

**ASPEN MESA HOME OWNERS ASSOCIATION
POLICY AND PROCEDURE
ENFORCEMENT OF DEED RESTRICTIONS AND COVENANTS, BYLAWS,
RULES AND REGULATIONS, AND SCHEDULE OF FINES**

Adopted JUNE 3, 2009

The following policy and procedure has been adopted by the Directors ("Board") of the Aspen Mesa Home Owners Association ("Association") for (i) the enforcement of the Association's Deed Restrictions and Covenants including Architectural Control, Bylaws, Rules and Regulations, collectively referred to as the "Governing Documents"; and (ii) a Schedule of Fines.

1. Notice of Alleged Violation. Notice of Alleged Violation of any provision of the Governing Documents shall be provided to the applicable Owner as soon as is reasonably practicable after the Board has received a written complaint or notice of the alleged violation, identifying the complainant ("Complainant"), the alleged violator ("Violator"), if known, and containing a brief description of the alleged violation and referencing the specific provisions which are alleged to have been violated. Non-written complaints or complaints failing to include the information required by this provision may not be investigated or prosecuted at the discretion of the Board. The Notice of Alleged Violation shall describe the nature of the violation and shall state that the Violator will have fifteen (15) days from the date of the letter to come into compliance. With respect to matters which are an immediate nuisance or capable of immediate cure, the Violator may be given a shorter period of time at the Board's discretion. Hardships will be considered and ruled upon at the discretion of the Board.

2. Service of Notices. Service of all notices required or permitted to be given hereunder shall be made as follows:

If to an Owner and/or Related User: By personal delivery to the Owner and/or Related User, or by certified U.S. Mail, return receipt requested, postage prepaid, addressed to the last registered address of the Owner and/or Related User as contained in the Association's records.

If to the Association: By personal delivery or U.S. Mail, postage prepaid, addressed to the Association in care of its registered agent and office, as maintained with the Colorado Secretary of State or such address as the parties may be advised of in writing.

Any notice personally delivered shall be deemed received on the date of delivery, and any notice mailed shall be deemed received on the fifth day following the date of mailing.

3. Continued Violation After Initial Notice. Upon confirmation by the Board that the alleged Violator has received the Notice of Alleged Violation, or has refused to accept the Certified Mail, if the alleged Violator does not come into compliance within the period of time stated in the Notice of Alleged Violation, this will be considered a second violation for which a fine may be imposed following notice and an opportunity for a hearing. A second letter 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 shall further state that the alleged Violator must request a hearing on the merits of the matter within ten (10) days of the date of the second violation letter. If the Violator does not submit a timely written request for a hearing, describing the grounds and basis for challenging the alleged violation, he or she shall be deemed to have waived any and all rights to a hearing with respect to the matter.
4. Board Determination Without Hearing. In the event the Violator does not request a hearing within the time prescribed in this Policy and Procedure, the Board shall investigate the allegations and determine if there is a violation, and if a violation is found to exist, may assess a reasonable fine within the guidelines contained in this Policy and Procedure. The Board's decision, including the amount of the fine, shall be provided to the Violator, in writing, within ten (10) days of the Board's determination. The Board shall give notice of said violation and fine to the applicable Owner as provided in the Governing Documents or this Policy and Procedure. The fine is due and payable immediately upon receipt of notice of the fine assessment.
5. Board's Conduct of Hearing. In the event a hearing is timely requested by the Violator, the Board shall hear and decide the matter set for hearing pursuant to this Policy and Procedure. The Board shall inform the Owner of the scheduled time, place and date of the hearing, provided that the Board may grant continuances for good cause. At the beginning of each hearing, the Board shall explain the rules, procedures and guidelines by which the hearing shall be conducted and shall introduce the case before the Board by reading the Notice of Alleged Violation. Each party may make opening statements, may present evidence and testimony, may present witnesses, and may make closing statements. Neither the complaining parties nor the Owner must be in attendance at the hearing. However, the decision of the Board at each hearing shall be based on the matters set forth in the Notice of Alleged Violation, Request for Hearing, and such evidence as may be presented at the hearing. Unless otherwise determined by the Board, all hearings shall be open to attendance by all members of the Association.
6. Conflicts. Any Board member who is incapable of objective and disinterested consideration on any hearing before the Association shall disclose such to the President of the Board prior to the hearing on the case, if possible, or, if advance notice is not possible, then such disclosure shall be made at the hearing, and the Board member shall be disqualified from all proceedings with regard to the

hearing. If disqualification of any Board member(s) results in an even number of remaining Board members eligible to hear a case, the Board may appoint an Association member, in good standing, to serve as a voting member of the hearing board.

7. Decision. After all testimony and other evidence have been presented to the Board at a hearing, the Board shall render its written findings and decision, and impose a reasonable fine, if applicable, within ten (10) days after the hearing. A decision, either a finding for or against the Violator, shall be by a majority of the members of the hearing board present at the hearing. The Board may also issue and present for recording with the Eagle County Clerk and Recorder, a Notice of Finding of Violation. Upon satisfactory compliance with the Association's governing documents, the Notice of Finding of Violation may be released by the Association issuing and recording a release of Notice of Finding of Violation.

8. Fine Schedule. Unless otherwise provided in the Association Rules and Regulations, any violation of the Governing Documents will subject the Violator to a reasonable fine assessment imposed by the Association as follows:

- (i) Notice of Alleged Violation: Written warning letter requesting compliance
- (ii) Second Violation: Fine to be imposed after notice

Fines shall be determined by the Board for each finding of a violation based on the type, severity, repetition and circumstances of each violation based on the following guidelines:

First time or minor violations	between \$25 and \$75 dollars
Repeated minor violations	between \$50 and \$100 dollars
Repeated or flagrant violations	between \$100 and \$500 dollars

- (iii) In the event of a continuing violation, a daily fine may be levied if, and only if, a Board member performs a daily inspection to verify the violation is continuing. The amount of the daily fine shall be determined by the Board based upon the gravity of the violation, the impact of the violation on other Owners and the Association and the deterrence factor.

Notwithstanding any provision of this fine schedule or Policy and Procedure, the Association may use any legal means available at any time to enforce the terms of the Governing Documents.

SECRETARY'S
CERTIFICATION:

The undersigned, being the Secretary of Aspen Mesa Home Owners Association, a Colorado non-profit corporation, certifies that the foregoing policy and procedure was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board June 3, 2009, and in witness thereof, the undersigned has subscribed his/her name.

ASPEN MESA HOME OWNERS ASSOCIATION
a Colorado non-profit corporation

By: Susan M. Zimmer
Secretary