

**RESOLUTION
OF THE PAWNEE HILLS COMMUNITY ASSOCIATION, INC
REGARDING THE DEFINITION OF "COMMERCIAL ACTIVITY" AS REFERENCED IN THE
PAWNEE HILLS COMMUNITY ASSOCIATION COVENANTS, AND ESTABLISHING THE
BOARD'S POLICY TOWARDS ENFORCEMENT OF THIS DEFINITION**

SUBJECT: Adoption of a Board of Directors' policy concerning the interpretation of "Commercial Activity" as defined in Article VI, Section 13 of the Pawnee Hills Community Association Covenants, and the formation of a policy regarding enforcement of this provision.

PURPOSE: To establish a policy directing actions toward enforcement of said provision of the Covenants conditions and restrictions regarding Commercial Activity.

AUTHORITY: The Declaration of Covenants, Articles of Incorporation and Bylaws of the Association and Colorado Revised Statues.

EFFECTIVE DATE: 7-12-07

RESOLUTION: The Association notes that Article VI, Section 13 of the Pawnee Hills Community Association Covenants states "no store, office or other place of business of any kind shall be erected or permitted upon any of the residential lots or any part thereof, and no commercial activity may be permitted."

While not a change or addition to the current by-laws or covenants of Pawnee Hills Community Association, the following shall be used by the Board of Directors as a guide for determining a commercial activity as prohibited in Article VI, Section 13 of the covenants.

Commercial Activity will be defined as any activity undertaken as part of a commercial enterprise which creates/includes the following:

- a. a store front
- b. requires parking for customers which obstructs the street, creates additional traffic volume (including, but not limited to customer traffic, delivery traffic etc.) which significantly affects the residential character of the area
- c. signage (excludes company cars, trucks or vans)
- d. creates excessive waste or by-product
- e. creates excessive or offensive noise, vibration, smoke, dust, odors, heat, glare or light noticeable or extending beyond the property
- f. requires outside storage of materials or equipment that is not fenced or enclosed
- g. the business is the primary use of the principal residence

CERTIFICATION:

The undersigned certify that the foregoing Resolution was adopted by the Directors of the Association, at a duly called and held meeting of the Board of Directors on 7-12-07 and in witness thereof, the undersigned has subscribed his/her name.

PAWNEE HILLS COMMUNITY ASSOCIATION, INC.
A Colorado non-profit corporation

By: Tina O'Bryan
Tina O'Bryan, President

Pam Schultz
Pam Schultz, Vice President

Brian Cook
Brian Cook, Board Member

RC Cuellar, Board Member

Steve Hamblin
Steve Hamblin, Board Member