

**RESOLUTION OF THE BOARD OF DIRECTORS
PONDEROSA TRAILS HOMEOWNERS ASSOCIATION, INC.
ENFORCEMENT POLICY**

Adopted by the Board of Directors
REVISED NOVEMBER 17, 2021
EFFECTIVE FEBRUARY 1, 2022

At a duly called and noticed meeting of the Board of Directors on November 17, 2021. the Board resolved as follows:

WHEREAS, the Board of Directors of the Ponderosa Trails Homeowners Association (hereafter, the "Association") has recognized a need to implement a policy concerning violations of the Declaration of Homeowner Benefits and Covenants, Conditions, and Restrictions for Ponderosa Trails, recorded at Docket 2093, Page 308, records of Coconino County, AZ (hereafter, the "CC&Rs"), the Architectural Guidelines, the Rules and Regulations and any other governing documents of the of the Association (together, the "Restrictions"); and

WHEREAS, pursuant to Section 4.1(e) of the CC&Rs, an Owner, is deemed personally to covenant and agree to be bound by all duties, obligations, and provisions of the Project Documents and to pay to the Association all other assessments as may be fixed, established, and collected from time to time as provided in this Declaration or the other Project Documents, including, without limitation, any accrued interest, taxable court costs, late fees, attorney fees, fines, penalties, or other charges; and

WHEREAS, pursuant to Section 6.1(G) of the CC&Rs, the Board of Directors shall have the power and authority to enforce the provisions of this Declaration, the Articles, the By-Laws, and the other Project Documents by all legal means, including, without limitation, the expenditure of funds of the Association, the employment of legal counsel, the commencement of actions, and the establishment of a system of fines or penalties for the enforcement of this Declaration, the Articles, the By-Laws, and the other Project Documents; and

WHEREAS, the Board of Directors desires to provide notice to the members of the Association of the implementation of this new Enforcement Policy.

BE IT THEREFORE RESOLVED that the Board of Directors, in full compliance with the Restrictions, hereby adopts the following policy:

POLICY PARAMETERS:

- The Association will take the Actions outlined below for violations of the Association documents: CCRs/AC Rules, etc. It is noted that the Association operates on a six (6) month reoccurring violation standard. This means that if a violation is corrected during the action steps below but reoccurs in a six (6) month period from the latest violation, the action step will pick up where it was last and proceed forward.
- The progression of the action steps will not re-set until a property has been free of said violation for six (6) months.
- **Violations of Section 8.4 of the CC&Rs will be addressed by the imposition of monetary penalties and legal action. MONETARY PENALTIES FOR VIOLATION OF SECTION 8.4 OF THE CC&RS SHALL BE \$320 PER OCCURRENCE, SUBJECT TO THE BELOW PROCEDURES. Monetary penalties shall be imposed pursuant to the following:**

ACTION 1: An owner whose property is found to be in violation of the Restrictions will be notified in writing, either by the Association's Board of Directors or by the Association's managing agent, sent by mail or hand delivered, of the nature of the violation and informing the owner that if the violation is not corrected, pursuant to the CC&Rs, the cost of enforcement will be placed on the owner's account ledger.

ACTION 2: If after 15 days of the date of the letter referenced in Action 1, the owner continues to violate the Restrictions, the Association will send the owner a second demand letter demanding that the owner complies with the Restrictions and notifying said owner that if said owner does not comply with the Restrictions, an INITIAL fine of \$320 will be imposed by the Association on the owner and said owner will be transferred to the Association's attorney and, pursuant to the CC&Rs, all attorney's fees will be placed on said owner's account ledger.

ACTION 3: If after 15 days of the date of the letter referenced in Action 2 above, the owner continues to violate the Restrictions, a SECOND fine of \$320 will be imposed by the Association on the owner's account and the owner will be referred to the Association's attorney and, pursuant to the CC&Rs, any legal fees expended (beginning with an initial charge of \$250.00 for the Attorney's initial letter) by the Association's attorney will be placed on the owner's account.

