

SAN PEDRO CREEK ESTATES HOMEOWNERS ASSOCIATION COMPLIANCE POLICY

WHEREAS, The San Pedro Creek Homeowners Association (Association) has authority pursuant to Article 11, Section 11.02 (a-g) of the Restrictions of San Pedro Creek Estates Subdivision, A Declaration of Restrictions, Covenants, and Conditions (Restrictions) and Article II, Section A (2) of the Articles of Incorporation of San Pedro Creek Estates Homeowners' Association (Articles) to enforce any and all covenants, conditions, and restrictions as set forth in the Restrictions, including any amendments thereto;

WHEREAS, The Board of Directors of the Association wishes to ensure compliance with the Association's Restrictions and Articles and to maintain, preserve, enhance, and protect the property values and assets of the Association.

NOW, THEREFORE, IT IS RESOLVED, that the following procedures and practices are established for the enforcement of violations of the Restrictions and architectural control provisions and for the elimination of violations of such provisions found to exist in, or on about any property within the Association and the same are to be known as the "Compliance Policy" of the Association in the discharge of its responsibilities for determination and enforcement of remedies for violations within the community.

All reports of an alleged issue of non-compliance **must** be received in writing to the Community Association Manager via email, mail or the Association website: www.sanpedrocreek.org. The Community Association Manager will investigate the issue and discuss, as needed, with the appropriate committee, i.e. the Architectural Control Committee if the issue relates to a construction project or the Board for any other issue.

1. The owner shall receive a **Courtesy Call** from the Association advising of the non-compliance. Should resolution not be reached, the owner will be advised in writing with a **Courtesy Notice**, sent Certified to the owner for compliance and all costs will be assessed to the Owner account. The owner will be given ten (10) calendar days from the date of the letter to correct the violation, but this number may be changed depending upon the circumstances.
2. If the owner does not comply with the request in the Courtesy Notice, the Association will send a **First Notice of Violation** that will be sent Certified to the owner for compliance and all costs will be assessed to the Owner account. The Notice will specify the name of the Owner or Occupant; the legal description of the Lot or Parcel (address); brief description of the nature of the violation; a statement that the notice is being recorded by the Association; and a statement of the specific steps which must be taken by the owner to cure the violation. The owner will be given at least (10) ten calendar days from the date of the letter to cure the violation.
3. If after at least ten (10) calendar days of sending the First Notice, the owner does not comply, the Association will send a **Notice of Continuing Violation** that will be sent Certified, to the owner for compliance and all costs will be assessed to the Owner account. The notice will specify the name of the Owner or Occupant; the legal description of the Lot or Parcel (address); brief description of the nature of the violation; a statement that the notice is being recorded by the Association; and a statement of the specific steps which must be taken by the owner to cure the violation. The owner will be given at least (10) ten calendar days from the date of the letter to cure the violation, and be given the right to be heard.
4. If after at least ten (10) calendar days of sending the Second Notice, the Owner does not comply, the Association will send a **Final Notice of Continuing Violation** will be sent certified to the owner for compliance and all costs will be assessed to the Owner account. The notice will specify the Association's desire to pursue any other remedy available under law or at equity, or under the Restrictions and Articles or this Compliance Policy, including but not limited to injunctive relief. The owner will be given the right to be heard.

Open Hearing

Within (10) days from the date of the Notice of Continuing Violation and/or Final Notice of Continuing Violation, the Owner may request, in writing, and shall be granted a hearing by the appropriate committee

or Board regarding the Violation. Should the Owner fail to request a hearing in writing within the timeframe stated, the Owner will have waived its opportunity to be heard.

Appeal Hearing

If an owner requests an Appeal Hearing of an ACC decision, it shall be heard by the Board. If an owner requests an Appeal Hearing of a Board decision, the Board shall appoint an *ad hoc* committee to conduct the hearing. The committee will be composed of two (2) members of the Board of Directors and three (3) Association members who are not members of the Board. The Board will not appoint to the committee owners who have, or appear to have, a direct interest in the outcome of the hearing. If the determination of the issue of non-compliance is affirmed, the Hearing Committee may recommend a course of action to be taken by the Board. The Hearing Committee will submit its recommendation to the Board no later than ten days after the hearing.

Board Decision

Whether or not there is a hearing, Board decisions may include the following:

- Cause the violation to be cured and charge the costs thereof to the responsible person;
- Obtain injunctive relief against the continuance of such violation through the court system, and/or;
- The responsible person found in violation may also be liable for legal fees and court costs.

The Board has the authority to recover costs incurred, but does not have the authority to levy fines.

5. If after ten (10) calendar days from the date of letter of sending the Final Notice of Continuing Violation and a request for a hearing is not received in writing, an Attorney Letter will be sent certified to the owner for compliance and all costs will be assessed to the Owner account.

At any time, the Association may pursue any other remedy available under law or at equity, or under the Restrictions, the Articles or this Compliance Policy, to include self-help (Restrictions of the San Pedro Creek Estates Subdivision, Section 5.02 (i)) at which costs will be assessed to the owner account but not limited to injunctive relief.

The Owner will remain liable for all costs incurred under this Compliance Policy, which costs, if not paid upon demand thereof, will be referred to Association for collection as an assessment pursuant to Article 6, Section 6.01 and Section 6.04 of the Restrictions.

Records

The manager will keep a record of all informal and formal complaints. Records of informal complaints will be relatively brief. They will identify all parties involved, the nature of the alleged violation, the dates of action, and the resolution. Records of formal complaints will include all correspondence, records of Board and Hearing Committee recommendations, relevant actions taken by the lot owner, and the date and resolution of the incident.

NOW, THEREFORE, IT IS HEREBY FURTHER RESOLVED, this Compliance Policy replaces and supersedes in all respects all prior resolutions with respect to enforcement of the Community Documents by the San Pedro Creek Estates Homeowners Association and is effective upon adoption hereof, to remain in force and effect until revoked, indentified, or amended.

This Resolution is adopted the 21st day of JULY, 2010



President



Secretary

**SAN PEDRO CREEK ESTATES HOMEOWNERS ASSOCIATION
COMPLIANCE POLICY
Penalty Schedule**

Courtesy Notice	No fine
First Notice of Violation:	No Fine
Notice of Continuing Violation:	No Fine
Final Notice of Continuing Violation:	Hearing
Attorney Letter	At Cost
Self Help	At Cost
Court Action	At Cost

Delinquency Policy will be followed for costs assessed to the account that have not paid within the timeframe stated.

Adopted: 7/21/2010 Board President: 