

**HOVER VILLAGE SEVEN COMMUNITY ASSOCIATION
RULES AND REGULATIONS**

Age 55+ Occupancy Restriction

RECITALS

The Hover Village Seven Community Association (herein "Association") adopted the *Fourth Supplement to Declaration of Covenants, Conditions and Restrictions of Hover Village Seven Community Association* on December 13, 2011, (herein "Fourth Supplement"), which primarily amended the *Declaration of Covenants, Conditions and Restrictions of Hover Village Seven Community Association* (herein "Declaration") to establish an age 55+ occupancy restriction upon the units of the Hover Village Seven community. Such Fourth Supplement was recorded on February 17, 2012.

Such age 55+ occupancy restriction was undertaken pursuant to the Fair Housing Act of 1968, amendments thereto of 1988, the Housing for Older Persons Act of 1995, and Colorado Revised Statutes §§24-34-501 et seq., all of which, in part, require public policies and rules and regulations for the purpose of enforcement of the age 55+ occupancy restriction.

The following rules and regulations are adopted by the Hover Village Seven Community Association for the purpose of clarifying and enforcing such age 55+ occupancy restriction.

PURPOSE OF RULES AND REGULATIONS

The primary purpose of these rules and regulations is to insure the proper and legal enforcement of the adopted age 55+ occupancy restriction so as to comply with all federal and Colorado laws regarding such restriction.

A secondary purpose of these rules and regulations is to establish clear and concise statements of the expectations upon the unit owners in the Hover Village Seven community, and to establish certain exceptions regarding the age 55+ occupancy restriction.

RULES AND REGULATIONS

1. Bi-annual Census.

1.1 Not less often than the end of every even numbered calendar year, starting with the year 2014, the Association shall conduct a census of the occupancy of all units of the Hover Village Seven community. The information requested shall relate to confirmation of the ages of all occupants of units of the Hover Village Seven community. Such information shall be kept confidential by the Association except as required by law, including defense by the Association of any claims regarding the age 55+ occupancy restriction.

1.2 Such census shall request all information needed by the Association to comply with all federal and Colorado legal requirements regarding an age 55+ occupancy restriction. All owners and occupants of units of the community shall timely comply with such request for information. A failure to timely comply with such requests shall be a violation of the rules and regulations of Hover Village Seven Community Association.

1.3 If requested, owners and tenants are required to provide to the Association information from, the ability to review originals of, or photocopies of originals of, government issued photo and non-photo identification (such as driver licenses or birth certificates). Such information or copies are needed to confirm statements of information regarding the age and residency of occupants of units of the Hover Village Seven community.

2. Required Occupancy.

2.1 The Declaration, as amended, requires that one hundred per cent (100%) of the occupied single family units within Hover Village Seven community shall at all times have at least one qualifying permanent occupant.

2.2 "Permanent Occupant" is defined as a person age 55 or older who considers a particular identified unit of the Hover Village Seven community as such person's primary residence and who physically resides within such unit for at least twelve (12) non-consecutive months out of every twenty-four (24) consecutive month period.

2.3 "Primary Residence" is defined as the unit in the Hover Village Seven community in which a Permanent Occupant or any other occupant resides.

2.4 "Owner" shall mean each person in recorded title to a unit of the Hover Village Seven community.

2.5 "Unit" shall mean every individually described platted lot or parcel of land within the Hover Village Seven community upon which a residential dwelling has been constructed.

3. Exceptions to Required Occupancy.

THE PROVISIONS OF SECTION 3.1 ARE IMPORTANT AND
OVERRIDE THE EXCEPTIONS CREATED IN THIS SECTION 3.
PLEASE READ CAREFULLY.

3.1 This Rule 3.1 shall control and supersede any exception established in this Section 3. At the time of adoption of these rules and regulations, federal and Colorado law establish that for the Hover Village Seven community to qualify as an age 55+ occupancy restricted community at least eighty per cent (80%) of the units must be occupied by a person age 55 or older. Sections 3.2 through 3.6 below establish circumstances in which the lack of a Permanent Occupant occupying a Unit of the

Hover Village Seven community (as defined in section 2.2 above) will not be a violation of the age 55+ occupancy restriction. However, if any such circumstances shall cause the percentage of Units of Hover Village Seven community to fall below the 80% level (or any other percentage of occupancy required by federal and Colorado law at any time), thereby causing the Hover Village Seven community to not qualify as an age 55+ occupancy restricted community, such circumstances shall NOT be a qualified exception under which occupants of a Unit may be exempt from the occupancy requirement of section 2.1 hereof.

