

**RESOLUTION OF THE GREEN VALLEY RANCH NORTH
REGARDING POLICIES AND PROCEDURES FOR COVENANT AND RULE
ENFORCEMENT**

SUBJECT : Adoption of an amended policy regarding the enforcement of covenants and rules and procedures for the notice of alleged violations, conduct of hearings and imposition of Fines.

PURPOSE: To amend the policies and procedures (as amended hereby the "Policies and Procedures") for enforcement of the covenants established pursuant to the Master Declaration of Covenants, Conditions, and Restrictions for Green Valley Ranch North, the supplemental declarations and regulations and rules established thereunder (collectively, the "Covenants and Rules").

AUTHORITY: The Service Plan and Declaration and Colorado law.

EFFECTIVE DATE: January 1, 2018

RESOLUTION: The Board of Directors of the Town Center Metropolitan District ("Board" and "Metro District," respectively) hereby adopts the following Procedures and Rules to be followed when enforcing the Covenants and Rules:

1. Reporting Violations. Complaints ("Complaints") regarding alleged violations of the Covenants and Rules ("Alleged Violation") may be reported by property owners, the district managers retained by the District, residents, Board members, members of the Design Review Committee of Green Valley Ranch North (the "DRC"), members of other committees established by the Board, and the property management company (the "Management Company") retained by the Metro District (collectively, a "Complaining Party").

Complaints Filed with Management Company. All Complaints shall be in writing. Other than Complaints made the Management Company, Complaining Parties shall file Complaints with the Management Company. The Complaint shall identify the Complaining Party the alleged violator ("Responding Party") (if known by the Complaining Party), and set forth a statement describing the Alleged Violation referencing the specific provisions of Covenants and Rules that the Responding Party is alleged to have been violated (if known by the Complaining Party), where and when the Alleged Violation was observed, and any other pertinent information (including, if possible, a photograph or electronic image of the Alleged Violation). The Management Company may waive some or all of the foregoing requirements if the Complaint contains sufficient information to describe the Complaint, but if the Management Company cannot determine the nature of the Complaint, the

Responding Party, or other relevant information, then, at its discretion, the Management Company may return the Complaint for further information or refuse to investigate or prosecute the Complaint.

Complaints Filed by Management Company. The Management Company is authorized and directed by the Board and the Metro District to inspect property within Green Valley Ranch North, file Complaints against Responding Parties, and take steps to enforce the Covenants and Rules as provided in Paragraphs 2 through 9 below. The Management Company shall keep records setting forth brief descriptions of Alleged Violations and containing the information set forth above regarding Complaints. With the approval of the Board, the DRC and the Management Company may modify, supplement, or delete the foregoing procedures for filing, investigating, and reviewing Complaints.

Complaints Filed about Management Company. If a Complaint is about the Management Company, then (a) the Complaining Party shall file such Complaint with the DRC and the DRC shall appoint a Decision Maker as provided in Paragraph 2 below and (b) if the Decision Maker determines the Complaint against the Management Company has basis, then the Board shall take such action pursuant to the management contract between the Management Company and the Metro District as the Board, in its discretion, deems advisable or appropriate.

2. Investigation. The Management Company (the "Decision Maker") may (a) return the Complaint to the Complaining Party for additional information as needed to analyze the Alleged Violation, (b) dismiss a Complaint if it determines the Alleged Violation is not a violation of the Covenants and Rules, or (c) investigate the Alleged Violation further as the Management Committee may determine. If a Complaint is about the Management Company, then the DRC shall appoint counsel for the Metro District, the Metro District Manager, or an independent third party to assist in the investigation and review of a Complaint and such person shall be the Decision Maker for the purposes of these Policies and Procedures.

3. Courtesy Letter. Upon receipt of a Complaint, the Decision Maker shall send a courtesy letter ("Courtesy Letter") to the Responding Party describing the Alleged Violation and offering the Responding Party an opportunity to resolve the Alleged Violation. If the Alleged Violation is of a continuing nature, meaning that it remains present without correction, such as a failure to maintain the lawn of a Unit, the Courtesy Letter shall advise the Responding Party that he or she will have 10 days from the date of the Courtesy Letter to come into compliance without further sanction. If the Alleged Violation is not of a continuing nature, meaning the Alleged Violation is a one-

time discrete violation, such as a noise violation, the Courtesy Letter shall contain a statement advising the Responding Party that any additional similar Alleged Violation ("Recurring Violation") may result in the imposition of a fine (a "Fine") after notice and hearing. Notwithstanding the foregoing, if the Alleged Violation is a Recurring Violation, the Decision Maker need not send a Courtesy Letter for the next occurrence of the Recurring Violation and shall send a Fine Letter (as defined and provided in Paragraph 4 below).