- **Violations of Section 8.7 of the CC&Rs will be addressed by the imposition of monetary penalties and legal action. MONETARY PENALTIES FOR VIOLATIONS OF SECTION 8.7 OF THE CC&RS SHALL BE \$100 PER OCCURRENCE, SUBJECT TO THE BELOW PROCEDURES. Monetary penalties shall be imposed pursuant to the following:**

ACTION 1: An owner whose property is found to be in violation of the Restrictions will be notified in writing, either by the Association's Board of Directors or by the Association's managing agent, sent by mail or hand delivered, of the nature of the violation and informing the owner that if the violation is not corrected, pursuant to the CC&Rs, the cost of enforcement will be placed on the owner's account ledger.

ACTION 2: If after 15 days of the date of the letter referenced in Action 1, the owner continues to violate the Restrictions, the Association will send the owner a second demand letter demanding that the owner complies with the Restrictions and notifying said owner that if said owner does not comply with the Restrictions, an INITIAL fine of \$100 will be imposed by the Association on the owner and said owner will be transferred to the Association's attorney and, pursuant to the CC&Rs, all attorney's fees will be placed on said owner's account ledger.

ACTION 3: If after 15 days of the date of the letter referenced in Action 2 above, the owner continues to violate the Restrictions, a SECOND fine of \$100 will be imposed by the Association on the owner's account and the owner will be referred to the Association's attorney and, pursuant to the CC&Rs, any legal fees expended (beginning with an initial charge of \$250.00 for the Attorney's initial letter) by the Association's attorney will be placed on the owner's account.

- **Violations of Section 8.23 of the CC&Rs will be addressed by the imposition of monetary penalties and legal action. MONETARY PENALTIES FOR VIOLATIONS OF SECTION 8.23 OF THE CC&RS SHALL BE \$250 PER OCCURRENCE, SUBJECT TO THE BELOW PROCEDURES. Monetary penalties shall be imposed pursuant to the following:**

ACTION 1: An owner whose property is found to be in violation of the Restrictions will be notified in writing, either by the Association's Board of Directors or by the Association's managing agent, sent by mail or hand delivered, of the nature of the violation and informing the owner that if the violation is not corrected, pursuant to the CC&Rs, the cost of enforcement will be placed on the owner's account ledger.

ACTION 2: If after 15 days of the date of the letter referenced in Action 1, the owner continues to violate the Restrictions, the Association will send the owner a

second demand letter demanding that the owner complies with the Restrictions and notifying said owner that if said owner does not comply with the Restrictions, an INITIAL fine of \$250 will be imposed by the Association on the owner and said owner will be transferred to the Association's attorney and, pursuant to the CC&Rs, all attorney's fees will be placed on said owner's account ledger.

ACTION 3: If after 15 days of the date of the letter referenced in Action 2 above, the owner continues to violate the Restrictions, a SECOND fine of \$250 will be imposed by the Association on the owner's account and the owner will be referred to the Association's attorney and, pursuant to the CC&Rs, any legal fees expended (beginning with an initial charge of \$250.00 for the Attorney's initial letter) by the Association's attorney will be placed on the owner's account.

- **For all other violations of the CC&Rs, the following procedure will be implemented:**

ACTION 1: An owner whose property is found to be in violation of the Restrictions will be notified in writing, either by the Association's Board of Directors or by the Association's managing agent, sent by mail or hand delivered, of the nature of the violation and informing the owner that if the violation is not corrected, pursuant to the CC&Rs, the cost of enforcement will be placed on the owner's account ledger.

ACTION 2: If after 15 days of the date of the letter referenced in Action 1, the owner continues to violate the Restrictions, the Association will send the owner a second demand letter demanding that the owner complies with the Restrictions and notifying said owner that if said owner does not comply with the Restrictions, said owner will be transferred to the Association's attorney and, pursuant to the CC&Rs, all attorney's fees will be placed on said owner's account ledger.