3.2 Death of Permanent Occupant.

3.2.1 Following the death of a Permanent Occupant who was the only Permanent Occupant of a unit, the following persons, who are under the age of 55 on the date of the death of the Permanent Occupant, may continue to reside in such unit after such death:

- The surviving spouse of the deceased Permanent Occupant;
- A surviving civil partner of the deceased Permanent Occupant, who is recognized as such under the laws of Colorado regarding civil unions;
- A surviving co-resident living with the deceased Permanent Occupant in the manner of marriage on the date of death; or
- An adult person who is in recorded title with the deceased Permanent Occupant on the sixtieth (60) day prior to the date of death of the Permanent Occupant, and who permanently resided with the deceased Permanent Occupant in the Unit on the sixtieth (60) day prior to the date of death of the Permanent Occupant.

3.2.2 Any person qualifying under section 3.2.1 above to continue to reside in a Unit without a qualifying Permanent Occupant may continue to so reside without time limit, subject to these rules and regulations and specifically subject to section 3.1 hereof.

3.3 Medically Required Absence of Permanent Occupant.

3.3.1 The time period that a Permanent Occupant is absent from his/her Primary Residence due to hospitalization will not be counted as time during which the Permanent Occupant is not occupying his/her Primary Residence.

3.3.2 The time period that a Permanent Occupant is absent from his/her Primary Residence due to residence in a skilled nursing or assisted living residence, if the Permanent Occupant intends to return home, will not be counted as time during which the Permanent Occupant is not occupying his/her Primary Residence.

3.4 Employment Required Absence of Permanent Occupant

3.4.1 In the event a Permanent Occupant:

- is an employee of a person or entity which does not reside in the Unit or does not have the Unit as its principal office, and
- is required as a condition of continuing such employment to relocate to a location outside of Longmont, Colorado, and

- acquires or leases another residence in addition to the Primary Residence in which to live during such relocation, and
- member(s) of the family of the Permanent Occupant remain living in the Primary Residence, then

for the period of two years from the relocation of the Permanent Occupant under such employment, the Unit will not be subject to the occupancy requirement, meaning that for such two-year period the Permanent Occupant is not required to reside in the Unit for at least twelve (12) months.

3.4.2 In the event a Permanent Occupant:

- is a self-employed person, and
- elects, as a condition of seeking to improve or continue his/her self-employed business, to relocate to a location outside of Longmont, Colorado, and
- acquires or leases another residence in addition to the Primary Residence in which to live during such relocation, and
- member(s) of the family of the Permanent Occupant remain living in the Primary Residence, then

for the period of two years from the relocation of the Permanent Occupant pursuant to such self-employment, the Unit will not be subject to the occupancy requirement, meaning that for such two-year period the Permanent Occupant is not required to reside in the Unit for at least twelve (12) months.

3.5 Loss of Tenant. The vacation of a Unit by a Permanent Occupant who was a tenant of such Unit will not count as time during which a Permanent Occupant is not occupying his/her Primary Residence if the owner of such Unit, within ten (10) days of the vacation of such Unit, shall publicly advertise such Unit for rental. Such public advertisement means, at a minimum, either continuously advertising in a daily newspaper of the availability of such Unit for rental or listing of such Unit for rental with a licensed real estate agent utilizing a multiple listing service.

3.6 Unstated Exception. This following statement of the ability of an owner to apply for recognition of an exception to the requirement of a Permanent Occupant in a Unit of the Hover Village Seven community does not imply that any request for any reason will or must be accepted or approved by the Executive Board of Hover Village Seven Community Association. Nonetheless, an owner, for the owner or its existing tenant(s), may request in writing that the Executive Board of Hover Village Seven Community Association grant an exception to the requirement of a Permanent Occupant in a Unit of the community. Such a request may be based upon circumstances other those stated in these Rules and Regulations, or may be a request for additional time under an exception stated elsewhere in this section 3. Such request shall be made in writing and be submitted to the management company of the Association. Such a request shall fully and in detail present the circumstances of the request, and include any documentation reasonably expected to be beneficial in consideration of such request. The Executive Board may act based only upon the written request, or may consider the request in a scheduled board meeting at the request of either the requesting owner or any Executive Board member.

4. Age of Occupants. Nothing contained in the Declaration or the Fourth Supplement or these rules and regulations limits or prohibits the legal occupancy of a Unit by a person of any age. The only restriction of occupancy by age is the restriction that each Unit of the Hover Village Seven community must be occupied by a person aged 55 or older, as more fully stated in the Declaration, in the Fourth Supplement, and in these Rules and Regulations.

