MASTER HOMEOWNERS ASSOCIATION FOR GREEN VALLEY RANCH

RULES ENFORCEMENT POLICY

WHEREAS, inherent with the enforcement and defense of Master Declaration, the Articles of Incorporation, the By-Laws and Rules and after delivering proper notice and an opportunity for a hearing to the alleged violator, the Association may choose to impose a fine upon the violator;

WHEREAS, the Association's power to impose fines is set forth in the Master Declaration;

THEREFORE, the Association will implement the following process regarding the enforcement of Association Rules.

COMPLAINT PROCESS

1. Inspections. The Association, acting through the HOA Inspector, the HOA Supervisor or other representative, will conduct inspections periodically. These inspections will include photographs of a Residential Site with the corresponding date and time. The photographs will be archived in software used by the Association and will be provided to the Owner upon request.

2. Reporting Complaints. A complaint ("Complaint") regarding alleged violations may be reported by any Owner or resident within the Community or by the HOA Inspector, HOA Supervisor or other designated representative in writing. A complaint must include the street address of the property and a concise description of the alleged violation. Violations that cannot be confirmed by the Association or its designated representative by visual inspection will require additional supporting documentation from the complaining party. Non-written complaints or written complaints failing to include any information required by this provision may not be investigated or prosecuted.

3. Responsible Parties. Any non-compliance with the Rules and Regulations by any Owner, renter, or guest will be the responsibility of the Owner.

NOTICE OF VIOLATION

1. Initial Warning Letter. If the HOA Inspector, HOA Supervisor or Board determines a violation has occurred, a warning letter will be sent to the violator explaining the nature of the violation, and the actions that must be taken to correct the violation ("Notice of Violation"). Please note that in any section with sub-categories (Basketball Backboards, Landscaping, etc.) separate violations may be issued for each sub category. The violator will have 15 days to correct the violation and notify the HOA in writing that the violation has been corrected.

2. Each notice will be sent via US mailto the Owner's mailing address on file with the Association. Owners are responsible for informing the Association if the Owner resides at an address different from that on file with the County Assessor's Office. Owners are responsible to ensure the Association has their current address. Owners are responsible for addressing covenant violations, regardless of whether the property is rented or vacant.

3. Continued Violation After Initial Warning Letter. If the alleged violator does not come into

compliance within 15 days of the first warning letter and advise the Board of such compliance, this will be considered a second violation for which a fine may be imposed, following notice and opportunity for a hearing. A second letter (Hearing Notice) will 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 will further state that the alleged violator is entitled to a hearing on the merits of the matter and the date on which the hearing will be held. The Owner is encouraged to appear at the hearing scheduled in the hearing notice.

4. The Hearing Notice will be sent, by first class mail, to the Owner at least fifteen (15) calendar days prior to date and time of the hearing. A notarized certificate of mailing will provide proof of mailing.

5. The Board of Directors will not impose a fine, suspend voting or suspend any other rights of an Owner for violations of the Governing Documents unless the procedures set forth in this policy are followed.

6. The Association may dispense with the Notice of Violation if it determines an emergency may exist, i.e. if the alleged violation may pose an immediate threat to persons or property. In such case, the initial Notice may be a Hearing Notice Letter.

HEARING RULES

1. The purpose of the Hearing Committee is to evaluate the nature of the alleged violation and to arrive at a resolution with the Owner(s). A Hearing Committee shall be appointed by the Board and be comprised of at least three (3) Owners whom the Board of Directors believes will be able to afford a fair and impartial hearing. If there is not an established Hearing Committee, the HOA Board shall perform the functions otherwise delegated to the Committee.

2. At the hearing, the Owner shall have the right, personally or by representation, to give testimony orally, in writing, or both (as specified in the Hearing Notice), subject to reasonable rules of procedure established by the Hearing Committee to assure a prompt and orderly resolution of the issues.

3. The Owner may be represented by counsel. If the Owner is represented by counsel, the Owner's hearing will be rescheduled until the Association's counsel can be present. Written and oral evidence may be presented. The hearing need not be conducted according to any technical rules relating to evidence or witnesses, except the presenting party will provide copies of any written evidence to the other party or parties.

4. The hearing shall be open to all Owners, unless the Owner requests privacy because of sensitive or personal information that satisfies the requirements of Executive Session. Any evidence shall be duly considered, but is not binding on the Committee in making its recommendations.

5. The Association shall deliver to the Owner notification of the decision within fifteen (15)

calendar days after HOA Board acts on the recommendations of the Hearing Committee.

FAILURE TO APPEAR

Neither the alleged violating Owner nor any accusing person need be in attendance. Owners who fail to attend or do not file a written response with the Association may be fined if the Hearing Committee determines a violation exists based on the information it has available to it at that time.

