



HOMEOWNER'S ASSOCIATION OF CANYON RIDGE

June 26, 2006

Dear Canyon Ridge Homeowner:

We are writing to provide you with a copy of the Board's recently adopted Policy for Enforcement of the Covenants, Conditions and Restrictions (CC&R's). As you are all aware, homeowners living in Canyon Ridge are subject to the CC&R's, which were put into effect to help provide us all with a nice community and to optimize an enjoyable living experience for us all.

The Board has struggled with complaints and concerns over the past few years in a variety of situations where the CC&R's have been violated. While attempts have been made to address violations, not all of them have been resolved in a timely manner or resolved at all. As a result, we will begin fining violators of the CC&R's in accordance with the attached policy. The policy will go into effect 30 days from the date of this letter.

We encourage you to read the enclosed policy and also to remember that this action is only an effort to help improve the place where we live. Our collective adherence to the CC&R's will continue to improve the quality of our community, assist in the appreciation of our home values, and help minimize disagreements between neighbors.

Thank you for your help in making Canyon Ridge a better place. Questions or concerns can be directed to our website at www.canyonridgehoa.org.

Sincerely,

The Board of Directors
Canyon Ridge Homeowner's Association

Board Policy for Enforcement of the CC&Rs

This policy outlines the procedure the Board should take to enforce the Declaration of Covenants, Conditions, and Restrictions Plat of Canyon Ridge (hereinafter referred to as the CC&Rs).

When, in the opinion of the Board, a Property Owner is determined to be in violation of the CC&Rs the Board will take action to correct the violation as outlined below:

1. Notice of Violation: The Board shall send a Notice of Violation to the Property Owner by mail. The notice should clearly identify the violation and should include language from the CC&Rs that addresses violation. The Property Owner shall have fourteen (14) days, from when notice is sent, to correct the violation or request a hearing before the Board to dispute the violation or explain extraordinary circumstances.
2. Hearing: If the Property Owner requests a hearing, the Board shall set a date and give the Property Owner at least seven (7) days notice. The hearing shall be informal, and the Board shall render its decision in writing.
3. Final Notice of Violation and Fines: Upon completion of the steps above, and upon failure of the Property Owner to correct the violation, the Board shall send the Property Owner a Final Notice of Violation by certified mail. The final notice should identify the violation of the CC&Rs and should reference the previous steps taken by the Board. The Property Owner shall be allowed seven (7) days from date of mailing of such notice to correct the violation. If the violation is not corrected after seven (7) days, a fine of fifty (50) dollars will be assessed every fourteen (14) days from then until the violation is corrected. Fines will be added to the Property Owner's dues and failure to pay will be subject to Article IV Section 7 of the CC&Rs.

This Canyon Ridge Policy was adopted by the Board on June 18, 2006.