

PARADISE PINES TOWNHOMES, INC. RULE REGARDING CONTRACTORS

WHEREAS, the Board of Directors (the "Board") of Paradise Pines Townhomes, Inc., a Colorado nonprofit corporation (the "Association") is empowered by its governing documents to adopt such rules as it deems advisable, including without limitation, rules for the control, restriction, and regulation of construction and maintenance activities; and

WHEREAS, based upon the above powers, the Board is hereby exercising its business judgment to adopt this Rule, which regulates contractor work within the Paradise Pines Townhomes subdivision (the "Subdivision"); and

WHEREAS, due to concerns about the quality and risks of construction and maintenance work on Association property, the Board has considered the difficulties caused by and the risks of such work, including risk of injury to owners, occupants, and guests, and to other persons and property within the Subdivision; and

WHEREAS, the Board has considered all these concerns and has determined in the exercise of its reasonable discretion, that this Rule is necessary for the health, safety, welfare, and property values of the owners and occupants within the Subdivision.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby adopts the following rules and regulations:

(1) No contractor or other worker shall perform any work (including, but not limited to, maintenance, repair, replacement, and construction) on the exterior of any unit within the Subdivision unless he or she is either (a) licensed by the appropriate authority and is fully insured; or (b) performing his or her work under the direct control and supervision of a licensed and fully insured contractor. All contractors must provide proof of insurance to the Board's satisfaction prior to commencement of any work.

(2) Workers hired by unit Owners or occupants may only perform work on the exterior of units between the hours of 8:00 a.m. and 6:00 p.m., Monday through Sunday, unless the Board has provided prior express written permission otherwise.

(3) Owners or occupants who hire any workers to perform work within the Subdivision, including within a unit, assume any and all liability for those workers and their compliance with the Association's governing documents, including this Rule and any future rules adopted by the Board. All owners and occupants hereby release the Association, its agents and representatives, from any claims regarding such workers and their work and shall indemnify and hold the Association, its agents and representatives, harmless from any and all liability for such worker's acts and omissions, including without limitation, any damage arising therefrom and any reasonable attorney fees expended by the Association in enforcing this provision.

(4) All Owners in the Subdivision are responsible for advising his or her guests, occupants, and tenants of the Association's governing documents, this Rule, and any future rules,

and the Owner shall be responsible for compliance by such persons, including without limitation, the payment of fines and the cessation of any unauthorized work within the Subdivision if violations occur. Any person entering the Subdivision shall be deemed to be aware of the Association's governing documents, this Rule, and future rules, and shall be deemed to agree to comply fully and promptly with those requirements.

(5) If the Owner of any Unit is a licensed contractor and wishes to work on his/her own Unit, the Owner may be subject to additional conditions, such as the posting of a non-refundable deposit (to cover the cost of inspecting the work) and/or a bond (to insure proper completion of the work and indemnification of the Association); and the Association shall have no obligation to maintain any portion of that Unit if their portion of the Unit is damaged or incorrectly completed, until the Owner (or any future Owners or that Unit) repairs same.

(6) The Board or its Managing Agent may, but is not required to, inspect all work whether performed by a contractor, occupant, or Owner. However, no inspection or comment by the person or persons inspecting shall be construed as approval or disapproval of the work by the Association.

(7) Disputes as to whether a worker or work falls within the purview of this Rule shall be resolved by the Board in its sole discretion.

ADOPTED by the Board of Directors of Paradise Pines Townhomes, Inc. on this _____ day of _____, 2008.

PARADISE PINES TOWNHOMES, INC.,
a Colorado nonprofit corporation

By: _____
Print Name: _____
Its: President