

TIMNATH RANCH METROPOLITAN DISTRICT
TIMNATH RANCH SUBDIVISION
FINE POLICY & SCHEDULE

Section 1. INTENT

- A. In accordance with the Declaration of Covenants, the Board of Directors (the “Board”) has adopted Rules to promote the health, safety, and welfare of the Members and the maintenance and aesthetic appearance of the community for the preservation of property values and the assets of the District.
- B. While many violations are resolved through a courtesy/warning notice (see below), there are instances when further action is required. Fines are intended to bring properties into conformance with the Declaration of Covenants, Architectural Guidelines, and other rules and regulations set forth by the District (collectively, the “Governing Documents”) in a timely manner while providing due notice and appeal rights to property owners, as described in Exhibit “A” – Violation and Fine Appeal Process attached hereto and incorporated herein by reference.
- C. In order to gain compliance, the Board intends to impose and collect monetary penalties as authorized by 6.2.2 in the Declaration of Covenants and reserves the right to enforce the community’s restrictions in any other legal manner.

Section 2. COURTESY LETTER AND WARNING NOTICE OF VIOLATION

- A. Notice Required: Upon a unit/lot owner’s first violation of any provision of the Governing Documents, the District shall provide a written Courtesy Notice to the unit/lot owner to allow the unit/lot owner the right to cure said violation as stated in the Notice.
- B. Courtesy/Right to Appeal Notice: A Courtesy/Warning Notice of the first violation shall be mailed and contain, at a minimum, the following information:
 - 1. The alleged violation of the Governing Documents;
 - 2. The date of the violation or the date the violation was observed;
 - 3. The first and last name of the person who observed the violation or the name of the management person confirming the violation;
 - 4. A statement that the violation exists and must be cured, and failure by the unit/lot owner to cure the violation shall result in a fine in accordance with the Fine Policy and Schedule of Fines in effect at the time of the violation; and
 - 5. The unit/lot owner’s right to appeal the violation.
- C. Right of Appeal: A unit/lot owner who receives a Courtesy/Right to Appeal Notice regarding a violation may appeal the violation by sending a written notice to the District’s email at DistrictServices@TimnathRanchMetroDistrict.com (as listed on the notice of contact on the notice) within ten (10) days of the date of the Courtesy/Right to Appeal Notice. The process for appealing the violation is set forth in Exhibit “B”.

Section 3. 2nd NOTICE OF VIOLATION AND INTENT TO IMPOSE FINES

- A. Notice of Imposition of Fine: If the unit/lot owner fails to cure the violation of the Courtesy Letter & Warning Notice, the District shall send the unit/lot owner a 2nd Notice notifying the unit/lot owner the District's intent to impose a fine via certified mail, which Notice shall state that the unit/lot owner has a right to cure and if the violation is not cured the District will impose fines for the violation in accordance with the Schedule of Fines attached hereto, as amended from time to time, and that failure by unit/lot owner to cure the violation within the period stated in the 2nd Notice shall result in a fine to the unit/lot owner.

Section 4. 3rd NOTICE OF VIOLATION AND IMPOSITION OF FINE

- A. Notice of Imposition of Fine: If the unit/lot owner fails to cure the violation after the 2nd Notice of Violation Letter, the District shall send the unit/lot owner a Notice of Violation and of Impositions of Fine via certified mail, which Notice shall state that the unit/lot owner has been assessed a Fine for the violation in accordance with the Schedule of Fines attached hereto, as amended from time to time, and that failure by unit/lot owner to cure the violation within the period stated 3rd Notice shall result in additional fines to the unit/lot owner.
- B. Further Failure to Comply: Additional Notices citing unit/lot owner's failure to cure the violation shall be mailed to the unit/lot owner at the frequency and fine rate stated in the Schedule of Fines attached hereto, as amended from time to time. Each Notice shall indicate the current fine, past due fines and late fees, if any, the date that the violation must be cured to avoid additional fines, and unit/lot owner's right to appeal.

Section 5. CONTINUING VIOLATIONS

- A. In the case of repeat and persistent violations, this system of fines may ultimately lead to prosecution of non-responsive violators. Fines will not take the place of legal action but will be used as an additional remedy. Fines shall not exceed the level, if any, established by state law.
- B. In addition, the Board shall have the right to remedy the violation and seek reimbursement from the unit/lot owner for collection costs and reasonable attorney fees and costs incurred as a result of such failure to comply with the Governing Documents without the necessity of legal proceedings.
- C. The Board may take legal action against the unit/lot owner any time after a fifth Notice of Imposition of Fine has been sent to the unit/lot owner, when accrued fines equal or exceed \$250, or if the Board determines, in its sole discretion, that immediate legal action is necessary to preserve the health, safety, and welfare of its Members. Pursuant to State law, in any legal action pursued hereunder, the court shall award reasonable attorney fees, costs, and costs of collection to the prevailing party.

- D. To ensure that the Board is aware of continuing violations, the Management Company shall list the violating unit/lot owner on the Executive Session agenda when a fifth Notice of Imposition of Fine has been sent to the unit/lot owner, when accrued fines equal or exceed \$250, or when the Management Company believes immediate action by the Board is necessary to preserve the health, safety and welfare of its Members. At such time, the Board shall deliberate as to whether the Board should take other appropriate action against the unit/lot owner as provided herein.

Section 6. RECURRENCE OF VIOLATION

Any recurrence of the same violation within six (6) months of the original violation, as noted in the Courtesy/Warning Violation, shall make the unit/lot owner subject to the imposition of a fine. Such fine shall be levied at the current rate of a 3rd violation in accordance with the “Schedule of Violations and Fines” then in effect. Such violations shall be considered a continuing violation and no Courtesy/Warning Notice shall be provided to the unit/lot owner.