NONPAYMENT OF ASSESSMENT

The foregoing Notice and Hearing procedures are not required in order for the Association to impose any sanction for nonpayment of an Assessment, including, but not limited to, imposing default interest, charging a late fee or lien charge, assessing collection costs and attorney fees and commencing and prosecuting a foreclosure action. For more detail, please see the Association's Delinquency Policy.

EXTENSIONS

There may be circumstances that require an Owner additional time to correct his/her violation. In such instances, Owners may request extensions pursuant to the following:

1. All extension requests must be submitted in writing to the Association.

2. All extension requests will be reviewed on a case-by-case basis and decisions will be made based on the facts involving each individual request.

3. No extensions will be given past one year from the date of the original violation as set forth on the first violation notice, unless the Board approves the additional extension based on extenuating circumstances.

APPEALS

Each Owner has a right to appeal any Hearing Committee regarding a violation and/or an ARC decision. The Owner may appeal the findings to the HOA Board at its next regularly scheduled board meeting. The Board will not hear repeat appeal requests for the same matter.

FINES AND ENFORCEMENT

Fine Schedule. The fine schedule has been adopted for all violations and is attached and incorporated by reference:

NON-MAINTENANCE VIOLATIONS

1. Non-maintenance violations are violations that do not relate to the physical structure or permanent features of the property, such as house, driveway or landscaping. These include but

are not limited to, the following sections of the Green Book: 3.9, 3.15, 3.22, 3.26, 3.42, 3.43, 3.50, 3.52, 3.59, 3.60, 3.67, 3.70, 3.75, 3.80, 3.82, 3.95, 3.96, and 3.99 and violations are fined as Non-Maintenance Violations.

2. Non-Maintenance Violations will be sent an Initial Warning Notice when observed for the first time.

First violation	Warning Letter
Second and subsequent violations (of same covenant)	Fine pursuant to attached Schedule Non-Maintenance Violations and/or turnover to legal counsel

Second and subsequent covenant violations may be issued a fine and also turned over to the Association's attorney to take appropriate legal action. Any Owner committing 2 or more violations in any 6 month period (whether such violations are of the same covenant or different covenants) may be immediately turned over to the Association's attorney for appropriate legal action.

3. Continuous Violations. Continuous violations shall be defined as on-going violations of Owner obligations that are perpetual in nature. Each day/incidence of noncompliance with such perpetual obligations constitutes a separate violation. *For example: the failure to remove an unapproved exterior improvement is a breach of the perpetual covenant requiring Owners to obtain Board approval prior to making exterior modifications. Therefore, every day the Owner fails to remove the improvement constitutes a breach of the covenant.*

   If an Owner is determined as having a continuous violation, in accordance with the terms of this Policy, such Owner may be subject to a monthly fine of $200.00 each month the violation is not corrected.

4. 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 compliance with the Articles, Declaration, Bylaws or Rules.

MAINTENANCE VIOLATIONS

1. Maintenance violations will be sent an Initial Warning Notice when observed for the first time. Fines are levied under Maintenance Violations.

First violation	violations (of same covenant)
Second and subsequent	

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Warning Letter	Maintenance Violations and/or turnover to legal counsel
Fine pursuant to attached Schedule	

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   If an Owner is determined as having a continuous violation, in accordance with the terms of this Policy, such Owner may be subject to a monthly fine of $ 400.00 each month the violation is not corrected.

5. 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 compliance with the Articles, Declaration, Bylaws or Rules and pursuant to the Associations.

6. 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.

GENERAL PROVISIONS

1. Waivers. The Board is authorized to extend the time periods and otherwise modify or waive the procedures contained in this policy, on a case-by-case basis, as the Board determines to be necessary, in its sole discretion.

2. Extenuating Circumstances. If extenuating circumstances arise with a violation, the Association may request the Owner prepare and submit a written plan outlining how the violation will be corrected. The Board will review the proposed plan and will decide, in its sole discretion, whether to accept, reject or offer a compromise on the submission.

3. Definitions. Unless otherwise defined in this Policy, capitalized term or terms defined in the Declaration shall have the same meaning herein as set forth in the Declaration.

4. New Owners. When a closing occurs and a new Owner moves into the community, the

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Association will send a friendly reminder to the Owner for the first two (2) months after closing. This letter is designed to let the Owner know what the violations are, while giving them time to become familiar with the Association's rules and regulations. This will only be done with new Owners, but not with new tenants.

5. Notification to ARC. The HOA Supervisor or designated representative will notify the Architectural Review Committee (ARC), if the violation is a failure to submit for and receive ARC approval.

Adopted by the Board of Directors on June 18, 2018