

ADOPTION AND AMENDMENT OF POLICIES

POLICY #1

Pursuant to C.R.S. 38-33.3-209.5 and the Bylaws and Declaration of Covenants, Conditions and Restrictions ("Declaration") for Garfield Mountain Townhome subdivision, the following procedures have been adopted by the Garfield Mountain Townhome Association, Inc. ("Association").

SCOPE: The Association shall adopt a policy setting forth procedures for the adoption and amendments of policies, procedures and rules.


NOW THEREFORE, LET IT BE RESOLVED that the Association does hereby adopt the following policy governing the adoption and amendment of policies, procedures, and rules:

1. **Authority.** Pursuant to the Association's governing documents, the authority to create, adopt, enforce, and amend policies, procedures, rules and regulations (hereinafter collectively referred to as a "Policy") lies with the Board of Directors of the Association. The Board has the right, but not obligation, prior to adopting any new Policy, to conduct an informal meeting of the Owners and solicit their input regarding any new or existing Policy. The Board may gather information, draft policies, form committees or use any other method determined by the Board to be appropriate in the consideration of a Policy.
2. **Adoption.** When the Board, in the exercise of its discretion, determines that a Policy is appropriate, it shall adopt the Policy either at a meeting of the Board or by written consent in lieu of a meeting, or by any other method authorized by the Association's governing documents or pursuant to Colorado law.
3. **Notice.** The Board shall then publish the Policy by any reasonable means available, including but not limited to posting the Policy in the community or on its website, if any, by email, mail, newsletter, or personal delivery. The Policy, along with all other Policies of the Association shall be available for inspection and copying in accordance with the Association's policy regarding inspection and copying of Association records.
4. **Enforcement.** Any owner's failure to receive the Policy shall not be a defense to any attempt by the Association to enforce the Policy or levy fines, expenses, or attorney's fees as a result of a violation of the Policy.

The undersigned hereby certify that the foregoing resolution (Policy #1) was adopted and made a part of the minutes of the regular meeting of the Board of Directors of the Association conducted on the 25th day of July, 2013.

Garfield Mountain Townhome Association, Inc.

By: _____



JOE ANDERSON, President

Attest: _____

Kathleen Threet

KATHLEEN THREET, Secretary

RESERVE FUND AND INVESTMENTS

POLICY #2

Pursuant to C.R.S. 38-33.3-209.5 and the Bylaws and Declaration of Covenants, Conditions and Restrictions ("Declaration") for Garfield Mountain Townhome Subdivision the following resolution and procedures have been adopted by the Garfield Mountain Townhome Association, Inc. ("Association") in order to properly maintain areas in the community that are the responsibility of the Association, to manage reserve funds and to protect the market of value of Owner's homes and livability in the community:

NOW THEREFORE, LET IT BE RESOLVED that the Association does hereby adopt the following policies and procedures for the reserve fund and investment of such:

1. **Reserve Fund.** The purpose of the Reserve Fund shall be to responsibly fund and finance the projected repair and replacement of those portions of the community that the Association is responsible for and for such other funding as the Board may determine. The portions of the community that the Association is responsible for typically have limited but reasonably predictable useful lives.
2. **Reserve Study.** In order to determine funding of the Reserve Fund, the Board shall determine, with the assistance and advice of professionals, the life expectancy of those portions of the community to be maintained by the Association and the anticipated costs of maintaining, replacing and improving those identified areas.
3. **Review of Reserve Study.** The Board shall cause the Reserve Study and reserve funding to be reviewed and updated periodically, at least once every two years, to adjust and make changes in costs, inflation and interest yield on invested funds, plus modification, addition or deletion of components.
4. **Reserves.** The Board shall establish the amount, if any, to be transferred to the Reserve Fund on an annual basis. The Board may engage the support services of outside professionals, subject to the availability of budgeted funds and approval from the Board, to assist in formulating a specific investment strategy.
5. **Investment Strategy.** The investment strategy of the Reserve Fund for the Association should emphasize a long-term outlook by diversifying the maturity dates of fixed-income instruments within the portfolio utilizing a laddered investment approach.
6. **Investment of Reserves.** The Association shall invest funds held in the Reserve Funds accounts to generate revenue that will accrue to the Reserve Funds accounts balance pursuant to the following goals, criteria and policies:
 - a. **Safety of Principal.** Promote and ensure the preservation of the Reserve Fund's principal.
 - b. **Liquidity and Accessibility.** Structure maturities to ensure availability of assets for projected or unexpected expenditures. The investment portfolio shall remain sufficiently liquid to meet all planned reserve fund expenditures for the following fiscal year. To ensure that adequate reserve funds are available to pay the Association's reserve expenditures, annual reserve fund investments shall reasonably match the planned reserve fund expenditures for the following fiscal year.
 - c. **Minimal Costs.** Investment costs (redemption fees, commissions and other transactional costs) should be minimized.
 - d. **Return.** Funds should be invested to seek the highest level of return.
7. **Eligible Investments.** Unless otherwise approved by the Board, all investments will be FDIC insured and/or guaranteed by the United States Government. Approved FDIC Investment classes include:
 - a. Savings accounts;
 - b. Money Market accounts; and
 - c. Certificates of Deposits in FDIC insured financial institutions with no more than \$100,000 in any such institution, unless additional private depositors insurance is provided.

8. Ineligible Investments and Transactions. The Association shall not invest in the following asset class(es):

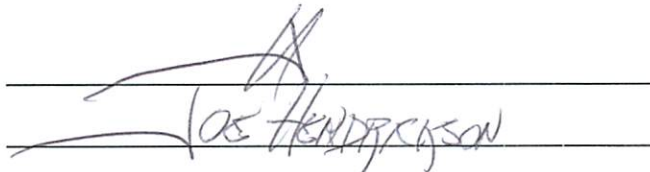
- a. Individual stocks;
- b. Equity mutual funds domestic or foreign;
- c. Mutual funds consisting of bonds or mortgages and or derivatives;
- d. Options on equity, debt or commodities;
- e. Floating rate securities of floating rate certificates of deposit; and
- f. Investment in a single institution in excess of FDIC insurance limits.

9. Review and Control of Reserve Fund. All investments will be purchased in the name of the Association. The signatures of the President and Treasurer are required for withdrawals or transfers of reserve funds. The Board shall review Reserve Fund investments periodically to ensure that the funds are receiving competitive yields and shall make prudent adjustments as needed.

The undersigned hereby certify that the foregoing resolution (Policy #2) was adopted and made a part of the minutes of the meeting of the Board of Directors of the Association conducted on the 25th day of July, 2013.


Garfield Mountain Townehome Association, Inc.

By:



JOE HENDERSON, President

Attest:



KATHLEEN THREET, Secretary

RECORDS INSPECTION & MANAGEMENT

POLICY #3

Pursuant to C.R.S. 38-33.3-317, Colorado House Bill 1237 and the Bylaws and Declaration of Covenants, Conditions and Restrictions ("Declaration") for Garfield Mountain Townhomes subdivision, the following resolution and procedures have been adopted by the Garfield Mountain Townhomes Association, Inc. ("Association").

NOW THEREFORE, LET IT BE RESOLVED that the Association does hereby adopt the following policies and procedures for the Association to establish uniform procedures for the inspection and copying of Association records by Association Members; to establish the type of records kept by the Association or its agent; and to establish the cost of copying Association records; and to establish procedures for destruction of records.

1. The following records shall be maintained by the Association, as a permanent record, and shall be produced to Owners upon request to the extent they are or concern:
 - a. Records specifically defined in the Association's declaration or bylaws
 - b. Records the Association is required to disclose within 90 days after the end of the fiscal year as required by the Colorado Common Interest Ownership Act (CCIOA)
 - c. Detailed records of receipts and expenditures affecting the operation and administration of the Association.
 - d. Records of claims for construction defects and amounts received pursuant to settlement of those claims.
 - e. Minutes of all meetings of its Owners and board, a record of all actions taken by the Owners or board without a meeting, and a record of all actions taken by any committee of the board.
 - f. Written communications among, and votes cast by, board Members that are: (i) directly related to an action taken by the board without a meeting pursuant to the Colorado Revised Nonprofit Corporation Act; or (ii) directly related to an action taken by the board without a meeting pursuant to the Association's bylaws.
 - g. A list of the names of all Owners and the physical mailing addresses at which the Association communicates with them, showing the number of votes each owner is entitled to vote.
 - h. The Association's current Declaration, Covenants, Bylaws, Articles of Incorporation, Rules and Regulations, responsible governance policies and other policies adopted by the board.
 - i. Financial statements for the past 3 years and tax returns of the Association for the past 7 years, to the extent available.
 - j. A list of the names, email addresses and physical mailing addresses of the current executive board Members and officers.
 - k. The most recent annual report delivered to the Secretary of State, if any.
 - l. Financial records sufficiently detailed to enable the Association to provide an owner with a written statement stating the amount of unpaid assessments currently levied against the owner's unit.
 - m. The Association's most current reserve study, if any.
 - n. Current written contracts to which the Association is a party and contracts for work performed for the Association within the immediately preceding 2 years.
 - o. Records of executive board or committee actions to approve or deny any requests for design or architectural approval from Owners.
 - p. Ballots, proxies and other records related to voting by Owners for 1 year after the election, action or vote to which they relate.
 - q. Resolutions adopted by the board relating to the characteristics, qualifications, rights, limitations, and obligations of Members or any class or category of Members.
 - r. All written communications within the past 3 years sent to all Owners.

2. The following records maintained by the Association *may* be withheld from inspection and copying to the extent they are or concern:
 - a. Architectural drawings, plans, and designs, unless released upon the written consent of the legal

- Owners of the drawings, plans, or designs
 - b. Contracts, leases, bids or records related to transactions to purchase or provide goods or services that are currently in or under negotiations;
 - c. Communications with legal counsel that are otherwise protected by attorney-client privilege or the attorney work product doctrine
 - d. Disclosure of information in violation of law
 - e. Records of an executive session of the board
 - f. Records relating to or concerning individual units other than those of the requesting owner
3. The following records maintained by the Association are not subject to inspection and copying, *and must be withheld*, to the extent they are or concern:
- a. Personnel, salary, or medical records relating to specific individuals.
 - b. Personal identification and account information of Members, including bank account information, telephone numbers, electronic mail addresses, driver's license numbers, and social security numbers.
4. Without the consent of the board of directors, a Membership list (or any part of that list) may not be obtained or used by any person for any purpose unrelated to a unit owner's interest as a unit owner.
- a. A membership list may not be used to solicit money or property from Owners, *unless* that money or property is used solely to solicit the votes of the unit Owners in an election to be held by the Association.
 - b. A membership list may not be used for any commercial purpose.
 - c. A membership list may not be sold to or purchased by any person.
5. So the Association can have the desired books, records and personnel available, a written Notice of Intent to Inspect must be submitted to the Association's Manager or to the Board of Directors at least fourteen (14) business days prior to the planned inspection. The Notice must describe with reasonable particularity which records are to be inspected and the purpose of the inspection.
6. All records shall be inspected at the principal office of the Association located at the office of the management company or can change, from time to time and will be available for inspection between the hours of 9:00 a.m. and 5:00 p.m., Monday through Friday. At the discretion of the Association's Manager, certain records may only be inspected in the presence of a Board member or employee of the Manager. No records may be removed from the office without the express written consent of the Board of Directors. Further, if a Member requests to inspect records, the Association may photocopy and provide the requested records to the Member in lieu of the Member's inspection of the records if consented to by the Member.
7. The Association may charge a fee, as described in the Request form.
8. In determining whether records may be inspected, the Association shall consider among other things:
- a. Whether the request is made in good faith;
 - b. Whether disclosure would violate a constitutional or statutory provision of public policy;
 - c. Whether disclosure may result in an invasion of personal privacy, breach of confidence or privileged information as set forth above.
9. The Association reserves the right to pursue any individual for damages or injunctive relief or both, including reasonable attorney's fees, for abuse of these rights, including, but not limited to, use of any records for a purpose other than what is stated in the Notice of Intent to Inspect.
10. The Association may choose to retain records for most files for a period of 10 years, since that span exceeds the statutes of limitations and repose applicable to most professional liability claims in most states.

11. Upon destruction of records, the following procedures shall be performed:

- a. Paper files should be shredded or incinerated.
- b. Data storage devices specific to a file such as tapes, CDs and floppy disks should be physically destroyed rather than overwritten with other data to ensure that the data is irretrievable.
- c. In destroying electronic files, it is important to identify and eliminate all duplicate files, which may exist on network servers, personal computers and data storage devices such as tapes, hard drives, flash drives and personal digital assistants.


The undersigned hereby certify that the foregoing resolution (Policy #3) was adopted and made a part of the minutes of the meeting of the Board of Directors of the Association conducted on the 12th day of September, 2013.

Garfield Mountain Townehomes Association, Inc.

By: _____


Joe Hendrickson, President

Attest: _____


Kathleen Threet, Secretary

COLLECTION OF UNPAID ASSESSMENTS
POLICY #4

Pursuant to C.R.S. 38-33.3-209.5, C.R.S. 38-33.3-316.3 and the Bylaws and Declaration of Covenants, Conditions and Restrictions ("Declaration") for Garfield Mountain Townehomes Subdivision, the following resolution and procedures have been adopted by the Garfield Mountain Townehomes Association, Inc. ("Association").

NOW THEREFORE, LET IT BE RESOLVED that the following procedures and practices are established for the collection of Assessments and other charges owing and to become owing by the Owners of Lots (Owner) in the Association:

1. Policy Objective. The collection of assessments pursuant to the Declaration and this Assessment Collection Policy will be governed by the following objective:

The Association will pursue collection of all assessments. At each step within the collection process, the Board will analyze the facts and circumstances then known concerning a given delinquency to direct collection efforts toward the expedient course of action for resolving the delinquency.

2. Ownership Records. All collection notices and communications will be directed to those persons shown by the records of the Association as being the Owner of the Lot for which assessments are due and will be sent to the most recent address of such Owner solely as reflected by the records of the Association. Any notice or communication directed to a person at an address, in both cases reflected by the records of the Association as being the Owner and address for a given Lot, will be valid and effective for all purposes pursuant to the Declaration and this Assessment Collection Policy until such time as there is actual receipt by the Association of written notification of any change in the identity or status of such Owner or its address or both.
3. Ownership Interests. Pursuant to the Declaration, the person who is the Owner of the Lot as of the date an assessment becomes due is personally liable for the payment of the assessment. The personal obligation for delinquent assessments shall not pass to the successors in title of the Owner unless expressly assumed by them.
4. Collection Procedures. The Association may grant authority to a management company to identify, notify and fine Owners as part of the enforcement procedures. Collection procedures will be followed as permitted in 38-33.3-316.3 of the Colorado Revised Statutes along with the Association's Enforcement Procedures Policy.
5. Alternative Collection Courses. At each step in the collection process the Board, acting with input and recommendation from management and counsel, will evaluate which course of legal action appears to be in the best interest of the Association for recovery of unpaid assessments.
6. Delinquent Assessments. Assessments are due upon receipt of invoice and are considered delinquent thirty days after due date. Late fees and interest will be assessed per the Association's governing documents and Enforcement Procedure policy. If payment is not received within 30 days of the due date, the Association shall send a letter demanding payment to any delinquent Owner within 30 days after such Assessment becomes past due. The demand letter shall be mailed by regular United States mail within 30 days and will notify the Owner of the delinquency and associated late fees and demand payment within 30 days.
7. Delinquencies Constitute Covenant Violations. Any delinquency in the payment of assessments shall constitute a violation of the covenants contained in the Declaration, and following notice and an opportunity to be heard, the Association shall be entitled to impose sanctions on the delinquent Owner consistent with the Association's Policy regarding Enforcement Procedures.
8. Return Check Charge. A twenty five dollar (\$25.00) fee shall be assessed against an Owner in the event any check or other instrument attributable to or payable for the benefit of such Owner is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to, insufficient funds. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. If two or more of an Owner's checks are returned unpaid by the bank within any twelve month period, the Association may require that all of the Owner's future payments, for a period of one year, be made by

Para 6-
Revised
11-10-15

certified check or money order.

9. Payment Plan. Prior to a delinquent account being turned over to a collection agency, a lawsuit, a lien or foreclosure or an account being referred to an attorney for legal action, the Association will offer the Owner a written payment plan with the following information attached to the proposed payment plan:
- a. The total amount due by the Owner, with an accounting of how the total was determined;
 - b. Whether the opportunity to enter into a payment plan exists pursuant to Section 38-33.3-316.3 of the CCIOA and instructions for contacting the Association to enter into such a payment plan;
 - c. The name and contact information for the individual the Owner may contact to request a copy of the Owner's ledger in order to verify the amount of the debt; and
 - d. That action is required to cure the delinquency and that failure to do so within thirty days may result in the Owner's delinquent account being turned over to a collection agency, a lawsuit being filed against the Owner, the filing and foreclosure of a lien against the Owner's property or other remedies available under Colorado law.
 - e. That the Owner must pay off the deficiency in equal installments over a period of at least six months, while keeping current with the remaining regular assessments.
 - f. That failure of Owner to remit payment of an agreed-upon installment or to remain current with regular assessments as they come due during the six-month period constitutes a failure to comply with the terms of his or her payment plan.

The payment plan does not apply if the Owner does not occupy the unit and has acquired the property as a result of a default of a security interest encumbering the unit or foreclosure of the Association's lien. The Association is not obligated to negotiate a payment plan with an Owner who has previously entered into a payment plan.

10. Liens. The Association may cause to be filed a notice of lien against the property of the delinquent Owner, as per C.R.S. 38-33.3-316. The lien shall include fees, charges, late charges, attorney fees, fines and interest owed by the delinquent Owner.
11. Suit at Law. The Association may, but shall not be required, to bring a suit at law to collect the delinquent assessments. Any Judgment rendered in such action shall include a sum for costs of suit, including a reasonably attorney's fees.
12. Referral of Delinquent Accounts. The Association may, but shall not be required, to assign delinquent accounts to one or more collections agencies for collection. The Association may, but shall not be required, to refer delinquent accounts to its attorneys for collection. Upon referral to the attorneys, the attorneys shall take all appropriate action to collect the accounts referred. After an account has been referred to an attorney, the account shall remain with the attorney until the account is settled, has a zero balance or is written off. All payment plans involving accounts referred to an attorney for collection shall be set up and monitored through the attorney. After consultation with the Board of Directors or the Association's managing agent, the attorneys shall be entitled to exercise all available remedies to collect the amounts due, including judicial foreclosure and appointment of a receiver of the delinquent Owner's property.
13. Attorney Fees on Delinquent Accounts. The Association shall be entitled to recover its reasonable attorney fees and collection costs incurred in the collection of assessments or other charges due the Association from a delinquent Owner.
14. Payment Applications. The Association reserves the right to apply all payments received on account of any Owner first to payment of any and all legal fees and costs (including attorney fees), then to costs and expenses of enforcement and collection, late charges, interest, returned check charges, firm fees, and other costs owing or incurred with respect to such Owner, and any remaining amounts shall be applied to the assessments due with respect to such Owner.
15. Voting Rights Suspended. Owner voting rights will be suspended while Owners are in default of assessments.

16. Waivers. Nothing in this Resolution shall require the Association to take specific actions other than to notify homeowners of the adoption of these policies and procedures. The Association has the option and right to continue to evaluate each delinquency on a case-by-case basis. The Association may grant a waiver of any provision herein upon petition in writing by an Owner showing a personal hardship. Such relief granted an Owner shall be appropriately documented in the files with the name of the person or persons representing the Association granting the relief and the conditions of the relief. In addition, the Association is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Association may determine appropriate under the circumstances.

The undersigned hereby certify that the foregoing resolution (Policy #4) was adopted and made a part of the minutes of the meeting of the Board of Directors of the Association conducted on the 9th day of November, 2013.

Garfield Mountain Townehomes Association, Inc.

By: 
Joe Hendrickson, President

Attest: Kathleen Threet
Kathleen Threet, Secretary

Garfield Mountain Townhomes

Collection Policy revision: Nov 10, 2015

Revise Paragraph 6 to read as follows:

6. Delinquent Assessments. Assessments are due upon receipt of invoice and are considered delinquent thirty (30) days after the due date. A late fee of \$10 per month and interest at a rate of 10% per annum on unpaid balances will assessed. If payment is not received within 30 days of the due date, the Association shall send a letter demanding payment to any delinquent Owner within 30 days after such Assessment become past due. The demand letter shall be mailed by regular United States Postal Service mail and will notify the Owner of the delinquency and associated late fees and interest, and will demand payment within 30 days.



12/15/2015

Board member signature

date

Board member signature

date

Board member signature

date

ENFORCEMENT PROCEDURES

POLICY #5

Pursuant to C.R.S. 38-33.3-209.5 and the Bylaws and Declaration of Covenants, Conditions and Restrictions ("Declaration") for Garfield Mountain Townehomes Subdivision, the following resolution and procedures have been adopted by the Garfield Mountain Townehomes Association, Inc. ("Association").

NOW THEREFORE, LET IT BE RESOLVED that the Association does hereby adopt the following policies and procedures for the enforcement of the Association's restrictive covenants:

1. Power. The Board of Directors, its appointed committee or its agent shall have the power and duty to hear and make decisions regarding violations and written Complaints filed with the Board and impose fines or other sanctions, pursuant to these Policies and Procedures. The Board may determine enforcement action on a case by case basis, and take other actions as it may deem necessary and appropriate to assure compliance with the Association's Articles of Incorporation, Bylaws, Declaration and rules and regulations promulgated there under, and to create a safe and harmonious living environment.
 - a. These enforcement provisions may be in addition to other specific provisions outlined in the Association's Declaration, Articles of Incorporation, Bylaws or Rules and Regulations ("Governing Documents"), and the Association is not required to follow these enforcement provisions before seeking such remedies. The Association may choose a legal remedy or seek assistance from other enforcement authorities, such as police, fire, or animal control, as it deems appropriate.
 - b. The Board of Directors, in its sole discretion, shall at all times have the right to not take action on a matter, notwithstanding anything in this Policy to the contrary.
2. Complaint. A proceeding to determine if the Governing Documents have been violated and any enforcement measures and remedies that may apply shall be initiated by the filing of a written Complaint with or by the Association's Board. The Complaint shall state the specific provision(s) of the Governing Documents alleged to have been violated and as many specifics as are available as to time, date, location and persons involved. The Board will verify the complaint through a fair and impartial fact finding process.
3. Ownership Records. All notices and communications will be directed to those persons shown by the records of the Association as being the Owner of the Lot for which assessments are due and will be sent to the most recent address of such Owner solely as reflected by the records of the Association. Any notice or communication directed to a person at an address, in both cases reflected by the records of the Association as being the Owner and address for a given Lot, will be valid and effective for all purposes pursuant to the Declaration and this Enforcement Policy until such time as there is actual receipt by the Association of written notification of any change in the identity or status of such Owner or its address or both.
4. Notice of Complaint and Right to Hearing. Upon receipt of a Complaint, if the Board determines, in its discretion, that the allegations in the Complaint are sufficient to constitute a violation of the Governing Documents and that action is warranted, the Association shall send a notice to the person(s) (the "Respondent") alleged to have violated the Governing Document, by prepaid, first class United States mail addressed to the mailing address of the Respondent of the following:
 - a. the details of the Complaint, or include a copy of the Complaint;
 - b. the action that may be taken;
 - c. his or her right to be heard, either orally or in writing, by an impartial decision maker (the Board or by a committee appointed by the Board) at the next meeting of the Board which is at least fifteen days after the date of the notice
 - d. the date on which the hearing will be scheduled; and
 - e. the Board's right to proceed with or without a hearing, at its discretion, to make its determination of the allegations contained in the Complaint based on all relevant facts and circumstances, if the Respondent fails to appear at the specified date and time or otherwise respond to the Complaint. **The Board may determine that the Respondent's failure to respond or appear at the hearing constitutes a no-contest plea to the Complaint and enforce the provisions of the Governing Documents.**

5. Hearings. Each hearing shall be held before an impartial decision maker at the scheduled time, place and date, unless the Respondent has failed to respond or appear at the hearing. The Board may grant continuance(s) for good cause. The Board may:
 - a. exercise its discretion as to the specific manner in which a hearing shall be conducted
 - b. question witnesses and review evidence and
 - c. act as it may deem appropriate or desirable to permit the Board to reach a just decision

Neither the Complainant nor the Respondent must be in attendance at the hearing, but both are encouraged to attend. Any party may elect not to present evidence at the hearing. Action taken by the Board shall be fair and reasonable taking into consideration all of the relevant facts and circumstances. Each hearing shall be open to attendance by all Members of the Association.

6. Decision. If the Respondent does not appear but a written response is filed, the Board shall render its decision based on the information contained in the Complaint and the written response, considering all of the relevant facts and circumstances. If neither an appearance nor a written response is made, the Board need not conduct a hearing or make further findings except that it may determine that the Respondent's failure to appear or respond constitutes a no-contest plea to the Complaint, and impose the sanctions provided for herein or enforce the provisions of the Governing Documents, or both. If an appearance is made, after all testimony and other evidence has been presented to the Board at a hearing, the Board shall render its decision(s), taking into consideration all of the relevant facts and circumstances. Except as provided herein, the Board's decision shall not have an effective date no sooner than five (5) days after the hearing. If the Board does not inform the Respondent of its decision at the time of the hearing, or if no hearing is held, the Board will provide a written decision to the Respondent's address of record via regular U.S. Mail within (5) days after the hearing.

7. Enforcement, Attorney's Fees, and Fines/Sanctions. The provisions of these Policies and Procedures shall not limit, or be a condition precedent to, the Association's right to enforce the Governing Documents by any means available to the Association, including, but not limited to, commencement of a lawsuit to force compliance or seeking injunctive relief or damages. The Association shall be entitled to reimbursement of all reasonable attorney's fees and costs incurred by the Association in connection with any enforcement action, including any proceeding under these Policies and Procedures. Without limiting the Association's remedies under the Governing Documents, the Association may assess fines and suspend membership privileges in accordance with these Policies and Procedures. If the violation involves damage to Association property, the violator shall pay the costs of repair or replacement. The Board may revoke or suspend the violator's privileges for a period of time equal to the duration of the violation, except that any suspension of voting rights of a Member shall not exceed 60 days following any violation by such Member unless such violation is a continuing violation, in which case such suspension may continue for so long as such violation continues and for up to 60 days thereafter.

8. Schedule of Fines and/or Monetary Penalties. Fines and/or monetary penalties imposed will be enforced in the same manner as unpaid assessments pursuant to the Association's governing documents. All collection costs will be billed to the Owners account in accordance with the governing documents. Fines may be levied for violations of the Association Governing Documents as follows:

- a. Fine schedule:
 - i. First Violation: Courtesy Notice, warning of a possible fine
 - ii. Second violation: \$50 fine
 - iii. Each violation thereafter: \$100 fine
- b. A member or guest who accumulates more than 5 violations within a 12 month period will be deemed to be a habitual offender. Without limiting the Board's ability to fine or suspend membership privileges in accordance with these Policies and Procedures, habitual offenders, continuing violations, or violations which have an indefinite commencement or termination date, shall all be subject to a fine of \$100 per month until the violation is corrected, and suspension of membership privileges as determined by the Board. Further, in the event of a determination by the Board of a willful, wanton or flagrant disregard for the provisions of the Governing Documents, or based on the severity of the violation, the Board may impose such additional fines as are deemed reasonable by the Board without regard to the schedule set

forth above.

