

ANGEL FIRE CHALET HOMEOWNERS ASSOCIATION

RULES AND REGULATIONS

Revised Date: June 30, 2017

GENERAL

Angel Fire Chalet Homeowners Association ("Association"), acting through its Board of Directors, has adopted the following Rules and Regulations ("Rules and Regulations"). These Rules and Regulations may be amended from time to time by resolution of the Board of Directors.

1. Wherever in these Rules and Regulations reference is made to "unit owners," such term shall apply to the owner of any unit, to their family, tenants whether or not in residence, servants, employees, agents, visitors and to any guests, their family or tenant of such unit owner. Wherever in these Rules and Regulations reference is made to the Association, such reference shall include the Association and the Resident Agent when the Resident Agent is acting on behalf of the Association.
2. The unit owners shall comply with all the Rules and Regulations hereinafter set forth governing the units, terraces, balconies, drives, recreational areas, grounds, parking areas and any other appurtenances.
3. The Association reserves the right to alter, amend, modify, repeal or revoke these Rules and Regulations and any consent or approval given hereunder at any time by resolution of the Association or the Board of Directors.
4. All charges and assessments imposed by the Association are due and payable semi-annually, and due upon receipt, unless otherwise specified. Payment shall be made at the Association Accountant's office at 2939 Monte Vista NE, Albuquerque, New Mexico 87106, by check or money order payable to the Angel Fire Chalet Homeowners Association.
5. In order to maintain proper documentation of the ownership of each unit for insurance coverage on the entire complex, it is necessary for owners to notify the Board of Directors of any sale of their unit. Such notification shall be by providing a copy of the sales agreement, closing statement, and deed or other instrument of conveyance.

RESTRICTIONS ON USE

6. No part of the Association property shall be used for any purpose except housing and the common purposes for which the Association property was designed. Each unit shall be used as a residence for a single family and guests.
7. There shall be no obstruction of the common elements. Nothing shall be stored on the common elements without the prior consent of the Board of Directors except as herein or in the Bylaws expressly provided.

8. Nothing shall be done or kept in any of the common elements which will increase the rate of insurance for the units or contents thereof applicable for residential use without the prior written consent of the Board of Directors. No waterbeds shall be permitted in any unit. No unit owner shall permit anything to be done or kept in their unit or on the common elements which will result in the cancellation of insurance on the units or contents thereof or which would be in violation of any public law, ordinance or regulation.

No gasoline or other explosive or inflammable material may be kept in any unit or storage area. No waste shall be committed on the common elements.

9. All garbage and trash must be placed in the proper receptacles designated for refuse collection, and no garbage or trash shall be placed elsewhere on any common element

10. Due to insurance regulations, no charcoal or gas BBQs are allowed on the decks or inside the condos. Electric units are permitted. However, the Board recommends the use of the charcoal units which have been erected by the Board in three locations throughout the complex.

11. Each unit owner shall keep their unit in good state of preservation, repair and cleanliness and shall not sweep or throw or permit to be swept or thrown there from, or from the doors or windows thereof, any dirt or other substance.

12. Nothing shall be done in any unit or on the common elements which may impair the structural integrity of the units or which may structurally change the units nor shall anything be altered or constructed on or removed from the common elements, except upon the prior written consent of the Board of Directors.

13. No noxious or offensive activity shall be carried on in any unit or the common elements, nor shall anything be done therein which may be or become an annoyance or nuisance to the other unit owners or occupant. No unit owner shall make or permit any disturbing noises in the units or do or permit anything which will interfere with the rights, comforts or convenience of other unit owners. All unit owners shall keep the volume of any radio, television or musical instrument in their units sufficiently reduced at all times so as not to disturb other unit owners. Despite such reduced volume, no unit owner shall operate or permit to be operated any such sound producing devices in a unit between the hours of eleven o'clock p.m. and the following eight o'clock a.m. if such operation shall disturb or annoy other occupants of the complex.

