

**RESOLUTION  
OF  
HIGHLANDS AT SPRINGS RANCH HOMEOWNERS ASSOCIATION  
REGARDING ASSOCIATION'S ENFORCEMENT OF  
PROPERTY USE RESTRICTIONS**

**SUBJECT:** Policies regarding the enforcement of certain property use restrictions within the Covenants, Easements and Restrictions of the Highlands At Spring Ranch Homeowners Association ("Association")

**PURPOSE:** To provide notice of the Association's adoption of a Resolution which clarifies the Association's policy with regard to the interpretation and enforcement of certain property use restrictions

**AUTHORITY:** Covenants, Easements, and Restrictions of Highlands at Spring Ranch Homeowners Association ("Declaration") and Colorado law

**EFFECTIVE DATE:** November 19, 2009

**RESOLUTION:**

The Association hereby gives notice of its adoption of a Resolution clarifying the Association's policy with regard to the interpretation and enforcement of certain property use restrictions. The Resolution adopted is as follows:

WHEREAS, Article 3, Section 3.1 of the Declaration states the following:

Section 3.1 Property Uses. All Lots in the Community Area shall be used exclusively for residential purposes. An owner may rent his Dwelling Unit to an individual or a single family provided that the Dwelling Unit is rented pursuant to a lease or rental agreement which is (a) in writing, (b) for a term of at least 30 days, and (c) subject to all of the provisions of this Declaration. No Dwelling Unit erected or maintained within the Community Area shall be occupied for any purpose other than for a single-family dwelling.

WHEREAS, the Declaration does not define several terms set forth in Article 3, Section 3.1 above and, therefore, the scope of the Association's authority to regulate and restrict property usage may be unclear without further interpretation.

WHEREAS, the Board has a legal right to clarify and interpret ambiguous terms in the Declaration through adoption of this Resolution.

NOW THEREFORE, the Board adopts the following Resolution to clarify the Association's covenant enforcement rights over the Lots:

1. The purpose of many of the prohibitions and restrictions found in the Declaration is to maintain the aesthetics of the community, the property values of the Dwelling Units therein, and the residential community feeling of the Association as a whole. In an attempt to promulgate these values, Article 3, Section 3.1 sets forth restrictions that limit the Dwelling Units to single-family residential usage and occupation only.
2. The restriction in question was included in the Declaration in order to prevent any Dwelling Unit from being utilized for business purposes, non-residential purposes, or as temporary housing in the nature of a hotel or short-term rental (less than 30 days). The provision was not intended as an occupancy restriction or a prohibition against occupation of a Dwelling Unit by persons unrelated by blood or marriage.
3. The Board resolves that the Association will enforce Article 3, Section 3.1 in accordance with the intent of the restrictions found therein as stated above. Such restrictions shall not be interpreted or enforced against any lawful use of a Dwelling Unit as a single-family residence, regardless of the familial status and/or degree of blood relationship of the residents or tenants residing therein. Further, such restrictions shall not be interpreted or enforced against any homeowner or group entitled to a reasonable accommodation, under the fair housing laws.

**PRESIDENT'S  
CERTIFICATION:**

The undersigned, being the President of the Highlands at Springs Ranch Homeowners Association, a Colorado nonprofit corporation, certifies that the foregoing Resolution was approved and adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors of the Association on November 19, 2009, and in witness thereof, the undersigned has subscribed his or her name.

**HIGHLANDS AT SPRINGS RANCH  
HOMEOWNERS ASSOCIATION, a Colorado  
nonprofit corporation,**

By:   
Its: President