BIG VALLEY RANCH AT STEAMBOAT, FILING IIA

RULES ENACTED BY THE BOARD OF DIRECTORS OF THE BIG VALLEY RANCH HOMEOWNERS ASSOCIATION

1. USE OF DIRT BIKES, ATV'S AND OTHER NON-LICENSED VEHICLES ON ASSOCIATION ROADS

Dirt bikes, snowmobiles, ATV's and other non-licensed vehicles shall not be driven upon the common areas, or on subdivision roads by children. Adults (over the age of 18) may drive dirt bikes and snowmobiles on subdivision roads only for the purpose of ingress and egress to their homes from public roads or as transportation between BVR homes or lots.

Adopted this 7th day of September, 2008 by unanimous vote of the Board of Directors

2. MOTOR VEHICLES ON COMMON AREA LOT 19

Motor vehicles shall not be driven upon the common area Lot 19 except for service vehicles and farm vehicles haying Lot 19. Exception may be made for handicap access for owners or their guests using the access trail.

Adopted this 7th day of September, 2008 by unanimous vote of the Board of Directors

3. RENTALS

MAIN RESIDENCE: The main residence may be rented as a single family residence only. Rentals shall not be for a period of less than one year. Renters shall be subject to all covenants and rules and regulations as may be enacted by the Board of Directors. Copies of all BVR Covenants, rules and BVR information are to be provided to the renter by the BVR property owner. The Association member shall provide the name, phone number, address and e-mail address (if available) of any renter of BVR property to the Board President at the time the property is rented. The renter will be required to sign a statement that they have received the BVR Covenants and

rules and that they have reviewed them and will abide by them.

GUEST HOUSES AND GUEST QUARTERS: Guest houses and attached guest quarters shall not be rented.

The restrictions of this covenant are not applicable to caretakers and dependent-care recipients.

Adopted this 7th Day of September, 2008 by unanimous vote of the Board of Directors

4. EQUINE AND PEDESTRIAN TRAIL

There is one trail, Meadow Brook Trail, which is a legally recorded easement in Routt County. Home owners and their accompanied guests may use this trail for pedestrian, cross country skiing, show shoeing and equine use only, without further permission at their own risk. Any other ingress or egress through other property in Big Valley Ranch is to be done by agreement by those involved.

Adopted this 22nd day of January, 2009 by unanimous vote of the board of Directors

5. CONSTRUCTION

Pursuant to Section 7(f) of the Bylaws of the Association, the Board of Directors has adopted and amended the Rules for Construction by a unanimous vote of the board on the 9th day of November, 1998 and the 14" day of March, 2005. They were again updated on the 23rd day of October 2008.

1. Before construction can begin, permission must be received from the board of directors by the homeowner before vehicles exceeding 26,000 pounds gross vehicle weight may travel on the Association roads. These vehicles must travel on the middle of the road.

- 2. The lot owner will be responsible for any damage done to Association road surfaces or ditches by his contractors. Normal wear on road surfaces is not considered damage. Ditches and culverts which have been filled in with material such as concrete due to construction must be cleaned out.
- 3. All construction materials and dirt piles must be kept off of the Association right of way (50 feet from the center of the road). A temporary exemption may be granted by the board for immediate construction needs and must be removed prior to October 31 each year in order to facilitate snow removal.
- 4. The lot owner will be responsible for any trash which blows from the construction site to adjoining lots and Association property as soon as it is discovered. In any event, the lot owner shall make periodic inspections of the adjoining areas for the purpose of collecting any trash which has blown from the construction site or is otherwise deposited on neighboring property.
- 5. The lot owner is responsible for advising contractors employed by the lot owner that the littering of Association roads and right of ways is not permitted. Contractors observed littering Association roads may be subject to having permission to use the roads revoked.
- 6. The lot owner is responsible for advising contractors employed by the lot owner of the speed limit on Association roads which is 25 miles per hour. Contractors who are observed driving in excess of the speed limit will be warned and may be subject to having permission to use the roads revoked if they continue to exceed the speed limit.
- 7. When a lot owner finds it necessary to trench across an Association road, the road surface will be returned to its original condition as soon as the trenching is completed.
- 8. The Board of Directors may designate an Association member to inspect the construction site from time to time to assure continued and timely compliance with the rules.