14. No industry, business, trade, occupation or profession of any kind commercial, religious, educational or otherwise, designed for profit, altruism, exploitation or otherwise, shall be conducted, maintained or permitted on any part of the condominium. Online businesses that do not have customers coming to the condominium are allowed. The right is reserved by the Declarant and the Board of Directors or the Resident Agent, to place "For Sale," signs on any unsold units, and the right is also hereby given to any Mortgagee who may become the owner of any unit, to place such signs. Said signs shall be placed on the inside of an exterior window facing the complex driveway on any unit so qualifying, but in no event will any sign be larger than one foot by two feet.

15. Draperies, curtains or Venetian blinds that have been installed in or on all exterior windows must be properly maintained thereon at all times.

16. Unit draperies, blinds, or other exterior window coverings shall be neatly kept closed at all times except when in use.

17. No unit owner shall cause or permit anything to be hung, displayed or exposed on the exterior of the unit or common elements appurtenant thereto, whether through or upon windows, doors or masonry of such unit other than to designate the name of the unit or its owners. This includes without limitation laundry, clothing, rugs, signs, awnings, canopies, shutters, radio or television antennas or any other items. Under no circumstances shall any air conditioning apparatus, television or radio antennas or other items be installed by the unit owner beyond the boundaries of their unit.

A unit owner may, however, use a central radio or television antenna provided as a part of their unit. No clothes line, clothes rack or any other device may be used to hang any items on any window nor may such devices be used anywhere on the common elements.

No unit shall be used for any unlawful purpose and no unit owner shall do or permit any unlawful act in or upon their unit.

18. No animals or reptiles of any kind shall be raised, bred, or kept in any unit or on the common elements, except that orderly dogs, cats or other household pets, may be kept in a unit, subject to compliance with the Bylaws and these Rules and Regulations.

19. Pets may be maintained in a unit so long as they are not a nuisance. Actions which will constitute a nuisance include, but are not limited to, abnormal or unreasonable crying, barking, scratching or unhygienic offensiveness.

20. Pet owners are fully responsible for personal injuries and/or property damage caused by their pets. A list of dangerous breeds will be maintained by the Management Company and board of directors. No one may keep an animal on the premises for any time duration that is on the dangerous breed list.

21. Pets must be leashed, when outside the unit.

22. Owner of pets walked upon the common elements must promptly clean their pet's droppings in all areas.

PARKING

23. Parking passes are issued to owners or rental agents for use exclusively by owners and/or guests. Violators will be issued a warning and if not moved, they will be towed at the owner's expense.

24. There is no reserved parking in the complex. Unless otherwise authorized by the Association, the parking areas may not be used for any purpose other than parking automobiles. No buses, semi-trailers, trailers, boats, recreational or commercial vehicles shall be parked in the parking areas or in driveways. All vehicles must have current license plates and be in operating condition. No vehicles shall be parked on the complex with conspicuous "For Sale" signs attached.

25. The Association assumes no responsibility or liability for any damages incurred at any time while vehicles are parked on the Association property.

All unit owners shall observe and abide by all parking and traffic regulations as posted by the Association or by municipal authorities. Vehicles parked in violation of any such regulations may be towed away at the unit owner's sole risk and expense.

26. Parking which may block sidewalks or driveways shall not be permitted. If any vehicle owned or operated by a unit owner, any member of one's family, tenant, guests, invitees or licensees shall be illegally parked or abandoned on the Association property, the Association shall be held harmless by such unit owner for any and all damages or losses that may be due, and any and all rights in connection therewith that the owner or owner may have under the provisions of state or local laws and ordinances thereby expressly waived. The unit owner shall indemnify the Angel Fire Chalet Homeowners Association against any liability, which may be imposed on the Angel Fire Chalet Homeowners Association, as a result of, such illegal parking or abandonment and any consequences thereof.

