POLICY

OF SUNPOINTE AT LAKEWOOD ESTATES II CONDOMINIUM 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: August 9, 2022

RESOLUTION: The Association hereby adopts the following procedures 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. Complaints. 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 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. <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 provide the Unit Owner an initial letter (see Paragraph 7 below) of the violation informing the Unit Owner that the Unit Owner has seventy-two (72) hours to cure the violation or the Association may fine the Unit Owner.
 - a. If, after an inspection of the Unit, the Association determines that the Unit Owner has not cured the violation within seventy-two (72) hours after receiving the notice, the Association may impose fines on the Unit Owner every other day, not to exceed five hundred dollars (\$500.00), and may take legal action against the Unit Owner for the violation.
 - b. <u>Violation Cured by Unit Owner</u>. 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 correspondence and notices pursuant to C.R.S. 38-33.3-209.5 (1.7)(a)(I).
 - That the Unit Owner will not be further fined with regard to the violation; and
 - ii. Of any outstanding fine balance that the Unit Owner 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 shall, provide an initial letter (see Paragraph 7 below) regarding the violation and informing the Unit Owner that the Unit Owner 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 Unit Owner has not cured the violation, may fine the Unit Owner.

- a. Process to Cure Violation. If a Unit Owner cures the violation within the cure period afforded the Unit Owner, the Unit Owner may notify the Association of the cure and, the Unit Owner sends notice to the Association with 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.
- b. <u>Violation Cured by Unit Owner</u>. 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:
 - That the Unit Owner will not be further fined with regard to the violation; and
 - ii. Of any outstanding fine balance that the Unit Owner still owes the Association.
- c. Failure to Cure Violation by Unit Owner. If the Association does not receive notice from the Unit Owner that the violation has been cured, the Association shall inspect the unit within seven (7) days after the expiration of the initial 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 shall provide an additional thirty (30) day period to cure.
- d. 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.