

**RESOLUTION OF THE OWNERS OF SUNSPACE
CONDOMINIUM ASSOCIATION
REGARDING POLICY FOR RESERVE STUDIES**

- SUBJECT:** Adoption of a policy for conducting reserve studies ("**Policy**")
For the Sunspace Condominium Association ("**Association**").
- PURPOSE:** To adopt a policy for conducting reserve studies.
- AUTHORITY:** Sunspace Condominium's Declaration ("**Declaration**"), and any
other Governing Documents of the Association and Colorado
Revised Statutes, 38-33.3-101 et seq. (the "**Act**").
- EFFECTIVE DATE:** June 8, 2016
- RESOLUTION:** The Association adopts the Policy as follows:
1. **Scope.** The Association is empowered to levy Assessments pursuant to the Declaration and the Act. A portion of the Assessments include monies to be used for reserves. All Assessments that are permitted to be retained by the Association under the Act as reserves will be placed in an account held for the benefit of the Association (the "**Reserve Account**").
 2. **Purpose of the Reserve Fund.** The purpose of the Reserve Account is to responsibly fund and finance the projected periodic maintenance, repair and replacement of the Common Elements and for such other funding as the Board of Directors may determine is necessary or appropriate.
 3. **Review and Control.** The Board of Directors will review the Reserve Account investments periodically to ensure that the funds are invested safely and shall make prudent adjustments as needed.
 4. **Reserve Study.** In order to determine funding of the Reserve Account, The Board may in its sole discretion, but shall not be obligated to, determine, with the assistance and advice of professionals, the life expectancy of those portions of the community to be maintained by the Association and the anticipated costs of maintaining, replacing and improving those identified areas (hereinafter referred to as a "**Reserve Study**").
 5. **Review of the Reserve Study.** The Board shall cause the Reserve Study, if any, and reserve funding to be reviewed and updated periodically, at least once every three years, to adjust and make changes in cost, inflation and yield on invested funds, plus modification, addition or deletion of components. An internal Reserve Study may satisfy the Reserve Study obligation.
 6. **Definitions.** Any initially capitalized terms herein that are not otherwise defined, have the meanings given to them in the Declaration.
 7. **Inconsistencies.** If and to the extent that any provision of this Policy is inconsistent with the Declaration or the Act, the applicable provisions of the Declaration or the Act will prevail, unless otherwise required by applicable law.
 8. **Deviation.** The Board of Directors may deviate from the procedures set forth in this Policy if in its sole discretion such deviation is reasonable under the circumstances.

9. **Supplement to Law.** The provisions of his Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the Act.

CERTIFICATION:

The undersigned, being an owner of the Sunspace Condominium Association, a Colorado nonprofit corporation, certifies that the Foregoing Resolution was approved and adopted by the Board of Directors, on Behalf of the Association, at a duly called and held meeting of the Board on June 8, 2016 and in witness thereof, the undersigned has subscribed his/her name.

Sunspace Condominium Association, a Colorado non-profit corporation.

By: Carla Flournoy
Name: Carla Flournoy
Title: president

**RESOLUTION OF THE SUNSPACE
CONDOMINIUM ASSOCIATION**

**REGARDING INSPECTION AND COPYING
OF ASSOCIATION RECORDS**

RESOLUTION: The Association hereby adopts the following policy:

The Association will keep as permanent records minutes of all meetings of the membership and board of directors, a record of all actions taken by the owners or board of directors by written ballot or written consent in lieu of a meeting, and a record of all waivers of notices of meetings of members of the Owners Committee or Board of Directors. The Association manager will maintain a record of members in a format that permits preparation of a list of the names and addresses of all such members, showing the number of votes each member is entitled to vote. The Association will maintain such records in written form or in another form capable of conversion into written form with a reasonable time.

All financial and other records will be made reasonably available for examination and copying by any member and such owner's authorized agents. The Association may charge a fee which may be collected in advance, not to exceed the Association's actual cost per page, for copies of the Association's records. As used in this Resolution, "reasonably available" means available during normal business hours, upon advance notice of 5 business days, or at the next regularly scheduled meeting if such meeting occurs within 30 days after the request, to the extent that:

- a) The request is made in good faith and for a proper purpose;
- b) The request describes with reasonable particularity the records sought and the purpose of the request; and
- c) The records are relevant to the purpose of the request.

