

**RESOLUTION OF
PIONEER HILLS OWNERS ASSOCIATION, INC.
REGARDING LEASES/SHORT-TERM RENTALS**

SUBJECT: Adoption of a Resolution to Supplement Article XI Section 11.15. Leases, of the Pioneer Hills Community Declaration.

PURPOSE: To update, modify and adopt language that correctly sets forth the Rules, Regulations, Processes and Procedures regarding the Leasing or Short Term Rental of any unit, be it Single Lot, Paired Lot or Townhome Lot located in the Pioneer Hills Community under the Authority of the Pioneer Hills Owners Association, Inc., including for purposes of this Resolution those Townhomes located in the Pioneer Hills Townhomes Sub-Association, identified as Neighborhood II in the Community Declaration.

AUTHORITY: The Declarations, Articles, and Bylaws of the Association and Colorado Law

EFFECTIVE DATE: April 01, 2021

RESOLUTION: The Pioneer Hills Owners Association together with the Pioneer Hills Townhomes Sub-Association (collectively the "Association") hereby adopt the following Definitions, Policies and Procedures regarding leases, leasing and short-term rentals.

WHEREAS, Pursuant to the Association's governing documents and Colorado Revised Statutes 38-33.3-302, the authority to create, adopt, enforce, amend and repeal policies, procedures, rules and regulations (hereinafter collectively referred to as a "Rule") lies with the Board of Directors of the Association; and

WHEREAS, Article XI, Section 11.15. Leases, of the Declaration sets forth limited and unclear definitions of and procedural requirements for leasing or renting of properties within the Community, but the provision is vague in its scope with respect to types of rentals and leasing choices available in today's environment and it may not adequately describe the terms or conditions under which Units may be leased or rented; and

WHEREAS, it is in the best interests of the Community to provide further clarity to Section 11.15 of the Declaration by providing additional guidance with respect to the Definitions, Rules, Regulations, Processes and Procedures to be utilized by the Association when Owners choose to Lease or Rent their Properties within the Pioneer Hills Community.

THEREFORE, The Board of Directors hereby adopts the following provisions in an effort to supplement and clarify, but not conflict with, Article XI, Section 11.15. Leases. The current existing language contained in this Section will be supplemented and interpreted by the Association to incorporate the following concepts:

1. **DEFINITION OF LEASE**. The term lease, leasing or rental as used in the Declaration and in this Resolution is supplemented to include the use or rental as a regular, exclusive occupancy of a Single Home Unit, Paired Home Unit or Townhome Unit by any person other than the Owner, except as set forth below, for which the Owner receives any compensation or benefit, including but not limited to, a fee, service, gratuity, or other benefit. However, a lease or rental designation shall not be applied to the occupancy of the Unit by the Owner's child of legal age, parent or family member of an Owner without the Owner in occupancy. Occupancy by other individual(s) is excluded from the definition of Lease if the Unit is also concurrently occupied by the Unit Owner.
2. **SHORT-TERM RENTALS PROHIBITED**. An Owner may only lease his or her Unit pursuant to a written agreement (lease agreement) having an initial term greater than six (6) months. As such, all short-term leases, licenses or occupancies for periods of less than six (6) months are prohibited by Section 11.15, this includes transient occupancies of less than six (6) months, through the use of VRBO, Airbnb, HomeAway and other such online rental sites. Further, because such leases are prohibited, advertising short-term licenses or occupancies on such websites is also prohibited.
3. **ADDITIONAL LEASING RESTRICTIONS AND PROCESSES**. In addition to the above, the following restrictions will also govern any leases or leasing activity within the community.
 - (a) **Entire Unit**. Units may be leased only in their entirety. One Lease per Unit

with all Tenants' signatures on the written Lease. Individual floors, rooms or garages may not be leased out. No subletting of any Lease is allowed.

- (b) **Single Family Units.** All Units whether a non-attached home in NI or a paired or Townhome in the rest of the Community known as NII, NIII, and NIV are:

Zoned R-2 Medium Density Single Family Residential Districts by the City of Aurora and Units shall be leased in compliance with the zoning definition for "Single Family".

- (c) **Rental Insurance.** It is the responsibility of the Owner, prior to the leasing and occupancy of the Unit, to ensure that the Owner and any Tenants have adequate insurance to protect the Unit, Unit contents and any risks associated with ownership and occupancy of the Unit. At the request of the Association, Owner must provide proof of said policy being obtained by the Tenant within 10 days of the Association's request, by completing the required form which can be obtained from the Community Management Company.

