

AVON TOWN SQUARE, LOT 2, CONDOMINIUM ASSOCIATION

POLICY FOR ENFORCEMENT OF COVENANTS AND RULES

(Effective Date: April 21, 2016)

The Avon Town Square, Lot 2, Condominium Association, Inc. (the "Association") is a commercial common interest association of owners that was organized under the provisions of the Colorado Revised Nonprofit Corporation Act (the "Act") and is subject to many of the terms and provisions of the Colorado Common Interest Ownership Act ("CCIOA"). Under Section 209.5 of CCIOA, every condominium association is required to adopt responsible governance policies. One of these written policy statements must describe the procedures for enforcement of covenants and rules utilized by the Board of Directors ("Board").

The Association is governed by its recorded Declaration and all supplements thereto. Article VII, Section 1 of the Declaration requires each owner to comply with the provisions of the Declaration and all covenants and rules adopted by the Association and states as follows:

COMPLIANCE WITH PROVISIONS OF DECLARATION AND BYLAWS. Each Owner shall comply strictly with the provisions of this Declaration, the Articles of Incorporation, Bylaws and Rules of the Association, and the decisions and resolutions of the Association adopted pursuant thereto as the same may be lawfully amended from time to time. Failure to so comply shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the managing agent or Board of Directors in the name of the Association on behalf of the Owners or, in a proper case, by an aggrieved Owner.

The Association's Declaration and Bylaws delegate power to 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.

Under CCIOA, 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 will adopt procedures for scheduling a prior notice and hearing concerning any alleged noncompliance.