

RESOLUTION OF RULES VIOLATIONS

YACHT CLUB CONDOMINIUM ASSOCIATION

PREAMBLE

- I. The Yacht Club Condominium Association (YYC) shall keep a list of House Rules that will supplement all rules found in the Articles, and By-laws in the YYC Association. Copies of the current House Rules will be sent to all owners, posted in the individual units and are on file with the property manager (Columbine Management and Real Estate Co., 970-468-9137, 348 Lake Dillon Drive, P.O. Box 2590, Dillon, CO 80435). When a unit is sold or leased, the real estate agent shall return a signed statement that the purchaser or renter has received a copy of the house rules.
- II. Any rule change shall be approved by a majority vote of a quorum of Board of Directors, and shall take effect immediately. Owners will be notified of such changes. Notice to one owner shall be deemed to be notice to all owners of the unit, and each owner is responsible for knowing the rules. Failure to exercise his responsibility is not a defense to remediation, assessments, fines, or to legal action.
- III. A violation of an Article, By-Law, or House Rule by a tenant or a guest shall be deemed to be the acts of the owner for the purposes of assessment of penalties, for assessing remediation costs or costs of other remedies. If a unit has multiple owners, enforcement may be against the property or any one owner.
- IV. House rules shall remain in perpetual effect, or until amended or repealed.
- V. Violations of a local ordinance or state statute may be enforced by the locality without regard to any remedies pursued by the YYC Association.
- VI. The procedures described below shall not apply to those sections of the Articles and By-Laws dealing with assessments and the payment thereof.
- VII. Although any owner may seek relief from an alleged violation through the courts, the BOARD of the YYC Association hereby establishes the following procedures for the resolution of alleged violations of noncompliance with the Articles, By-Laws, or the House Rules by an owner, a guest or a tenant. The

procedure for dealing with alleged violations involves three levels to be pursued in the following sequence:

- (i) informal verbal notification of the owner, guest, or tenant by the property manager (or the property manager agent, such as the manager), followed by
- (ii) verbal and written notice to the owner by the property manager, and finally
- (iii) a formal hearing.

Progression through these stages will be terminated at the stage in progress when the alleged violation is satisfactorily addressed.

- VIII. It should be noted that if a violation of the parking rules has occurred, and the vehicle operator is either unwilling or unavailable to rectify the situation, that the property manager may arrange for the vehicle to be towed by a professional at the expense of the vehicle owner/operator or unit owner (as specified in the House Rules). Repeated parking violations will be cause for initiation of the Formal Written and Penalty Assessment Process described below in addition to towing as necessary.

INFORMAL RESOLUTION OF ALLEGED VIOLATIONS

In the event of an apparent violation of the rules contained in any of the documents mentioned above, the property manager should be notified. He/she will request an owner, guest, or tenant to cease, desist or correct any act or omission which appears to be in violation of these rules. Prompt correction or adequate explanation of the alleged violation to the satisfaction of the property manager will terminate the Rules Resolution Process. This verbal request should be considered to be a friendly reminder that the occupants of the unit appear to have violated YYC Association rules.

FORMAL WRITTEN NOTICE AND PENALTY ASSESSMENT

- I. If the alleged violation is not corrected, or if it is repeated on another occasion, the property manager should be notified. If the manager is satisfied that there is a violation, the manager shall notify the

owner in person or by telephone, and may, but is not required to do so, also notify the tenant or the guest responsible for the violation. A written notice of the complaint also shall be sent to the owner by Certified Mail, return receipt requested. The notice shall give details of the alleged violation, the date the violation was detected, and the amount of the assessment that might be levied after an opportunity for the owner to be heard.

- II. Service on one owner of a unit shall be service on all owners. Service by mail shall be complete and effective five (5) days after notice is mailed to an owner's last known address (service date). No order, penalty or decision adversely affecting the rights of the owner shall be made unless the owner was served as provided herein, and given an opportunity to be heard as described below. Note that it is not necessary for the owner to actually receive the notice, only that the notice is mailed as stated above. The BOARD may rely on the accuracy of the address list of owners kept in the offices of the property manager. It is the owner's obligation to keep the property manager notified of any change of address. Failure to do so will not affect the validity of service.
- III. If, within five (5) days after the service date the owner has not rectified the apparent violation to the satisfaction of the BOARD or the property manager, or has not requested a hearing, then the assessment described in the written complaint is automatically levied (procedure described below).

HEARING

- I. If the BOARD or the property manager is notified within five (5) days after the service date that the owner desires a hearing, the property manager will schedule this hearing with at least 2 members of the BOARD or at least 1 member of the BOARD and the property manager or his/her agent (the Panel). The owner must participate in the hearing, and may have witnesses present. The hearing may be conducted in person or by means of a telephone conference, and will normally take place within fourteen (14) days from the service date. Failure of the owner to participate in a scheduled hearing will result in decision against the owner.

- II. The Panel may confer with witnesses or with other members of the BOARD or the management company before rendering a decision. A final decision will be made within five (5) days after the hearing, and the owner will be notified verbally and in writing of the Panel's decision.

ASSESSMENT OF PENALTIES

- I. If the hearing is decided against the owner, then a penalty will be assessed and the owner notified in writing.

- II. The penalty for violating any of the rules shall be:

First offence:	\$ 25.00
Second offence:	\$ 75.00
Three or more offenses:	\$100.00

If, after the opportunity to be heard, a violation or series of violations is deemed to have occurred, the fine(s) shall be assessed from the date of the first violation. Where the violation is a single incident (e.g. loud noise), the above penalties are meant to apply. Where the offense is a continuing on (e.g. an unauthorized pet kept on the premises or an unregistered automobile in the parking area) the penalty may be \$25.00 per day until resolution of the violation. Assessments of penalties may be waived in part or adjusted downward at the exclusive discretion of the BOARD on a case-by-case basis. Waiver or adjustment in one case will not set precedent in any other case involving similar circumstances.

- III. Any fine or penalty assessed as a result of a written notice and the waiving of a formal hearing, or as a result of the Panel's decision following a hearing as aforesaid, if not voluntarily paid to the YYC Association before the next scheduled payment of dues, will be added to the next billing statement and is payable within 30 days thereafter. Any unpaid amount shall be charged against the owner's property and will be collectible as any other debt charged against the property. Nothing herein shall operate to limit the Association's remedies.