

**TENATIVE RULES AND REGULATIONS OF BLUE 52 TOWNHOMES**

August 3, 2017

**General:**

- Owners are responsible for infractions and/or violations of the rules. Owners are responsible for ensuring that family, guest, and tenants are aware of and abide by the rules.
- Occupancy of townhomes are restricted to the rules set forth in the Blue 52 Deed Restriction. Garages are limited to parking of a vehicle.
- Common Areas shall be used only for the purposes for which they were designed.

**Service and Maintenance:**

- The Association will maintain common areas and portions of Units, if any that are the responsibility of the Association in a manner consistent with the Governing Documents. The Association is responsible for maintenance of the exterior of the Community, the Common Areas, and all building exteriors.
  - Doors: Exterior doors and windows are the responsibility of The Association.
- Cleaning: Periodically, The Association may clean glass exteriors above ground floor and costs will be shared among Owners on a cost per window basis. Ground level windows are responsibility of the Owner.
- Interior Maintenance: Owner is responsible for cleaning, maintaining, and repairing the interior of his or her townhome and garage.
- Trash removal will be covered by HOA dues.

**Unit Alteration and Remodel:**

- All architectural changes and Townhome and Garage renovations are subject to the provisions of the Declaration. Alterations to Townhome interiors made by Owners must not adversely affect the structure, must comply with all applicable building codes, permit requirements and the Declaration, and shall be at the Owner's expense.
- No alterations, additions, or improvements can be made to the common areas without written consent of the executive board.

**Parking and Storage:**

- All vehicles and automobiles parked or stored in the Community shall be parked or stored wholly inside of the Garage appurtenant or on the surface lots appurtenant to each Townhome. No storage of boats, trailers, campers, or oversized vehicles.
- No vehicle maintenance or repair is allowed within the Common Areas or within the driveway.

**Animals and Pets:**

- Pets, including cats, dogs, birds, reptiles and other animals may be kept and maintained by Owners or tenants within their Townhome. No more than two (2) dogs and two (2) cats are allowed without having to obtain the Association's or management company's written consent.
- Nothing in these Rules shall prohibit the keeping and maintenance of service animals.
- If the animal becomes a nuisance to other Owners or tenants, such permission is revocable.
- Owners or persons having control of an animal are responsible for cleaning up after their animals.

**Bicycles, Grills, and Smoking:**

- Bicycles must be stored either: (i) inside an Owner's Unit; (ii) in bicycle racks installed and maintained in the Common Elements by the Association; or (iii) on the rear patio of an Owner's Unit. Gas grills are not permitted on the front ground level decks or on any Common Element. Charcoal grills are prohibited in the Community.
- Cigarette and related smoking is permitted in individual Townhomes and on the balconies, patios or decks of a Townhome. Smoking materials are to be disposed of in appropriate receptacles. Smoking in or on the Common Areas is prohibited

HOA Responsibility	Owner Responsibility
<ul style="list-style-type: none"> <li>• Maintenance of the exterior of the Community</li> <li>• Maintenance of the Common Areas</li> <li>• Maintenance of all building exteriors.</li> <li>• Trash Removal</li> </ul>	<ul style="list-style-type: none"> <li>• Water, electric, sewer, and gas.</li> <li>• Cable &amp; Internet</li> <li>• Homeowner's Insurance</li> <li>• Interior Maintenance</li> </ul>

\*This is not an inclusive list of all possible expenses to be incurred by the owner.

**Town of Breckenridge Draft Deed Restriction for BLUE 52 (UPDATED July 28, 2017)**

Ownership, Residency and Employment	<p>Must be owner's sole place of residence and owner must earn their living working a minimum of 30 hours a week on average for a business operating in and serving the County</p> <ul style="list-style-type: none"> <li>• Priority for Upper Blue Employees</li> <li>• Cannot be a remote employee</li> <li>• Home Occupation OK</li> </ul>
Business-owned units	Local business may purchase unit subject to approval by the Town. Rental rate and occupancy limits will be established and businesses will receive a lower priority for purchase
Retirement	Full retirement OK at age 65 if occupied the home and worked for seven years
Appreciation Cap/Resale Formula	2% fixed annual rate of appreciation Subject to periodic review
Reimbursement For Real Estate Sales Costs	Additional 1% may be added to cover sellers cost of real estate commission paid to a licensed agent or licensed attorney
Income Caps at time of purchase	<p>80% units @ 110% - Sky            90% units @ 120% - Powder            110% units @ 130% - Oxford            No cap for higher AMI units (120, 130%) – Moonstone &amp; Cobalt            Subject to periodic review</p>
Assets Cap at time of purchase	<p>Include asset testing for 80, 90, 110, and 120% units            No cap for 130% AMI            Match asset cap to the Childcare program (\$225,000 with exception for retirement, health accounts, and home equity)            Asset caps subject to periodic review</p>
Own other residential real estate in Summit?	<p>May not own other developed residential property in Summit County</p> <p>Other residential real estate owned in Summit County must be listed immediately after closing. If the residence(s) are not sold within 120 days, the Owner is required to list and sell their residence at Blue 52</p>
Maintenance/ Condition at resale	<p>Must be clean, appliances in working condition, and no health or safety violations.            Cost to repair deducted from Owners proceeds at sale.</p>
Capital Improvements	May add cost of permitted Capital Improvements at resale-subject to 10% cap. Permitted Capital Improvements may include upgrades to units pursuant to a schedule (ie: replace carpet after 15 years, upgrade kitchen/bath after 20 years) Capital Improvements will be depreciated.
Resale Process	Seller must sell to Qualified Buyer and notify Town for price check
Sale to preserve unit as affordable housing in case of violation	Town may require sale of unit to cure violation-in which case the sale price is capped at 95% of maximum sale price
Sale to preserve affordability or to prevent foreclosure	Town may reacquire a Unit upon notice for 100% of the maximum sale price or the appraised market value whichever is less
Maximum loan to value	For initial purchase, 100% loan to value allowed. For refinance, 95% maximum loan to value allowed.
Foreclosure	Deed Restriction terminates in the event of a foreclosure