

**RESOLUTION OF THE  
RIDGEWOOD HILLS MASTER ASSOCIATION  
REGARDING POLICIES AND PROCEDURES FOR  
COVENANT AND RULE ENFORCEMENT**

- SUBJECT:** Adoption of a policy regarding the enforcement of ACC 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 in order to facilitate the efficient operation of the Association.
- AUTHORITY:** The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law, including but not limited to C.R.S. §38-33.3-209.5.
- EFFECTIVE DATE:** April 1, 2010
- RESOLUTION:** The Association hereby adopts the following policy and procedures to be followed when enforcing the covenants and rules of the Association:

1. Reporting Violations. Alleged violations of the Declaration, Rules and Regulations, and Design Guidelines (hereinafter "Governing Documents") 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 complaint.
2. Complaints. Complaints of alleged violations may be submitted to the Board of Directors via the Community Manager. Complaints shall be submitted in writing by the complaining Owner or resident who has observed the alleged violation ("Complainant"). The Complaint shall provide:
  - a. the identity of the Complainant and whether the Complainant desires to be invited to a hearing,
  - b. the identity of the alleged violator ("Violator"), if known, and
  - c. a statement describing the alleged violation, referencing the specific provisions of the Governing Documents that are alleged to have been violated, when the violation was observed and any other pertinent information such as photographs.

Complaints failing to include any information required by this provision may not be investigated or prosecuted at the discretion of the Association. A written complaint is not required if the alleged violation can be independently verified by the Association. 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 the Director or Manager observed such violation.

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 the Manager, a Board designated individual or committee within a reasonable time. The Board shall have sole discretion in appointing an individual or committee to investigate the matter.

4. Courtesy Notice. Except for the violations stated in section 13 below, if a violation is found to exist, the Manager is directed to send a written courtesy notice by first class mail ("Courtesy Notice") to the alleged Violator stating the date the violation was observed, a description of the violation and the applicable provisions of the Governing Documents. The notice shall state that the alleged Violator has 10 days from the date of the notice to come into compliance.

5. Fine Threat and Hearing Notice. If the alleged Violator does not come into compliance within 10 days of the Courtesy Notice, the Manager is directed to send a second written notice by first class mail ("Violation and Hearing Notice") to the alleged Violator providing the Violator with notice that a fine may be imposed if the violation is not corrected within 10 days. The Notice must state the first fine that may be imposed if the violation is not corrected within 10 days from the date of the notice

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, shall serve a written notice of the hearing to all parties involved at least 5 days prior to the hearing date.

6. 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 or the alleged Violator are required to be in attendance at the hearing. The Board shall base its decision solely on the matters set forth in the Complaint, results of the investigation, and such other credible evidence has been presented at a hearing, the Board shall, within a reasonable time frame, not to exceed 5 days, render its written findings and decision, and impose a fine if applicable. A decision, either a finding for or against the Owner, shall be by a majority if the Board members present at the hearing. 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.

If the alleged Violator fails to timely request a hearing within 10 days of the Fine Threat and Hearing Notice, or to appear at the hearing, the Board 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 alleged Violator may be assessed a fine pursuant to these policies and procedures.

The decisions of the Board, Committee or other person, shall be given in writing and provided to the Violator and Complainant within 10 days of the hearing, or if no hearing is requested, within 10 days of the final decision.

7. First Fine Assessed Notice. If the decision rendered at the hearing is to assess a fine, the Manager is directed to assess the fine and send another written notice by first class mail (“First Fine Assessed Notice”) to the Violator providing the Violator with notice that a fine has been assessed and another fine may be imposed if the violation is not corrected within 10 days. The First Fine Assessed Notice shall:

- a. state the first fine assessed;
- b. state the date the violation was observed, a description of the violation and the applicable provisions of the Governing Documents;
- c. state the second fine that will be imposed if the violation is not corrected within 10 days; and
- d. provide written notice that the Violator is entitled to a hearing on the merits provided that such hearing is requested in writing within 10 days of the date of the First Fine Assessed Notice.

