POLICY FOR COVENANT AND RULE ENFORCEMENT

This Policy for Covenant and Rule Enforcement supersedes and replaces all prior policies regarding covenant and rule enforcement.

PURPOSE: The following policy was adopted by the Board of Directors of

the Red Rock Reserve Homeowners Association, Inc. ("the Association") pursuant to Colorado law at a regular meeting of

the Board.

AUTHORITY: 3. Declaration of Conditions, Covenants, Restrictions, and

Easements for Red Rock Reserve recorded on 5/17/06 at Reception #206072447 and any amendments thereto ("Declaration"), Design Guide and the Bylaws of the

Association.

EFFECTIVE

DATE: June 30, 2021

RESOLUTION:

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

Complaints

- 1. Complaints regarding alleged violations may be reported by an Owner or by a Board or Approving Authority ("AA") member.
- 2. Complaints shall be in writing and must be submitted to the Association at RedRockReserveHOA@gmail.com or P.O. Box 3474, Monument, CO 80132.
- 3. The complainant shall have observed the alleged violation and shall identify the alleged violator ("Violator"), if known; a statement describing the alleged violation; when the violation was observed; photographs, if possible; and any other pertinent information including references to the specific provisions of the Declaration, Bylaws or Design Guide alleged to have been violated.
 - 4. No action will be taken on anonymous complaints.
- 5. Non-written complaints or written complaints failing to include information required by this provision may not be investigated or prosecuted at the discretion of the Association.

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- 6. A copy of the written complaint shall be either mailed or personally delivered to the address on file for the alleged violator.
- 7. Upon receipt of a complaint by the Association, if additional information is needed, the complaint may be returned to the Complainant or it may be investigated further by the AA or member thereof.

Violation Notice

- 1. A Violation Notice will be sent to the owner via first class mail only to the address on file with the Association: (a) identifying the alleged violation(s); (b) explaining that a fine and/or other penalties may be imposed; and (c) providing that the owner may request a hearing within ten (10) days of the date of the Violation Notice or else the owner waives the right to a hearing.
- 2. The owner(s) is free to either attend or not attend the hearing, send documentary material for the Association to review, and/or be represented by an agent or attorney at the hearing (with prior written authorization executed by the owner).
- 3. If no owner or owner's representative attends the hearing and no evidence is submitted to the Association at or prior to the hearing, the Association is entitled to make a decision with respect to the alleged violation based on available information without the necessity of holding a formal hearing.
- 4. If a violation is found to exist, the Association may impose a fine, or enter the property to bring it into compliance at the sole cost of the owner.

Hearing

- 1. If the owner timely requests a hearing, the Association shall set a hearing date that is at least thirty (30) days after the Violation Notice is mailed.
- 2. The Association shall mail a Notice of Hearing to the alleged violator at least ten (10) days prior to the hearing date.
- 3. At the beginning of each hearing, the AA shall introduce the case by describing the alleged violation and the procedure to be followed during the hearing.
- 4. 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.

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- 5. The presiding officer may also impose such other rules of conduct as may be appropriate under the given circumstances.
- 6. The Complainant may but is not required to be attend the hearing.
- 7. The AA 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 or before the hearing.
- 8. All hearings shall be open to attendance by all Owners.
- 9. After all testimony and other evidence has been presented at a hearing, the AA shall, within a reasonable time, render a decision upon secret written ballot, shall prepare written findings of fact, and may impose a fine, suspend the owner's voting rights and/or impose other penalties permitted by the Declaration, Bylaws, Rules or Colorado law.
- 10. Failure to strictly follow the hearing procedures set forth above shall not constitute grounds for appeal of the decision absent a showing of denial of due process.

Notice of Decision

- 1. The AA shall issue a written Notice of Decision and mail it, *by first class mail*, only to the address on file with the Association, within a reasonable time following the final decision by the Association.
- 2. The Notice of Decision will state whether or not the violation was found to exist and identify the penalty(ies) to be imposed including the amount of any fine imposed and the date the fine is due.
- 3. The Notice of Decision becomes effective ten (10) days after it is mailed.

Fine Schedule

1. Depending upon the type of violation, following the hearing date, the Association may impose the following fines:

A. Completed Violation of Covenant, Rule, Guideline or Policy:

- 1. First or single violation: \$100.00
- 2. Second violation of the same covenant, rule, guideline, or policy: \$200.00
- 3. Third violation of the same covenant, rule, guideline, or policy: \$400.00
- 4. Fourth violation of the same covenant, rule, guideline, or policy:

\$800.00

5. Fifth and subsequent violations of the same covenant, rule, guideline, or policy: \$1,000.00

B. Continuous Violations: \$25.00 per day

- 1. Continuous violations are defined as violations of an Owner's or occupant's obligations that are uninterrupted by time. By way of example but not limitation, the following constitute continuing violations: the failure to remove an unapproved exterior improvement or failure to maintain property.
- 2. Each day of noncompliance constitutes a separate violation.
- 3. The owner must provide notice to the Association and a reasonable opportunity to inspect and to either approve or disapprove the Owner's attempted cure of a continuing violation, in its sole discretion. If no notice or inspection is provided to the Association, the condition will be deemed to be continuing and daily fines will continue to be imposed regardless of when the Owner allegedly ceased or cured the violation.

C. Fines as Assessments

All fines, attorney fees and costs, administrative fees and other amounts due the Association shall constitute Assessments and will be posted to the Owner's account. If unpaid, they will be collected in conformance with the Declaration and Colorado law.

Other Enforcement Means

- 1. 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.
- 2. The use of this process does not preclude the Association from using any other enforcement means, including suspension of an owner's right to vote and/or to use the common elements, exercising self-help to remove or abate the violation and impose the cost thereof upon the owner, filing a suit for damages, receivership and/or injunctive relief.
- 3. All violations of City codes, ordinances, statutes, or violations of state or federal law, should be reported to the police or the City.

Waiver of Fines

The AA may waive all, or any portion, of the fines if, in its sole discretion,

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such waiver is appropriate under the circumstances. Additionally, the AA may condition waiver of the entire fine, or any portion thereof, upon the owner coming into and staying in compliance with the Articles, Declaration, Bylaws or Design Guide.

Definitions

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

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.

Deviations

The AA may deviate from the procedures set forth in this Policy if in its sole discretion such deviation is reasonable under the circumstances.

Amendment

This Policy may be amended from time to time by the Board of Directors.

Severability

Invalidation of one of the foregoing provisions by court order or judgment shall have no effect on the remaining provisions which shall remain in full force and effect.

CERTIFICATION:

The undersigned, being the Secretary of the Board of Directors of the Red Rock Reserve Homeowners Association, Inc., a Colorado nonprofit corporation, certifies that this Policy was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors of the Association on June 30, 2021 and in witness thereof, the undersigned has subscribed his/her name.

RED ROCK RESERVE HOMEOWNERS ASSOCIATION, INC.,

a Colorado non-profit corporation

By: Ami Robinson, Secretary 2021