ACTION 3: If after 15 days of the date of the letter referenced in Action 2, the owner continues to violate the Restrictions, the Association will send the owner a third demand letter, via certified mail, demanding that the owner complies with the Restrictions and notifying said owner that if said owner does not comply with the Restrictions, said owner will be transferred to the Association's attorney and, pursuant to the CC&Rs, all attorney's fees will be placed on said owner's account ledger.

ACTION 4: If after 15 days of the date of the letter referenced in Action 3 above, the owner continues to violate the Restrictions, the owner will be referred to the Association's attorney and, pursuant to the CC&Rs, any legal fees expended (beginning with an initial charge of \$250.00 for the Attorney's initial letter) by the Association's attorney will be placed on the owner's account.

***ACCELERATED COMPLAINT ACTION:**

- **IF THE ASSOCIATION RECEIVES AN ASSOCIATION COMPLAINT FORM ACCOMPANIED BY A POLICE REPORT AND IT IS DETERMINED BY THE ASSOCIATION AND LEGAL COUNSEL THAT A NUISANCE COMPLAINT IS VALID, THE FOLLOWING ACTION WILL TAKE PLACE:**
- - **A letter will be sent via certified mail, demanding that the owner complies with the Restrictions within 15 days of the date of the letter, and notifying said owner that if said owner does not comply with the Restrictions, said owner will be transferred to the Association's attorney and, pursuant to the CC&Rs, all attorney's fees will be placed on said owner's account ledger.**

- If after 15 days of the date of the letter, such non-compliance takes place again within a six-month time period, said owner will be sent to the Association's attorney with no further warning.
- **THE ASSOCIATION, HOWEVER, RESERVES THE RIGHT, IN THE SOLE DISCRETION OF THE BOARD, TO REFER A VIOLATION OF THE RESTRICTIONS DIRECTLY TO THE ASSOCIATION'S ATTORNEY WITHOUT WRITTEN NOTICE IF THE VIOLATION IS OF A NATURE THAT REQUIRES IMMEDIATE ACTION BY THE ASSOCIATION'S ATTORNEY.**

This resolution and policy is not intended by the Board of Directors to preclude any other enforcement remedy the Association may possess at law or in equity with respect to any violation of the governing documents of Association.

All legal, collection and other expenses incurred by Association to obtain compliance of a member with the Restrictions or other provisions of the governing documents will be the obligation of the owner pursuant to the CC&Rs.

AN OWNER MAY APPEAL ANY VIOLATION AS FOLLOWS:

1. Any request for an appeal hearing shall be in writing and be received by the Association in care of the address provided in the initial notice. This must be mailed by certified mail.

2. The appeal shall be received (by certified mail) within ten (10) days of the date of initial notification. In the event a timely request for a hearing is received, any costs of enforcement or fines will be held in abeyance pending the hearing, lack of success at the hearing will result in all interim costs of enforcement and fines becoming due and payable.

3. The appeal must include all pertinent information supporting the existence of the extenuating circumstance.

4. ALL DECISIONS OF THE BOARD OF DIRECTORS ARE FINAL AND MAY NOT BE FURTHER APPEALED.

BE IT ALSO RESOLVED, that this resolution is included in the books and records of Association and that a copy of this resolution is sent to all homeowners in the Association.

As acknowledge by the board president on the 7th day of May 2018, the original Enforcement Policy was adopted by a majority vote of the Board of Directors at their duly called open meeting held on Thursday, April 19, 2018.

I hereby acknowledge that this document was revised and adopted by a majority vote of the Board of Directors on November 17, 2021

THE PONDEROSA TRAILS HOMEOWNERS ASSOCIATION, INC.
an Arizona nonprofit corporation



Board President

12/20/2021