8. Second Fine Assessed Notice. If the Violator does not come into compliance within the specified time frame after a first fine has been assessed, the Manager is directed to assess the second fine and send another written notice by first class mail (“Second Fine Assessed Notice”) to the Violator providing the Violator with notice that a fine has been assessed and another fine may be imposed if the violation is not corrected within 10 days. The Second Fine Assessed Notice shall:

- a. state the second fine assessed;
- b. state the date the violation was observed, a description of the violation and the applicable provisions of the Governing Documents;
- c. state the third fine that will be imposed if the violation is not corrected within 10 days; and
- d. provide written notice that the Violator is entitled to a hearing on the merits provided that such hearing is requested in writing within 10 days of the date of the Second Fine Assessed Notice.

9. Third Fine Assessed/Attorney Threat Notice. If the Violator does not come into compliance within the specified time frame after a second fine has been assessed, the Manager is directed to assess the third fine and send another written notice by first class mail (“Third Fine Assessed/Attorney Threat Notice”) to the Violator providing the Violator with notice that a fine has been assessed and notice of intent to turn the violation over to the Association’s attorney if the violation is not corrected within 10 days. The Third Fine Assessed/Attorney Threat Notice shall:

- a. state the third fine assessed;
- b. state the date the violation was observed, a description of the violation and the applicable provisions of the Governing Documents;
- c. state that the violation will be turned over to the Association’s attorney if the violation is not corrected within 10 days; and

d. provide written notice that the Violator is entitled to a hearing on the merits provided that such hearing is requested in writing within 10 days of the date of the Third Fine Assessed/Attorney Threat Notice.

10. Referral to Attorney. If the Violator does not come into compliance within the specified time frame after the third fine has been assessed, the Manager is directed to turn the violation over to the Association's attorneys for enforcement without assessment of further fines. Any Owner committing three or more violations in a six-month period (whether such violations are of the same covenant/rule or different covenant/rule) may be immediately turned over to the Associations attorney for appropriate legal action.

11. Appeals. The Violator may file a written appeal to the Board of any adverse decision from a decision of persons other than the Board within 10 days of the decision. The Board shall conduct a hearing within 60 days, giving the same notice and observing the same procedures as were required for the original hearing.

12. Fine Schedule. The following fine schedule has been adopted for all covenant, rule and guideline violations, other than fines for recreational vehicles, boats, trailers, and Architectural Review Violations, the schedule for which is stated separately below. The Board or Committee may also establish reasonable fines for specific violations, such as set forth below, based upon the nature and severity of the violation, as determined in the sole discretion of the Board or committee.

<b>Violation</b>	<b>1<sup>st</sup> Fine</b>	<b>2<sup>nd</sup> Fine (of same covenant or rule)</b>	<b>3<sup>rd</sup> Fine (of same covenant or rule)</b>	<b>4<sup>th</sup> Fine (of same covenant or rule)</b>
All general violations including minor landscaping violations	\$25	\$50	\$100	NA

All fines are due within 10 days of the date the Violator is notified of the fine. All fines are enforceable as Common Expense assessments. If the Violator fails to pay a fine, the Association may exercise all rights and remedies available to it for the collection of a Common Expense assessment, including late fees, interest, and the filing of a lien.

13.1 Architectural Control Committee ("ACC") Violations. The ACC has jurisdiction and responsibility for monitoring violations regarding projects that fall under the jurisdiction of the ACC. Violations observed by or known to the ACC regarding projects falling under the jurisdiction of the ACC must be brought to the attention of the Board by the submission of a Complaint in accordance with section 2 above.

a. If an exterior improvement, except for minor landscaping, is commenced without first seeking approval of the ACC, the Manager is directed to immediately send the Violation and Hearing Notice to the alleged Violator instead of the Courtesy Notice. A fine may be imposed following Notice and Hearing regardless of whether such ACC approval is subsequently obtained.

b. If an Owner disregards a decision of the ACC, the Manager is directed to immediately send the Violation and Hearing Notice to the alleged Violator instead of the Courtesy Notice. A fine may be imposed following Notice and Hearing regardless of whether the Owner subsequently complies with the ACC decision.