In addition to the records mentioned above, the Association will keep a copy of each of the following records at its principal office: a) its articles of incorporation; b) the minutes of all membership meetings, and records of all actions taken by members without a meeting, for the past 3 years; c) all written communications within the past 3 years to members generally; d) a list of names and business or home addresses of the current directors and officers; e) the most recent annual report, if any; and f) all financial audits or reviews conducted during the immediately preceding 3 years;

Notwithstanding anything contained herein to the contrary, a membership list or any part thereof may not be obtained or used by any person for any purpose unrelated to a member's interest as a unit owner without consent of the Board of Directors. A membership list or any part thereof may not be used to solicit money or property unless such money or property will be used solely to solicit the votes of members in an election to be held by the Association, and may not be used for any commercial purpose, or sold to or purchased by any person.

CERTIFICATION: The undersigned, being the representative of Sunpace Condominiums

certifies that the foregoing Resolution was approved and adopted by the Association, at a duly called and held meeting of the owners of the Association on June 8, 2016.

In witness whereof, the undersigned has subscribed his name.


By:
Sunspace Owner Representative

**RESOLUTION OF THE SUNSPACE
CONDOMINIUM ASSOCIATION**

REGARDING COLLECTION OF UNPAID ASSESSMENTS

RESOLUTION: The Association hereby adopts the following policy:

- 1) Notice of regular common area assessments will be mailed or emailed to each condominium owner or other designated person by the manager of the Association the first week of each calendar month.
- 2) The assessment is due and payable by the last day of the calendar month billed.
- 3) In the event that such common expense assessment is not paid when due, the delinquent amount shall bear an interest at a rate of 1.50% per month.
- 4) A lien will be placed on against a unit that is 60 days in arrears. The owner will be advised in a certified letter that the lien was placed. The owner will be advised that they have 60 days to bring dues up to date or the lien will be turned over to an attorney for collection. The lien will be filed with Gunnison County Recorder's Office and a copy sent to the owner of the condominium unit. The cost of the recording fee will be charged back to the owner.
- 5) With the assistance of an attorney, collection and/or foreclosure proceedings will be initiated against any condominium unit 120 days in arrears. All legal fees and expenses incurred by the Association after referral to the attorney shall become additional assessment owned by the delinquent member, which shall be subject to interest as set forth above.
- 6) The Managing Agent is authorized to initiate proceedings without the prior consent of the Board of Directors, but must inform the Directors when such proceedings have been initiated.

If the Owner's Committee of Sunspace Condominiums deems that it is necessary to assess members for special assessments for particular association needs, said assessments will be billed by the Association's manager, and shall be due and payable as communicated with the owner at the time of assessment and/or as reflected in minutes of association meetings. In the event that any such special assessment is not paid when due, the delinquent amount shall bear interest at the rate of 1.50% per month. Policies numbers 4 through 6 of this resolution will apply for collection of delinquent special assessments.

CERTIFICATION: The undersigned, being the owner's representative of Sunspace Condominiums certifies that the foregoing Resolution was approved and adopted by the Owner's committee of the Association, at a duly called and held meeting of the Owner's of the Association on June 8, 2016.

In witness whereof, the undersigned has subscribed his name.


By:
Sunspace Owner Representative

**RESOLUTION OF THE
SUNSPACE CONDOMINIUMS
REGARDING ALTERNATIVE DISPUTE RESOLUTION**

RESOLUTION: The Association hereby adopts the following policy:

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 (Owner's Committee) to resolve the dispute informally and without the need for litigation. If the owner request to meet with the Board, the Board shall make a reasonable effort to comply with the owner's request.

Nothing in this policy shall be construed to require any specific form of alternative dispute resolution, such as mediation or arbitration, or require the parties to meet. Depending on the nature of the dispute, the Board of Directors will consider whether some form of alternative dispute resolution may be appropriate in the circumstances before proceeding to litigation. Neither the Association nor the owner waives any right to pursue whatever legal or other remedial actions are available to either party.

CERTIFICATION: The undersigned, being the Owner's representative for Sunspace Condominiums certifies that the foregoing Resolution was approved and adopted by the Owner's Committee of the Association, at a duly called and held meeting of the Owner's of the Association on June 8, 2016.

In witness whereof, the undersigned has subscribed his name.


By:
Sunspace Owner Representative

**RESOLUTION OF THE SUNSPACE
CONDOMINIUM ASSOCIATION
REGARDING CONDUCT OF MEETINGS**

RESOLUTION: The Association hereby adopts the following policy:

All meetings of either the membership or board of directors of the Association will be held in accordance with the requirements of C.R.S. 38-33.3-308, 38-33.3-310 and 7-127-101 through 108, 7-128-201 through 206.

