

**RESOLUTION
OF THE
HOMESTEAD FARM HOMEOWNERS ASSOCIATION, INC.
REGARDING SUPPLEMENTAL FINES FOR ARCHITECTURAL REVIEW
VIOLATIONS**

SUBJECT: Adoption of a Policy regarding supplemental fines concerning failure to obtain approval from the Association's Architectural Control Committee prior to constructing Improvements in the community.

PURPOSES: To adopt a policy to implement and enforce additional fines for Owners who fail to obtain ACC approval prior to construction Improvements in the community.

AUTHORITY: The Declaration, Articles of Incorporation and Bylaws of the Association and Colorado law.

EFFECTIVE DATE: 9/24/2013

WHEREAS, The Declaration at Article XI requires Owners to seek approval from the Architectural Control Committee prior to constructing any Improvements upon a Lot or to a Dwelling Unit; and

WHEREAS, on occasion, Owners within the community have completed construction of Improvements without first obtaining approval from the Architectural Control Committee; and

WHEREAS, the existing Policy Regarding Enforcement of Covenants does not adequately protect the association in situations in which the Owner fails to obtain approval of the Improvements prior to commencing construction.

NOW, THEREFORE, be it resolved as follows:

The Association hereby adopts a Policy as follows:

1. Reporting Violations. Complaints regarding construction of Improvements prior to obtaining approval may be reported by an Owner or resident within the community, a group of Owners or residents, the Association's management company, if any, or to Board member(s) or committee member(s) by submission of a written complaint.
2. Investigation: Such complaint shall be forwarded to the Architectural Review Committee to determine if the Owner of the Lot submitted plans

for approval and if plans were submitted, if the Improvement was approved.

3. Determination. In the event the Architectural Control Committee or the Board of Directors determines the Improvement was not approved, the Association shall send a letter to the Owner indicating the alleged violation and invite the Owner to attend a hearing which shall be conducted in accordance with the Association's Policy Regarding Enforcement of Covenants. If a violation is found to exist, after notice and an opportunity for a hearing, the Association may levy a fine against the Owner in accordance with Paragraph 4 below.
4. Fines. The Association may levy fines for failure to obtain approval from the Architectural Control Committee in amounts ranging between \$250.00 and \$1000.00 which fine shall take into consideration the following factors:
 - a. Size or impact of the Improvement on the community; Painting and roofing violations given their aesthetic impact on the community may be fined at higher levels;
 - b. Willful or wanton behavior; The Board may consider, as a mitigating factor Owner's failure to obtain prior approval which is a result of a good faith mistake or interpretation of the documents;
 - c. Subsequent Approval. Situations in which the Improvement would otherwise have been approved but for the Owner's failure to obtain prior approval may be considered as a mitigating factor.
5. Additional Fines. The fines and remedies set forth above for failing first to obtain prior approval of an Improvement are in addition to any other fines and remedies available to the Association relating to violations of the Covenants or the Association's Rules and Regulations and shall apply specifically to failure to seek prior approval.

PRESIDENT'S

CERTIFICATION: The undersigned, being the President of the Association, certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on 6/27/2013 and in witness thereof, the undersigned has subscribed his/her name.

**HOMESTEAD FARM HOMEOWNERS
ASSOCIATION, INC.,**
a Colorado non-profit corporation

By: Juan Baez
President