

RESOLUTION OF
THE BOARD OF DIRECTORS
OF
SKYLAND COMMUNITY ASSOCIATION

April 23, 1993

WHEREAS, the Declaration of Protective Covenants of Skyland, Initial Filing recorded November 17, 1981 in Book 574 at Page 141 of the records in the office of the Gunnison County Clerk and Recorder ("Covenants") authorizes the Board of Directors to levy a Non-Compliance Assessment for any violation of the Covenants or Design Guidelines; and

WHEREAS, such Non-Compliance Assessment may include: (1) costs incurred by the Association in attempting to secure compliance, including reasonable attorneys' fees; and (2) Non-Compliance Penalties in such amounts as may from time to time be established by the Association's Board of Directors; and

WHEREAS, C.R.S. Section 38-33.3-302(1)(k) authorizes, after notice and an opportunity to be heard, an association to levy reasonable fines for violations of the declaration, bylaws and rules and regulations of the association;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SKYLAND COMMUNITY ASSOCIATION:

1. **Non-Compliance Assessment.** Should any Owner cause or allow to be caused any violation of the Covenants or Design Guidelines adopted under the power and authority granted by the Covenants, and allow such violation to continue after written notice to such Owner and the expiration of a reasonable time in which to comply, as set forth in the written notice, a Non-Compliance Assessment may be levied, after notice and an opportunity to be heard, by the Board against such Owner, which Non-Compliance Assessment may include:

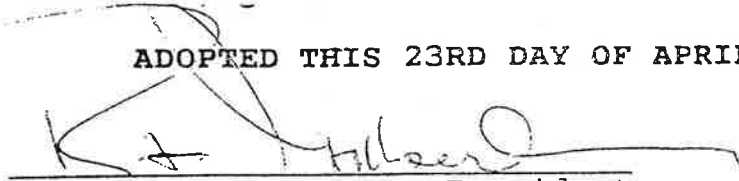
A. Costs incurred by the Association in attempting to secure compliance, including reasonable attorneys' fees; and

B. A Non-Compliance Penalty for each violation not to exceed the amount described on attached **Exhibit A**. In levying such Non-Compliance Penalty, the Board shall be guided by the seriousness of the negative impact upon Skyland Community Association or its members. In reaching such determination, the Board may evaluate, without limitation, factors such as:

- (1) whether the violation was deliberate or inadvertent;
- (2) the impact upon the Owner(s) of adjacent or nearby property;
- (3) the unsightliness caused by the violation;
- (4) the size of the building or area which violates the Covenants or Design Guidelines; or
- (5) any other factor which the Board reasonably deems relevant to determining of the Non-Compliance Penalty.

2. **Suspension of Non-Compliance Assessment.** The Board shall have the right, in its sole discretion, to suspend any part of a Non-Compliance Assessment in the event that the Owner of the property which violates the Covenants or Design Guidelines takes immediate, good-faith efforts to rectify such violation(s).

ADOPTED THIS 23RD DAY OF APRIL, 1993.



President

Attest:



Secretary