

GLENEAGLE NORTH HOMEOWNER'S ASSOCIATION

Rule for Enforcement of Covenants

The Gleneagle North Homeowner's Association (GNHOA) represents the homeowners in enforcing the recorded Declaration of Covenants (the "Covenants") for each filing. The Covenants, which are binding upon all property owners, are intended to protect the property values within the filings, to promote the owners' enjoyment of their properties, and to preserve the attractiveness and amenities in the GNHOA area. This Rule for Enforcement of Covenants ("Rule") supersedes previously approved documents titled Procedures Memo for Enforcing Covenants and Rule Regarding Procedure for Violation and sets forth the following procedures for the enforcement of Covenants.

The goal and intent of this Rule is to enforce the standards that are set forth in the Covenants in a harmonious manner whenever possible. The appropriate Filing Architectural Control Committee (the "ACC") and the GNHOA Board of Directors ("Board") intend to work with any cooperative owners to resolve identified violations.

Notice and Remedy of a Violation of Covenants ("Violation"):

1. When a violation of covenants ("Violation") is identified to the ACC with responsibility for the residence where the violation is reported to exist, the ACC reviews the facts concerning the reported Violation.
2. If the ACC determines that a Violation has occurred, the initial Notice of Violation (Notice) from the ACC to the property owner can be made verbally, by First-Class letter, or by email. The Notice will contain the following items of information:
 - a. Identification of the specific Violation to include the paragraph in the Covenants being violated.
 - b. A requirement to remedy the Violation or agree with the ACC on appropriate measures to cure the Violation.
 - c. A specific date by which the Violation must be cured or agreement on measures to cure must be reached.
3. If the Violation is not cured, the ACC will send a second Notice to the property owner by First-Class mail. The second Notice of Violation will contain the items of information in the initial Notice and:
 - a. A copy of this Rule.
 - b. Notice that the ACC will elevate the Violation to the Board for resolution if the violation is not cured or measures to cure the violation have not been agreed upon by the specified date.
4. If the Violation is not cured, the ACC will refer the Violation to the Board. The Board will then send a final Notice to the property owner by both Certified and First-Class mail. The final Notice will contain the following items of information:
 - a. Identification of the specific Violation, to include the paragraph in the Covenants being violated.
 - b. The dates of the initial and second Notices.
 - c. A specific date and time the Board will hold a hearing on the Violation and by which the Violation must be cured or the measures to cure the Violation must be agreed upon.
 - d. Notice that the property owner may appear and present relevant extenuating facts at the Board hearing.
 - e. A copy of this Rule.

- f. Notice that the Board may elect to levy fines as defined later in this Rule if the Violation is not cured by the hearing date or measures to cure the violation have not been completed by the agreed date.
5. If the Board determines that the Violation is substantiated and the property owner has neither cured nor presented an acceptable plan to cure, the Board may take one or more of the following actions:
 - a. Assess a fine and send written notice by Certified and First-Class mail specifying the fine amount that has been assessed.
 - b. Assess additional fines if the Violation continues to be uncured.
 - c. Place a lien on the property after twelve (12) consecutive fine assessments that will include all fines, costs of collection, recording, and interest at a rate of eighteen percent (18%) per annum beginning when the lien is filed.
6. If the property owner desires to contest the ruling of the Board that the violation is substantiated and not cured, third-party mediation as described in the statutes known as the Colorado Common Interest Ownership Act (the "CCIOA") may be requested. Even though the GNHOA is not governed by the CCIOA, it has adopted the mediation procedures by way of this Rule.
7. GNHOA is given the authority to enter any property to correct a Violation in each of the filing covenants. If the property owner does not correct the Violation prior to a date specified in a notice of intent to enter the property to cure a Violation, GNHOA may enter the property and cure the Violation at the expense of the homeowner. The pertinent paragraphs in each of the filings are Paragraph 146 in the Covenants for Filing 4 and Paragraph 205 in the Covenants for Filings 3, 8, and 9.
8. The ACC or GNHOA Board may specify a date of not less than fifteen (15) days and not more than thirty (30) days from the date of either the first, second, or third Notice of Violation by which a Violation must be cured or by which measures must be agreed upon to cure the violation.
9. A subsequent Violation of the same Covenant provision within a one-year period after curing that Violation shall be considered a continuing violation and the next Notice in the process will be sent to the property owner.
10. Fines levied by the GNHOA Board can range from a minimum of \$25.00 to a maximum of \$250.00. The final determination of the fine amount and the frequency with which repetitive fines for the same violation may be assessed shall be in the reasonable discretion of the GNHOA Board based on the severity of the violation.
11. Payments by the property owner for fines and or liens amounts will be applied first to accrued interest, then to amounts owed for attorney fees and costs of recording and collection, and finally to the balance of the fine or lien.
12. The GNHOA Board may, in its reasonable discretion, vary the procedures set forth herein based upon the severity of a Violation and other business judgment considerations.
13. This rule shall apply to any Violation occurring after the date of its adoption. The GNHOA Board may, at its discretion, deliver a copy of this Rule to property owners by hand delivery, mail, or announcement in a quarterly newsletter and posting on the GNHOA website.

I, the undersigned, do hereby certify that I am the duly elected and acting Secretary of the Gleneagle North Homeowner's Association and that the foregoing Rule was adopted at a meeting of the Board of Directors on the 5th day of August, 2020.

In witness thereto, I have hereunto subscribed my signature as the seal of said Association this 5th day of August, 2020.

Robert L. Swendenburg
Secretary