

Spanish Trails Homeowners Association

Adoption and amendment of policies, procedures and rules policy

BE IT RESOLVED, that the following policy shall govern the adoption and amendment of policies, procedures, and rules.

1. Scope:

To define procedures to be followed when policies, procedures and rules are adopted.

2. Specifics:

The Board of Directors will adopt policies, resolutions, procedures, rules, regulations or guidelines to further clarify the governing documents of the Association.

The Board of Directors will adopt rules and regulations to better the community. In many circumstances, these rules and regulations will be formulated based on the needs expressed by owners

Policies, resolutions, procedures, rules, regulations or guidelines will be discussed at Board of Directors meetings, which are open to owners to attend.

Discussion by owners in regards to policies, resolutions, procedures, rules, regulations or guidelines will be held in accordance with the Conduct of Meeting policy.

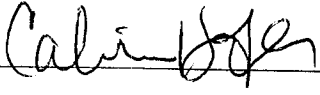
Once a new policy, resolution, procedure, rule, regulation or guideline is adopted it will be posted online at the communities website at spanistrailgj.com and at the managing agent's website at www.brayandco.com.

The management company will maintain a book containing the policies, resolutions, procedures, rules, regulations or guidelines at its physical office address and is subject to review as listed in the records retention and inspection policy.

- 3. Definitions:** Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning therein.
- 4. 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 the law of the State of Colorado governing the Project.
- 5. Deviations:** The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
- 6. Amendment:** The Board of Directors may amend this procedure from time to time.

President's Certification: The undersigned, being the President of the Association, certifies that the Board of Directors of the Association adopted the foregoing resolution and in witness thereof, the undersigned has subscribed his/her name.

Spanish Trails Homeowners Association



President

Effective Date: March 28, 2008

SPANISH TRAIL HOMEOWNERS ASSOCIATION
COLLECTION OF UNPAID ASSESSMENTS

Amended 9/25/18

Policy: *This policy supersedes all Collections Policies previously adopted by Spanish Trail Homeowners Association. It is vital to the effective administration of the Association that assessments and other charges be paid by Members in a timely manner. While a certain amount of bad debt is expected in any business, the Association must collect certain unpaid assessments in order to continue to serve the community well and efficiently. To perform these duties the Board needs to remain flexible in its approach in order to account for the unique facts and circumstances surrounding each delinquent payment.*

Procedure:

Assessment Due Dates. Assessments levied pursuant to the annual budget are due monthly on the first (1st) of each month. Payments received after the last day of each month will be considered past due and penalties will be assessed as below. Special and other types of assessments not levied pursuant to the annual budget are due as and when determined by the Board under the provisions of the Declaration.

"Past Due" Assessments. Monthly assessments are considered past due if received after the last day of each month; other assessments are "past due" if they are not paid when due. *A "grace period" of 90 days may be given to an owner prior to late fees being added to their account. After 90 days a penalty of 5% of the outstanding assessments will be charged each month any assessment is past due. A notice will be sent to notify the owner that their account is past due and that late fees will be assessed if the account is not brought current. This notice will also inform the owner that past due accounts may be sent to collections or a lien placed on the property.*

Fees and Interest. Suspension of Voting Rights. A late fee of 5% of the outstanding assessments will be charged each month to accounts that are delinquent. The fees charged will become due the date the assessment became due. These fees shall be added to the total delinquent amount and shall become a charge upon the land as provided in the Declaration. Once assessments become past due, the Association will suspend the voting rights of the delinquent Owner.

Non-Sufficient Funds. If an Owner should pay the Association by check and such check is returned because of Owner's insufficient funds, the Owner shall, in addition to the amount owed and any late charges and interest, owe the Association all bank fees at the current rate to process the NSF and cure the default together with all other and further amounts due the Association under the provisions of Colorado law, including, without limitation **C.R.S. § 13-21-109.**

Payment Plans. Except as provided here, the Association will make a good faith effort to coordinate with an Owner who has unpaid assessments to set up a payment plan with the following minimum terms: repayment of all unpaid assessments, late fees, interest, and other charges, costs, and expenses (including attorney fees) that may be included with any assessment as provided in **C.R.S. §38-33.3-316.3**, over a period of no fewer than six (6) months in equal monthly installments. During the term of any repayment plan entered into under this policy, the Owner shall also keep current on all assessments that may come due. The Association has no obligation to coordinate a payment plan with an Owner that does not occupy their unit and acquired their unit either through default in a security interest encumbering the Unit, or foreclosure of the Association's assessment liens. Additionally, the Association has no obligation to coordinate a payment plan with an Owner with whom it has previously entered into a payment plan under this policy, regardless of the outcome.

