

CINNAMON VILLAGE HOMEOWNER'S ASSOCIATION, INC.

ENFORCEMENT POLICY

PURPOSE: To adopt standard procedures regarding the enforcement of the Association's Declaration, Articles of Incorporation, Bylaws, and rules and regulations (collectively the "Documents").

AUTHORITY: The following procedures have been adopted pursuant to the provisions of C.R.S. 38-33.3-209.5

EFFECTIVE

DATE: _____, 2017

RESOLUTION: The Association hereby adopts the following Enforcement Policy:

1. Complaint. Complaints regarding alleged violations of the Association's Documents may be reported by the Association's manager, a member of the Board of Director ("Board"), or another Owner. All complaints by Owners shall be submitted to the Association's manager in writing and shall state the alleged violation and as may specifics as are available as to time, date, location and persons involved. Complaints by members of the Board or the Association's manager may be made in writing or by any other means deemed appropriate by the Board.
2. Warning Letter. If upon investigation by the Board or the Association's manager a violation is determined to exist, the Association shall send a warning letter ("Warning Letter") to the alleged violator ("Violator"). The Warning Letter shall be sent to the Violator's address on file with the Association and shall advise the Violator of (1) the details of the complaint and (2) that the Board has reason to believe that the Violator has violated the Documents of the Association. The Warning Letter shall request that the Violator cure the violation within 5 days from the date of the Warning Letter, or such other time period as the Board deems appropriate.
3. Fine Threat Letter. If it has been determined by the Board or the Association's manager that the Violator has not cured the violation within the time permitted by the Warning Letter, the Association shall send a second notice to the Violator ("Fine Threat Letter"). The Fine Threat Letter shall be sent to the Violator's address on file with the Association and shall (1) advise the Violator of the details of the complaint, (2) request that the Violator cure the violation within 7 days from the date of the Fine Threat Letter, or such other time period as the Board deems appropriate, and (3) advise the Violator that further enforcement action may be taken, including the imposition of fines, if the Violator fails to cure the violation within the permitted time period. The Fine Threat Letter shall further advise the Violator that he/she is entitled to a hearing on the merits of the matter at the next schedule Board meeting, provided that such hearing is requested in writing and submitted to the Association's manager with 14 days of the date of the Fine Threat Letter. The Fine Threat Letter shall also include the amount of the fine that may be imposed (if any).

4. Additional Fine Threat Letters. If it has been determined by the Board or the Association's manager that the Violator has not cured the violation within the time permitted by the Fine Threat Letter, the Association shall send additional Fine Threat Letters to the Violator, as set forth in paragraph 3 above.
5. Notice of Hearing. If a hearing is requested in a timely manner by the Violator, the Association shall serve a written notice of the hearing to the Violator at least 10 days prior to the hearing date.
6. Hearing. Each hearing shall be held at the scheduled time, place and date, unless the Violator has failed to appear at the hearing. The Board may grant continuances for good cause. Each hearing shall be held by a Hearing Committee. The Hearing Committee shall consist of a person or persons appointed by the Board, which may be the Board itself, who do not have any direct personal or financial interest in the outcome of the hearing. A person is deemed not to have a direct personal or financial interest if he/she will not receive any greater benefit or detriment from the outcome than will the general membership of the Association. The Hearing Committee may: (a) exercise its discretion as to the specific manner in which a hearing shall be conducted; (b) question witnesses and review evidence; and (c) act as it may deem appropriate or desirable to permit it to reach a just decision. Any decision by the Hearing Committee shall be fair and reasonable taking into consideration all of the relevant facts and circumstances. Each hearing shall be open to attendance by all members of the Association.
7. Decision. If the Violator does not appear, but a written response is filed, the Hearing Committee shall render its decision based on the information available to it, including the written response, considering all of the relevant facts and circumstances. If neither an appearance nor a written response is made, the Hearing Committee need not conduct a hearing or make any further findings except that it may determine that the Violator's failure to appear or respond constitutes a waiver of the right to a hearing and impose the sanctions provided for herein. If an appearance is made, after all testimony and other evidence has been presented to the Hearing Committee's decision shall have an effective date no sooner than five (5) days after the hearing. If the Hearing Committee does not inform the Violator of its decision at the time of the hearing, or if no hearing is held, the Hearing Committee will provide a written notice of the decision to the Violator's address of record within five (5) days after the decision is made.
8. Fine Schedule. Fines may be levied by the Hearing Committee for violations of the Documents as follows:

<u>Number of Violations in 12-Month Period</u>	<u>Fine Amount</u>
First violation	\$50
Second violation	\$100
Third violation	\$200

9. Habitual Offenders. An Owner who accumulates more than 3 violations within a 12-month period will be deemed to be a habitual offender. For habitual offenders, the Hearing Committee may impose such additional fines as are deemed reasonable by the Hearing Committee without regard to the schedule set forth above.

10. Continuous Violations. Continuous violations are defined as violations of Owner obligations that are uninterrupted by time. Each day of noncompliance with such violations constitutes a separate violation. If an Owner is determined as having a continuous violation, in accordance with the terms of this Policy, such Owner may be subject to a monthly fine of \$300.00.
11. Willful and Wanton Violations. In the event of a determination by the Hearing Committee of a willful, wanton or flagrant disregard for the provisions of the Documents, or based on the severity of the violation, the Hearing Committee may impose such additional fines as are deemed reasonable by the Hearing Committee without regard to the schedule set forth above.
12. Waiver of Fines. The Board may waive all, or any portion, of the fines if, in its sole discretion, such waiver is appropriate under the circumstances. Additionally, the Board may condition waiver of the entire fine, or any portion thereof, upon the Violator coming into and staying in compliance with the Documents.
13. Responsibility for Actions of Tenant or Guest. Owners shall at all times be responsible for the actions of their tenants and guest. In the event that an Owner's tenant or guest violates the Documents and fine is imposed, the fine shall be assessed against that Owner.
14. Violations or Offenses that Constitute a Present Danger. If, in its sole discretion, the Board deems that any alleged violation is or may be an immediate or substantial threat to the health, safety or welfare of the community or an individual, the Board may take the appropriate action necessary to abate the threat to health, safety or welfare of the community or individual.
15. Miscellaneous.
 - 15.1 Failure by the Association to enforce any provision of this Policy shall in no event be deemed to be a waiver of the right to do so thereafter.
 - 15.2 Fines imposed pursuant to this Policy shall become an Assessment imposed against the record Owner's Lot and enforceable as provided in the Declaration.
 - 15.3 The provisions of this Policy shall be independent and severable. The invalidity of any one or more of the provisions hereof by judgement or court order or decree shall in no way affect the validity or enforceability of any of the other provisions, which other provisions shall remain in full force and effect.
 - 15.4 The provisions of this Policy shall not limit, or be a condition precedent to, the Association's right to enforce the Documents by any means available to the Association, including, but not limited to, commencement of a lawsuit to force compliance or seeking injunctive relief or damages.
 - 15.5 The Association shall be entitled to reimbursement of all reasonable attorney's fees and costs incurred by the Association in connection with any enforcement action, including any proceeding under this Policy.
 - 15.6 Unless otherwise defined in this Policy, capitalized terms defined in the Declaration shall have the same meaning herein.

15.7 The provisions of this Policy shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Association.

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being President of the Cinnamon Village Homeowner's Association Inc., certifies that the foregoing Dispute Resolution Policy was adopted by the Board of Directors of the Association at a duly called and held meeting of the Board on _____, 2017, and in witness thereof the undersigned has subscribed his/her name.

**CINNAMON VILLAGE
HOMEOWNER'S ASSOCIATION, INC.**

By: _____
President