ENTRY INTO UNITS

27. Each unit owner shall provide to the Association or the Resident Agent, and the Association or Resident Agent shall have the right to keep, a working copy of any key(s) required to gain entry to any unit. These key(s) ("emergency keys") shall be coded in such a way as to prevent identification by unauthorized persons and secured by the Association or Resident Agent in a locked box for use only. If entry to such unit is necessitated by the fact of, or threat to elements or other units, the Association or Resident Agent shall establish and implement, subject to prior approval of the Board of Directors, procedures and controls to insure the proper use of such emergency keys. In no event shall such keys be removed from the locked box and used to facilitate entry to a unit for purposes other than those noted above. Unit owners may provide to the Association or Resident Agent an additional working copy of any key(s) to a unit for casual or non-emergency entry ("convenience keys"). Such keys shall be similarly coded and secured and released only upon written authorization of the unit owner. No unit owner shall alter any lock or install additional lock, or a knocker, or a bell on any doors of a unit without the prior written consent of the Board of Directors.

28. The agents of the Board of Directors or the Resident Agent, and any contractor or workman authorized by the Board of Directors or the Resident Agent, may enter any room or unit in the complex with the written permission of the unit owner at any reasonable hour of the day.

Entry may be made without permission of the owner for the performance of routine maintenance designed to prevent damage to any unit, or for the protection of any unit (such as, but not limited to, the replacement of fire extinguishers, or cleaning of chimneys and fireplaces, painting, and repair construction).

In the case of an emergency in which damage has been caused, or may be caused to any unit or elements of the complex, entry may be made immediately and without permission for the purpose of exercising and discharging their respective powers and responsibilities, including without limitation, repairing water leaks, inspecting such unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests. In the event of an entry by the agent of the Board of Directors or Resident Agent, contractor or workman authorized by the Board or Resident Agent, the owner should be contacted immediately regarding such entry.

RECREATIONAL FACILITIES

29. All persons using any of the recreational facilities do so at their own risk and sole responsibility. The Association does not assume responsibility for any occurrences, accident, or injury, in connection with such use. No unit owner shall make any claim against the Association, agents, or employees, for, or on account of, any loss or damage to life, limb or property sustained as a result of or in connection with any such use of any of the recreational facilities. Each unit owner shall hold the Association harmless from any and all liabilities and any action of whatsoever nature by any tenants, guests, invitees or licensees of such unit owner growing out of the use of the recreational facilities, except where such loss, injury or damage can be clearly proved to have resulted from and been proximately caused by the direct negligence of the Association or its agents, employees in the operation, care or maintenance of such facilities.

30. Any damage to the units, recreational facilities, or other common elements or equipment caused by a unit owner or such unit owner's pets shall be repaired at the expense of the unit owner.

SUSPENSION OF RIGHT TO USE RECREATIONAL FACILITIES

31. In addition to all other rights which the Board of Directors has for nonpayment of assessments, the Board or Directors of the Association shall have the right to bar the use by a unit owner of any of the recreational facilities for failure to make payment of any assessments or fees due as provided for in the Bylaws of the Angel Fire Chalets Homeowners Association.

32. Complaints regarding the management of the Association or regarding action of other unit owners shall be made in writing to the Resident Agent or the Board of Directors. No unit owner shall direct, supervise or in any manner attempt to assert control over or request favors of any employee of the Managing Agent or the unit Owners Association.

CONSIDERATION IN USE OF UNITS

33. Solicitors are not permitted on Association property. If any unit owner is contacted by a solicitor on the property, the Resident Agent must be notified immediately.

INSURANCE REQUIREMENTS

34. Insurance by Owners. Except to the extent coverage therefor may be obtained by the Association and be satisfactory to an Owner, each Owner shall be responsible for obtaining insurance they deem desirable, including insurance covering their furnishings and personal property and covering personal liability of them and their employees, agents and guests. Any insurance policy obtained by an Owner shall be such that it will not diminish or adversely affect or invalidate any insurance or insurance recovery under policies carried by the Association and shall, to the extent possible, contain a waiver of the rights of subrogation by the insurer as to any claim against the Association, its officers, directors, agents and employees and against other Owners and their employees, agents and guests.

35. Other Insurance by the Association. The Association shall also have the power or authority to obtain and maintain other and additional insurance coverage, including casualty insurance covering personal property of the Association, fidelity bonds or insurance covering employees and agents of the Association and insurance indemnifying officers, directors, employees and agents of the Association.

