

**RESOLUTION
OF
THE VISTAS AT NOR'WOOD TOWNHOME ASSOCIATION, INC.
REGARDING POLICIES AND PROCEDURES FOR COVENANT AND RULE
ENFORCEMENT**

SUBJECT: Adoption of a policy regarding the enforcement of covenants and rules and procedures for the notice of alleged violations, conduct of hearings and imposition of fines.

PURPOSE: To adopt a uniform procedure 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.

EFFECTIVE

DATE: January 16, 2020. The Policy entitled "Resolution ... Regarding Policies and Procedures for Covenant and Rule Enforcement" adopted March 8, 2018 is rescinded and replaced.

RESOLUTION: The Association hereby adopts the following procedures to be followed when enforcing the covenants and rules of the Association:

1. Reporting Violations. 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. Complaints.

(a) Complaints by Owners or residents shall be in writing and submitted to the Board of Directors via the Manager (if any). The complaining Owner or resident 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 Covenants or Rules 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 (including anonymous complaints) may not be investigated or prosecuted at the discretion of the Association.

(b) Complaints by a member of the Board of Directors, a committee member, or the manager, if any, may be made in writing or by any other means deemed appropriate by the Board if such violation was observed by the Director or Manager.

(c) The written complaint will not be kept confidential from the alleged Violator, and will be disclosed upon their request unless the Association is advised otherwise by legal counsel.

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 shall have sole discretion in appointing an individual or committee to investigate the matter.

4. Initial Warning Letter & Courtesy Reminder. If a violation is found to exist, an initial warning letter shall be sent to the Violator at the postal address on file with the Association, explaining the nature of the violation. The Violator will have 10 days from the mailing date of the letter to come into compliance. The foregoing procedure will not be used, however, in the event the violation is determined by the Board to be a Repetitious Violation as defined in paragraph 12 of this policy. In such event, the procedure outlined in paragraph 12 shall be followed.

5. Continued Violation After Initial Warning Letter. If the alleged Violator does not come into compliance within 10 days of the mailing date of the initial warning letter on the violation addressed therein, this will be considered a second violation for which a fine may be imposed following notice and opportunity for a hearing. A second and subsequent letter(s) shall then be sent to the alleged Violator, providing notice and an opportunity for a hearing, and explaining if a violation is found to exist, a fine may be imposed pursuant to this Policy. The letter(s) shall further state that the alleged Violator is entitled to a hearing on the merits of the matter provided that such hearing is requested in writing within 10 days of the mailing date of the violation letter. If the alleged Violator does not come into compliance within 10 days of the mailing date of the second and subsequent letter(s), this will be considered an additional violation for purposes of determining the fine by paragraph 11 herein. The foregoing procedure will not be used, however, in the event the violation is determined by the Board to be a Repetitious Violation as defined in paragraph 12 of this policy. In such event, the procedure outlined in paragraph 12 shall be followed.

6. Notice of Hearing. If a hearing is requested by the alleged Violator, 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 3 days prior to the hearing date.

7. 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 its architectural requirements, and the 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. Each party or designated representative, may, but is not required to, make an opening statement, present evidence and testimony, present witnesses, and make a closing statement. The presiding officer may also impose such other rules of conduct as may be appropriate under the given circumstances. Neither the Complainant nor the alleged Violator 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. Unless otherwise determined by the Board, all hearings shall be open to attendance by all Owners. After all testimony and other evidence has been presented at a hearing, the Impartial Decision Maker shall, within a reasonable time, not to exceed 10 days, render its written findings and decision, and impose a fine, if applicable. Failure to strictly follow the hearing procedures set forth above shall not constitute grounds for appeal of the hearing committee's decision absent a showing of denial of due process. The presiding officer shall designate another Impartial Decision Maker to prepare minutes which shall include date, time, venue, proof of notice, and a brief summary of what was done, but shall not include the Impartial Decision Maker's Decision which shall be documented separately.

9. Failure to Timely Request Hearing. If the alleged Violator fails to request a hearing within 10 days of the mailing date of any letter, or fails to appear at any hearing, the Impartial Decision Maker may decide 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 alleged Violator may be assessed a fine pursuant to these policies and procedures.

10. Notification of Decision. The decision of the Impartial Decision Maker shall be in writing and mailed to the Violator and Complainant within 30 days of the hearing, or if no hearing is requested, within 30 days of the final decision.

