th, 2015.

Dated: October 15th, 2015

TOWNHOMES AT OLD TOWN NORTH HOMEOWNERS ASSOCIATION,
a Colorado nonprofit corporation

By: 

Spencer Douthit, Secretary

**POLICY ESTABLISHING PROCEDURES
FOR ADOPTION AND AMENDMENT
OF POLICIES, PROCEDURES AND RULES
Effective: October 15, 2015**

1. Introduction. The Board of Directors ("Board of Directors" or "Board") of Townhomes at Old Town North Homeowners Association, a Colorado nonprofit corporation ("Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation and the Declaration of Covenants, Conditions and Restrictions of Townhomes at Old Town North, as amended ("Declaration") (such documents being collectively referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act, as amended ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms used in this Policy shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

2. Policy Purposes. The purpose of this Policy is to clarify that the Association's power to adopt and amend policies, procedures and rules (collectively, the "Association Policies") rests with the Board, while also providing that Owners will receive notice and the opportunity to comment on such Association Policies before they are adopted or amended.

3. Power to Adopt or Amend. The Board shall have the sole power to adopt and amend the Association Policies.

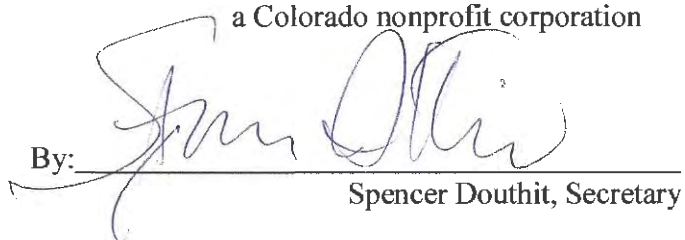
4. Notice to Owners. Except as otherwise required by the Association Documents, prior to the adoption or amendment of Association Policies, the Board shall provide notice of the proposed adoption or amendment to all Owners. Notice shall be provided by mailing the proposed Association Policy to each Owner at least ten (10) days prior to the meeting at which the Board intends to adopt or amend the Association Policy. Owners may provide written comments or attend the meeting and provide comments prior to the Board's vote. The Board may consider Owner comments, but is not bound to act on those comments. The Board shall have the discretion and final authority to adopt or amend all Association Policies in accordance with the Association Documents and Colorado law. A copy of all Association Policies adopted or amended by the Board shall be mailed to all Owners.

CERTIFICATION

The undersigned, being the duly elected and acting Secretary of Townhomes at Old Town North Homeowners Association, a Colorado nonprofit corporation ("Association"), certifies that the foregoing Policy Establishing Procedures for Adoption and Amendment of Policies, Procedures and Rules was approved by the vote of at least a majority of the Association's Board of Directors at a meeting of the Association's Board of Directors held on October 15th, 2015.

Dated: October 15th, 2015

TOWNHOMES AT OLD TOWN NORTH HOMEOWNERS ASSOCIATION,
a Colorado nonprofit corporation

By: 
Spencer Douthit, Secretary

**POLICY FOR ADDRESSING DISPUTES BETWEEN
ASSOCIATION AND OWNERS
Effective: October 15, 2015**

1. Introduction. The Board of Directors ("Board of Directors" or "Board") of Townhomes at Old Town North Homeowners Association, a Colorado nonprofit corporation ("Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation and the Declaration of Covenants, Conditions and Restrictions of Townhomes at Old Town North, as amended ("Declaration") (such documents being collectively referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act, as amended ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms used in this Policy shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

2. Policy Purposes. The purpose of this Policy is to set forth procedures for addressing disputes arising between the Association and Owners.

3. 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 formal dispute resolution procedures or litigation. If the Owner requests to meet with the Board of Directors, the Board of Directors shall make a reasonable effort to comply with the Owner's request.

Neither the Association nor the Owner waives any right to pursue whatever legal or other remedial actions that are available to such party pursuant to the Declaration, Rules and Regulations and Bylaws of the Association.

4. Supplement to Law. The provisions of this Policy shall be in addition to and in supplement of the terms and provisions of the Declaration, Rules and Regulations, Bylaws and the law of the State of Colorado governing the project.

5. Variances. The Board may from time to time vary from the provisions set forth in this Policy if the Board determines in its sole discretion that such variance is reasonable under the circumstances.