Application of Payments on Delinquent Accounts. Payments made against balances owed on delinquent accounts shall be applied first to penalty fees, returned check fees, and other costs and expenses that may become a charge upon the land under the terms of the Declaration, and then to unpaid assessments beginning with the amounts left unpaid the longest and continuing in chronological order.

Available Legal Remedies. Subject to the provisions of this policy, the Association, acting through the Board, may initiate collection proceedings of any kind at any time after any assessment payment becomes past due, as defined above. The Board, in its sole discretion in light of the relevant facts and circumstances may choose to employ any one or more of the following means in seeking collection, with or without notice, at any time after a payment is past due. In addition to the remedies described in this policy, the Board may pursue collection of unpaid assessments by any means authorized under Colorado law, as the same may exist from time to time.

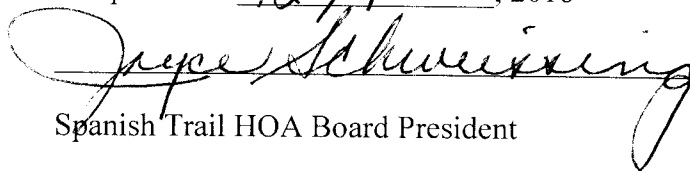
i. Acceleration. If any assessment payment is past due, the Association may elect to accelerate and declare immediately due and payable the remaining balance of the regular or special assessment for the current fiscal year.

ii. Collection Agencies/Lawyers. Once an assessment has become past due, the Association may refer the past due assessments to a collection agency or a lawyer for collection. The delinquent Owner will be liable for any fees or other expenses associated with referring the matter for collection. Such expenses will be added to all delinquent amounts and will become a charge upon the land, as provided in the Declaration. At least 30 days prior to referring the matter to a collection agency or lawyer, however, the Association shall first provide the involved Owner with a notice of delinquency, describing the amount due, indicating whether the owner is eligible for a payment plan under this policy and providing contact information for purposes of setting up such a plan, stating the name of the person from whom the Owner may obtain a copy of the

ledger or other accounting statement indicating the amount due, and providing that a failure to act in response to the notice within 30 days may result in referral of the matter to a collections agency or a lawyer for collection, foreclosure of the Association's assessment lien or the pursuit of other remedies provided by law.

iii. Lien. Once an assessment has become past due, the Association may give formal legal notice of its lien against the delinquent Owner's property. Any costs or expenses associated with this process, including attorneys' fees, shall be added to the total delinquent amount and shall become a charge upon the land as provided in the Declaration.

Adopted on 12/14, 2018

A handwritten signature in black ink, appearing to read "Pepe Schwering", written over a horizontal line.

Spanish Trail HOA Board President

Spanish Trails Homeowners Association

Conflict of Interest Policy and Procedure

BE IT RESOLVED, the Association hereby adopts the following procedures to be followed for conflict of interest by a director.

1. Scope:

To adopt a procedure and policy outlining procedures to be followed for conflict of interest by a Director.

2. Specifics:

A conflict of interest shall be defined as:

- “Conflicting interest transaction” means a contract, transaction, or other financial relationship between the Association and a Director, or between the Association and a party related to a Director, or between the Association and an entity in which a Director of the Association is a director or officer or has a financial interest.
- “Director” means a member of the Associations Board of Directors
- “Party related to a Director” means a spouse, a descendant, and ancestor, a sibling, the spouse or descendant of a sibling, an estate or trust in which the Director or a party related to the Director has a beneficial interest, or an entity in which a party related to a Director is a director or has a financial interest.

A Director that falls under the category of a potential conflict of interest must disclose such conflict if possible prior to any discussion is begun on the subject that a potential conflict does or may exist. The facts about the conflicting interest transaction should be fully disclosed to the disinterested Board members. The director must recuse himself or herself from the discussion in its entirety as a director and may not vote on the subject.

A director who has recused him or herself may participate as a member of the meeting (not as a director) if they have moved away from the directors and are providing additional information as other members of the meeting have the right to provide.

Whenever possible, conflicts of interest should be avoided. This will allow the directors to provide fiduciary duty without the semblance of impropriety.

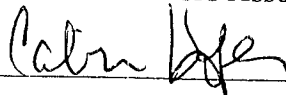
At times, Directors may receive gifts from contractors or vendors. Whenever possible, these gifts should be refused or shared with the community to remove any semblance of impropriety.