- (d) **Required Provisions to be Included in Each Lease.** Each Lease of a Unit shall contain the following language and if such language is not expressly contained therein, then such language shall be incorporated into the Lease by existence of this Rule, and the Tenants, by occupancy of the Unit, and Owner as the lessor of the Unit, agree to the applicability of this Rule and incorporation of the following language into the Lease:

1. **"Compliance with Declaration, Bylaws and Rules and Regulations.**

The Tenant shall comply with all applicable provisions of the Declaration, Bylaws and Rules and Regulations adopted pursuant thereto and shall control the conduct of all other occupants and guests of the leased Unit in order to ensure such compliance. The Owner shall cause all occupants of his/her Unit to comply with the Declaration, Bylaws and Rules and Regulations and shall be responsible for all violations by such occupants, notwithstanding the fact that such occupants of the Unit are fully at fault and may also be sanctioned for any such violation. If the Tenant or any occupant or guest, violates the Declaration, Bylaws or Rules and Regulations for which a fine is imposed, notice of the violation may be given to the Owner and the Tenant. A fine may be assessed against the Owner for the Tenant's or occupant's non-compliance. Unpaid fines shall constitute a lien against the Unit.

2. **Any violation of the Declaration, Bylaws, or Rules and Regulations** by the Tenant, any occupant or any guest of Tenant, which results in the issuance of a fine or penalty to the Unit Owner by the Board of Directors shall be deemed to be a default under the terms of the Lease and an Owner may be authorized to terminate the Lease without liability to the Owner, and the Owner may evict the Tenant in accordance with Colorado Law. If the Association requests that the Owner's Tenant, based on the terms listed herein, be evicted, and the Owner fails to commence such action within thirty (30) days of the date of the Association's notice, the Association may request that the Owner appear before the Association's Board of Directors at the next regularly scheduled Board meeting to discuss eviction of the Tenant. If the Owner fails to appear before the Board, the Board may impose fines for the continuing violations.

- (e) **Owner to Provide Tenant with Copies of Documents.** The Owner must provide the Tenant with copies of the Declaration, Bylaws and Rules and Regulations which may be accomplished by directing Tenant to www.pioneerhillsowners.com.
- (f) **Notice of Lease/Termination of Lease.** Notice of any Lease or subsequent cancellation or termination thereof, shall be given to the Management Company in writing by the Unit Owner within ten (10) days of either event and all required fees and paperwork must be completed and submitted to the Management Company within ten (10) days thereof.
- (g) **Limited Extension of Lease.** In the event there is a need to temporarily extend an existing Lease beyond its stated termination date, Owner may file a Request for Extension through the Management Company for submission to the Board of Directors stating the circumstances requiring the extension. Any Lease extended upon notice will also require the extension of rental insurance policies. At the end of an extension period, an Owner must provide either a copy of a renewed or extended Lease which will not require a new processing fee, or in the alternative a written Notice of End of Lease, to be submitted to the Management Company.
- (h) **Owner Responsible for Tenant.** The Owner of any Unit shall be responsible for any violations of the governing documents by such Owner's Tenant or Tenant's family or guests, to the maximum extent provided by law and the governing documents. All communications regarding the Unit shall be between the Community Association and the Owner of the Unit. Copies of

communications may be provided to the Tenant by the Management Company in the Association's discretion.

- (i) **Use of Common Elements.** Upon execution of a Lease, the Owner shall be deemed to have relinquished to the Tenant for the term of the Lease, all rights and privileges that Owner has to use the Common Elements and amenities in the Community.
- (j) **Availability of Required Leasing Packets and costs thereof:** Owners should contact the Management Company for the Pioneer Hills Owners Association (the Master Association) to obtain the Leasing Packet which includes the necessary paperwork that will need to be completed and filed with the Management Company. Owner is responsible for the costs assessed to produce the package and to cover additional mailing/administrative costs. These costs shall be set by the Board of Directors and shall not be unreasonably excessive for Owners.
- (k) **Actions Required After Effective Date of This Resolution.** After the effective date of this Resolution, and before any new Tenant may occupy a Unit in the Community or a current Tenant may renew or extend an existing Lease for which paperwork and fees have not previously been collected, Owner must obtain the required Leasing Packet and complete and submit the necessary information and forms as listed herein.
- (l) **Compliance Management.** Any alleged violations or non-compliance issues by Tenants, occupants or Owners regarding this Resolution may be forwarded to the Master Association Management Company and enforcement will be the responsibility of the Master Association Board of Directors to determine what appropriate action may be pursued.

Inapplicability of Rental Rules to First Mortgages and Association. The Rule, as set forth herein, shall not apply to any Lease transaction entered by the Association or by the first mortgage holder as lessor on a Unit whether through foreclosure or otherwise.

ENFORCEMENT AND ATTORNEY'S FEES. It is hereby declared to be the intention of the Association to enforce the provisions of this Resolution by any and all means available to the Association at law or in equity, and to seek recovery and reimbursement of all attorney's fees and Association expenses and costs incurred in connection herewith.

DEFINITIONS. Unless otherwise defined in this Resolution, initially capitalized terms defined in the Declaration shall have the same meaning herein.

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 Community.

DEVIATIONS. The Board may deviate from the procedures set forth in this Resolution if, in its sole discretion, deviation is reasonable under the circumstances.

AMENDMENT. This policy may be amended from time to time by the Board of Directors.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of the Pioneer Hills Owner Association, Inc., 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 on 3.26, 2021, and in witness thereof, the undersigned has subscribed his/her name.

Pioneer Hills Owner Association, Inc.,
A Colorado nonprofit corporation.

By: 
Its: President

Jon Harrison