

SUNSET VALLEY HOMEOWNERS ASSOCIATION, INC.

POLICY #008: DISPUTE RESOLUTION BETWEEN OWNERS AND ASSOCIATION

The following procedures adopted by Sunset Valley Homeowners Association, Inc. ("Association") pursuant to the provisions of the Association Documents, C.R.S. §38-33.3-209.5, and The Act, at a regular meeting of the Board of Directors.

Purpose: The purpose of this Policy is to adopt a standard procedure to be followed for the alternative dispute resolution (ADR) when disputes arise between a member and the Association.

NOW, THEREFORE, IT IS RESOLVED that the Association does hereby adopt the following Policy to governing disputes between members and the Association:

1. **Disputes Between Members and Association.** In the event of any dispute involving the Association and a member, the member is invited and encouraged to meet with the Board to resolve the dispute informally and without the need for litigation. If the member requests to meet with the Board, the Board shall make a reasonable effort to comply with the member's request.
2. **General Policy.** If the dispute cannot be resolved informally, it is the general policy of the Association to use an Alternative Dispute Resolution to resolve disputes which involve Association and a member. Alternative Dispute Resolution ("ADR") is defined as a procedure for a settling a dispute by means other than litigation, such as mediation or binding or non-binding arbitration.
3. **Procedure.** Except for the exempted claims defined in this Policy, the Association and the member shall attempt to resolve the dispute using ADR methodologies prior to filing a suit in any court of competent jurisdiction.
4. **Exemptions.** The following claims shall be exempt from the provisions of this Policy.
 - a. Collection of Assessments. Any action by the Association against a member to collect assessments or other sums due to the Association, including foreclosure proceedings; and
 - b. Enforcement Actions. Any action by the Association to enforce any provisions of the Association's Declaration, Bylaws, Rules, and Regulations, or Policies; and
 - c. Statute of Limitations. Any claim of the Association which, if not pursued by the filing of a lawsuit, would be deemed barred due to the applicable statute of limitations.
5. **ADR Not Required.** Nothing in this Policy shall be construed to require any specific form of alternative dispute resolution, such as mediation or arbitration, or require the parties to meet. Neither the Association nor the Member waives any right to pursue whatever legal or other remedial actions are available to either party.

Automatic Revision: This Policy shall be revised automatically to include any revisions to the applicable statute referenced above.

PRESIDENT'S CERTIFICATION. The undersigned being the President of Sunset Valley Homeowners Association, Inc., a Colorado nonprofit corporation, certifies that the foregoing Policy #008 was introduced for the first reading at a fully called and held meeting of the Board on 12-11-25, and approved and adopted by the Board at the Board meeting on 12-11-25.

Sunset Valley Homeowners Association, Inc., a Colorado nonprofit corporation



President

1/26/26

Date



Secretary

1/27/26

Date