

RESOLUTION OF THE BOARD OF DIRECTORS OF HIGHLANDS RANCH HOMES ASSOCIATION

Covenant Enforcement

WHEREAS, the Declaration of Covenants, Restrictions, Assessments, and Easements of Highlands Ranch, as amended, (hereafter "Declaration") grants the Board of Directors of Highlands Ranch Homes Association ("Association") with the power to enforce all covenants, restrictions, easements, and charges contained in the Declaration;

WHEREAS, the Board of Directors desires to promote the health, safety and general welfare of all residents within the Association and to enhance and protect the value, desirability, and attractiveness of all property within the community known as Highlands Ranch by adopting guidelines and procedures to address concerns and complaints about the enforcement of the Declarations and its covenants, restrictions and easements;

LET IT BE RESOLVED that the following covenant enforcement procedures will be followed:

1. **Effective Date.** These rules and procedures shall become effective ten (10) days after notice of their enactment is mailed to all owners.
2. **Complaints.** The Board of Directors will investigate all Declaration violations that are reported to the Board of Directors (or the Association's property manager) in writing and signed by the complainant within thirty (30) days after those complaints are sent to the Board. Inquiries or complaints, which in the opinion of the Board, lack sufficient detail, may be returned without further investigation. The Board may investigate inquiries about violations from Board members.
3. **Notification to Owners.** If the investigation shows the report of violation is accurate, the Board shall give written notice by regular mail, to the owner setting forth in reasonable detail the nature of such violation or breach and the specific action or actions which shall be taken by the owner to remedy such violation or breach.
 - a. Letter #1: The notice shall give the owner fourteen (14) days to cure the violation or to submit a plan to remedy the violation. Alternatively, the owner may request a hearing with the Board of Directors to appeal the notice of violation within thirty (30) days of receipt of letter. Once an appeal is received, if the Board does not take action within thirty (30) days, the matter is considered dropped. The Board's decision on the appeal is final.

4. **Fines.** If the owner does not request a hearing or if the Board determines that a violation or breach exists after a hearing, the Board may levy a fine of \$100 per occurrence against the property owner who has violated or breached the Declaration. If the violation or breach is not corrected within thirty (30) days after the initial fine is assessed, the Board may levy an additional fine of \$100 and may levy such fine for each additional thirty (30) days the violation or breach is not corrected.
5. **Collective Provisions.** All fines, costs and expenses necessary to enforce this policy shall be an assessment against the owner's property and subject to all lien and collection powers of the Association.
6. **Unresolved Violations.** After the expiration of sixty (60) days following notice of a violation in which no hearing is requested, or alternatively after an appeal meeting, the Board may:
 - a. Suspend the rights or privileges of the owner relating to the use of any common property within the Association and suspend the voting rights of the owner and use of Association services.
 - b. Pursue all rights of action available at law or in equity including, but not limited to the remedy of injunctive relief and obtaining a monetary judgment for all costs, expenses, including reasonable attorney fees, and damages.

Adopted by the Board of Directors this 11th day of January, 2008

Samuel Fleener
President-Board of Directors

Printed Name Samuel Fleener

Tavis Westphal
Secretary-Board of Directors

Printed Name Tavis Westphal