

Falls Village Homeowners Association
Covenant Enforcement Policy and Procedure
Pursuant to C.R.S. §38-33.3-209.5(1)(b)(IV)

Short-Term Rental Prohibition Policy

BE IT RESOLVED, the Falls Village Homeowners Association ("Association") hereby adopts the following procedures to be followed for enforcing policies rules and regulations and other governing documents of the Association.

1. Scope:

To adopt a policy outlining procedures to be followed for prohibiting Short-Term/Vacation Rentals in the Association.

2. Specifics:

Short-term Rental definition: A short-term rental is a furnished or semi-furnished living space/unit available for short periods of time, from one day, to a few days, to weeks on end or 30 days or less than month to month. Short-term rentals are also commonly known as Vacation or Online Rentals and are considered an alternative to a hotel.

This Policy prohibits the use of Short-term Rentals within the Association.

3. Violations may be observed by anyone and reported via written correspondence through e-mail, US mail or digital service. The complaint must state specifically the violation observed, any accompanying proof of the violation, and include who the violating party was, what was observed, the date, place and time of the violation and any other pertinent information such as license plate numbers etc.

If full details are not provided with a complaint, further action beyond additional observation may not be made. The Board or Managing Agent will investigate the complaint further and will make additional observations if required.

If a complaint is found to be in violation of a municipal code, the complaint will be forwarded to the appropriate authorities.

If a violation is found and documented the following actions will be taken:

- A Notice will be sent to the owner stating that a violation has occurred while referring them to this Policy and what appears to be in violation. This Notice will allow the unit owner to forward documentation if they believe the violation did not occur. The unit owner will have 30 days to respond to the Notice or to correct the violation.

MJS al 28/2023

- If the violation is still observed after 31 days, a Second Notice of Violation will be sent to the owner giving them an additional 30 days to cure the violation. See the Association's Dispute Resolution Policy for further information.
- If a hearing is requested and it is found that the violation did (does) occur, the Owner will be charged a fine from the first day after 60 days outlined in this Policy.
- After 61 days of non-compliance, the Owner of the unit in violation shall be charged \$250.00.
- If the Owner continues to violate this Policy, after two Notices of Violation and/or after curing any Notice of Violation, the Owner shall be charged \$250.00 per violation.
- It is the responsibility of the Owner to notify the Board or its Managing Agent that a violation has been rectified.

Fines for Short-term Rental Prohibition:

First Occurrence after 60 days: \$250.00

Any additional occurrence the Owner shall be charged \$250.00 per night up to a maximum of \$500.00.

If the violation occurs during any Holiday or within three days of any Holiday, there shall be an automatic fine of \$500.00 per occurrence.

Owners are responsible for any fines that may be levied against their property due to non-compliance of their tenants.

Non-payment of fines will fall under the Dues Collection Policy. Moreover, if fines through violation of this Policy are not paid in 30 days, the Association shall lien the lot/unit. If fines are not paid in full within 180 days, the Association reserves the right to use any applicable legal means to ensure payment of all fines.

Voting rights will be suspended for any Owner who is or has been in violation of the CC&R's or this Policy in the previous thirty (30) days.

4. **Definitions:** Unless otherwise defined in this Resolution, initially capitalized or terms defined in the Declaration shall have the same meaning therein.
5. **Supplement to Law:** The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Project.
6. **Deviations:** The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.
7. **Amendment:** The Board of Directors may amend this procedure from time to time.

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9/28/23

President's Certification: The undersigned, being the President and/or elected Director or Managing Agent of the Association, certifies that the Board of Directors of the Association adopted the foregoing resolution and in witness thereof, the undersigned has subscribed his/her name.

Falls Village Homeowners Association



President and/or Managing Agent

Effective Date: _____

9/28/2023.