**PURPOSE:** Policy setting forth the Association's procedure for addressing disputes between the Association and its Members.

EFFECTIVE DATE: September 9, 2013

**AUTHORITY:** Articles of Incorporation of The Bluffs Homeowners' Association, The Bluffs HOA Bylaws, and the Colorado Common Interest Ownership Act, Section 38-33.3-124, Colorado Revised Statutes.

## RESOLUTION

WHEREAS, the Board of Directors finds that Colorado law requires homeowner's associations to adopt a written policy for addressing disputes between the Association and unit owners; and

**WHEREAS,** the Board of Directors finds that adoption of a dispute resolution policy will facilitate productive and meaningful resolution of disputes that restore relationships between members of our community, while avoiding unnecessary and costly litigation.

## NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BLUFFS HOMEOWNERS' ASSOCIATION:

I. In the event of a dispute between the Association and an Association Member, the Member is encouraged to meet with the Board of Directors to resolve the dispute informally. Either the Board of Directors or the Member may request such a meeting. If a meeting is requested for this purpose, the Board of Directors shall within five (5) business days of said request schedule the meeting for a mutually agreed time and place. Any agreement reached at the meeting shall be put in writing and signed by both parties.

II. Either party may also request in writing that the dispute be submitted to mediation. If mediation is requested and the recipient of the request agrees to mediate the dispute, mediation shall be scheduled with a mediator agreed to by the parties. Use of the Colorado judicial branch Office of Dispute Resolution is encouraged. In the event the parties are unable to agree to the selection of a mediator, each party shall select a mediator and the two mediators shall select a third mediator who shall mediate the dispute. The selected mediator's procedures or rules then in effect for such disputes will govern any mediation between the parties. The mediation will take place in Colorado Springs, Colorado. Each party will pay its own attorneys' fees and costs in mediation, and will equally share the mediator's fees and expenses. Participation in the

mediation is voluntary, and either party may end the mediation at any time. If a partial or full agreement is reached in mediation, that agreement will be reduced to writing, and the written agreement will be signed by the parties.

III. Nothing in this Policy shall be construed to require any specific form of alternative dispute resolution, or require the parties to meet. Neither the Association nor the Member waives any right to pursue any legal or other remedial action available to it.

## **CERTIFICATION**

The undersigned, being the President of The Bluffs Homeowners' Association, Inc., a Colorado non-profit corporation, certifies that the foregoing Resolution was approved and adopted by the Board of Directors at a duly called and held meeting of the Board of Directors on October 14, 2013, and in witness thereof, the undersigned has subscribed her name below.

THE BLUFFS HOMEOWNERS' ASSOCIATION, INC.

By: Eileen Hockett, President

ATTEST:

George Fiedler, Secretary