

CHATEAU CLAIRE, INC.
Post Office Box 539
Dillon, Colorado 80435

POLICIES, RULES AND REGULATIONS

August 2016

The following Policies, Rules and Regulations are in addition to the provisions contained in the Condominium Declaration and Bylaws. If there is any conflict between these Policies, Rules and Regulations and the Declaration and/or Bylaws, then the provisions of the Declaration and Bylaws shall prevail. These “Policies, Rules and Regulations” will be revised as necessary by the Board. Copies of the revisions will be sent to each owner.

GENERAL

Chateau Claire is governed by a three to nine member Board of Directors, elected for two year terms, and managed by Managers employed by the Board on behalf of the Association. Employment terms and conditions are set forth in a Management Contract, which contract is subject to periodic review and revision by the Board. There is no present policy for payment of Director’s fees. Manager’s remuneration is made up of a base salary and rental commissions.

The Board of Directors elects its President, Vice President, Secretary and Treasurer.

For rental purposes, seasons are generally defined as follows:

- (1) “Peak Season” shall include the Christmas/New Year holiday season. Peak season rates will be applied during high ski activity periods.
- (2) “Winter Season” shall extend from November 1 through April 31, but shall exclude high season days.
- (3) “Summer Season” shall cover all remaining dates.

GOVERNANCE POLICIES

Records of the Association will be accurate and complete. Board members will disclose any conflict of interest prior to any decisions being made. All meetings will be conducted following Roberts Rules of Order. Board members will be selected by a majority vote of owners. A secret ballot may be necessary in the case of a contested ballot. Ballots are to be counted by a committee of volunteers. All covenants and rules will be routinely and consistently enforced. All Association records are available to

owners during regular business hours. Copies will be provided but a nominal service fee may be charged to cover the copying costs. Reserve fund balances have been identified and amounts are routinely being added to them.

RENTALS

1. The Board may set rental rates for short term and long term rentals from time to time as necessary to meet the needs of the Association.
2. Assignment of rentals shall be controlled by the Managers on a rotating basis insofar as practicable. Any rentals referred by a Unit Owner shall be assigned through the regular rotation system. All rentals are to be approved by the managers based upon credit, employment and background checks. Rental suggestions made at the direction of owners will still be done only upon approval being given by the managers.
3. Current rental rates, subject to change without notice, are reflected on the attached schedule.
4. Current Association share of the rental income is as follows:

Short term rentals:	45% of gross rental
Long term rentals:	20% of gross rental (not including tax)
5. Long term rentals are defined as continuous rental occupancy for a period of 30 days, or one calendar month, or longer.
6. While owners may refer rentals, or otherwise make arrangements, all rental income must be collected by the Association Management and shall be subject to the applicable rental commission rates. Any deviation from the current rates would require full payment of the Manager's commission, maid service, linens, etc., at the current attached rates. If the Association has reasonable cause to suspect violation of this policy, it may take any legal action at its disposal to collect appropriate commissions. Collection of rentals or other fees by an owner is strictly forbidden.
7. All renters must check in with the Managers upon arrival and departure.
8. One and two night rentals are to be accepted only at the discretion of the Managers. A minimum of three (3) nights rental may be required during Winter Season and a minimum of five (5) nights rental may be required during Peak Season.
9. Cancellations not received at least two weeks prior to arrival date shall be cause for forfeiture of deposit during Peak Season and Winter Season.

Forfeiture of deposits at all other times shall be at the discretion of the Manager. If a comparable rental is obtained for the cancelled period, rental deposits may be returned in full or in part at the discretion of the Managers.

10. Long term rental rates shall apply for rentals of 30 days or longer. All rentals of less than one month, or 30 days, including those created by partial cancellation, shall be charged at the short term rental rate with the total not to exceed the respective long term rate. Following one month or more of continuous occupancy by a long term renter, partial months shall be charged at the long term rate, prorated on a daily basis.
11. Damage deposits equal to 100% of one month's rent may be required on long term rentals. For rentals of six months or longer, deposits will consist of the first month, and the security deposit.
12. Renters are not allowed to have pets in rented units.
13. NO SMOKING POLICY – Fine will be imposed for smoking in rental unit with minimum fine of \$150 per violation..

ASSOCIATION DUES

1. Owner's monthly assessments are established by the Board of Directors.

Effective November 1, 2015

One Bedroom, 1 Bath	\$369.00
Two Bedroom, 1.5 Bath	\$416.00
Two Bedroom, 2 Bath	\$425.00

INSURANCE

It is suggested that each Owner may wish to purchase personal property insurance and liability coverage to supplement insurance coverage provided by the Association as required by the Declaration and/or Bylaws. The Association maintains insurance on the buildings and "Officers & Directors" coverage. A copy of the insurance policy is on file in the office and can be viewed during business hours Monday through Friday.

ACCOUNTS

All accounts are due and payable in full upon receipt of monthly statements. If an owner's account is in excess of 60 days past due, the Association may exercise its lien rights against that Unit. Further, a Unit with a past due account may be removed from the rental list until such account is brought current. No disbursements will be made until

delinquent accounts are paid. If an owner is in excess of 30 days past due on their monthly account, the owner will be assessed a late fee of \$50. If an owner is past due in payment of special assessments, the owners will be charged interest at a rate determined by the Board.

FURNISHINGS

The Association reserves the right to establish minimum furnishing standards in order to qualify a Unit for rental. If you have any questions, or would like suggestions for improvements you might want to make to increase the attractiveness of your Unit for rental purposes, please contact the Managers. Any Unit not meeting such minimum standards may be removed from the rental program at the discretion of the Board or the Managers.

