

THE VINEYARDS AT VISTA SAN JUAN HOMEOWNERS ASSOCIATION I
ENFORCEMENT POLICY

Adopted by the Board of Directors: September 15, 2026

Effective: November 1, 2026

The following Policy has been adopted by **The Vineyards at Vista San Juan Homeowners Association I**, a Colorado nonprofit corporation (Association), pursuant to the provisions of the Colorado Common Interest Ownership Act (CCIOA), C.R.S. § 38-33.3-101 et seq., at a regular meeting of the Board of Directors (Board) for the benefit of the Association and its owners or members (Owner(s)).

Purpose: To adopt a policy governing enforcement of the Association's Declaration, Articles of Incorporation, Bylaws, Rules, Regulations, Policies, Procedures, and other governing documents (Governing Documents), including notice and hearing procedures and the schedule of fines.

NOW, THEREFORE, IT IS RESOLVED that the Association does hereby adopt the following Policy to govern the enforcement of its Governing Documents:

1. Power: The Board shall have the power and duty to hear and make decisions regarding purported violations of the Governing Documents and written complaints filed with the Board 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 Governing Documents, and to create a safe and harmonious living environment. These enforcement provisions may be in addition to other specific provisions outlined in the Governing Documents. The Association may choose a legal remedy or seek assistance from other enforcement authorities, such as police, fire, or animal control.
2. Complaint and Investigation: The process to determine if the Governing Documents have been violated and enforcement action should result shall be initiated by the filing of a written complaint (Complaint) with or by the Board or the Association's managing agent. The Board may institute a Complaint on its own accord, whether in writing or not. The Complaint shall state the name of the complainant, specific provision(s) of the Governing Documents alleged to have been violated, a description of the violation, and as many specifics as are available as to time, date, location and persons involved. The Board shall make reasonable efforts to investigate all Complaints filed with it. If the Board determines that a Complaint filed with it is insufficient to provide grounds for a violation, it shall notify the complainant, who shall have seven (7) days to amend the Complaint to render it sufficient. If the complainant does not render the Complaint sufficient within said period of time, the Complaint shall be dismissed without a hearing or notice of violation. If the Board determines that a Complaint appears to establish a violation of the

Governing Documents, the Board shall then make a reasonable determination as to whether the violation threatens public safety or health.

3. Violations Threatening Public Safety or Health: Upon conclusion of the investigation where the Board has reasonably determined that the violation threatens public health or safety, the Board will proceed as follows:
 - a. Notice: The Board shall deliver written notice of the violation to the violating Owner (Notice of Violation). The Notice of Violation must be sent in English and the language that the Owner has previously indicated a preference, if any. The Notice of Violation must include the following:
 - i) Date and time of the violation;
 - ii) Description of the violation;
 - iii) References to portions of the Governing Documents that the Owner violated or is in violation of;
 - iv) That the Board has determined the violation threatens public safety or health;
 - v) That the Owner has seventy-two (72) hours to cure the violation, or the Association may fine the Owner and/or take other immediate actions the Board deems appropriate to protect public health and safety;
 - vi) The actions required to cure the violation;
 - vii) The fines and possible actions to be imposed if the violation is not remedied within the cure period, including the interval at which such fines and/or actions may be assessed if the violation is continuing in nature; and
 - viii) As further detailed in Section 5, an explanation of the Owner's right to request a hearing and the timeline for the hearing process described in this Policy.
 - b. Inspection and Cure: The Owner must notify the Association of its cure, and provide visual evidence of the cure. If the violation has been cured and the Association confirms the cure, the violation shall be deemed cured on the date notice was sent by the Owner. If the Owner notifies the Association of its cure but fails to provide verifiable evidence, or if the Association reasonably doubts the veracity of the evidence provided, the Association shall inspect the property as soon as practicable to determine whether the violation has been cured. If the Association does not receive notice that the Owner has cured the violation, the Association shall inspect the property as soon as practicable after the expiration of the cure period to determine whether the violation has been cured.

- c. Fines: If, **after the inspection required by Section 3(b) establishes that** the Owner has not cured the violation within seventy-two (72) hours, the Association may impose fines and/or other actions upon the Owner in accordance with the Fine Schedule listed below.
 - d. Legal Action: In addition to imposing fines, if the Owner has not cured the violation within seventy-two (72) hours, the Association may take legal action against the Owner for the violation, including, without limitation, seeking an injunction ordering compliance, prohibiting future occurrences of the violation, seeking damages, and for any other appropriate relief. Such legal action can be in addition to any hearing or associated hearing procedures proscribed under this Policy.
 - e. Notice After Cure: Once the violation has been cured, the Association shall provide written notice to the Owner of the outstanding fine balance for the violation, and that no further fines will be assessed for the violation.
4. Violations Not Threatening Public Safety or Health: Upon conclusion of the investigation, if the Board has determined that the violation does not threaten public health or safety, the Board will proceed as follows:
- a. Notice: The Board shall deliver a Notice of Violation to the Owner. The Notice of Violation must be sent in English and the language that the Owner has previously indicated a preference, if any. The Notice of Violation must include the following:
 - i) Date and time of the violation;
 - ii) Description of the violation;
 - iii) References to portions of the Governing Documents that the Owner violated or is in violation of;
 - iv) The action(s) required to cure the violation;
 - v) That the Owner has thirty (30) days to cure the violation, or the Association may fine the Owner;
 - vi) The fines to be imposed if the violation is not remedied within the cure period, including the interval at which such fines may be assessed if the violation is continuing in nature; and
 - vii) As further detailed in Section 5, an explanation of the Owner's right to request a hearing, and the timeline for the hearing process described in this policy.
 - b. Fines: If, **after the inspection required by Section 4(d) establishes that** the Owner has not cured the violation within thirty (30) days, the Association may

impose fines upon the Owner in accordance with the Fine Schedule listed below. The total amount of fines imposed for each violation shall not exceed five hundred dollars (\$500.00).

- c. Second Cure Period: If, **after the inspection required by Section 4(d) establishes that** the Owner has not cured the violation within thirty (30) days, the Association shall grant the Owner a second thirty (30) day period to cure, **commencing upon that inspection**, before initiating any legal action against the Owner. The Association may impose fines upon the Owner during the second cure period, as described in the preceding paragraph, and institute collection procedures in accordance with the Association's Collection Policy.
 - d. Inspection and Cure: After a notice of violation has been delivered to an Owner, the Owner must notify the Association of its cure, and provide visual evidence of the cure. If the violation has been cured and the Association confirms the cure, the violation shall be deemed cured on the date notice was sent by the Owner. If the Owner notifies the Association of its cure but failed to provide verifiable evidence, or if the Association reasonably doubts the veracity of the evidence provided, the Association shall inspect the property as soon as practicable to determine whether the violation has been cured. If the Association does not receive notice that the Owner has cured the violation, the Association shall inspect the property within seven (7) days of the expiration of the cure period to determine whether the violation has been cured.
 - e. Legal Action: In addition to imposing fines, if the Owner has not cured the violation by the expiration of the second thirty (30) day cure period, the Association may take legal action against the Owner including, without limitation, seeking an injunction ordering compliance, prohibiting future occurrences of the violation, seeking damages, and for any other appropriate relief under the Governing Documents or Colorado law. Such legal action can be in addition to any hearing or associated hearing procedures proscribed under this Policy.
 - f. Notice After Cure: Once the violation has been cured, the Association shall provide written notice to the Owner of the outstanding fine balance for the violation, and that no further fines will be assessed for the violation.
5. Response to Notice of Violation: A request for response in substantially the following form shall be served upon the alleged violating Owner (Respondent) at the time of service of the Notice of Violation. Additional information may be included at the discretion of the Board.

Request for Response

“You have the opportunity to be heard, orally or in writing, before any action to be taken by the Board of Directors or a tribunal appointed by the Board of Directors. To be heard, you must make a written request for a hearing, and your request or response must respond to the charges set forth in the Complaint. If the violation is not one which the Board has determined threatens public health and safety, the request or the response must be filed with the Board of Directors or its designee not later than **thirty (30) days** after being served with the notice. If the violation is one which the Board has determined threatens public health and safety, the request or the response must be filed with the Board of Directors or its designee not later than seventy-two (72) hours after being served with the Notice of Violation. If you fail to file a request for hearing or a response within the time specified, the Board of Directors may proceed with or without a hearing, at its discretion. The Board of Directors may interpret your failure to request a hearing or respond to constitute a no-contest plea to the Notice of Violation.”

6. Hearing: Unless the violation is one which the Board has determined threatens public health and safety, if the Respondent files a written request for hearing, the Board shall set the matter for hearing after reasonable efforts to coordinate a convenient date and time with the Respondent, which may be the next regularly scheduled meeting of the Board, but in no event sooner than **fourteen (14) days** after mailing a Notice of Hearing outlined below. Each hearing shall be held at the scheduled time, place, and date. The Board may, in its discretion, grant a continuance(s). 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 attend the hearing, but both are encouraged to attend either personally or through a designated representative (including counsel). Any party may elect not to present argument or evidence at the hearing. Action taken by the Board must be fair and reasonable, taking into consideration all of the relevant facts and circumstances. Each hearing shall be open to attendance by all Owners, unless otherwise determined by the board pursuant to C.R.S. § 38-33.3-308(4)(e) (which allows the Board to hold a disciplinary hearing regarding an Owner in executive or closed session). If the disciplinary hearing is held in an executive or closed-door session, the Owner may request and receive the results of any vote taken at the relevant meeting.
7. Notice of Hearing: Unless the violation is one which the Board has determined threatens public health and safety, if the Respondent files a written request for hearing, a notice of hearing in substantially the following form shall be mailed to or served upon the Respondent, as set forth in this policy, at least **fourteen (14) days** prior to the hearing date. Additional information may be included in the Notice of Hearing at the discretion of the Board.

Notice of Hearing

You are hereby notified that a hearing will be held before the Board or a tribunal appointed by the Board of Directors at _____ on _____, _____, at _____ a.m./p.m. upon the charges made in the Complaint or letter previously sent to you on _____.

8. Decision: If a request for hearing is made, after all argument, testimony, and other evidence has been presented to the Board or its appointee(s) at a hearing, the Board shall render its decision taking into consideration all of the relevant facts and circumstances. Following the hearing, the Board, acting by majority vote of the quorum in a Board meeting, shall determine if the Respondent violated the Governing Documents and the amount, if any, of the fine to be imposed or other penalty to be enforced. The Board's decision shall be final. The minutes of the meeting must contain a written statement of the results of the hearing and the fine or penalty, if any, imposed. The Board will then provide the Respondent a written letter or email, served as set forth in this policy, stating (i) a summary of the hearing, (ii) the final decision made by the Board, and (iii) the amount of any fine imposed. **The Board shall issue its written decision within thirty (30) days after the hearing.** The Board's decision shall have an effective date no sooner than five (5) days after the hearing.

9. Impartial Decision Maker: Any Board Member or appointee involved in the decision process outlined above must be an "impartial decision maker," as defined by C.R.S. § 38-33.3-209.5(2)(b), which requires that an "impartial decision maker" be:

A person or group of persons who have the authority to make a decision regarding the enforcement of the association's covenants, conditions, and restrictions, including its architectural requirements, and the other rules and regulations of the association, and does not have any direct personal or financial interest in the outcome. A decision maker shall not be deemed to have a direct personal or financial interest in the outcome if the decision maker will not, as a result of the outcome, receive any greater benefit or detriment than will the general ownership of the Association.

Any impartial decision maker who is incapable of objective and disinterested consideration of any enforcement matter before the Association shall disclose such to the President of the Board of Directors prior to the hearing, if possible, or at the hearing, and the person shall be disqualified from all proceedings with regarding the hearing at issue. If disqualification of the person results in an even number of remaining persons eligible to preside over the hearing, the presiding officer may appoint an impartial Owner, in good standing, to serve as a voting member of the hearing.

10. Enforcement and Fines: The Association may enforce the Governing Documents by any means available to the Association, including the levy of fines, self-help remedies authorized by the Governing Documents, suspension of rights, relief in the nature of an injunction whether prohibitory or mandatory, or a lawsuit for damages, injunctive relief,

and attorney's fees and costs incurred by the Association. **The Association's recovery of attorney's fees and costs incurred as a result of a Respondent's failure to comply with the Governing Documents, whether recovered through a legal proceeding or charged to the Respondent's account without the necessity of commencing one, shall not exceed the lesser of five thousand dollars (\$5,000.00) or fifty percent (50%) of the actual costs the Association incurred as a result of the failure to comply, per C.R.S. § 38-33.3-123(1)(b)(II). This dollar limitation is adjusted for inflation each August 1, beginning August 1, 2025, based on the Consumer Price Index for Denver-Aurora-Lakewood, per C.R.S. § 38-33.3-123(1)(g). This limitation does not apply to the Association's recovery of attorney's fees and costs incurred in collecting unpaid assessments, which is instead governed by the Association's Collection Policy and C.R.S. § 38-33.3-123(1)(a)(II).** If the violation involves damage to the Association's or an Owner's property, costs of repair or replacement may be levied on the Respondent. Any fine or other monetary award levied against the Respondent shall be collected pursuant to the Association's Collection Policy.

In the event the Board determines any Respondent habitually violates the Governing Documents (i.e., 4 or more violations in any 12-month period), the Board may suspend or revoke a Respondent's Association rights and privileges for a period commensurate with the violations, except that any suspension of a Respondent's voting rights and privileges shall not exceed **thirty (30) days following any violation, consistent with Declaration Art. III § 1(d).**

Fines may be levied for violations of the Governing Documents as follows:

- a. The Board shall apply the following penalty schedule relating to specific violations of the Governing Documents which are not a threat to public health and safety. The total amount of fines imposed for each violation shall not exceed five hundred dollars (\$500.00).

<u>Number of offenses in a 12-month period</u>	<u>Fine Amount</u>
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First offense:	Warning
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Second offense:	\$100.00
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Third offense:	\$250.00
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Fourth and subsequent violations:	\$500.00
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- b. For violations of the Governing Documents which are a threat to public health and safety, the Association may impose a fine of **up to five hundred dollars (\$500.00) per assessment, no more often than every other day until the violation is cured, consistent with C.R.S. § 38-33.3-209.5(1.7)(b)(II). No aggregate dollar cap applies to a continuing health-and-safety violation, provided each individual fine does not exceed five hundred dollars (\$500.00).**

11. Continuing Violations: **If a violation that threatens public health or safety is continuing in nature, the Association may assess a fine in intervals of no more often than every other day until the violation is cured, consistent with Section 10(b) above. If a violation that does not threaten public health or safety is continuing in nature, the Association may assess a fine in intervals of weekly or monthly until the violation is abated, subject at all times to the five-hundred-dollar (\$500.00) total cap per violation stated in Section 10(a); such fines may not be imposed on a daily or every-other-day basis.**
12. Finality of Board Decisions/Limited Appeal: Decisions of the Board under this Enforcement Policy are final except in situations in which the Board imposes (1) aggregate fines or other monetary awards in excess of \$500 for any 12-month period or (2) a non-monetary penalty or remedy such as suspension of rights or relief in the nature of an injunction, whether prohibitory or mandatory. **In such cases, the Respondent may request reconsideration by the Board. A request for reconsideration must be submitted in writing to the Board within thirty (30) days after the Board's written decision is served on the Respondent. The Board shall consider the request for reconsideration at its next regular meeting held at least fourteen (14) days after the request is received, and shall issue a written decision on reconsideration within thirty (30) days after that meeting. The Board's decision on reconsideration shall be final.**
13. Fines During Pendency of Hearing Process: **No fine or other monetary award may be imposed against a Respondent during the pendency of a hearing timely requested by the Respondent or the Board's decision on the hearing, consistent with C.R.S. § 38-33.3-209.5(2).** If the Board decides that fines or other monetary awards should not have been levied against the Respondent, the Respondent shall not be charged the fine or other monetary award initially levied and the Association shall not allocate to the Respondent any of the Association's costs or attorney fees incurred in asserting or hearing the claim.
14. Owners Responsible for Tenants, Family Members, or Guests: Though the conduct alleged to be in violation of the Governing Documents may be that of an Owner's tenant, invitee, agent, family member, affiliate or guest, Owners may be deemed responsible by the Board for such conduct and may be fined for such conduct under this Enforcement Policy.
15. Association Records: The Association shall maintain records of all contacts between the Association and the Owner in regard to a violation, including the type of communication, the date of the communication, and the time of the communication.
16. Service of Notices: Service of all notices required or permitted to be given hereunder shall be made as follows:

(a) If to an Owner:

- a. For violations that the Board reasonably determines do not threaten public safety or health, notice to the Owner will be provided by certified mail, return receipt requested.
- b. For all other notices applicable to this Enforcement Policy, including notices for violations that the Board reasonably determines threatens public safety or health, notice to the Owner will be provided by email if the Owner has provided an email address to the Association. Otherwise, notice will be provided by personal delivery, posting on/at the Owner's property, or by certified mail, return receipt requested.

(b) If to the Association: Preferably, by email to the acting President and Secretary of the Board. Otherwise, by personal delivery or first-class Mail to the Association at the following address:

The Vineyards at Vista San Juan Homeowners Association I
P.O. Box 966
Montrose, CO 81402

17. Supplement to Law: The provisions of this Policy shall be in addition to and in supplement of the terms and provisions of the Declaration and the law and the State of Colorado governing the Association.
18. Modification: The Board reserves the right, from time to time, to amend or repeal this Policy, subject to any limitations placed on the Board in the Governing Documents or by law.
19. 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 Respondent coming into and staying in compliance with the Governing Documents for an amount of time as determined by the Board.
20. Replacement: This policy supersedes and replaces prior policies adopted by the Board dealing with the subject matter herein.
21. Definitions: Unless otherwise defined in this Policy, capitalized terms shall have the same meaning ascribed by the Declaration.
22. 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 anyone 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. The use of the singular herein shall include the plural, the use of the plural shall include the singular, and the use of any gender shall include all genders. The captions are inserted only as a matter of convenience and are in no way to be construed to define, limit, or otherwise describe the scope of these policies and procedures.
- d. The use of the word Respondent may also mean to include the responsible Owner.

**The Vineyards at Vista San Juan
Homeowners Association I**

By: /s/ Brad Hauger
Brad Hauger
President

This Policy was adopted by the Board of Directors on September 15, 2026, effective November 1, 2026, and it is attested to by the Secretary of The Vineyards at Vista San Juan Homeowners Association I.

/s/ Margaret McCaffrey
Margaret McCaffrey, Acting Secretary

Conformed copy. The signed original, dated September 15, 2026, is on file with the Association and available to any Owner on request.