

THE STEAMBOAT GRAND RESORT HOTEL CONDOMINIUM
RULES AND REGULATIONS FOR OWNERS AND GUESTS

The following Rules and Regulations shall be deemed in effect until amended by the Executive Board of The Steamboat Grand Resort Hotel Condominium Association, Inc. (the "Association") and shall apply to and be binding upon all Owners. "Owners(s)" shall mean for purposes herein the persons or persons holding title to a Quarter Share Estate or to a Commercial Unit in the Condominium. The Rules and Regulations, together with such additional rules and regulations as may hereafter be adopted by the Association, shall govern the use of Units in the Steamboat Grand Resort Hotel Condominium (the "Hotel") by Owners and their guests, invitees, agents, and employees. Capitalized terms used but not otherwise defined herein shall have the meanings given them in the Declaration of Condominium and Plan of Quarter Share Ownership for The Steamboat Grand Resort Hotel Condominium, recorded September 20, 2000, at Reception No. 533317 in the real property records of Routt County, Colorado.

1. Residential Units.

A. The Common Elements include the furnishings, appliances, fixtures, finishes, and decorations in each Unit, and no Owner shall alter, repair, renovate, remove, or replace any portion of the furnishings, appliances, fixtures, finishes, and decorations in their Unit without the express written approval of the Executive Board of the Association.

B. Owners shall use the Unit in which their quarter share interest is created, and the furnishings, appliances, fixtures, finishes, and decorations in such Unit in a careful and safe manner, with due consideration and respect for the rights, interests, and enjoyment of the other Owners in such Unit.

C. Upon expiration of an Owner's use period, each Owner shall be responsible for removal of such Owner's personal property, food, refuse, and waste from the Unit.

D. Any personal property, food, refuse, and waste found in a Unit upon expiration of a use period shall be deemed to have been abandoned by the Owner or occupant. Such personal property, food, refuse, and waste may, at the expense of the Owner, be removed by the maintenance personnel employed by or on behalf of the Association, and neither the maintenance personnel, the Association, or the agent employed by the Association shall have any responsibility to the Owner or occupant for such personal property.

E. Each Owner shall be individually responsible for complying with the foregoing requirements, notwithstanding that their Unit was occupied by a guest or renter.

2. Misuse of Common Elements. The Common Elements shall not be obstructed, littered, defaced or misused in any manner.

3. **Misuse of Units.** Unit Owners, members of their families, their employees, guests, invitees, or lessees shall not use or permit the use of any Unit or any Common Elements in any manner that would be illegal or disturbing or a nuisance to other Owners or their guests or invitees, or in such a way as to be injurious to the reputation, quality, or image of the Hotel.

4. **Responsibility for Damage to Condominium Property.** Each Owner shall be individually liable for any and all damage to the Common Elements caused by the Owner or any family member, tenant, guest, or invitee of such Owner, or a family member, guest, or invitee of the tenant of such Owner, or a guest or invitee of any member of such Owner's family, or any family member of a tenant or such Owner.

5. **Maintenance and Repair.**

A. General maintenance, cleaning, repair, and refurbishing of Residential Units shall be the responsibility of the Association; provided, however, that if a Unit is found to have been damaged or left in a condition of disrepair or extraordinary uncleanness by an Owner or occupant, the Association may charge the Owner for the cost of maintenance, repair, or refurbishment beyond what the Association determines to be usual wear and tear on the Unit.

B. Each Commercial Unit Owner must perform promptly all maintenance and repair work to its Commercial Unit, which, if omitted, would affect one or more buildings of which such Owner's Unit forms a part, such Owner being expressly responsible for the damage and liabilities that the failure to promptly perform may engender.

6. **Landscaping and Gardening.** No Owner shall move, remove, add, or otherwise change the landscaping of the Property, except in such areas as may, from time to time, be designated by the Association.

7. **Exterior Painting or Staining.** No Owner shall paint or stain the exterior surfaces of the windows, walls, or doors that open out of such unit.

8. **Pets.** Pets are allowed on the Property only in accordance with the provisions of the Declaration of Condominium and Quarter Share Ownership for the Steamboat Grand Resort Hotel Condominium.

9. **Curtains, Shades, and Blinds.** No clothes lines, cloths, clothing, shades, curtains, or window guards shall be used in or about the Unit except such as shall have been approved in writing by the Association, which approval may be granted or refused in the sole discretion of the Association.

10. **Screens, Awnings, Antennae, and Satellite Dishes.** No screen, storm door, awning, antenna, satellite dish, or the like shall be attached to or hung from the exterior of any Building and no sign, notice, advertisement, or illumination shall be inscribed in or exposed on or at any window or other part of any Building except such as shall have been approved by the Association, which approval may be granted or refused in the sole discretion of the Association; nor shall anything be projected from any window of any Building without similar approval.

11. **Parking.** No vehicle belonging to an Owner or to a member of the family, guest, tenant, or employee of an Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to or exit from any area of the Hotel. The Association may, upon notice to all Owners, assign or restrict parking spaces, administer and enforce parking requirements, remove vehicles that are found to be in violation of parking requirements, establish penalties for violations, and charge and assess Owners for such penalties and the cost of removal of vehicles.

12. **Commercial Vehicles.** Unless used in connection with the maintenance of the Common Elements or deliveries to Commercial Units, no commercial vehicles of a weight of two (2) tons or more shall be permitted to remain overnight on the Property.

13. **Recreational Vehicles, Boats, and the Like.** No boats, campers, snowmobiles, minibikes, all terrain vehicles, or similar vehicles shall be operated or stored on any portion of the Property.

14. **No Installation of Appliances.** No ventilator or air conditioning unit shall be installed in any Unit, except those constructed or installed at the time of construction of the Unit or any replacements thereof made by the Association.

15. **Electronic Equipment.** All radios, televisions, and other electronic equipment or appurtenances thereto, of any kind or nature, installed or used in any Unit shall fully comply with all rules, regulations, requirements, or recommendations of the underwriter's laboratories and the public jurisdiction, and the Owner alone shall be liable for any damage or injury caused by any radio, television, or electronic equipment located in such Unit. Volumes shall be maintained at a level that does not disturb or interfere with the quiet enjoyment of the Hotel by its Owners, guests, and invitees, and the Association shall have the right to require the reduction in volume or removal of such electrical equipment from a Unit if the Association determines, in its sole discretion, that the use of the electronic equipment is disturbing other Owners, guests, or invitees at the Hotel.

16. **Garbage and Refuse.** Garbage, refuse, and recyclables shall not be kept, stored, or allowed to accumulate on any portion of the Property except in areas and in containers designated by the Association for disposal and storage of such garbage, refuse, and recyclables.

17. **Entry and Inspection.** Any director or officer of the Association, and the managing agents employed by the Association, shall, in the performance of their duties, have the right to enter into a Unit for the purpose of:

A. ascertaining compliance of the Unit or the Owner with the Declaration, Bylaws, or Rules and Regulations of the Condominium;

B. ascertaining responsibility for any damage caused to the Unit, other Units, or the Common Elements;

C. making a determination with respect to matters involving casualty or liability insurance on the Property;

D. making repairs in accordance with the repair responsibilities imposed on the Association under the Declaration or to prevent damage to the Unit, other Units, or the Common Elements; or

E. entering or obtaining access to any Common Elements within the Building.

18. Notice of Entry; Emergency Access. Except in the event of emergency and to prevent immediate damage to the Unit, other Units, or the Common Elements, to repair or restore an essential utility service to a Unit, to other Units, or to the Common Elements, any entry into a Unit by the Association or its agents shall be upon reasonable notice and during reasonable hours.

19. Pass Keys. The Association or its agents may retain a pass key to each Unit. The Owner shall not alter any lock or install a new lock on any door without the consent of the Association. Except as given in accordance with this Section, if any key or keys are entrusted by an Owner or by any member of an Owner's family or by an Owner's agent, servant, employee, licensee, or visitor to an employee of the Association or its agents, whether for such Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Owner, and neither the Association nor its agents shall be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

20. Signs. No signs of any sort shall be permitted to be displayed by individual quarter share interest owners other than in areas designated by the Association. This prohibition shall not apply to the commercial unit owners.

CERTIFICATION OF ADOPTION OF RULES AND REGULATIONS

The undersigned Secretary of the Steamboat Grand Resort Hotel Condominium Association, Inc. (the "Association") hereby certifies that the above Rules and Regulations of the Association were adopted at a duly noticed meeting of the Association held at the office of the Association in Steamboat Springs, Colorado, on September 20, 2000, and that the Rules and Regulations were adopted by unanimous vote of the Executive Board of the Association, and a quorum of the Executive Board of the Association was present at said meeting.

THE STEAMBOAT GRAND RESORT HOTEL
CONDOMINIUM ASSOCIATION, INC.

Secretary

