

**EDWARDS VILLAGE CENTER OWNERS ASSOCIATION, INC.**  
**A Colorado nonprofit corporation**

**POLICY STATEMENT**  
**PROCEDURES FOR ENFORCEMENT OF COVENANTS AND RULES**

The Edwards Village Center Owners Association, Inc. (the "Association") is governed by its recorded Declaration and all supplements thereto. Sections 19.12 and 19.14 of the Declaration require each owner to comply with the provisions of the Declaration and all covenants and rules adopted by the Association. Section 19.12 states as follows:

**No Violations of Rules.** No Owner and no owner's tenants or guests shall violate the rules and regulations adopted from time to time by the Association, whether relating to the use of Units, the use of Limited Common Elements, or otherwise.

Section 19.14 of the Declaration states as follows:

**Compliance with Provisions of Declaration, Articles and Bylaws of the Association.**

Each owner shall comply strictly with and shall cause each of his tenants to comply strictly with, all of the provisions of this Declaration and the Articles and Bylaws of the Association, and the decisions, rules, regulations and resolutions of the Association adopted pursuant thereto, as the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due and for damages or injunctive relief or both, along with costs of suit and reasonable attorney's fees. Any such action may be filed and maintained by the Manager or Executive Board in the name of the Association on behalf of the Owners, or, in any proper case, by an aggrieved Owner.

The Association's Declaration and Bylaws delegate power to the Executive Board (the "Board") to adopt procedures to enforce compliance with the governing documents of the Association by civil suit or otherwise. This includes the enforcement of all rules and regulations of the Association. In addition to injunctive relief, the Association is also empowered to seek damages from an Owner in any appropriate case.

The Association is governed under the provisions of the Colorado Common Interest Ownership Act (CIOA). Under CIOA, the Board is empowered to determine and impose fines upon Owners who fail to comply with the Association's governing documents and its rules and regulations. The Association has adopted procedures for scheduling a prior notice and hearing concerning any alleged noncompliance. These procedures are spelled out in the general administration subsection of the Association's rules and regulations. Section 6.1 provides that any violation of the rules and regulations or the terms of the governing documents will be subject to abatement or correction by all available public and private legal remedies. This includes the ability to

levy fines on Owners who are in violation of the rules and regulations or the terms of the governing documents.

Section 6.2 describes the schedule of fines and the fact that such fines will only be levied after an Owner is provided with reasonable notice and an opportunity for a hearing before the Board. Section 6.3 specifically provides that an Owner must assure that any tenant of the Owner will comply with the rules and regulations and the governing documents, and that the enforcement remedies (including the ability to levy fines) of the Association can be utilized against the Owner in circumstances where there is a failure of compliance by the tenant. In addition, a civil action to enforce compliance may be initiated in an appropriate court by the Association, the manager on behalf of the Association or by any aggrieved owner(s).