The Association should make no loans to its Directors or officers.

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5. **Deviations:** The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
6. **Amendment:** The Board of Directors may amend this procedure from time to time.

President's Certification: The undersigned, being the President of the Association, certifies that the Board of Directors of the Association adopted the foregoing resolution and in witness thereof, the undersigned has subscribed his/her name.

Spanish Trails Homeowners Association



President

Effective Date: March 2008

Spanish Trail Homeowners Association

Meeting Policy and Procedure

BE IT RESOLVED, that the involvement and participation of members in the leadership of the Association is valuable and meetings will be conducted in accordance with the following procedure.

1. Scope:

To adopt a procedure and policy to be followed when giving notice of meetings and conducting meetings for the good of the community.

2. Specifics:

Meetings

A. Board Meetings

Board meetings are always open to the public and shall be held on at least a quarterly basis. The agenda for the Board meetings will be posted on the managing agents website and if possible in a public place in the Association at least two days in advance.

These meeting dates/times may change to accommodate Board and Manager schedules and emergencies.

Board members will retire to Executive Session when discussing matters such as attorney/client privilege, employee issues or matters concerning owner disputes. Separate minutes will be kept for Executive Sessions.

The general membership will have the opportunity to speak at the end of the Board meeting for a period of time not to exceed 30 minutes. At the discretion of the Board, the floor may be opened for comment prior to voting on the various agenda items.

B. Annual Meeting

Annual/budget ratification meetings will be held in October of each year.

Notification will be made in accordance with the "Meeting Notice" section of this policy

The mailing prior to the meeting will contain at a minimum:

A meeting notice and general proxy.

The proposed agenda for the meeting

The proposed budget for the coming fiscal year

A copy of the Associations income and expenses for the year to date

A copy of the Associations balance sheet for the month ending immediately prior to the notice.

C. Special Meeting

Special meetings may be called at any time by the President or by a majority of the Board or upon written request of a member, having twenty percent (20%) of all the votes of the membership.

Notification will be made in accordance with the "Meeting Notice" section of this policy

The mailing prior to the meeting will contain at a minimum:

A meeting notice and general proxy.

The proposed agenda for the meeting

Meeting Notices

Written notice of annual and special meetings shall be sent via regular U.S. Mail to members at least ten days but not more than 50 days prior to the meeting date.

If possible, notices will be posted within the subdivision at least one week prior to annual and special meetings.

Notices of annual and special meetings will also be posted on the managing agent's website

Voting and Proxies

Only the owner of record – or the owner's representative by proxy- may vote. One vote per lot is allowed.

At any meeting of the members, each member may vote by proxy if desired.

All proxies must be in writing and filed with the secretary.

Every proxy must be revocable and terminates eleven months after its date, unless specified otherwise.

Voting rights will be suspended for any Owner who is or has been in violation of the CC&R's in the previous thirty (30) days or who is delinquent in paying fines or assessment fees.

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6. **Amendment:** The Board of Directors may amend this procedure from time to time.

President's Certification: The undersigned, being the President of the Association, certifies that the Board of Directors of the Association adopted the foregoing resolution and in witness thereof, the undersigned has subscribed his/her name.

Spanish Trail Homeowners Association

Calvin Bots
President

Effective Date: March 28, 2008

Spanish Trail Homeowners Association

Policies and Procedures For Covenant Enforcement Policy and Procedure

As required by C.R.S. 38-33.3-209.5

The following Procedures have been adopted by the Spanish Trail Homeowners Association ("the Association") pursuant to Colorado Revised Statute ("C.R.S.") 38-33.3-209.5, at a regular meeting of The Board of Directors ("The Board"). Additional policies, procedures and rules may exist separately.

PURPOSE:

To adopt a policy governing the enforcement of the Declaration of Covenants, Conditions and Restrictions and the Bylaws of the Association.