Membership meetings will be held at least once a year. Special meetings of the membership may be called by the president, by a majority of the Board of Directors, or by members having 20% of the votes in the Association. Notice of any meeting of the membership shall be given no less than 10 nor more than 50 days in advance of the meeting by delivering or sending prepaid by U.S. mail to the mailing address of each member. The notice of any membership meeting shall be physically posted in a conspicuous place, in addition to mailing. The notice shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the declarations or bylaws, any budget changes, and any proposal to remove an officer or member of the Board of Directors.

Meetings of the Board of Directors, or any committee thereof, will be open to attendance by all members of the Association or their representatives. Agendas for meetings of the Board of Directors will be made available for examination by members or their representatives. Notwithstanding any contrary provision contained in the bylaws, at all meetings of the Board of Directors, after a motion and a second has been made on any matter to be discussed, at a time determined by the Board, but prior to the vote of the Directors, owners or their designated representatives present at such time shall be afforded an opportunity to speak on the motion. The managers of the Board may place reasonable time restrictions on persons speaking during the meeting. If more than one person desires to address an issue and there are opposing views, the Board will provide for a reasonable number of persons to speak on each side of the issue.

Membership meetings where there are contested elections of board members, defined as elections in which there are more candidates than positions to be filled, shall be conducted by secret ballot. Each owner entitled to vote pursuant to the bylaws shall receive a ballot. The ballot shall contain no identifying information concerning the ballot holder. In the event an owner holds a proxy for another owner, upon presentation of such proxy to the secretary of the Association, the owner shall receive a secret ballot to cast the vote of the owner who provided the proxy. The proxy shall be kept and retained by the Association.


In uncontested elections of board members, defined as elections in which the number of candidates is equal to or less than the positions to be filled, and all other votes taken at the meeting of the owners shall be taken in such method as determined by the Board of Directors including acclamation by hand, by voice or by ballot. Notwithstanding the above, uncontested elections of board members

or other votes on matters affecting the property shall be by secret ballot at the discretion of the Board or upon the request of 20% of the owners who are present at the meeting or represented by proxy.

When secret ballots are used, written ballots shall be counted by a neutral third party, excluding the Association's managing agent or legal counsel, or a committee of volunteers who are not board members, and in the case of a contested election, are not candidates. The committee shall be selected or appointed at an open meeting, in a fair manner, by the chairman of the Board of Directors or another person presiding during that portion of the meeting.

CERTIFICATION: The undersigned, being the owner's representative for Sunspace Condominiums certifies that the foregoing Resolution was approved and adopted by the Owner's Committee of the Association, at a duly called and held meeting of the Owner's of the Association on June 8, 2016.

In witness whereof, the undersigned has subscribed his name.


By:
Sunspace Owner Representative

**RESOLUTION OF THE SUNSPACE
CONDOMINIUM ASSOCIATION**

**REGARDING ENFORCEMENT OF
DECLARATIONS AND RULES AND LEVYING
OF FINES**

RESOLUTION: The Association hereby adopts the following policy:

The Association acknowledges that it has a duty to the membership of the Association to enforce the Declarations in Sunspace Condominiums. It is the policy of the Association to enforce as written any provision of the Declarations that is clear and unambiguous.

If a violation of the Association's Declarations or a threatened violation is alleged by any member of the Association to the Board of Directors (Owner's Committee), the Board of Directors shall investigate the allegations to make a determination whether such violation or threatened violation has, in fact, occurred. In such investigation and subsequent enforcement if undertaken, the Board of Directors shall act in good faith and shall not act arbitrarily or capriciously.

The enforcement of any covenant or rule of the Association shall be subject to the discretion of the Board of Directors as to the timing, manner and method of pursuing such enforcement. Provided that its actions are reasonable, the Board of Directors may decline enforcement of questionable violations, enforce covenants by filing suit for injunctive relief or other remedies, or levy fines for violation of rules or covenants after notice and an opportunity to be heard is given to the alleged violator. In exercising such discretion, the Board of Directors shall consider both the specific covenant or rule violation, and the overall interests of the community.

If an owner is determined to have violated a protective covenant or written rule or regulation of the Association, after three days' notice of infraction to the alleged violator and notice of hearing to the alleged violator, the Association may impose a fine for the violation in the amount of \$50 per day, which shall be billed by the Association as a special assessment for which the Association shall have lien rights as with any other assessment. If the violation persists after 15 days from levying the first fine, the Association may pursue any other remedies available to it after considering advise of the Association's counsel.

It is the intent of the Board of Directors that once a violation of the covenants or an association rule has been determined by the Board of Directors to have occurred, that any expenses, costs, or legal fees incurred by the Association in enforcing compliance shall be paid by the violating member as a special assessment.

