

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

ENFORCEMENT POLICY

Adopted by the Board of Directors April 19, 2018
REVISED MAY 1, 2019

At a duly called and noticed meeting of the Board of Directors on April 19, 2018, 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.
- **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.**

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 Section 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 Section 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 Section 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 (initially \$180.00) 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 THE BOARD OF DIRECTORS DETERMINES 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.

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.

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 May 1, 2019


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

*Section added/revised May 1, 2019