NOW, THEREFORE, IT IS RESOLVED that The Association does hereby adopt the following procedures to govern the enforcement of the Association's Covenants and Bylaws

- A. Violations may be observed by the Board of Directors, the management company, a committee member or reported via written correspondence through e-mail, fax or mail service. The complaint must state specifically the violation observed and include who the violating party was, that was observed, the date, place and time of the violation and any other pertinent information such as license plate numbers etc.
- B. If full details are not provided with a complaint, further action beyond additional observation cannot be made. The Board and the management company will investigate the complaint further and will make additional observations if required.
- C. If a complaint is found to be in violation of a municipal code, the complaint will be forwarded to the appropriate authorities.
- D. If a violation is found and documented the following actions will be taken:
 1. A letter will be sent to the owner* (and tenant if it is known that the unit is being used as a rental) stating that a violation has occurred while referring them to the governing documents which appear to be in violation. This letter will allow the unit owner to forward documentation, in writing, if they believe the violation did not occur. The unit owner will have 3 days to respond to the letter or to correct the violation.
**Certified Letters will be sent at the discretion of the Board of Directors for violations such as commercial use of the property etc.*
 2. If the violation is still observed after 3 days, a second letter will be sent to the Owner (and tenant if it is known that the unit is being used as a rental) stating that if the violation continues then fines will be imposed. The unit owner will have 3 days to correct the violation or request a hearing with the Board (see Dispute Resolution Policy for specifics).
 3. If at the hearing it is found that the violation did/does occur, the Owner will be charged a fine beginning on the 3rd day after the date of the second letter. The Association will charge a \$10.00 fine per day/occurrence for all CC&R non-compliance violations of the governing documents of the Association.
- E. Owners are responsible for any fines that may be levied against their property due to non-compliance of their tenants.

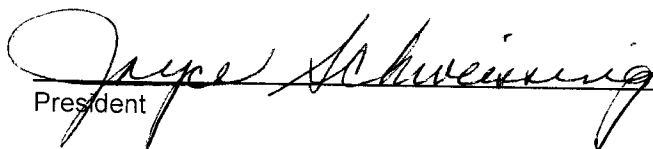
- F. Non-payment of fines will fall under the Collection Policy.
- G. *These enforcement provisions may be in addition to other specific provisions outlined in the Governing Documents and the Association is not required to follow these enforcement provisions before seeking such other remedies. The Association may choose a legal remedy or seek assistance from other enforcement authorities, such as Code Enforcement, Police, Fire, or Animal Control, as it deems appropriate*
- H. *The Association's primary objective is to uphold the terms of the Governing Documents that benefit the community at large. To the extent that a neighbor-to-neighbor dispute exists, the Board encourages the neighborly approach to resolve the dispute in an informal and cooperative manner if possible; particularly with issues that impact the parties involved, but not necessarily other members of the community. In some cases, an involved party may wish to seek formal resolution, or a community mediator may be brought in to resolve such disputes.*
- I. **Definitions:** Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning therein.
- J. **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 the law of the State of Colorado governing this Project.
- K. **Deviations:** The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
- L. **Amendment:** The Board of Directors may amend this procedure from time to time.

CONFLICTS BETWEEN DOCUMENT:

In case of discrepancies between this Policy and Procedure and the Declaration of Covenants, Conditions, and Restrictions (the Declaration), or the Bylaws or The Association, the Declaration shall control.

The undersigned, being the President of the Association, certifies that the foregoing resolution was adopted by The Board of Directors of the Association at a duly called and held meeting of The Board of Directors on the 4th day of December, 2018, and in witness thereof the undersigned has subscribed his/her name.

Spanish Trail Homeowners Association



President

Spanish Trail Homeowners Association

Records Retention and Inspection Policy and Procedure

BE IT RESOLVED, that the record of the Association are public documents and members of the Association are welcomed to review them in accordance with the following procedure.

1. Scope:

To adopt a procedure and policy to be followed when retaining records and when records are requested to be reviewed.

2. Specifics:

All records for the Association will be kept permanently either in paper or electronic form from 2006 forward. The Board of Directors and/or the management company will keep all records prior to 2006 as to what is currently available. All records will be kept in writing or in a form that can easily be converted into written form.

The following items will be kept as permanent records:

- Minutes of all Board and owner meetings
- All actions taken by the Board or owners by written ballot instead of holding a meeting
- All actions taken by a committee on behalf of the Board instead of the Board acting on behalf of the Association and
- All waivers of the notice requirements for owner meetings, board member meetings or committee meetings.

In addition to the above that must be kept as permanent records, the Association will keep a copy of the following records in its principal office:

- Articles of Incorporation
- Bylaws
- CC &Rs
- Board resolutions affecting Association members
- Minutes of all owner meetings and records of any actions taken by members with out a meeting in the past three years
- All written communication within the last three years to Association members as a whole
- A list of the names and businesses or home addresses of the current Board members and it's officers
- Most recent annual report, if any, of the Board
- All financial audits or reviews conducted in the last three years
- A record of all Association members that allows the preparation of a list of the names and addresses of all unit owners as well as the number of votes each has.