CERTIFICATION: The undersigned, being the owner's representative for Sunspace Condominiums certifies that the foregoing Resolution was approved and adopted by the Owner's Committee of the Association, at a duly called and held meeting of Owner's of the Association on June 8, 2016.

In witness whereof, the undersigned has subscribed his name.


By:
Sunspace Owner Representative

**RESOLUTION OF THE SUNSPACE
CONDOMINIUM ASSOCIATION**

**REGARDING ADOPTION AND AMENDMENT
OF POLICIES, PROCEDURES AND RULES**

RESOLUTION: The Association hereby adopts the following policy:

- 1) All policies, procedures, rules and regulations of the Sunspace Condominiums shall be set forth in written resolutions of the Association adopted by the Board of Directors (Owner's Committee).
- 2) Amendment of any policies, procedures, rules and regulations may be made by the Board of Directors at any time and from time to time as the Board, in its discretion deems advisable or appropriate. Any amendment shall be set forth in a written resolution of the Association Board of Directors.
- 3) To the extent practicable, the Association will endeavor to adopt and disseminate to membership written policies, procedures, and rules and regulations so that members will be more informed of their rights and obligations in the property and the process of subdivision governance by the Board. Additionally, it is the policy of the Sunspace Condominiums that to the extent practicable, policies, procedures, rules and regulations be consistently and uniformly followed and enforced.
- 4) New or amended policies, procedures, rules and regulations shall be adopted by the Board as the interests of the Association dictate.

CERTIFICATION: The undersigned, being the owner's representative for Sunspace Condominiums certifies that the foregoing Resolution was approved and adopted by the Owner's Committee of the Association, at a duly called and held meeting of the Owner's of the Association on June 8, 2016.

In witness whereof, the undersigned has subscribed his name.



By:
Sunspace Owner Representative

**RESOLUTION OF THE
SUNSPACE CONDOMINIUM
ASSOCIATION**

**REGARDING HANDLING OF CONFLICTS OF INTERESTS
INVOLVING BOARD MEMBERS**

RESOLUTION: The Association hereby adopts the following policy:

As used in this Resolution, "conflicting interests transaction" means a contract, transaction or other financial relationship between the Association and a board member, or between the Association and a party related to a board member, or between the Association and an entity in which a board member of the Association is a board member or officer or has a financial interest.

"Board Member" means a member of the Association's Board of Directors. "Party


Related to a Board Member" means a spouses, a descendant, an ancestor, a sibling, the spouse or descendant of a sibling, an estate or trust in which the board member or a party related to a board member has a beneficial interest, or an entity in which a party related to a board member is a director or officer or has a financial interest.

No loans shall be made by the Association to its board members or officers. Any board member or officer who assents or participates in making of any such loan shall be liable to the Association for the amount of the loan until it is repaid.

No conflicting interests transactions shall be avoidable by an owner or on behalf of the Association if: 1) the facts about the conflicting interest transaction are disclosed to the Board and a majority of the disinterested board members, even if less than a quorum, in good faith approves the conflicting interest transaction; 2) the facts about the conflicting interest transaction are disclosed or known to the owners entitled to vote on the matter and the conflicting interest transaction is authorized in good faith by a vote of the owners entitled to vote on the matter; or 3) the conflicting interest transaction is fair to the Association.

CERTIFICATION: The undersigned, being the Owner's representative for Sunpace Condominiums certifies that the foregoing Resolution was approved and adopted by the Owner's Committee of the Association, at a duly called and held meeting of the Owner's of the Association on June 8, 2016.

In witness whereof, the undersigned has subscribed his name.


By:
Sunspace Owner Representative


**RESOLUTION OF THE SUNSPACE
CONDOMINIUM ASSOCIATION
REGARDING INVESTMENT OF RESERVE FUNDS**

RESOLUTION: The Association hereby adopts the following policy:

With respect to the investment of reserve funds of the Association, the officers and members of the Board of Directors (Owner's Committee) shall make investment decisions in good faith, and with the care and ordinarily prudent person in like position with exercise under similar circumstances, and in a manner the director or officer reasonably believes to be in the best interest of the Association in accordance with the Colorado Revised Non-Profit Corporation Act.

CERTIFICATION: The undersigned, being the Owner's representative for Sunspace Condominiums certifies that the foregoing Resolution was approved and adopted by the Owner's Committee of the Association, at a duly called and held meeting of the Owner's of the Association on June 8, 2016.

In witness whereof, the undersigned has subscribed his name.


By:
Sunspace Owner Representative