Section 7. FAILURE TO PAY

- A. Fines shall be due and payable within 30 days of the notice. Fines not paid within 30 days shall be charged a late fee.
- B. All rights and remedies of the District are cumulative and not exclusive, and the District shall have all rights and remedies to levy and collect fines which may be available to it under the Governing Documents and applicable law.
- C. Until paid by the unit/lot owner, all fines, fees, and charges assessed against the unit/lot owner pursuant to the Fine Policy and Schedule, as amended from time to time, including, but not limited to, the cost of collecting fines, fees, and charges such as collection agents and attorney fees, shall constitute a lien on and against the property in accordance with the Declaration of Covenants and Tile 38, Article 33.3 of the Colorado Revised Statutes.
- D. Fee Schedule:
 - 1. Late Fee Charge: A late fee of \$15.00 may be assessed on every account that is not paid in full within the 30 days reference above. The late fee charge may be amended from time to time by resolution of the Board.
 - 2. Bad Check Charge: For each check that for any reason is returned to the District unpaid, the unit/lot owner shall owe the District a “bad check” charge of \$35.00. The bad check charge may be amended from time to time by resolution of the Board.
 - 3. Collection Fees: The unit/lot owner shall be responsible for all collection costs incurred by the District as part of the collection process, including, but not limited to, attorney fees, collection agent fees, and court costs.

Section 8. APPEAL PROCESS

Violations and fines may be appealed to the Board in accordance with the procedures set forth in Exhibit A, which procedures may be amended from time to time by a majority vote of the Board.

Section 9. SCHEDULE OF FINES

Fines may be levied as shown below. The Board may amend the Schedule of Fines from time to time as it deems necessary by a majority vote of the Board.

SCHEDULE OF FINES:

Violation	Amount of Fine				Assess	CC&R's
	2nd	3rd	4th	Thereafter		
Architectural Committee Review and Approval Required	Warning	\$50	\$100	\$100	Bi-weekly	Article 2 & Design Guidelines
Architectural Review, Improvement not Conforming to Request/Approval	Warning	\$50	\$200	\$400	Bi-weekly	Article 2 & Design Guidelines
Residential Use: Professional or Home Occupation	Warning	\$50	\$200	\$400	Bi-weekly	Section 3.2
Declaration of Covenants, Other Not Listed	Warning	\$50	\$100	\$100	Bi-weekly	Section 3.1
Drainage & Irrigation	Warning	\$50	\$100	\$100	Bi-weekly	Section 3.14
Home Occupations	Warning	\$50	\$100	\$100	Bi-weekly	Section 3.2
Household Pets	Warning	\$50	\$100	\$100	Bi-weekly	Section 3.3
Leases	Warning	\$50	\$100	\$100	Bi-weekly	Section 3.11
Vehicle Parking, Storage and Repairs	Warning	\$50	\$100	\$100	Bi-weekly	Section 3.6
Light, sound and Orders	Warning	\$50	\$100	\$100	Bi-weekly	Section 3.9
Nuisances	Warning	\$50	\$100	\$100	Bi-weekly	Section 3.7
Hazardous Activities	Warning	\$50	\$100	\$100	Bi-weekly	Section 3.8
Completion of Landscape	Warning	\$50	\$100	\$100	Bi-weekly	Section 3.13
Lot Maintenance	Warning	\$50	\$100	\$100	Bi-weekly	Section 3.11
Miscellaneous Requirement & Improvements including signage	Warning	\$50	\$100	\$100	Bi-weekly	Section 3.5
Temporary Structures	Warning	\$50	\$100	\$100	Bi-weekly	Section 3.4
Trash and Materials	Warning	\$50	\$100	\$100	Bi-weekly	Section 3.10

Exhibit “B”
VIOLATION & FINE APPEAL PROCESS

SECTION 1 - NOTICE

1. Any unit/lot owner who receives a notice of violation or imposition of fine may appeal such violation of fine to the Board of Directors of the District (the “Board”) by providing the District, via email, a written request for a hearing. Such request must be submitted to the District within 10 days of the date of the 3rd Notice of Violation. Fines set forth in any notice from the District may continue to accrue during the appeal process so that the appeal process is not used to delay effective enforcement of the District’s Governing Documents, as defined in Exhibit “A” – Fine Policy and Schedule.
2. If a timely request for a hearing is submitted by the unit/lot owner, the District shall set a date and time for the hearing at the next scheduled Board Meeting and notify the unit/lot owner in writing of the date and time of the hearing.

SECTION 2 – PROCESS & DENIED APPEALS

1. The hearing shall be held at the next scheduled Public Board Meeting.
2. Management shall summarize the appeal request and introduce the unit/lot owner(s).
3. The unit/lot owner shall be afforded time to present their case and any evidence that is applicable to their appeal.
4. The Board may ask questions of the unit/lot owner regarding the appeal.
5. A Quorum of the Board will vote to determine if the violation is to be enforced and fines assessed.
6. All decisions of the Board are final and may not be further appealed through the District.
7. If the Board denies the unit/lot owner’s appeal, the unit/lot owner must bring the violation into compliance and pay all outstanding fines and charges accrued to date within the time period specified in the written notice received from the Board regarding the Board’s decision. Failure to cure the violation within the designated time period stated therein shall constitute a continuing violation and subject the unit/lot owner to subsequent fines at the rate and frequency noted in Exhibit “A” – Schedule of Fines, which additional fines shall not be subject to the appeal process.
8. The Board may, in its sole discretion, take legal action against the unit/lot owner at anytime after a unit/lot owner’s appeal has been denied and the unit/lot owner has accrued fines equal to or greater than \$250 or the Board determines that immediate legal action is necessary to preserve the health, safety, and welfare of its Members.