9. Should the lot owner fail to remedy any situations covered by these rules after having been notified to do so, the Board, at its discretion, may pay to have the situation corrected and bill the lot owner for the cost of repairs.

Adopted this 23rd day of October, 2008 by unanimous vote of the Board of Directors

6. CONSTRUCTION COMPLIANCE DEPOSITS

A. NEW CONSTRUCTION OF DRIVEWAYS OR DWELLINGS: In order to ensure compliance with the Architectural Guidelines and all construction regulations of the Big Valley Ranch Homeowners Association (BVR HOA), a \$20,000.00 (twenty thousand dollar) Construction Compliance Deposit shall be submitted with the construction drawings and checklist by the Owner to the BVR HOA/Architectural Review Committee (ARC) prior to initiating construction. Said deposit shall be made payable to the Big Valley Ranch Homeowners Association. If the ARC determines that any of the improvements in the plans are not constructed in compliance with such approved plans and specifications by the required completion date or in compliance with the Architectural Guidelines and all construction regulations, the ARC will notify the homeowner of the non-compliance issues. The ARC will give the homeowner 30 days to either correct the issues or to propose a timeline, to be accepted by the ARC, to correct the issues. If the homeowner and the ARC cannot reach an agreement, the homeowner may appeal the ARC decision to the BVR HOA Board of Directors, whose decision will be final. If any unresolved issues are not corrected within the agreed upon time, the ARC may withdraw from the cash deposit such funds

- as may be necessary to complete the unfinished improvements and correct any violations or to return the impacted property to its original pre-construction state. The ARC shall not require concurrence of the owner prior to such use of the funds. The ARC reserves the right to access the property to be insured by an easement to correct violations without trespassing charges until a Certificate of Compliance is issued by the ARC and a Certificate of Occupancy is issued by Routt County. The deposit does not preclude the ARC from taking further action as permitted in the BVR HOA Covenants, By-Laws or Rules to ensure project compliance with the BVR HOA Architectural Guidelines. Any remaining portion of the deposit, less any charges imposed by the ARC (as described in BVR HOA Covenants, By-Laws or Rules), plus accrued interest, shall be returned to the Owner within 30 days after the issuance of a final Certificate of Compliance by the ARC and a Certificate of Occupancy by Routt County.
- B. **REMODEL PROJECTS:** In order to ensure compliance with the Architectural Guidelines and all construction regulations of the Big Valley Ranch Homeowners Association, a \$5,000.00 (five thousand dollar) Construction Compliance Deposit shall be made and submitted with the construction drawings and checklist by the Owner to the Big Valley Ranch HOA/Architectural Review Committee (ARC) prior to initiating construction. Said deposit shall be made payable to the Big Valley Ranch Homeowners Association. If the ARC determines that any of the improvements in the plans are not constructed in compliance with such approved plans and specifications by the required completion date or in compliance with the Architectural Guidelines and all construction regulations, the ARC will notify the homeowner of the non-compliance issues. The ARC will give the homeowner 30 days to either correct the issues or to propose a timeline, to be accepted by the ARC, to correct the issues. If the homeowner and the ARC

cannot reach an agreement, the homeowner may appeal the ARC decision to the BVR HOA Board of Directors, whose decision will be final. If any unresolved issues are not corrected within the agreed upon time, the ARC may withdraw from the cash deposit such funds as may be necessary to complete the unfinished improvements and correct any violations. The ARC shall not require concurrence of the owner prior to such use of the funds. The ARC reserves the right to access the property by the granting of an easement to correct violations without trespassing charges until a Certificate of Compliance is issued by the ARC and a Certificate of Occupancy is issued by Routt County if that is required as part of construction permits issued for the remodel. The deposit does not preclude the ARC from taking further action as permitted in the BVR HOA Covenants, By-Laws or Rules to ensure project compliance with these Architectural Guidelines. Any remaining portion of the deposit, less any charges imposed by the ARC (as descried in BVR HOA Covenants, By-Laws or Rules), plus accrued interest, shall be returned to the Owner within 30 days after the issuance of a final Certificate of Compliance by the ARC and a Certificate of Occupancy by Routt County if applicable. **NOTE:** Remodeling is defined as any structural change to a home, garage or outbuilding that alters total square footage, the majority exterior appearance, the addition of an outbuilding or pool, or if a project requires a building permit.

Adopted this 6th day of September, 2009 by a majority vote of the Board of Directors.