

Riverwalk Master Association

Policy and Procedures for Enforcement

Pursuant to C.R.S. §§38-33.3-209.5 (2005) and Articles IV and IX of the amended bylaws the following procedures for the enforcement of covenants, conditions, restrictions, reservations, easements, regulations, and all other terms and provisions set forth in the Declaration, Articles of Incorporation, the amended bylaws, and all duly adopted rules and regulations of the Association (hereinafter the "covenants and rules") are hereby adopted

Article IX Section 1 of the amended bylaws establishes that the Board of Directors has the powers to:

"(a) adopt, amend, publish and repeal rules and regulations governing the Common Property and/or any property maintained by the Association, and any facilities thereon, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction of any such rules and regulations;

(b) suspend a Member's voting rights and the right to use the Association's facilities during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for infraction of published rules and regulations;"

Article IV of the amended bylaws provides that all present and future Owners, tenants, occupants, and any other person who may utilize properties and related improvements owned by the Association, including, but not limited to, the private road leading from Prince Street into the Riverwalk Development to the Riverwalk Club House, the gate house located therein, the Club House facility located to the southwest of and adjacent to such road, and the ring road to the south of the Club House property which encircles certain residential areas and provides access to abutting residential areas, shall be subject in all respects to the covenants and rules.

The Board of Directors will enforce the covenants and rules as provided herein.

Whenever it has received a complaint or other information that a violation of a covenant or rule of the Association may have been perpetrated by an Owner or have been allowed by an Owner to occur on the Association's property, the Board shall conduct such investigations as it deems necessary to determine that such a violation has possibly occurred.

If the Board determines that a violation has possibly occurred, it shall notify the Owner in writing and shall provide the Owner with a detailed statement of the nature of the violation and the time, place and manner of its alleged occurrence. The Board shall also notify the Owner that it is considering issuing a demand letter requiring the Owner to correct the violation or that it is considering the imposition of a fine against the Owner. The Board shall also inform the Owner that the Owner is entitled to a hearing before the Board before such a letter is issued or a fine is imposed and the Board shall provide the Owner a reasonable period of time, not to exceed 15 days, within which to request and schedule a hearing before the Board.

After a hearing (or if there has been no hearing, after an opportunity for a hearing has been extended but not pursued by the Owner), if the Board determines that a violation or

violations have occurred, the Board may issue a demand letter to the Owner to correct the violation by a certain date. If after receiving the letter the Owner refuses to correct the violation within the time allowed, the Board may commence legal proceedings to obtain a court order to require the Owner correct the violation or to respond in damages.

The Board may also suspend the voting rights of an Owner as provided above for an infraction or violation. A fine may also be imposed against an Owner for violations or infractions that have been determined by the Board to have committed by the Owner or to have been allowed by the Owner to occur. However, no fine shall be imposed unless the Board has previously established the amounts of fines or schedule of fines for the violations of specific covenants, conditions, restrictions or rules at a regular or special meeting of the Board of Directors and has published the same in the minutes of such meeting. No fine shall be imposed against an Owner for a specific violation unless the Board has notified the Owner prior to the hearing or opportunity for a hearing that it was considering the imposition of a specific fine and the amount thereof for the violation alleged. Once imposed, fines may be levied and collected in the same manner as delinquent assessments.

This policy and these procedures were adopted by the Board of Directors to be effective as of the 1st day of January, 2006

President

Secretary