4. Continuing or Additional Violation after Courtesy Letter. If an Alleged Violation is not corrected within the period provided in the Courtesy Letter or if the Alleged Violation involves the recurrence of an Alleged Violation by the same Responding Party (a "Recurring Violation"), then the Decision Maker shall not send a Courtesy Letter, but shall instead send a fine Letter (a "Fine Letter") providing notice and an opportunity to be heard by the Decision Maker and explaining a Fine may be imposed pursuant to the Covenants and Rules and these Policies and Procedures. The Fine Letter shall further state that (a) the Responding Party is entitled to be heard by the Decision Maker, (b) if the Responding Party does not respond within ten days of the Fine Letter, the Responding Party shall have waived its right to be heard and the Alleged Violation will be considered an actual violation (a "Violation") of the Covenants and Rules, and (c) the Decision Maker shall proceed with the enforcement of the Covenants and Rules and the collection of Fines as provided in these Policies and Procedures.

5. Notice of Opportunity to Be Heard. If the Responding Party requests an opportunity to be heard, (a) the Decision Maker shall serve a written notice of the deadline by which the Responding Party must submit a written position statement and (b) the Decision Maker shall hear and determine all hearings requested by Responding Parties pursuant to these Policies and Procedures.

6. Written Position Statements. The Responding Party and each Complaining Party (or the designated representative of the Complainant or the Responding Party) shall submit a written position statement containing such information as the submitting party deems appropriate (including an opening statement, evidence and written testimony by affidavit or otherwise, and a closing statement). After written position statements have been presented, the Decision Maker shall, within a reasonable time, not to exceed 10 days, render its written findings and Fine determination.

7. Failure to Timely Request Opportunity to Be Heard. If the Responding Party does not respond to the Fine Letter within said 10 days, then the Alleged Violation shall be a Violation for the

purposes of these Procedures and Rules. If the Responding Party requests an opportunity to be heard, but then fails to submit a written position statement, the Decision Maker may make a decision with respect to the Alleged Violation based on the Complaint, results of the investigation, and any other available information. If a Violation is found to exist, the Violator may be assessed a Fine or the Fine imposed by the Decision Maker may be enforced as hereinafter provided.

8. Residential Fine Schedule. The following Fine schedule has been adopted for residential covenant Violations:

First Violation	Courtesy Letter
Second Violation (of same covenant or rule within two years of the first Violation)	\$100.00
Third Violation (of same covenant or rule within two years of the first Violation)	\$200.00
Fourth and subsequent Violations (of same covenant or rule within two years of the first Violation)	\$300.00

9. Continuing Violations. If an Owner is determined by the Decision Maker as having a continuing Violation, in accordance with the terms of these Policies and Procedures, such Owner may be subject to escalating Fines as described above or may be subject to a daily Fine as provided below for each day that the Violation remains uncorrected, following notice and an opportunity to be heard as set forth above.

Continuing Violations: \$50/day until corrected

10. Appeals. If a Responding Party disagrees with the written findings and Fine determination of the Decision Maker, the Violator shall file a written appeal to the DRC within 10 days of the date of the written decision of the Decision Maker. The DRC may review the appeal at its next regularly scheduled meeting and may consider any information or evidence available with respect to the Violation in question. The DRC's decision shall be final and a Violator shall not have the right to appeal an adverse decision to the Board or any court or other tribunal.

11. Referral to Attorney. Violations may be turned over to the Metro District's attorney to take appropriate legal action, in the Board's discretion. Any Owner committing three or more Violations in a two year period (whether such Violations are of

the same covenant or different covenants) and any continuing Violation may be turned over to the Metro District's attorney for appropriate legal action.

12. 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 Violator coming into and staying in compliance with these Procedures and Rules.

13. Other Enforcement Means. This Fine schedule and enforcement process is adopted in addition to all other enforcement means which are available to the Metro District through its Service Plan, Declaration, and Colorado law. The use of this process does not preclude the Metro District from using any other enforcement means.

14. Definitions. Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

15. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Project.

16. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.

17. Amendment. This Policy may be amended from time to time by the Board of Directors.

**PRESIDENT'S
CERTIFICATION :**

The undersigned, being the President of the Metro District, certifies that the foregoing Resolution was duly ratified and adopted by the Board of Directors of the Metro District, at a duly called and held meeting of the Board of Directors on January 10th and in witness thereof, the undersigned has subscribed his/her name.

Town Center Metropolitan District



By: Charles Leder, President