

CHERRY CREEK COMMUNITY ASSOCIATION
ADMINISTRATIVE RESOLUTION # 2
RULES ENFORCEMENT PROCEDURE

WHEREAS, Article XVIII, Section 18.1 of the Declaration of Covenants and Restrictions creating Cherry Creek provides for a Executive Board which shall manage the business, operation, and affairs of the property; and

WHEREAS, Article X, Section 10.2.1 of the same Declaration provides the Executive Board with the power to adopt, amend and enforce compliance with such reasonable Rules & Regulations, relative to the operation, use and occupancy of the Units and the Common Elements consistent with the provisions of the Declaration and the UPCA;

WHEREAS, Article XIX, Section 19.3 of the Cherry Creek Bylaws gives the Executive Board power to establish a hearing procedure for violations of the Governing Documents, Rules and Regulations in effect, and Community Guidelines and

WHEREAS, the Cherry Creek Executive Board of Directors wishes to clearly define the procedures it will utilize to correct a violation of the Governing Documents, Rules and Regulations and Community Guidelines.

BE IT THEREFORE RESOLVED that effective _____, these procedures will be followed:

1. No Owner shall have the right to object, challenge, commence any suit at law or in equity or take any other action under any act, power or authority now in force or hereafter to be enacted, except after following such procedures as are established by the Executive Board by rule and regulation consistent with provisions of Article XIX, Section 19.3.
2. The Executive Board, or a committee as may be appointed by the Executive Board, shall hear claims from Owners of the alleged violations of the Governing Documents (other than violations with respect to assessment collections).
3. The Executive Board or such committee shall hold a hearing on any such claim within thirty (30) days after the receipt by the Executive Board of a formal written notice from an Owner (or Management Representative) setting forth the nature of the claim and factual basis therefore in reasonable detail.
4. The Executive Board (or Committee) shall notify the Unit Owner found to be committing or having committed the violation, in writing, that a violation has occurred and that a hearing date has been set. The letter sent to the Owner shall describe the violation, and, if appropriate, a date by which the violation must be corrected. A copy of this Compliance Procedure Resolution will be included. The Owner will be further advised that should the violation continue, the Board may impose a Rules Violation fine after giving the Owner an opportunity for a hearing.

5. The Unit Owner may elect to cure the violation, or by written notice, agree to attend the hearing. If the Unit Owner fails to cure the violation, does not attend the hearing, or otherwise demonstrates to the Executive Board that he or she did not commit a violation or is not in violation, the violation shall be deemed proven.
6. A decision will be issued, in writing, by the Executive Board within ten (10) days after the conclusion of the hearing.
7. The Executive Board shall have the right to establish various rules and procedures governing the operation and administration of the hearing process and the enforcement of the Association documents.
8. Owners who lease their homes are responsible for their Tenant's actions and any resulting fines. If there is a Tenant, a copy of the violation letter and this compliance procedure resolution will be sent to the Tenant, as well as the Owner, if known.
9. Should the violation continue or reoccur after the date specified in the first letter a fine of not less than \$ 25.00 will be imposed, pending the outcome of the hearing.
10. Any fine imposed in accordance with this Compliance Procedure Resolution shall constitute an assessment, which is collectable in the same manner as provided for the collection of all other assessments. Accordingly, all legal fees, interest, court costs, and other fees incurred in the collection of a fine shall be the responsibility of the Owner.
11. Continuing violations of the same rule and regulation will subject the Owner to additional fines.
12. Unless the internal remedies provided by this Section and such rules and regulations as may be promulgated by the Executive Board shall be expressly waived by the Association, or the Association fails or refuses to act, no action at law or in equity shall be commenced by any Owner until such internal remedy is exhausted.
13. Any action by an Owner against any other Owner arising out of any term, covenant or condition contained in the Governing Documents shall be subject to the same procedures.
14. In hearings before the Executive Board or the Committee designated by the Executive Board, all parties shall be entitled to be represented by counsel.
15. The Executive Board shall have the authority to seek a declaratory judgment or other appropriate judicial relief or any available form of extra-judicial arbitration or mediation, in order to assist it in carrying out its responsibilities.
16. All costs of obtaining such a judgment shall be borne by the disputants or, in the absence of disputants, by the Association as a General Common Expense.
17. The Association may exercise any and all of its rights as permitted by law and its decision is final.

Approved, by unanimous Board vote at its _____ meeting.

ATTEST:

President

Date

Secretary

Date