<b>Violation</b>	<b>1<sup>st</sup> Fine</b>	<b>2<sup>nd</sup> Fine</b> (of same covenant or rule)	<b>3<sup>rd</sup> Fine</b> (of same covenant or rule)	<b>4<sup>th</sup> Fine</b> (of same covenant or rule)
Commencing Exterior Improvement without prior ACC approval	\$100	\$200	\$400	NA
Disregarding a Decision of the ACC	\$100	\$200	\$400	NA

13.2 Storage of Boats and Vehicle Violation. The Association has jurisdiction and responsibility for monitoring the storage of boats, trailers, campers, trucks (other than pick up trucks, motor homes, recreational vehicles, snowmobiles, all terrain vehicles, and inoperative vehicles of any type. These such vehicles shall not be stored or parked in front of, or in open view on any Unit or the street adjoining any Unit for more than forty-eight (48) hours in any calendar week, except within a fully enclosed garage or if in filing one behind a fence of at least five (5) feet tall or if in filing two or three, behind a fence and the vehicle cannot be seen over such fence.

<b>Violation</b>	<b>1<sup>st</sup> Fine</b>	<b>2<sup>nd</sup> Fine</b> (of same covenant or rule)	<b>3<sup>rd</sup> Fine</b> (of same covenant or rule)	<b>4<sup>th</sup> Fine</b> (of same covenant or rule)
Recreational Vehicles, Boats and Trailers	\$25	\$50	\$75	\$200.00

14. 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 Governing Documents.

13. 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.

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

15. 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 Project.

16. 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.
17. 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 Ridgewood Hills Master Association, a Colorado nonprofit corporation, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association on March 2, 2010 and in witness thereof, the undersigned has subscribed his/her name.

**RIDGEWOOD HILLS MASTER  
ASSOCIATION**  
a Colorado nonprofit corporation

By: Mark A. Farrell  
President

**SUMMARY OF KEY PROVISIONS OF POLICIES AND PROCEDURES FOR  
COVENANT AND RULE ENFORCEMENT FOR  
RIDGEWOOD HILLS MASTER ASSOCIATION**

Complaints: May be made by any Owner, resident, Board member or Manager. Complaints from Owners must be in writing unless the Association can independently verify the Violation.

**General Violation:**

Observation	Action	Fine	Procedure
Alleged Violation	Courtesy Notice		Provide 10 days to correct
Same Violation after 10 days	Fine Threat and Hearing Notice		Fine threat and Hearing Notice mailed; Provide 10 days to correct
Same Violation after 10 days	First Fine Assessed Notice	First	Assess fine based on Fine Schedule; 10 days to correct
Same Violation after 10 days	Second Fine Assessed Notice	Second	Assess fine based on Fine Schedule; 10 days to correct
Same Violation after 10 days	Third Fine Assessed Notice	Third	Assess fine based on Fine Schedule; 10 days to correct
Same Violation after 10 days	Attorney turn over Notice.		No Fine assessed; Refer violation to Association's attorney to take appropriate legal action

**Architectural Review Violations:**

Violation	1 <sup>st</sup> Fine (Fine Threat and Hearing Notice)	2 <sup>nd</sup> Fine (of same covenant or rule)	3 <sup>rd</sup> Fine (of same covenant or rule)
Commencing Exterior Improvement without prior ACC approval	\$100	\$200	\$400
Disregarding a Decision of the ACC	\$100	\$200	\$400
All other violations including minor landscaping violations	\$25	\$50	\$100

**Recreational vehicles, boats and trailers:**

Violation	1 <sup>st</sup> Fine (Fine Threat and Hearing Notice)	2 <sup>nd</sup> Fine (of same covenant or rule)	3 <sup>rd</sup> Fine (of same covenant or rule)	4 <sup>rd</sup> Fine (of same covenant or rule)
Alleged Violation	\$25.00	\$50.00	\$75.00	\$200.00