MEETINGS

The Homeowners Association Annual Meeting is held at a time, date and place specified by the Board and all owners will be notified by mail. All association meetings and meetings of the Board are open to every owner of the association, or their designated representative appointed in writing. Special meetings of owners may be called by the president, the majority of the board or by 20% of the owners.

RIGHT OF FIRST REFUSAL

Section 12 of the original Declaration governs the right of first refusal in considerable detail. It is impractical to outline the major steps here so reference should always be given to the more detailed language of Section 12, the provisions of which shall prevail. Any owner who wishes to transfer all or any part of his interest in a Unit is required to give written notice to the Association.

RESPONSIBILITIES OF OWNERS

1. No owner or occupant shall make, or permit, any disturbing noises to be made in the building or on the premises or permit anything to be done that would interfere with the rights, comforts or convenience of other owners or occupants.
2. The Association discourages use of any Unit by dependent children under the age of 21, unless accompanied by a parent or a responsible adult. Children shall not be permitted to loiter or play unattended on the stairways or in the halls or any other common area.
3. Owners will be required to make direct payment for all costs for repairs or supplies incurred in connection with his or her Unit. No such cost may be charged to the Association unless prior approval of the Board is obtained.

4. All damage to the property of others, including the common elements and facilities resulting from the misuse of such, shall be paid for by the owner responsible. All damage to the building or common elements and facilities by the moving and/or carrying of articles therein, shall be paid for by the owner or person in charge of such articles.
5. Storage of vehicles, boats and/or trailers on the premises in excess of five days is not allowed. Abandoned vehicles will be towed away at owner's expense.
6. No material or supplies belonging to a Unit owner shall be stored in any hallway, stairwell, recreation room or any other location in a common area. Storage compartments are provided for each Unit owner in the basement of each building. The common areas shall not be used for any purpose other than for which they were constructed and intended. No exterior window shades, awnings or window guards shall be used except as shall be put up or approved by the Association. All interior window covering should have a white or off-white backing facing outside.
7. No signs of any kind shall be placed in windows or upon doors or other exterior surfaces or common elements without the prior written approval of the Board or Managers of the Association. No signs advertising a Unit "For Sale" shall be displayed in any Unit window or on the premises of Chateau Claire.
8. For reasons of security, owners are requested to direct real estate sales people to the Managers for keys to the Units.
9. Recreational facilities shall be open for use from 10:00 a.m. until 10:00 p.m. daily and equipment may be checked out from the Manager during office hours.
10. Short checks or bad checks in payment of rentals shall be an expense of the Association if given in payment of rentals. A bank fee will be charged to the renter to offset the expense of collecting the short check.
11. Owners are required to give satisfactory evidence of ownership following closing of any sale of a Unit before ownership records may be changed.
12. Linens are provided by the Association for all rental units and, upon request, for non-rental units. A nominal charge will be made for personal use.
13. Unit No. 1 and the Office belong to the Association.
14. Owners and guests are requested to check in with the Manager upon arrival and departure for security reasons.

15. Owners of dogs, cats, and other domestic pets shall not allow their pet(s) to disturb or annoy other occupants of the building. Any inconvenience, damage or unpleasantness caused by the same shall be the responsibility of the respective owners. Pets should be under voice command or leash. Pets are not allowed in laundry or sauna areas. Dogs and cats shall be exercised and other needs taken care of off premises. Pets shall not be tethered in such a way that it would impede access to a Unit or damage landscaping. Pets shall not be left unattended in an automobile or decks.
16. The Manager and only the Manager shall retain a master key to each unit. All lock changes or additions shall be arranged through the supervision of the Manager in order to retain the master system integrity and safety throughout the facility.
17. Firewood shall not be split on the decks or in the units. Any damage resulting from this practice will be charged to the owners or renters.
18. Dumpster is not to be used for any other purpose other than household trash. Any furniture, hazardous materials (i.e., paint), materials from remodeling (i.e., carpeting, old cabinets, appliances) will be subject to owner charges.
19. Charcoal grills will no longer be allowed at Chateau Claire Condos. The fire hazard caused by these grills is just too great. Gas grills are permitted.
20. Snow Removal is done on an as needed basis. Management will notify occupants. All vehicles must be removed by the designated time or keys must be accessible to management. Failure to comply will result in car(s) being towed at owner's expense.

PROCEDURE FOR RESOLVING COMPLAINTS

A member with a complaint of any condition arising out of his membership in the Association or ownership of a Unit at Chateau Claire should first discuss the problem with the Manager. If the complaint is not resolved, regardless of its nature, shall be reduced to writing and delivered to the President of the Association and the Board members.

Within twenty days of the receipt of such complaint, the President shall hold a special meeting comprised of the then Board of Directors to review such complaint. At such meeting the complainant shall present his grievance either personally or through an attorney. The Board of Directors shall have the right to have an attorney present at such meeting.

Within thirty days of the special meeting and the hearing of such complaint, the Board shall make its determination of the issues and shall inform the President of its decision. Within ten days of the notification of the Board's decision, the President shall

give written notice of such decision to the parties involved in the complaint by mailing such notice of their last know address.

In the event the complainant or anyone else affected by such decision does not accept the Board's determination, he and/or they may take such further legal action as may be available to them.

Compliance with the procedures outlined above shall be a condition precedent to the bringing of any legal action.