Owners or their agents may request to inspect records or copies of records; request must be made in writing to the management company. The records can only be physically inspected within the management company during normal business

hours, or during the next regularly scheduled Owner or Board meeting occurring within 30 days of the Owner's request, at the discretion of the Board. If physical copies of records are requested to be mailed, faxed, or electronically mailed, a per page charge of \$0.10 plus office staff time to copy the records will be billed and due. Additional mailing charges may apply. These charges shall be at the Owner's expense and may be collected by the Association in advance.

The written request must include who is making the request, proof of authorization to make the request, unit address within the community, what records are being requested to be reviewed, a description of the document being requested and the reason for the review. The review of records may only be for proper purposes and must be Association related. A signed acknowledgement from the unit owner, not the agent, must be on record stating that the records will not be used for improper purposes.

Association records, including membership lists, shall not be used by any Owner for:

- Any purpose unrelated to an Owner's interest as an Owner
- The purpose of soliciting 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
- Any commercial purpose
- The purpose of giving, selling, or distributing such Association records to any person, or
- Any improper purpose as determined in the sole discretion of the Board

Those items that are between the Board of Directors and an attorney are not open for review. Items that are of a personal nature shared with the Board by a specific Association member will not be open for review.

The Association shall make the records available within five (5) business days of the Owner's request or during the next regularly scheduled Owner or Board meeting occurring within 30 days of the Owner's request, at the discretion of the Board. The Board shall advise the Owner of the time and place of such inspection in writing within five (5) business days of the Owner's request.

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5. **Deviations:** The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
6. **Amendment:** The Board of Directors may amend this procedure from time to time.

President's Certification: The undersigned, being the President of the Association, certifies that the Board of Directors of the Association adopted the foregoing resolution and in witness thereof, the undersigned has subscribed his/her name.

Spanish Trail Homeowners Association

Calvin H. H. H.

President

Effective Date:

March 28, 2008

Spanish Trails Homeowners Association

Investment Policy and Procedure

BE IT RESOLVED, the Association hereby adopts the following procedures to be followed for enforcing policies rules and regulations and other governing document of the Association.

1. Scope:

To adopt a procedure and policy outlining procedures to be followed for investing replacement reserves.

2. Specifics:

No funds shall be deposited or invested except in authorized investments. Authorized investments are those that are in accordance with the declaration and bylaws of Spanish Trails Homeowners Association and that are obligation of, or fully guaranteed by the U.S. Government.

All accounts, instruments and other documentation of such investments shall be subject to the approval of, and may from time to time be amended by, the Board as appropriate, and they shall be reviewed at least annually.

Investments shall be guided by the following goals, listed in decreasing order of importance.

- Safety of Principal- The long-term goal is the safety of the replacement reserves.
- Liquidity and accessibility – Funds should be readily available for projected or unexpected expenditures.
- Minimal Costs- Investment costs (redemption fees, commissions, and other transaction costs) should be minimized.
- Professional Management – Funds should be invested with professional managers who have good reputations and sound credentials.
- Return – Funds should be invested to seek the highest level of return that is consistent with preservation of the purchasing power of the principle and accumulated interest.

Association directors have the fiduciary duty to prudently manage reserve assets. Accordingly, the directors have set forth an investment policy to pursue association objectives and goals. The policy is based on historical bond rates, money market instruments and inflation. The directors expect that over time the strategy will produce results consistent with history and meet the reserve fund's goals.

Goals and Objectives

The Association's capital replacement reserve assets shall be invested to achieve the following objectives;

- Promote and ensure the preservation of the reserve fund's principal.
- Structure maturities to ensure availability of assets.

- Mitigate the effects of interest rate volatility upon reserve assets.
- Achieve long-term investment performance that exceeds inflation by 1-3 percent on a net after-tax basis.

Investment Strategy

Select securities that mature in one to five years. Structure them so that an equal number mature each year. Consistently purchase securities at the long end of the maturity range with new or matured funds.

Reserve assets will benefit from long-term interest rates, which are often higher than short-term rates, while maintaining ready availability of funds and cash flow.

The Association may veer from this strategy when reserving a portion for a specific expense. Use the most recent reserve study to match the effective maturities to the dates of expenses.

Effective maturity may be sooner than stated maturity.

Selection Criteria

Securities will be selected with emphasis on these characteristics: preservation of capital, quality, effective maturity and net after-tax return.