POLICY FOR EXTERIOR IMPROVEMENT REQUESTS

OVERVIEW

Homeowners should remember that the exterior portions of their units are not owned by the homeowner, but are "limited common areas" which are owned by the Association and are "reserved for the use of the occupants of the unit to which such area or facility is attached".

The Bylaws further state that "there shall be no material alterations or substantial additions to the common elements, except as the same are authorized by the Board of Directors..." Additionally, "no unit owner shall make any alteration in the portions of the improvements which are to be maintained by the Associationwhich would jeopardize the safety or soundness of the building containing his unit or impair any easement."

It is the policy of the Board of Directors to consider the allowance of exterior alterations which are desired by the individual homeowners upon proper application to the Board.

APPLICATION PROCESS

Applications may be made in one of two ways:

- A. By presenting a written application to the Board during or immediately prior to the annual meeting of homeowners;
- B. By mailing a written application, in duplicate, to the Board's accountant, Mr. Kent Mathis, at the Association's official mailing address.

Applications should state and contain the following:

- A. The homeowner's name, address, telephone number, e-mail address and fax number, if applicable;
- B. The number of the unit for which the improvement is to be sought;
- C. Detailed diagrams concerning the nature of the proposed improvement, including dimensions.
- D. Two types of photographs of the location of the proposed improvement showing nearby units:
 1. representing the current view of the project area, and,
 2. representing the view of the project by adding drawn lines, etc. to show the proposed improvements.

Upon receipt of the application, Mr. Mathis shall immediately send copies to all members of the Board and to the Association's Resident Manager by Certified Mail, return receipt requested.

Upon receipt of the application by the Board members, they shall immediately confer upon when and how the application shall be considered, whether it be at their next meeting of the Board or by conference call.

The receipt of the application by the Resident Manager shall constitute a request by the Board to the Resident Manager to conduct an on-site examination of the location to provide information as to any possible problems which may be caused by the request as to the safety or soundness of the building sought to be altered. The Resident Manager will report his findings to the Chairman of the Building and Grounds Committee within 30 days of the receipt of the Resident Manager's copy of the application.

If additional information is required by the Board, the homeowner will be contacted to provide such additional information.

The Board will confer and render a decision on the application within 120 days of receipt of the application by Mr. Mathis.

The homeowner will be notified in writing of the decision of the Board. If the homeowner is dissatisfied with the decision of the Board, the homeowner may appeal to the annual meeting of the Homeowners' Association to obtain the ratification of and affirmative vote of a majority of the unit owners present at the meeting.

Any approval by the Board of Directors is contingent upon the unit owner obtaining proper building approval from the Village of Angel Fire.

PENALTIES FOR FAILURE TO COMPLY

Failure to comply with the provisions of this policy shall permit the Board to enter upon the land upon which or as to which such violation exists to summarily abate and remove, at the expense of the unit owner, any structure, thing, or condition that may exist thereon, and to enjoin abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

OWNERS' MAINTENANCE RESPONSIBILITIES:

1. Windows, entrance doors, glass doors, screens and vestibules which are appurtenances to the unit.
2. Exterior door lights and bulbs therein.
3. Ski lockers or storage cabinets.
4. Interior utilities, furnishings and appliances.
5. Interior damage or damage to other units caused by the owner.
6. Replacement of missing or unauthorized fire extinguishers.
7. Contents insurance for individual units.

ASSOCIATION RESPONSIBILITIES:

1. Stairs, decks, entry ways (carpet or tile on doorstep) and deck railings.
2. Providing paint for/or painting of exterior doors to conform to association standards.
3. Exterior siding and structural members of exterior walls.
4. Common areas, landscaping, driveway and parking areas.
5. Roofs, skylights and guttering.
6. Water, sewage, trash removal and exterior utilities.
7. Supplying of original # 5 ABC fire extinguisher and periodic recharging of same.
8. Parking signs, entrance sign and condo numbers.
9. Exterior light posts, lamps and bulbs (excludes door lights).
10. Snow removal from common areas, driveway and parking areas.
11. Fireplace inspections and cleaning, if required.
12. Building insurance and liability coverage. (Excludes contents coverage.)