

**EAGLERIDGE ESTATES FILING NO. 3 HOMEOWNERS ASSOCIATION OF
PUEBLO, INC.**

**POLICY & PROCEDURES -
COVENANT ENFORCEMENT**

The following policy & procedures have been adopted by Eagleridge Estates Filing No. 3 Homeowners Association of Pueblo, Inc. (hereinafter “Association”) pursuant to the Declaration, Articles of Incorporation and Bylaws of the Association, and Colorado law.

Purpose: To establish a uniform and systematic policy & procedures to be followed when enforcing covenants, in order to facilitate the efficient operation of the Association.

Effective Date: _____, 2022

NOW, THEREFORE, IT IS RESOLVED that the Association hereby adopts the following policy and procedures (hereinafter “Policy”) regarding enforcement of its covenants.

1. Reporting Violations: Complaints regarding alleged violations may be reported by a Member or resident within the community, a group of Members or residents, the Association’s Management Company, if any, Board member(s) or committee member(s) by submission of a written complaint.
2. Complaints: Complaints by Members or residents, Board members, committee members, or the Management Company shall be in writing and submitted to the Board of Directors. The complaining person(s) shall have observed the alleged violation and shall identify the complainant (“Complainant”), the alleged violator (“Violator”), 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. Investigation: 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 will have sole discretion in appointing an individual or committee to investigate the matter.
4. Violation Which Threatens Public Safety or Health: With respect to any violation of the Declaration, Bylaws, Covenants, or other governing documents of the Association that the Board of Directors reasonably determines threatens the public safety or health, the Association will provide the Member an initial letter (see Paragraph 7 below) of the

violation informing the Member that the Member has seventy-two (72) hours to cure the violation or the Association may fine the Member.

- a. Violation Not Cured by Member: If, after an inspection of the Member's property, the Association determines that the Member has not cured the violation within seventy-two (72) hours after receiving the notice, the Association may impose fines on the Unit Member every other day, not to exceed five hundred dollars (\$500.00) in total, and may take legal action against the Member for the violation.
 - b. Violation Cured by Member: Once the Association determines that a Member has cured a violation, the Association will notify the Member, with said preference communicated to Association via 1st class mail, certified, return receipt requested:
 - i. that the Member will not be further fined with regard to the violation; and
 - ii. of any outstanding fine balance the Member still owes the Association.
5. Violation Which Does Not Threaten Public Safety or Health: 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 MAY, at its sole discretion, provide up to two (2) Courtesy Warning Letters (see Paragraph 6 below) regarding the violation and requesting the Member to cure the violation within ten (10) days. If Association chooses not to send a Courtesy Warning Letter(s), it will immediately issue an Initial Letter, as follows.

Association will provide an Initial Letter (see Paragraph 7 below) regarding the violation and informing the Member that the Member has thirty (30) days to cure the violation. Upon expiration of the initial thirty (30) days, the Association, after conducting an inspection and determining that the Member has not cured the violation, may fine the Member.

- a. Process to Cure Violation: If a Member cures the violation within the period to cure afforded the Member, the Member may notify the Association of the cure and, if the Member sends with the notice visual evidence that the violation has been cured, the violation is deemed cured on the date that the Member sends the notice. If the Member's notice does not include visual evidence that the violation has been cured, the Association will inspect the unit as soon as practicable to determine if the violation has been cured.
- b. Violation Cured by Member: Once the Association determines that a Member has cured a violation, the Association will notify the Member:
 - i. that the Member will not be further fined with regard to the violation, and
 - ii. of any outstanding fine balance, the Member still owes the Association.

- c. Failure to Cure Violation by Member: If the Association does not receive notice from the Member that the violation has been cured, the Association will inspect the unit within seven (7) days after the expiration of the thirty (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 a fine pursuant to Paragraph 9 below. A Second Letter pursuant to Paragraph 8 will provide an additional thirty (30) day period to cure.
 - d. Legal Action: The Association may take legal action pursuant to this section if the two (2) thirty (30) day periods described above have elapsed and the violation remains uncured.
- 6. Courtesy Warning Letter: If a violation is found to exist that is not a public safety or health threat, up to two (2) Courtesy Warning Letters may, only in the sole discretion of the Association, be sent to the Member. The intent of Courtesy Warning Letters is to inform the unaware Members of a violation, and gain covenant compliance without having to initiate a formal violation notification process. If Association deems, because of Member's past violations or other reasons, Member is likely aware of and intentionally disregarding the covenant violation, Association will not utilize Courtesy Warning Letters. Courtesy Warning Letters may be sent via first class mail, or email or cell text if Association has either. Any correspondence to Member should explain the nature of the violation, and the action or actions required to cure the alleged violation.
 - 7. Initial Letter for a Violation: If the violation is found to exist, a warning letter will be sent to the Member. The letter must be sent via certified mail, return receipt requested if not a public safety or health threat. The letter must explain the nature of the violation, and the action or actions required to cure the alleged violation.
 - 8. Second Letter: If the alleged violation is not resolved within thirty (30) days of the initial letter, this will be considered a second violation for which a fine or legal action may be imposed following notice and opportunity for a hearing. A second letter will then be sent to the Member, and will include a Fine Notice as set forth in Paragraph 9.
 - 9. Fine Notice: The letter(s) will further state that the Member is entitled to a hearing on the merits of the matter in front of an impartial decision maker provided that such hearing is requested in writing within ten (10) days of the date on the initial letter pursuant to Paragraph 7. On a violation that is a Safety/Health violation since the letter only provides seventy-two (72) hours to cure, any request for a hearing will be after that period runs but the hearing has to be prior to any fines being applied.
 - 10. Notice of Hearing: If a hearing is requested by the Member, 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.