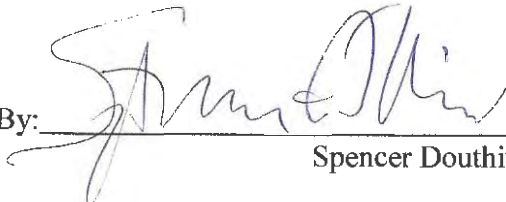
6. Amendment. This Policy may be amended from time to time by the Board of Directors.

CERTIFICATION

The undersigned, being the duly elected and acting Secretary of Townhomes at Old Town North Homeowners Association, a Colorado nonprofit corporation ("Association"), certifies that the foregoing Policy for Addressing Disputes Between Association and Owners was approved by the vote of at least a majority of the Association's Board of Directors at a meeting of the Association's Board of Directors held on October 15th, 2015.

Dated: October 15th, 2015

TOWNHOMES AT OLD TOWN NORTH HOMEOWNERS
ASSOCIATION,
a Colorado nonprofit corporation

By: 
Spencer Douthit, Secretary

**POLICY FOR RESERVE STUDY FOR PORTIONS OF
COMMON INTEREST COMMUNITY MAINTAINED,
REPAIRED, REPLACED AND IMPROVED BY ASSOCIATION**

Effective: October 15, 2015

1. Introduction. The Board of Directors ("Board of Directors" or "Board") of Townhomes at Old Town North Homeowners Association, a Colorado nonprofit corporation ("Association"), acting pursuant to the powers set forth in the Association's Bylaws, Articles of Incorporation and the Declaration of Covenants, Conditions and Restrictions of Townhomes at Old Town North, as amended ("Declaration") (such documents being collectively referred to as the "Association Documents"), and the Colorado Common Interest Ownership Act, as amended ("CCIOA"), has enacted the following Policy effective as of the date set forth above. Unless the context otherwise indicates, capitalized words and terms used in this Policy shall have the meanings set forth in the Association Documents and, if not defined in the Association Documents, then as set forth in CCIOA. This Policy supersedes any previously adopted Policy on the same subject matter.

2. Policy Purpose. The purpose of this Policy is to set forth procedures to:

(a) Identify improvements within the Common Interest Community that must be maintained, repaired, or replaced by the Association on a periodic basis.

(b) Determine the estimated costs that may be incurred in the future by the Association in maintaining, repairing, and replacing such improvements.

(c) Determine the estimated useful life of such improvements and the approximate date that such improvements will require maintenance, repair, and replacement.

(d) Establish an amount to be included within the annual assessment to be deposited in a reserve fund to pay the cost of the maintenance, repair, and replacement of such improvements at the time such maintenance, repair, and replacement is reasonably expected to be necessary.

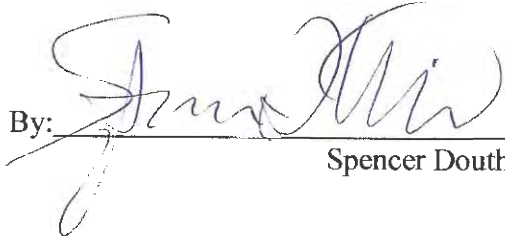
3. Policy for Reserve Study. Initially, the Board shall determine the improvements, including the road, that must be maintained, repaired, replaced and improved by the Association on a periodic basis. Periodically, but no less frequently than every five (5) years, the Association shall retain a consultant qualified to determine the maintenance, repair, and replacement of the improvements that will be necessary, the estimated cost of such work, and the estimated date when such work will be required. After review and consideration of the consultant's report, the Association shall establish an amount to be included within the annual assessment for such costs and expenses and, upon collecting such amount, shall deposit the funds into a reserve account to be used for the purpose of paying the cost of maintaining, repairing, and replacing, such improvements as and when necessary.

CERTIFICATION

The undersigned, being the duly elected and acting Secretary of Townhomes at Old Town North Homeowners Association, a Colorado nonprofit corporation ("Association"), certifies that the foregoing Policy for Reserve Study for Portions of Common Interest Community Maintained, Repaired, Replaced and Improved by Association was approved by the vote of at least a majority of the Association's Board of Directors at a meeting of the Association's Board of Directors held on October 15th, 2015.

Dated: October 15th, 2015

TOWNHOMES AT OLD TOWN NORTH HOMEOWNERS ASSOCIATION,
a Colorado nonprofit corporation

By: 
Spencer Douthit, Secretary