RESOLUTION OF THE

NO. 25 DOWNING CONDOMINIUM ASSOCIATION, INC. REGARDING POLICIES AND PROCEDURES FOR COVENANT AND RULE ENFORCEMENT

PURPOSE:

To establish uniform policies and procedures to be followed when

enforcing covenants and rules to facilitate the efficient operation of

the Association.

AUTHORITY:

The Declaration, Articles of Incorporation and Bylaws of the

Association, and Colorado law.

NOW, THEREFORE, IT IS RESOLVED that the Association does hereby adopt the policies and procedures set forth below to be followed when enforcing the covenants and rules of the Association:

- 1. <u>Reporting Violations</u>. Complaints regarding alleged violations may be reported by an Owner or resident within the community, a group of Owners or residents, the Association's management company, if any, Board member(s) or committee member(s) by submission of a written complaint.
- 2. <u>Complaints</u>. Complaints by Owners or residents, member of the Board of Directors, a committee member, or the manager shall be in writing and submitted to the Board of Directors. The complaining Owner or resident shall have observed the alleged violation and shall identify the complainant ("Complainant"), the alleged Unit Owner responsible for the alleged violation ("Unit Owner"), if known, and set forth a statement describing the alleged violation, referencing the specific provisions which are alleged to have been violated, when the violation was observed and any other pertinent information. Non-written complaints or written complaints failing to include any information required by this provision may not be investigated or prosecuted at the discretion of the Association.
- 3. <u>Investigation</u>. Upon receipt of a complaint by the Association, if additional information is needed, the complaint may be returned to the Complainant or may be investigated further by a Board designated individual or committee. The Board shall have sole discretion in appointing an individual or committee to investigate the matter.
- 4. <u>Violation Which Threatens Public Safety or Health</u>. With respect to any violation of the Declaration, Bylaws, Covenants, or other Governing Documents of an Association that the Board of Directors reasonably determines threatens the public safety or health, the Association shall follow the procedures set forth below:

- a. <u>Violation Notice</u>. The Association shall send a written Violation Notice to the Unit Owner explaining the nature of the violation and the action or actions required to cure it. The notice shall inform the Unit Owner that the violation must be cured within seventy-two (72) hours or the Unit Owner may be subject to fines as set forth in subparagraph 4.c. and other legal action. The notice shall be in English or any other language that the Unit Owner has expressed a preference for in correspondence. The notice shall further state the Unit Owner is entitled to a hearing on the merits of the matter in front of an impartial decision maker provided that such hearing is requested within ten (10) days after the seventy-two (72) hour cure period. The notice shall be sent by electronic mail and by certified mail with return receipt requested.
- b. Process for a Unit Owner to Cure Violation. If the Unit Owner cures the violation within the seventy-two (72) hour cure period, the Unit Owner may notify the Association of the cure. If the Unit Owner sends visual evidence that the violation has been cured, the violation is deemed cured on the date that the Unit Owner sends the notice. If the Unit Owner's notice does not include visual evidence that the violation has been cured, the Association shall inspect the unit as soon as practicable to determine if the violation has been cured. If the Association determines that a Unit Owner has cured a violation, the Association shall notify the Unit Owner, in English and in any other language that the Unit Owner has indicated a preference for that the violation is deemed cured and no fines for the violation will be imposed by the Association on the Unit Owner.
- c. Process if Unit Owner Does Not Cure Violation. If the Association does not receive notice from the Unit Owner that the violation has been cured during the seventy two (72) cure period, the Association shall inspect the unit as soon as practical to determine if the violation has been cured. If the violation has not been cured within this period, the Association may impose fines on the Unit Owner in the amount of \$50.00 every other day until the violation is cured and may also take legal action against the Unit Owner for the violation. There is no limit on the total amount of fines that may be imposed for a violation.
- 5. <u>Violation Which Does Not Threaten Public Safety or Health</u>. If an Association reasonably determines that there is a violation of the Declaration, Bylaws, Covenants, or other Governing Documents of the Association, other than a violation that threatens the public safety or health, the Association shall follow the procedures set forth below:
 - a. <u>Warning Letter</u>. A Warning Letter may be sent to the Unit Owner, at the sole discretion of the Board. The letter shall afford the Unit Owner ten (10)

days to cure the violation. The letter must explain the nature of the violation, and the action or actions required to cure the violation. The letter shall be in English and in any language that the Unit Owner has indicated a preference for in correspondence. The letter shall be sent via electronic mail and regular UPS mail.