11. Fine Schedule. The following fine schedule has been adopted for all recurring covenant or rule violations:

First violation (of same covenant or rule)	Warning letter
Second violation (of same covenant or rule)	\$50.00 \$150 if pet-related*
Third and subsequent violations (of same covenant or rule)	\$100.00 \$150 if pet-related*

Fourth and subsequent Covenant or Rule violations may be turned over to the Association's attorney to take appropriate legal action.

* "pet-related" refers to violations primarily related to Declarations IX.5, including related nuisances, in the sole discretion of the Board. It also refers to any Policy adopted by the Board, per its authority under Declarations II.2, concerning pets. The type of violation (pet-related or regular) will be clearly stated in the official notices about the violation.

11.A Payment of Fines. Fines are due on notice and considered delinquent if not paid within 10 days. The Association's collection authority and procedures for unpaid fines are specified in the Association's Collection of Unpaid Assessments Policy.

11.B. Reset of Violation Count. If an Owner is not found to have violated any particular covenant or rule for the past 12 months, the Association's count of those particular violations shall be reset to zero, for purposes of this Enforcement Policy. However, the Association shall still maintain records of any previous violations in accordance with the law and any Association Document Retention and Destruction Policy.

12. Repetitious Violations. Repetitious Violations are defined as a series of identical or substantially similar individual violations that occur repeatedly or continuously within a period of time to be determined in the discretion of the Board, with each individual violation separated by a period of no less than 1 day, nor more than 90 days, the result of which is a pattern of violations of the same covenant restriction or rule. In the event of such Repetitious Violation, in the discretion of the Board, each instance of noncompliance may constitute a separate violation, and the Board shall not be required to provide a period of 10 days from each violation for the alleged Violator to come into compliance. A warning letter shall be sent for the first violation in the series (except in case of parking violations – see below). After the warning letter, the Board may cause violation notices to be sent for each violation in the series stating the amount of the fine to be imposed (pursuant to the Fine Schedule in paragraph 11), and giving notice and an opportunity for a hearing.

The Board shall individually consider each violation for which a hearing is requested, but is permitted to combine any and all hearings requested (for Repetitious Violations) on one date.

Examples of Repetitious Violations include, but are not limited to repeated failure to remove and store a portable basketball hoop, and failure to cease excessive noise emanating from a Lot. In each one of these examples, the Owner will receive a warning letter on the first instance of the violation. On the second instance of the violation the Owner will receive a \$50 fine letter, and notice and opportunity for a hearing. On the third and subsequent instances of the violation, the Owner will receive a \$100 fine letter and notice and opportunity for a hearing. If hearings are requested, the Board may set them all on the same date.

The Association may adopt Parking Rules (based on Covenants IX.8, et al, and published interpretations thereof) with specific timelines for enforcement, depending on the type of infraction. Violations of Parking Rules may be treated as Repetitious Violations. If the Association can determine the Unit owner associated with a violating vehicle, a fine may be assessed (following postal notice and an opportunity for hearing) in addition to tagging the vehicle for possible towing. But as authorized by Covenants IX.8c, the Association may opt to make no attempt at a postal notice, and instead only apply a warning tag to the vehicle.

13. 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 Declaration, Articles, Bylaws or Rules.

14. Other Enforcement Means. This fine schedule and enforcement process are adopted in addition to all other enforcement means which are available to the Association through Colorado law and its Declaration, Articles of Incorporation, and Bylaws. The use of this process does not preclude the Association from using any other enforcement means.

15. Definitions. Unless otherwise defined in this Resolution, initially capitalized terms defined in the Declaration shall have the same meaning herein.

16. Supplement to Law. The provisions of this Resolution 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.

17. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances, and allowed by law.

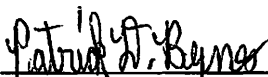
18. Amendment. This policy may be amended from time to time by the Board of Directors.

**PRESIDENT'S
CERTIFICATION:**

The undersigned, being the President of The Vistas at Nor'wood Townhome Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, by way of Action Without a Meeting and in witness thereof, the undersigned have subscribed their names.

**THE VISTAS AT NOR'WOOD TOWNHOME
ASSOCIATION, INC.,**
a Colorado nonprofit corporation,

By: 
Patti Ross-Schmidt, President

By: 
Patrick Bynes, V.P. / Secretary

By: 
Diane Jakus, Treasurer