In general the following guidelines shall be utilized:

- Funds needed within 6 months shall be invested in savings accounts or money market funds.
- Funds needed within 6 months to one year shall be invested in certificates of deposit.
- Funds needed beyond one year shall be laddered and invested in certificates of deposit or U.S. treasury notes to liquidate as reserve project needs arise.

Fixed Income

Utilize taxable income securities and annuities for Association income that is taxable in the lower brackets. Invest in tax-exempt securities and annuities above that level if the after-tax return is favorable. The taxable portion shall consist of U.S. treasury securities and insured bank certificates of deposit.

Tax-exempt securities and annuities will be rated in the AAA-quality level by at least one major credit rating agency at the time of purchase or be equivalent quality if non-rated.

An issue-by-issue review will be conducted for each security or annuity that has credit rating lowered after purchase and for each security or annuity presently in the portfolio that falls below these criteria. A decision will be made to either hold and monitor or liquidate.

Beyond quality considerations, selection criteria will emphasize securities' or annuities' maturities before yields. This emphasis is recognized as essential to governing investment strategy.

Review and Control

Policy considerations concerning changes of investment strategy or security selection criteria will require a meeting to obtain a consensus.

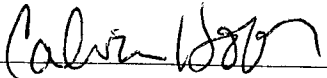
The performance review will be compared to the goals and objectives of the reserve fund. The directors will recognize the price volatility of fixed-income investments and not the strategy to hold such securities to the fixed value at maturity.

The Association's treasurer will receive monthly reserve statements. These statements will provide detailed accounting of current values, income, and transactions. Reports will be available for members of the Association from the Treasurer upon written request.

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President's Certification: The undersigned, being the President of the Association, certifies that the Board of Directors of the Association adopted the foregoing resolution and in witness thereof, the undersigned has subscribed his/her name.

Spanish Trails Homeowners Association

_____ 
President

Effective Date: March 28, 2008

Spanish Trail Homeowners Association

Dispute Resolution Policy and Procedure

BE IT RESOLVED, the Association hereby adopts the following procedures to be followed for resolving disputes between Owners and the Association.

1. Scope:

To adopt a procedure and policy outlining procedures to be followed for resolving disputes between Owners and the Association.

2. Specifics:

An owner may request a hearing with the Board of Directors if the Owner wishes to dispute a fine or decision the Board has made against the Owner. The request for a hearing must be in writing via email, fax or US Postal Service. If the request is in response to a letter from the Board, the Owner must respond within seven days of the date of the letter from the Board.

A hearing date will be scheduled at the earliest convenience for the Board, but not later than 30 days from the date of the request.

At the hearing, the Owner will be provided time to present evidence to dispute the violation. After the evidence has been presented, the Board will hold an executive session to make their decision. The Owner will be notified of the decision in writing within 7 days of the hearing.

If the owner does not like the finding of the hearing, the Owner may elect mediation. The Mediation process must be initiated within 7 business days.

Mediation is a process in which the parties meet with an impartial person who helps to resolve the dispute informally and confidentially. The parties to the dispute must agree to any decision made in mediation before any settlement is binding. The following process will be followed:

- The parties will jointly decide upon an acceptable mediator and the Owner will be responsible for and bear the cost of such mediation.
- If the parties cannot agree upon a Mediator, each party will choose a Mediator and those Mediators will choose an independent third Mediator to hear the dispute. In this case, the Owner and the Association will each pay for the Mediator they choose. The Owner will be responsible for the cost of the third Mediator.
- The mediation, unless otherwise agreed, shall terminate in the event the entire dispute is not resolved within (30) calendar days of

the date written notice requesting mediation is sent by one party to the other at the party's last known address.

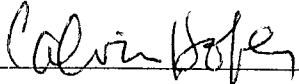
- If the Owner fails to appear for Mediation, the Association shall prevail in the dispute. If the Association fails to appear for Mediation, the Owner shall prevail in the dispute.
- The Mediator will issue a certificate stating the final dispensation of the dispute.

In the event of any arbitration or litigation relating to the Owner's dispute, the arbitrator or court shall award to the prevailing party all reasonable costs and expenses, including attorney and legal fees.

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President's Certification: The undersigned, being the President of the Association, certifies that the Board of Directors of the Association adopted the foregoing resolution and in witness thereof, the undersigned has subscribed his/her name.

Spanish Trail Homeowners Association



President

Effective Date: March 28, 2008

RESERVE STUDY POLICY FOR
SPANISH TRAIL HOMEOWNERS ASSOCIATION, INC.

Adopted: 10-16-2011

Pursuant to Section 38-33.3-209.5 of the Colorado Common Interest Ownership Act (“CCIOA”), Spanish Trail Homeowner Association, Inc. (hereinafter the “Association”) is required to adopt policies, procedures and rules and regulations concerning the preparation of reserve studies. This Reserve Study Policy (“Policy”), together with the terms of the Subassociation Declaration for Spanish Trail Homeowner Association, Inc. (“Declaration”) and the Bylaws of the Association, is intended to comply with such requirement.

1. Reserve Study. The Board of Directors (“Board”) shall conduct a reserve study at such times as in its sole discretion it determines is necessary but at least every three (3) years to determine the necessity and amount of reserves required to maintain, repair, replace and restore the Association Maintenance Areas. The Board shall cause the reserve study to be conducted by a third party reserve study professional, who has a good reputation, sound credentials and appropriate levels of insurance, for he services that are provided to the Association. The reserve study shall be based on physical analysis and financial analysis. The reserve study shall be reviewed at least annually to determine if reserves are sufficient. The Board shall, in its discretion, have the authority to and shall make any adjustments deemed necessary to maintain reserves.
2. Fund Designation. Reserve funds for the Association Maintenance Areas shall be maintained in a Reserve Fund and shall be used for major capital repairs, replacements, maintenance, restoration and improvements.
3. Funding Plan and Sources. The Reserve Fund shall be funded primarily from Common Assessments and the generation of investment income from the Reserve Fund in accordance with such funding plans as are established by the Board.
4. Reserve Fund Investments. The Reserve Fund assets will be invested in accordance with the Association’s Policy for Investment of Reserve Funds.
5. Definitions. Unless otherwise defined in this Policy, capitalized terms or terms defined in the Declaration shall have the same meaning herein as set forth in the Declaration.
6. Supplement. The provisions of this Policy shall be in addition to and shall supplement the terms and provisions of the Declaration, the Bylaws, and the laws for the State of Colorado governing the Association.
7. Deviations. The Board may deviate from the procedures set forth in this Policy if, in its sole discretion, such deviation is necessary under the circumstances.

8. Amendment. The Board may amend this Policy from time to time.

Adopted by the Board of Directors of Spanish Trail Homeowners Association, Inc. this 16th day of October.

SPANISH TRAIL HOMEOWNERS ASSOCIATION, INC.

Cal Hofe

By: Calvin Hofe, President

ATTEST:

Ders Jensen

By: Ders Jensen, Secretary

Spanish Trail Homeowners Association

Architectural Control Policy and Procedure

BE IT RESOLVED, the Association hereby adopts the following procedures to be followed for any improvements, renovations or changes made upon the properties included in the Spanish Trail Homeowners Association.

1. Scope:

To adopt a procedure and policy outlining procedures to be followed for making improvements, renovations or changes to property within the Spanish Trail Homeowners Association.

2. Specifics:

No building, fence wall or other structure shall be commenced, erected or maintained, nor shall any exterior addition or change be made to any building within the Spanish Trail Homeowner's Association without prior approval of the Architectural Control Committee. This includes exterior paint and surface coverings.

Homeowner must submit an Architectural Review Checklist. Included with the checklist should be plans showing the nature, kind, shape, materials and location of the change. If possible, examples of the materials should be submitted with the form (i.e. paint chips or fencing material). Checklist and accompanying plans and materials should be submitted to the Bray Property Management office at 637 North Avenue, Grand Junction, Colorado.

Manager will contact the ACCO, who review the Checklist and approve or disapprove the request within thirty (30) days of the Owner's submittal of said materials to the managing agent. In the event that the ACCO fails to approve or disapprove the request within thirty (30) days, approval will not be required with respect to the proposed improvement, renovation or change.

In the event that the ACCO disapproves the Owners request, the ACCO will send the Owner a letter detailing the reasons why the request was denied. The Owner may appeal the denial to the ACCO. The ACCO shall appoint two additional homeowners who together with the ACCO will review the appeal within thirty (30) days of the request and render a decision. The decision of this body shall be final.

Once the plan is approved, the Owner must complete the project within ninety (90) days of ACCO approval. If this is not enough time to complete the project, the Owner must request an extension in writing from the ACCO.

Upon completion of the project, the Owner must notify the ACCO. The ACCO will then inspect the completed work within thirty (30) days of notification. The ACCO reserves the right to disapprove the completed project if it differs from the original request.

In the event that the ACCO observes improvements, renovations or changes being made to property that has not been approved, the ACCO will notify the managing agent. The managing agent will send a letter to the Owner noting the violation. Construction must stop immediately, and the required Checklist and plans must be submitted to the ACCO within ten (10) days of notice from the managing agent.

If the violation is not corrected, the Owner will be sent a letter specifying when fines can be levied. (See Enforcement Policy)

Owners have the right to request an extension for compliance or appeal any decisions or fines to the Board of Directors.

In the event that the ACCO, the Board or members of the Association observe changes or additions to any property (i.e. storage sheds, paint colors, etc) that have not been approved, the managing agent shall be notified. The managing agent will send a letter to the Owner noting the violation. The approved changes or additions must be submitted to the ACCO within ten (10) days of notice from the managing agent. If the changes or additions are not approved, or cannot come into compliance with the CC&Rs, the changes or additions must be removed from the property. If the violation is not corrected, the Owner will be sent a letter specifying when fines can be levied. (See Enforcement Policy)

3. **Definitions:** Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning therein.
4. **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 the law of the State of Colorado governing the Project.
5. **Deviations:** The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
6. **Amendment:** The Board of Directors may amend this procedure from time to time.

President's Certification: The undersigned, being the President of the Association, certifies that the Board of Directors of the Association adopted the foregoing resolution and in witness thereof, the undersigned has subscribed his/her name.

Spanish Trail Homeowners Association

President

Effective Date: _____

Calvin Lopez
March 28, 2008

Spanish Trail HOA Architecture and Landscape Request

The purpose of this form is to allow for the approval process on home and site improvements submitted to the Architectural Control Committee (ACC). The committee suggests that you review your Covenants and familiarize yourself with conditions and restrictions set forth, as they may apply to your home. Please complete this form and submit with your plans or drawings for review. **Send form to: Spanish Trail HOA, 2650 North Avenue, Suite 116, Grand Junction, CO 81501. Or email to info@hpmgj.com.**

Homeowner Name: _____
Phone: _____ Email: _____
Address: _____
Type of Project: _____

Project Information Required for Submittal:

Structures:

- _____ Date on Drawing
- _____ A plot plan or drawing with appropriate dimensions/scale of structure
- _____ Set back distances (check with City Planning Department for proper setback requirements)
- _____ Description of materials to be used: _____
- _____ Proposed starting date of construction: _____

General Comments: _____

Fences/Landscaping:

- _____ Submit drawing with heights and location of fence/landscaping on property.
- _____ Types of materials to be used: _____

Changing Colors: *(Approval needed by ACC only if you are considering changing the color of your home. Need at least 5 days for approval)*

- _____ Paint chip (minimum 2 square inches)
- _____ Date paint chip received by ACC Member.

NOTE: to seek approval for all structural and landscaping improvements, this completed form and plans must be submitted to management company or an ACC member. The committee has up to 30 days to approve or disapprove plans/drawings/requests. Further submittal may be necessary for approval of City Building/Planning Departments to assure that permits are issued and proper codes and regulations are met by homeowner.

I have read and understand the conditions and regulations of the architectural committee set forth in the CC&Rs and Architectural Control Policy for Spanish Trail HOA. I further understand that up to 30 days may be required for approval once the plans/drawings/requests are submitted.

Homeowner Signature: _____ Date: _____

Approved: _____ Yes _____ No

Architectural Control Committee Member Signature: _____
Date: _____

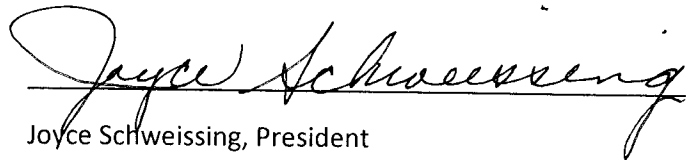
Spanish Trail HOA Board of Directors

Voting Policy

Day-to-day activities of the Board carried out between regular meetings of the Board will be handled via e-mail.

Day-to-day business refers to situations and concerns which arise during the normal course of administering the business of the HOA. These are situations other than those presented at the Annual Meeting or other Regular Meeting of the Board, that require a decision by the Board of Directors in order for the Board of Directors or for the Property Management Company to carry out their duties

Any situation requiring a decision by the Board can be approved with a simple majority of those Board members responding to an e-mail request from the Property Management Company or from the president of the Board for a decision. Board members must respond within 7 days of the request. At the end of 7 days the decision will be determined by the majority of voting members.



Joyce Schweissing, President

2/18/19

Date