

RESOLUTION OF
ASHTON ESTATES COMMUNITY ASSOCIATION, INC.
REGARDING POLICIES AND PROCEDURES FOR
COVENANT AND RULE ENFORCEMENT

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

1. Reporting Violations. 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 members(s).

2. Complaints.

(a) Complaints by owners or residents shall be in writing and submitted to the Board of Directors or manager. The complaining owner or resident shall have observed the alleged violation.

(b) Complaints by a member of the Board of Directors, OR committee member, or the management company, may be made in writing or by any other means deemed appropriate by the Board of Directors if such violation was observed by the Director or management company.

Investigation. Upon receipt of a complaint, 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. Initial Warning Letter. If a violation is found to exist, a warning letter shall be sent to the Violator explaining the nature of the violation and the time-frame to come into compliance.

5. Continued Violation After Initial Warning Letter. If the alleged Violator does not come into compliance within the designated time-frame of the first warning letter, this will be considered a second violation for which a fine may be imposed following notice and opportunity for a hearing. A second letter shall then 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 shall further state that the alleged Violator is entitled to a hearing on the merits of the matter provided that such hearing is requested

in writing within 15 days of the date on the second violation letter.

_____ (6) Notice of Hearing. If a hearing is requested by the alleged Violator, the Board, committee or other person conducting such hearings as may be determined in the sole discretion of the Board of Directors, may serve a written notice of the hearing to all parties involved at least 10 days prior to the hearing date.

_____ (7) 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. The Board of Directors 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 the hearing. Unless otherwise determined by the Board of Directors, all hearings shall be open to attendance by all Owners. After all testimony and other evidence has been presented at a hearing, the Board of Directors shall, within a reasonable time, not to exceed 10 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 of 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.

_____ (8) Failure to Timely Request Hearing. If the alleged Violator fails to request a hearing within 15 days of the second letter, or fails 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.

9. Notification of Decision. The decision of the Board, committee or other person shall be 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.

10. Fine Schedule. The following fine schedule has been adopted for all recurring covenant violations:

First Violation:	Warning letter
Second Violation: (of same covenant or rule)	Second letter \$10.00 per day fine
Third and Subsequent Violations (of same covenant or rule)	\$10.00 a day retroactive to the date of the initial warning letter.

11. Continuous Violations. Continuous violations are defined as violations of the Owner obligations that are uninterrupted by time. After 10 days from the date of the initial warning letter, each day of noncompliance constitutes a separate violation. *For example: the failure to remove an unapproved exterior improvement or the continuous parking in a fire lane.*

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 daily fine of \$10.00 per day per each covenant violation if not corrected, following a notice and opportunity for a hearing as set forth above.

12. 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 Articles, Declaration, Bylaws or Rules.
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, the City of Greeley, and the Law of the State of Colorado governing the Community.
16. Deviations. The Board may deviate from the procedures set forth in the 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 Ashton Estates Community Homeowners Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Resolution 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 this 4th Day of January, 2012 and in witness thereof, the undersigned has subscribed his/her name.

EFFECTIVE DATE:

1/4/2012

ASHTON ESTATES
COMMUNITY
ASSOCIATION, INC.

A Colorado non-profit corporation

By:

Kenneth J. Gaudin
President