11. Impartial Decision Maker: Pursuant to Colorado law, the alleged Violator 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 will 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.
12. Hearing: At the beginning of each hearing, the presiding officer will introduce the case by describing the alleged violation and the procedure to be followed during the hearing. Neither the Complainant nor the Member or alleged Violator are required to attend the hearing. The Impartial Decision Maker will 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 will, within a reasonable time, not to exceed five (5) days, render its written findings and decision, and impose a fine, if applicable.
13. Failure to Timely Request Hearing: If the Member fails to request a hearing pursuant to Paragraph 9, 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 Member may be assessed a fine pursuant to these policies and procedures.
14. Notification of Decision: The decision of the Impartial Decision Maker will be in writing and provided to the Member within five (5) days of the hearing, or if no hearing is requested, within five (5) days of the final decision.
15. Fine Schedule for Violations that do Threaten Public Safety and Health: The following fine schedule has been adopted for all covenant violations that do threaten Public Safety and Health:

First notice of violation with no fine –

Initial letter

Seventy-two (72) hours to fix

\$ 0.00 (no fine)

After a Member has failed to cure a violation which threatens public safety and health within seventy-two (72) hours of being provided written notice of such violation, the Association may fine the Member fifty dollars (\$50.00) every other day until the violation is cured and may turn the violation over to an attorney to file suit. Any fine notice will notify the Member that failure to cure may result in a fine every other day and only one hearing will be held.

16. Fine Schedule for Violations that do not Threaten Public Safety and Health: The following fine schedule has been adopted for all covenant violations that do not threaten public safety and health:

Warning Notice of violation with no fine –
Ten (10) days to fix

Warning letter
\$ 0.00 (no fine)

Initial Notice of violation (of same
covenant or rule) –
Thirty (30) days to fix

Initial letter
\$ 250.00 (1st fine)

Second Notice of violation (of same
covenant or rule) –
Additional thirty (30) days to fix

Second letter
\$ 250.00 (2nd fine)

The Association may turn over any violation after sixty (60) days has passed to the Association's attorney to take appropriate legal action.

17. 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 violation being resolved and staying in compliance with the Articles, Declaration and Bylaws.
18. 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.
19. Communication with Members: As to any communication sent by the Association or the Management company on behalf of the Association pursuant to this Policy, the Association, or Management Company on their behalf, will maintain a record of any contacts, including information regarding the type of communication used to contact the Member and the date and time that the contact was made.

A Member may elect, by giving notice to the Association in the form of certified mail, first class-postage prepaid, return receipt requested, if the Member prefers that correspondence and notices from the Association be made in a language other than English. If a preference is not indicated, the Association will send the correspondence and notices in English. If the Member has notified the Association of a preference other than English, any notices or letters sent pursuant to this Policy will be sent both in English and in the preferred language.

20. Definitions: Unless otherwise defined in this Policy, initially capitalized or terms defined in the Declaration will have the same meaning herein.
21. Supplement to Law: The provisions of this Policy will be in addition to and in supplementation of the terms and provisions of the Declaration and the law of the State of Colorado governing the community.
22. Amendment: This Policy may be amended from time to time by the Board of Directors.

PRESIDENT'S CERTIFICATION: The undersigned, being the President of Eagleridge Estates Filing No. 3 Homeowners Association of Pueblo, Inc., a Colorado nonprofit corporation, certifies that the foregoing Policy was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on _____ and in witness thereof, the undersigned has subscribed his name.

Eagleridge Estates Filing No. 3 Homeowners
Association of Pueblo, Inc., a Colorado nonprofit
corporation

By: _____
President