

EAGLE HILL RANCH HOMEOWNERS ASSOCIATION
RULES AND REGULATIONS
GOVERNING USE OF THE CLUBHOUSE AND "COMMON
ELEMENTS"

September 2016

I. Preamble

One of the amenities of Eagle Hill Ranch HOA is the Community Clubhouse. The Clubhouse is one of the "Common Elements" of the HOA, along with the trail system and the pond area. The Clubhouse is a significant part of the "common property" of the owners and is available for the exclusive use and enjoyment of all EHR HOA members and their guests. These Rules and Regulations incorporate the "Clubhouse and Common Use Background" document dated September 2016 as an outline of the provisions in the Governing Documents which related to the Clubhouse (attached hereto), and as guidance for the authority of the Board to enact and enforce these Rules and Regulations.

The Clubhouse and Common Elements are for the "common use of the Owners" (CCR's §1.1), which is defined as "a person which owns a lot" (CCR's §1.1). An "Owner" may "delegate their right of enjoyment to the Common Elements and Facilities to Related Users." (CCR's §4.7).

II. Definitions

1. "**Related User:**" Any Person who: (a) resides with an Owner within the Unit; (b) is a guest or invitee of an Owner, or (c) is an occupant, tenant or contract purchaser of a Unit, and any family member, guest, invitee or cohabitant of any such person. (CCR's §1.1)
2. "**Cohabitant:**" A person who lives in the same house as the owner.
3. "**Commercial:**" Pertaining to business or that which is directly or indirectly designed to achieve financial gain.
4. "**Common Elements:**" That portion of the Real Estate, including all improvements thereon and all personal property owned by and easements granted to the Association for the common use and enjoyment of the Owners. The Common Elements owned by the Association, includes the Real Estate so designated as common elements or as "Open Space" or as easements on the recorded plats or other instrument (other than Residential or Commercial Lots) for the Real Estate, which is described on Exhibit C attached to this Declaration, and which includes certain

parcels of land which cannot be developed or improved or altered except as provided in this Declaration, and which are noted on the plat or described as "Open Space" or easements. Use of the term "open space" shall not mean or imply that the general public at large has access to or use and enjoyment of the land which is so designated. CCR's §1.2 and attachment "C."

5. "Family member:" A Member's parents, spouse, siblings, children and grandchildren.
6. "Guest:" A person who is invited to visit the home of or take part in a function organized by a Member.
7. "Invitee:" A person who comes onto a Member's property, premises or business establishment upon invitation.
8. "Pond area:" That area designated as "open space 1 recreation area" on the EHR plat map. (The pond area was originally designated as "open space/recreational," and thus is not part of the "Clubhouse" parcel. See, original Plat map and Ouray County Property Record Card for parcel 430509204038, describing and mapping "Open Spaces 1, 2 and 3" of EHR.)
9. "Owner sponsored event" An event that is sponsored by a Member, regardless of their affiliation with the group.
10. "Owner hosted event" An event in which the Member is a direct participant in the gathering.

III. Clubhouse Usage

- A. Clubhouse access is gained by use of a key. Members of the EHR Home Owner's Association (HOA) in good standing (no delinquent dues or fines) may request a key from the EHR Board of Directors. **Members are not allowed to lend out Clubhouse keys**
- B. Use of the clubhouse is restricted to the hours from 8 a.m. until 11 p.m. seven (7) days a week. These hours may be extended on a special or event basis by application to and approval of the Board of Directors. This includes use of surrounding grounds. **No overnight use is allowed.**
- C. The clubhouse and Common Elements are for use by association members and their "related users" only, with certain exceptions set out below in §V. Members should respect the rights of other members during hours when time slots have been reserved for special events or activities.