- b. <u>Initial Violation Notice</u>. If the violation is not cured following the Warning Letter, a written Initial Violation Notice shall be sent to the Unit Owner providing an initial thirty (30) day cure period. The notice must explain the nature of the violation, and the action or actions required to cure the alleged violation. The notice shall include a Fine Schedule as set forth in subparagraph 5.f. below. The notice shall be in English and in any language that the Unit Owner has indicated a preference for in correspondence. The notice shall further state the Unit Owner is entitled to a hearing on the merits of the matter in front of an impartial decision maker provided that such hearing is requested within ten (10) days after the initial thirty (3) day cure period. The notice shall be sent by electronic mail and certified mail with return receipt requested.
- c. Second Violation Notice. If the violation has not been cured during the initial thirty (30) day cure period, this shall be considered a second violation. A written Second Violation Notice shall be sent to the Unit Owner affording another thirty (30) day cure period. The notice shall include a Fine Schedule as set forth in subparagraph 5.f. below. The notice shall be in English and in any language that the Unit Owner has indicated a preference for correspondence. The notice shall state the Unit Owner is entitled to a hearing on the merits of the matter in front of an impartial decision maker provided that such hearing is requested within ten (10) days after the second thirty (3) day cure period. Only one (1) hearing is allowed for each violation. The notice shall be sent by electronic mail and certified mail with return receipt requested.
- d. Process for Unit Owner to Cure Violation. If the Unit Owner cures the violation within the cure period afforded the Unit Owner in the Initial or Second Violation Notice, the Unit Owner may notify the Association of the cure. If the Unit Owner sends visual evidence that the violation has been cured, the violation is deemed cured on the date that the Unit Owner sends the notice. If the Unit Owner's notice does not include visual evidence that the violation has been cured, the Association shall inspect the unit as soon as practicable to determine if the violation has been cured. Once the Association determines that a Unit Owner has cured a violation, the Association shall notify the Unit Owner, in English and in any other language that the Unit Owner has indicated a preference for in correspondence:

- i. That the violation is deemed cured and no further fines will be imposed by the Association on the Unit Owner with regard to the violation; and
- ii. Of any outstanding fine balance that the Unit Owner still owes the Association.
- e. Process if Unit Owner Does Not Cure Violation. If the Association does not receive notice from the Unit Owner that the violation has been cured, the Association shall inspect the unit within as soon as practical after the expiration of each (30) day cure period to determine if the violation has been cured. If, after the inspection, the Association determines that the violation has not been cured, the Association may impose fines pursuant to subparagraph 5.f. below. The Association may also take legal action pursuant to this section if the two (2) thirty (30) day cure periods described above have elapsed and the violation remains uncured.
- f. <u>Fine Schedule.</u> The following fee schedule has been adopted for all covenant violations that do not threaten public safety or health. The total amount of fines that may be imposed per violation may not exceed five hundred dollars (\$500.00):

Warning Letter No fine Up to ten (10) days to comply

Initial Violation Notice \$200.00 (of same covenant or rule)

If violation is not cured within 30 days

Second Violation Notice \$300.00 (of same covenant or rule)
If violation is not cured within another 30 days

- 6. <u>Notice of Hearing</u>. If a hearing is requested by the Unit Owner, the Board, committee or other person conducting such hearing as may be determined in the sole discretion of the Board, may serve a written notice of the hearing to all parties involved at least ten (10) days prior to the hearing date.
- 7. <u>Impartial Decision Maker</u>. Pursuant to Colorado law, the Unit Owner has the right to be heard before an "Impartial Decision Maker." An Impartial Decision Maker is defined under Colorado law as "a person or group of persons who have the authority to make a decision regarding the enforcement of the Association's covenants, conditions, and restrictions, including architectural requirements, and other rules and regulations of the Association and do not have any direct personal or financial interest in the outcome. A decision maker shall not be

deemed to have a direct personal or financial interest in the outcome if the decision maker will not, as a result of the outcome, receive any greater benefit or detriment than will the general membership of the Association." Unless otherwise disqualified pursuant to the definition of Impartial Decision Maker, the Board may appoint to act as the Impartial Decision Maker the entire Board, specified members of the Board, any other individual or group of individuals.

- 8. Hearing. At the beginning of each hearing, the presiding officer, shall introduce the case by describing the alleged violation and the procedure to be followed during the hearing. Neither the Complainant nor the Unit Owner are required to attend the hearing. The Impartial Decision Maker shall base its decision solely on the matters set forth in the Complaint, results of the investigation and such other credible evidence as may be presented at the hearing. Hearings will be held in executive session pursuant to C.R.S. 38-33.3-308(4)(e). The Impartial Decision Maker shall, within a reasonable time, not to exceed ten (10) days, render its written findings and decision, and impose a fine, if applicable.
- 9. <u>Failure to Timely Request Hearing</u>. If the Unit Owner fails to request a hearing pursuant or fails to appear at any hearing, the Impartial Decision Maker may make a decision with respect to the alleged violation based on the Complaint, results of the investigation, and any other available information without the necessity of holding a formal hearing. If a violation is found to exist, the Unit Owner may be assessed a fine pursuant to these policies and procedures.
- 10. <u>Notification of Decision</u>. The decision of the Impartial Decision Maker shall be in writing and provided to the Unit Owner and Complainant within ten (10) days of the hearing, or if no hearing is requested, within ten (10) days of the final decision.
- 11. <u>Waiver of Fines</u>. 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 violation being resolved and staying in compliance with the Articles, Declaration, Bylaws or Rules.
- 12. Other Enforcement Means. This fine schedule and enforcement process is adopted in addition to all other enforcement means which are available to the Association through its Declaration, Bylaws, Articles of Incorporation and Colorado law. The use of this process does not preclude the Association from using any other enforcement means.
- 13. <u>Definitions</u>. Unless otherwise defined in this Policy, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

- 14. Supplement to Law. 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 community.
- 15. Amendment. This Policy may be amended from time to time by the Board of Directors.

The President and Secretary of the No. 25 Downing Condominium Association, Inc. hereby certify that these Policies and Procedures for Covenant and Rule Enforcement were adopted at a regular meeting of the Board of Directors on March 27, 2025 to be effective on March 27, 2025:

President:

· 51EBO

Print Name

Secretary: