



## HORIZON TOWERS CONDOMINIUM ASSOCIATION

### AMENDED AND RESTATED POLICY #005: ENFORCEMENT OF COVENANTS AND RULES INCLUDING NOTICE AND HEARING PROCEDURES

The following procedures adopted by Horizon Towers Condominium Association (“Association” or “HTCA”) pursuant to the provisions of the Association Documents, C.R.S. §38-33.3-209.5, C.R.S. §38-33.3-308, 7-128-401, and The Act (as defined in the CC&R’s Sec. 1.42), at a regular meeting of the Board of Directors.

**Purpose:** The Board has a duty to manage the Association and regulate the use of the common elements. The Association documents establish rules and obligations of the members. This Policy sets forth the procedure for enforcing the provisions of the Association documents and The Act.

**NOW, THEREFORE, IT IS RESOLVED** that the Association does hereby adopt the following Policy to govern the enforcement of the Association’s documents, rules, and restrictive covenants:

1. **Authority.** The Board has the power and duty to hear and make a decision regarding violations of the Association documents and to impose fines or other sanctions against members. The Board may determine appropriate enforcement action on a case-by-case basis and take other actions as it may deem necessary to assure compliance with the Association Documents and to create a safe and harmonious living environment.
2. **Violations.** Either the Board, the Architectural Review Committee (ARC) or a member(s) may bring an alleged violation of the Association documents to the attention of the Association. Members must submit their concerns to the Association in writing, which shall state the specific provision(s) of the Association documents alleged to have been violated and as many specifics as are available as to time, date, location, and persons involved.
3. **Complaints and Actions Taken.**
  - a. The complaint must state specifically the violation observed, as well as if applicable, a picture of the violation, and include who the violating party was, what was observed, the date, place and time of the violation and any other pertinent information such as license plate numbers, etc. The Board will investigate the complaint further and will make additional observations if required. If a complaint is found to be in violation of a municipal code or other law, the complaint will be forwarded to the appropriate authorities.
  - b. A letter and photo (if applicable) will be sent to the owner (and tenant if it is known that the unit is being used as a rental) stating that a violation has occurred while referring them to the Association documents which are in violation. This letter will allow the unit owner to forward documentation if they believe the violation did not occur.
  - c. Fine for any violation of the Declaration of Covenants, Conditions and Restrictions shall be assessed once a month.



- d. The unit owner shall have two periods of 30 days each to cure a violation prior to being fined for any single violation.
- e. A violation that the Association determines is a threat to public safety or health requires only a 72-hour period to cure and the Association may fine the owner for violation immediately thereafter and every other day until cured.
- f. The monetary limit on any single violation shall not exceed \$500.
- g. If the English language is not the owner's primary language or the owner does not have the ability to read English, the owner may request the Notification written in their primary language. All additional expenses incurred in this endeavor shall be paid by the Association.
- h. The unit owner may also identify another person to serve as a designated contact for the unit owner.

4. **Notices of Violations.** An Association shall not impose the following on a daily basis against an owner:

- a. Late Fees; or
- b. Fines assessed for violation of the declaration, bylaws, covenants, or other governing documents of the Association.
  - 1) With respect to any violation of the declaration, bylaws, covenants, or other governing documents of an Association that the Association reasonably determines threatens the public safety or health, the Association shall provide the owner written notice, in English and in any language that the owner has indicated a preference for correspondence and notices.
  - 2) If, after an inspection of the unit, the Association determines that the owner has not cured the violation within seventy-two hours after receiving the notice, the Association may impose fines on the owner every other day and may take legal action against the owner for the violation; except that, the Association shall not pursue foreclosure against the owner based on fines owed.
- c. If an Association reasonably determines that an owner committed a violation of the declaration, bylaws, covenants, or other governing documents of the Association, other than a violation that threatens the public safety or health, the Association shall, through certified mail, return receipt requested, provide the owner written notice, in English (or preferred language), of the violation informing the owner that he has thirty (30) days to cure the violation or the Association may fine the owner. The total amount of fines imposed for the violation may not exceed \$500.
- d. An Association shall grant an owner two consecutive thirty-day periods to cure a violation before the Association may take legal action against the owner for the violation. An Association shall not pursue foreclosure against the owner based on fines owed.
  - 1) If the owner cures the violation within the period to cure afforded the owner, the owner may notify the Association of the cure and, if the owner sends the notice visual evidence that the violation has been cured, the violation is deemed cured on the date the owner sends the notice. If the owner's notice does not include visual evidence



that the violation has been cured, the Association shall inspect the unit as soon as practicable to determine if the violation has been cured.

- 2) If the Association does not receive notice from the owner that the violation has been cured, the Association shall inspect the unit within seven days after the expiration of the thirty-day cure period to determine if the violation has been cured. If, after the inspection and whether or not the Association received notice from the owner that the violation was cured, the Association determines that the violation has not been cured:
  - i. A second thirty-day period to cure commences if only one thirty-day period to cure has elapsed; or
  - ii. The Association may take legal action pursuant to this section if two thirty-day periods to cure have elapsed.
- 3) Once the owner cures a violation, the Association shall notify the owner, in English (or preferred language) and designated contact:
- 4) That the owner will not be further fined with regard to the violation; and
- 5) Of any outstanding fine balance the owner still owes the Association.
- 6) On a monthly basis and by first-class mail, and, if the Association has the relevant e-mail address, by e-mail, an Association shall send to each unit owner who has any outstanding balance owed the Association an itemized list of all assessments, fines, fees, and charges that the owner owes to the Association. The Association shall send the itemized list to the owner and designated contact in English (or preferred language).
- 7) Notwithstanding any provision of the Declaration, bylaws, articles or rules and regulations to the contrary, the Association may not fine any owner for an alleged violation unless:
- 8) The policy includes a fair and impartial fact-finding process concerning whether the alleged violation actually occurred and whether the unit owner is the one who should be held responsible for the violation.
- 9) The owner has been offered an opportunity to be heard before an “impartial decision maker” meaning a person or group of persons who have the authority to make a decision regarding enforcement of the Association’s covenants, conditions, and restrictions, including its architectural requirements, and other rules and regulations of the Association and do 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.
- 10) Policy:



- i. Requires notice regarding the nature of the alleged violation, the action or actions required to cure the alleged violation, and the timeline for the fair and impartial fact-finding process required. The Association may send the owner the notice required.
- ii. Specifies the interval upon which fines may be levied in accordance with violations that are continuing in nature.
- iii. If, as a result of the fact-finding process described, it is determined that the owner should not be held responsible for the alleged violation, the Association shall not allocate to the owner's account with the Association any of the Association's costs or attorney fees incurred in asserting or hearing the claim. Notwithstanding any provision in the Declaration, bylaws, or rules and regulations of the Association to the contrary, an owner shall not be deemed to have consented to pay such costs or fees.

## 5. Notification Timeline.

- a. **First Notice Day 1-30:** If an owner is found to be in violation of the Association's documents, a notice shall be sent to the owner to cure the violation. The owner shall have 30 days to cure the violation or respond to dispute the violation. To dispute any violation, see the Dispute Resolution Policy, as disputes outside of the stated deadlines will automatically be rejected.
- b. **Second Notice Days 31-60:** Thirty days after receiving the first Notice of Violation, a second Notice of Violation shall be sent if the violation has not been cured and the owner of record fined \$50 per month until cured.
- c. **Third Notice Days 61 through Curing of the Violation:** If the violation is not cured after 60 days, the Association shall continue to fine the owner \$50 per month until cured.
  - 1) After 60 days, the owner's ledger will be charged \$10 each month to reinspect the violation until cured. This fee is in addition to the Association's fine for the uncured violation.
  - 2) Each fine for violation has a maximum limit of \$500, including management reinspection fees.
  - 3) Additional violations and fines. For all additional violations that take place while any violation is uncured and the 30-day threshold for fining is met, a violation fee of \$10 shall be charged to the owner's ledger every other day until either the violation is cured or the maximum fine of \$500 is reached.
- d. **Fourth Notice Days 90 through Curing of the Violation:** If the violation is not cured after 90 days, the Board may convene and approve giving the owner 30 days to cure the violation and/or the Association (or its contracted vendor) shall enter the exterior element in violation and cure the violation.
  - 1) The owner in violation shall be charged on their ledger the full expense of curing the violation.



- 2) 120 Days of an Uncured Violation: If the Board notified the owner with its decision to cure the violation, the violation shall be cured, and the owner charged the full expense of curing the violation on their ledger.
6. **Disputing the Violation.** If the owner disputes the violation and there is a hearing in accordance with the Association's Dispute Resolution Policy, at the hearing, if it is found that the violation did/does occur, the owner will be charged a fine from the 60<sup>th</sup> day after the date of the first letter.
  - a. If a hearing is not requested by the owner within 7 days of the second violation notification, after 60 days from the date of the first violation notification, fines in accordance with this policy shall be added to the owner's ledger, per month, per violation until the documented violation is cured. It is the responsibility of the owner to notify the Board that a violation has been rectified.
  - b. If, in its sole discretion, the Board deems that any violation or alleged violation is or may be an 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 conducting a hearing as provided in this Policy. Following any actions of the Association to abate a present danger, the matter shall be addressed as provided in this Policy.
7. **Notice and Right to Hearing.** If the Board determines that the allegations are sufficient to constitute a violation of the Association documents and that action is warranted, the Association shall send a notice to the member alleged to have violated the Association documents, by certified mail, return receipt requested, to the mailing address of the respondent appearing on the records of the Association.
  - a. **Notice and Demand for Abatement.** The notice and demand for abatement ("Notice and Demand for Abatement") shall advise the member of the alleged violation, the action required of the member to abate the violation, and a reasonable time during which the violation may be abated without further sanction. The notice shall also advise the member that if the violation is not abated within the allowed time or if a similar violation occurs, the Board may impose a sanction against the member after notice and hearing. The members are solely responsible for the actions and or inactions of their tenants, family members, and guests.
  - b. **Continuing Violation.** At any time within 12 months of the date of the demand for abatement, if the violation continues past the time allowed for abatement or if the same or similar violation subsequently occurs, the Board shall mail the respondent a written notice of a hearing (Notice of Hearing) to be held by the Board. The Notice of Hearing shall contain information regarding:
    - 1) The nature of the alleged violation, and
    - 2) The time and place of the hearing, which shall not be less than ten days from the date of the Notice of Hearing, and



- 3) An invitation to attend the hearing and produce any statement, evidence, and witness on the member's behalf, and
    - 4) The proposed sanction to be imposed.
  - c. **Statement of Potential Action by Association.** The Notice of Hearing shall contain the following statement: The Board may determine that the member's failure to respond or appear at the hearing constitutes a no-contest plea to the alleged violation. If the member fails to appear at the specified date and time or otherwise fails to respond to the Association, the Board may proceed with or without a hearing at its discretion to make its determination of the allegations based on all available relevant facts and circumstances and enforce the provisions of the Association's documents as the Board deems necessary. The member is solely responsible for the actions and or inactions of their tenants, family members, and guests.
  - d. **Satisfaction of Notice of Hearing.** Proof of notice shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery is entered in the record of the hearing by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the hearing.
8. **Hearing.** Each hearing shall be held at the scheduled time, place, and date, unless the member has failed to respond or appear at the hearing.
- a. **Conduct of Hearing.** The Board may grant continuance(s) for good cause. In conducting the hearing, the Board may exercise its discretion as to the specific way a hearing shall be conducted, question witnesses and review evidence, and act as it may deem appropriate or desirable to permit the Board to reach a just decision. Neither the party bringing the matter to the attention of the Association nor the member must attend the hearing, but both are encouraged to attend. Any party may elect not to present evidence at the hearing. Action taken by the Board should be fair and reasonable taking into consideration all the relevant facts and circumstances. Each hearing shall be open to attendance by all members of the Association, except those portions of which may necessitate an executive session of the Board.
  - b. **Opportunity to be Heard.** The hearing shall be conducted in a manner that affords the alleged violator a responsible opportunity to be heard. 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 allegation and the written response, considering all the relevant facts and circumstances. If neither an appearance nor a written response is made, the Board need not conduct a hearing or make any further findings except that it may determine that the member's failure to appear or respond constitutes a no-contest plea to the complaint, and impose appropriate sanctions or otherwise enforce the provisions of the Association documents, or both.
9. **Decision.** If the respondent does not appear but files a written response, the Board shall render its decision based on the information provided in the written response, taking into consideration all the



relevant facts and circumstances. If neither an appearance nor a written response is made, the Board need not conduct a hearing or make any further findings except that it may determine that the respondent's failure to appear or respond constitutes a no-contest plea to the alleged violation, and impose appropriate sanctions or otherwise enforce the provisions of the Association 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 the relevant facts and circumstances. 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 five (5) days after the hearing or meeting at which the determination is made.

10. **Business Judgment Rule.** The decision of the Board to pursue enforcement in any case shall be left to the Board's discretion, subject to the duty to exercise its business judgment, and shall not be arbitrary or capricious in taking enforcement action. Without limiting the generality of the foregoing, the Board may determine that, under the circumstances of a particular case:
  - a. **Association Position.** The Association's position is not strong enough to justify taking any further action or that the covenant, restriction, or rule being enforced is, or is likely to be construed as, inconsistent with applicable law.
  - b. **Extent of Violation.** Although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources.
  - c. **Best Interests of the Association.** That it is not in the Association's best interests, based on hardship, expenses or other reasonable criteria, to pursue enforcement action.
11. **Enforcement, Attorney's Fees, and Fines/Sanctions.** The provisions of this Policy shall not limit or be a condition precedent to the Association's right to enforce the Association 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 the reimbursement of all reasonable attorney fees and costs incurred by the Association in connection with any enforcement action, including any proceeding under this Policy. Without limiting the Association's remedies under the Association documents, the Association may assess fines and suspend membership privileges in accordance with this Policy. If the violation involves damage to the 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.
12. **Owner Obligation.** The member (Owner(s) of Record) 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 a special assessment imposed against the member's (Owner(s) of Record) real estate and enforceable as provided in the Declaration.





### 13. Miscellaneous.

- a. **No Waiver.** Failure by the Association to enforce any provision of this Policy shall in no event be deemed to be a waiver of the right to do so thereafter.
- b. **Additional Remedies.** These enforcement provisions may be in addition to other specific provisions outlined in the Association documents, and the Association is not required to follow these enforcement provisions before seeking such other 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.
- c. **Responsibility of Curing.** Owners are responsible for any fines that may be levied against their property due to non-compliance of their tenants.
- d. **Dues Collection.** Non-payment of fines will fall under the Dues Collection Policy.
- e. **Voting.** Voting rights will be suspended for any owner who is or has been in violation of the Declarations in the previous sixty (60) days.
- f. **Definitions.** Unless otherwise defined, initially capitalized or terms defined in the Declaration shall have the same meaning therein.
- g. **Supplement to Law.** These provisions are in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado.
- h. **Deviations.** The Board may deviate from the procedures set forth if in its sole discretion such deviation is reasonable under the circumstances but acknowledges that doing so may set a precedent.
- i. **Amendment.** The Board of Directors may amend this procedure from time to time.

**Automatic Revision:** This Policy shall be revised automatically to include any revisions to the applicable statute referenced above.

**PRESIDENT'S CERTIFICATION:** The undersigned, being the President of the HTCA, A Colorado nonprofit corporation, certified that the foregoing Amended and Restated Policy #005 was introduced for the first reading at a fully called and held meeting of the Board on September 8, 2025, and approved and adopted by the Board at the Board meeting on November 3, 2025.

Signature on File  
President

11/03/2025  
Date

Signature on File  
Vice President

11/03/2025  
Date