- D. A member or an adult person who is one of the member's family must always accompany their "related users." No person under the age of 21 may use the clubhouse without the constant presence of an adult HOA member in good standing.
- E. With the exception of groups of less than ten, a Clubhouse Use Agreement signed by a Member in good standing shall be required before the use commences.
- F. Members agree to be personally responsible to do the following with respect to the clubhouse after each use:
- a. Removed all trash from the premises, including the bathroom waste cans;
 - b. Straighten chairs, pillows and accessories to their original location;
 - c. Return Games and billiard supplies to the storage areas;
 - d. Turned off all lights;
 - e. Close and lock windows and doors;
 - f. Set thermostats to the original setting;
 - g. Make sure the bathrooms including toilets, mirrors and counters are clean;
 - h. Clean kitchen counters and sinks;
 - i. Sweep and vacuum floors.
 - j. No pets on premises
 - k. Nothing may be attached to walls or any part of the structure
 - l. Candles must be enclosed in glass (votives and "drip-less" candles are recommended)
- G. Members agree to promptly repair, replace or reimburse the HOA for any damage occurring through use of the clubhouse by a Member or his/her "related user(s)." The clubhouse committee may recommend a damage assessment and/or cleaning fee for any such damage or contracted cleaning services resulting from the event. The Board of Directors will make a special assessment to the Member who used the facility if the Member does not promptly reimburse the HOA for the cost of repair or necessary cleaning services.
- H. Members and their families may use the clubhouse on a casual or spontaneous basis if the group of users is less than 10, there is no other use already scheduled and the clubhouse is be left clean as noted in section F above. In order to "reserve" the facility, it is recommended that the group submit an application for their planned event.
- I. **The consumption and/or serving of alcoholic beverages at the Clubhouse or surrounding grounds including the pond area is the responsibility of the Member and shall be governed by state law. Members accept full responsibility for the**

safety and conduct of all those present during and after serving alcoholic beverages at the clubhouse or surrounding grounds.

- J. The Clubhouse is not equipped for inside cooking and inside cooking in the Clubhouse is not allowed. "Inside cooking" does not include small appliances such as a coffee maker or a warming device to keep food which is prepared elsewhere warm during Clubhouse use.
- K. The Clubhouse may be commercially cleaned on a regular basis, unless the Board decides otherwise. The Board will also consider quarterly window cleaning and Clubhouse grounds maintenance.
- L. Members are entitled to use Common Elements other than the Clubhouse as provided in the Governing Documents, without fees, reservations or other additional conditions, except as set forth in §V. The Board may promulgate additional Rules for use of the pond area in order to address safety and privacy issues.
- M. When a signed Clubhouse Use Agreement is presented and approved by the Clubhouse Committee or Board, that event shall be scheduled on a calendar which shall be kept by the Clubhouse Committee. Any Member who wants to check scheduled use may contact members of the Committee. The Board will investigate the possibility of an internet-based scheduling system which may be more convenient for all Members.
- N. **By signing the agreement, Member/Applicant agrees to hold harmless Eagle Hill Ranch Homeowner's Association, its officers, Board and Committee members from any liability for injury and for any other claims arising from their use of the facility pursuant to this Agreement and agrees to defend and indemnify same from claims of its guests, invitees, "related users," sub-contractors, including those arising out of damages or losses occurring on sidewalks or pathways, in or around the pond or other areas adjacent to the facility.**

IV. Fees

- A. EHR Members: When members utilize the clubhouse on a casual or spontaneous basis, and the group size is ten or less, no fees apply. Users are required to clean up, leave the Clubhouse in at least as clean a condition as when they entered, and pay for any repairs needed as a result of their use.
- B. EHR Hosted Groups: An example of an owner hosted event is one in which a member in good standing is an active participant in the event such as a wedding of a family member. The Member will assume full responsibility for damage and cleaning associated with the use of the facility.

- C. EHR Member Sponsored Groups: For groups that are “sponsored” to use the clubhouse, a \$500.00 security deposit, and a \$250 non-refundable use fee are required with the completed clubhouse agreement form from any member reserving the clubhouse. An example of such an event is one in which the Member agrees to assume responsibility for the event and may not be an active participant, such as the case of agreeing to allow a group from town utilize the facility. The clubhouse agreement form may be obtained from the Clubhouse Committee. The security deposit may be used to pay for cleaning/use/heating of the clubhouse (depending on the size of the gathering) after the use or event and prorated to the actual cost of the cleaning or repairs. The treasurer will refund the remainder (if any) of the security deposit if no damage is present.

Historically Members have been allowed to sponsor certain events for charities or non-profits, such as the Volunteer Fireman’s Annual Award gathering. Events like these which benefit the community at large are welcome with the understanding that the same rules apply as to any other uses. The provisions of §§III - V apply and the Board shall consider each request on a case-by-case basis. For these uses, the Board may decide to waive application of the security deposit to cleaning if the sponsoring Member(s) and the charity or non-profit organization ensure adequate cleaning of the Clubhouse before and after such use, as has been the case historically with the Volunteer Fireman’s Annual event.

V. Commercial Use

- A. The Governing Documents define the limits of use of the Clubhouse and Common Elements. They are for the “common use of the Owners” (CCR’s §1.1), which is defined as “a person which owns a lot” (CCR’s §1.1).
- B. Commercial use of the Clubhouse and Common Elements is prohibited, with the following exceptions:
1. Use by Owners of Stable Property
 - a. The PUD document (see, §5.5) as well as the CCR’s significantly restrict the use of the Clubhouse and Common Elements by owners and users of the stable. However, they provide that “... Access to common areas by users of the Stable and Lodge facility (or other approved commercial use on the area designated for the Lodging facility) is by annual agreement only, and shall be reviewed and renewed by the Executive Board each year ... No access to Association clubhouse, or amenities on the clubhouse site is offered to users of the Stable or Lodge facility, except in the case of special events specifically approved by the Executive Board.” (CCR’s §5.2(c))
 - b. Therefore, the owners of the Stable property may submit requests to the Board for access to the Common Elements *other than the Clubhouse* on an annual basis.

This includes the pond, **surrounding recreation** area, and trails. The Board shall consider those requests on a case-by-case basis if and when they are submitted, and may require a reasonable fee on a case-by-case basis for any use it allows.

c. The owners of the Stable property may submit requests to the Board for access to the Clubhouse for special events. The provisions of §§ III and IV shall apply to each such use that is approved by the Board, and an additional use fee shall also be applied to each such use. The Board shall decide on a case-by-case basis what the additional fee shall be for each such request, and any such fee shall be reasonable in any event. If the owner of the Stable property is also a homeowner member in good standing, their homeowner member use of the clubhouse is the same as other members. The "special use" provision applies to use of the commercial operation.

2. "Soft" commercial uses

Members may request use of the Clubhouse for uses which have a "soft" commercial purpose, which is defined as a purpose which in some way benefits the Member in a pecuniary or business fashion. Solely by way of example, such uses may be determined by the Board to include things such as a Mary Kay gathering, an annual meeting of owners/members of a business in which the Member is an owner, a fishing club, etc. The Board shall consider these requests on a case-by-case basis as with other requests, and in any event shall apply the provisions of §§ III - V.

VI. Member Special Events

- A. Only a member in good standing may reserve the clubhouse for an exclusive event or meeting or for entertaining. Members are subject to the rules and requirements listed above as well as the following:
- a. A clubhouse use agreement is required and must be approved **two weeks prior to the event or meeting** [except for groups less than 10 or spontaneous use under §II(H)];
 - b. No more than one scheduled event per month per Member is allowed unless previously approved by the Board of Directors;
 - c. Reservations for such events or meetings will be on a first come basis with the Clubhouse Committee being the sole maintainer of the event/meeting calendar;
 - d. Any such event or meeting shall be limited to twelve (12) hours unless extended by approval of the Board of Directors.