5. Notification of Association. Pursuant to section 28.3 of the Declaration and the Fourth Supplement, upon the failure of a Permanent Occupant to reside in a Unit of Hover Village Seven community, all owners of such Unit and all adult tenant(s) of such Unit are required to give notice of such event to the Association. Such notice shall be given by such owner(s) and or tenant(s) requesting from the management company a blank copy of the most recent occupancy census form. Such owner(s) and or tenant(s) shall complete such form as to all information requested thereon, and shall in addition provide detailed information as to the event which has caused the failure of a Permanent Occupant to reside in a Unit. The Association may request any additional relevant information. All such information, along with the completed census form, shall be provided to the Association management company within fifteen (15) days of the event ending required occupancy, except in the event of the death of a Permanent Occupant, such information must be supplied within thirty (30) days of the event ending required occupancy.

6. Tenancy Requirements.

6.1 Any owner of a Unit in the Hover Village Seven community who rents such Unit for residential purposes is required to fulfill the requirements of this section 6.

6.2 Every lease entered in to by an owner of a Unit shall contain, verbatim, the following language:

"The unit or premises leased under this Lease is located in and is part of the Hover Village Seven community which is an age 55+ occupancy restricted community. At all times while this Lease is in effect Tenant(s) are required to have at least one person residing in the leased premises who is age 55 or older. Under this Lease you are also required to timely comply with any request by the Hover Village Seven Community Association for information regarding occupancy of the unit and the age of all occupants thereof. The required occupancy of the leased premises is more fully stated in and is controlled by the *Fourth Supplement to the Declaration of Covenants, Conditions and Restrictions of Hover Village Seven* and by rules and regulations adopted by the Hover Village Seven Community Association. The Landlord is required to give you copies of such documents at the time this Lease is executed. You are required to ask for copies of such documents (without cost to you) if such documents are not provided to you by the Landlord."

6.3 In the event any Unit is leased on the date of adoption of these rules and regulations, the Landlord shall, within fifteen (15) calendar days of receipt of a copy of

these Rules and Regulations, comply with section 6.2 hereof by tendering to the tenant(s) under such lease the notice contained in section 6.2 above and copies of the documents required to be tendered to a new tenant.

6.4 Whether a unit is leased under a lease executed before or after the date of adoption of these Rules and Regulations, every landlord, upon the request of the Association not more often than every six (6) months, shall provide to the Association a photocopy of the then in place fully executed lease for a Unit leased by the owner-landlord.

7. **Public Knowledge of the Age 55+ Occupancy Restriction.**

7.1 It is a requirement of federal and Colorado law that the existence of an age related occupancy restriction be publicly known to the surrounding community. To that end the Association has recorded in the office of the Boulder County, Colorado, Recorder a *Notice of Age 55+ Occupancy Restriction* along with the recorded *Fourth Supplement to the Declaration of Covenants, Conditions and Restrictions of Hover Village Seven* specifically for the purpose of giving notice to the world of the existence of the Hover Village Seven community as an age 55+ occupancy restricted community.

7.2 The Association requests that all owners and tenants of Units in the Hover Village Seven community seek, without any out-of-pocket cost to them, to notify any other person who may be believed to need to know of, or who may seem to lack knowledge of or about, the age 55+ occupancy restriction of the Hover Village Seven community.

7.3 In the event an owner of a Unit of the Hover Village Seven community sells, intends to sell, lists for sale, or otherwise advertises in any manner for sale, a Unit of the community, such owner is required to give notice that the **“The Hover Village Seven community is an age 55+ occupancy restricted community.”** Such notice shall be given verbally upon the first contact with any involved individual, and on additional occasions as shall seem appropriate or necessary. Such notice shall be stated in writing in all documents executed to undertake or consummate a sale, and in all documents executed to obtain any advertising or other presentation of a Unit for sale, including any electronic forms of advertising. The events pursuant to which the notice is required to be given by an owner include by way of example, but are not limited to:

- discussion with a real estate agent;
- listing with a real estate agent;
- consideration an offer to purchase a Unit;
- execution of a contract to sell a Unit or otherwise accept an offer to purchase a Unit;
- listing or advertising of a Unit in any hard copy printed format or item of media;
- listing or advertising of a Unit by way of any electronic, internet or web site format or item of media; and
- communicating for the first time with any prospective buyer or other interested or inquiring party.