- c. The record Owner of real estate subject to the Declaration shall have the primary obligation to pay fines imposed for their actions and actions of their tenants, family members, and guests. Fines imposed pursuant to these enforcement policies and procedures shall become an Assessment imposed against the record Owner's real estate and enforceable as provided in the Declaration.
9. Violations or Offenses that Constitute a Present Danger. If, in its sole discretion, the Board deems that any violation is or maybe and immediate or substantial threat to the health, safety or welfare of the community or an individual, the Board may impose any appropriate sanction as necessary to abate the threat to health, safety or welfare of the community or individual without prior compliance with Sections 1 through 7 above.
10. Miscellaneous.
- a. Failure by the Association to enforce any provision of these Policies and Procedures shall in no event be deemed to be a waiver of the right to do so thereafter.
 - b. The provisions of these Policies and Procedures shall be independent and severable. The invalidity of any one or more of the provisions hereof by judgment or court order or decree shall in no way affect the validity or enforceability of any of the other provisions, which other provisions shall remain in full force and effect.
 - c. As used herein, the term "Board" shall include any tribunal or committee appointed by the Board consistent with the Governing Documents or consistent with the Colorado Revised Nonprofit Corporation Act.

The undersigned hereby certify that the foregoing resolution (Policy #5) was adopted and made a part of the minutes of the meeting of the Board of Directors of the Association conducted on the 9th day of November, 2013.

Garfield Mountain Townehomes Association, Inc.

By:



Joe Hendrickson, President

Attest:



Kathleen Threet, Secretary

LANDLORD REQUIREMENTS

POLICY #6

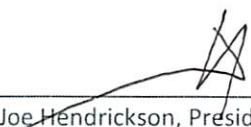
Pursuant to C.R.S. 38-33.3-209.5 and the Bylaws and Declaration of Covenants, Conditions and Restrictions ("Declaration") for Garfield Mountain Townhomes Subdivision the following resolution and procedures have been adopted by the Garfield Mountain Townhomes Association, Inc. ("Association") in order to prevent damage to adjoining buildings; ensure that tenants understand and follow the Bylaws & CC&R's; and to protect the market value of Owner's homes and livability in the community:

NOW THEREFORE, LET IT BE RESOLVED that the Association does hereby adopt the following policies and procedures for Owner's rights and requirements to lease units:

1. Compliance with Governing Documents. Any Owner shall have the right to lease his Unit, or any portion thereof, as long as all leases provide that the terms of the lease and lessee's occupancy of the leased premises shall be subject in all respects to the provisions of this Declaration, and the Articles of Incorporation, Bylaws and rules and regulations of the Association and that any failure by the lessee to comply with any of the aforesaid documents, in any respect, shall be a default under such lease.
2. Utility Agreements. To prevent water damage or other damage to all Units, Owner/Landlord shall have a written "Landlord Utility Agreement" with each utility company for the Unit. Agreements should state that the Owner/Landlord will be notified in the case of an unpaid account, and shall promptly bring each account current, to avoid automatic shut off of heat or water sources.
3. Receipt of Governing Documents. Owner/Landlord shall provide each Tenant with copies of the Governing Documents, including the Covenants, Conditions and Restrictions, Bylaws, and all policy statements of the Garfield Mountain Townhomes Association, Inc. Tenants shall agree to abide by these terms. Owner/Landlord shall ultimately be responsible for the actions of any Tenants and/or Guests residing or visiting the Unit.

The undersigned hereby certify that the foregoing resolution (Policy #6) was adopted and made a part of the minutes of the meeting of the Board of Directors of the Association conducted on the 9th day of November, 2013.

Garfield Mountain Townhomes Association, Inc.

By: 
Joe Hendrickson, President

Attest: Kathleen Threet
Kathleen Threet, Secretary