

ELDORADO COMMUNITY IMPROVEMENT ASSOCIATION, INC.
BOARD POLICY NUMBER: 00-07-6 Revision A
TITLE: Covenants Enforcement
DATE OF POLICY: July 20, 2000

WHEREAS in accordance with Exhibit A of the Amended and Restated Protective Covenants and Building Restrictions for Eldorado at Santa Fe, the Eldorado Community Improvement Association, Inc. seeks to maintain the unique natural character of the community for all who acquire property therein, while encouraging individual expression consistent with historical traditions of the region; and

WHEREAS in accordance with Exhibit A of the Amended and Restated Protective Covenants and Building Restrictions for Eldorado at Santa Fe, by virtue of member's purchase of property in Eldorado community, all such property owners are motivated by these unique qualities of its natural environment and agree, for and among themselves, that these qualities must be preserved for all present and future residents; NOW, THEREFORE,

BE IT RESOLVED that the Association will consistently and fairly enforce the covenants identified in the Amended and Restated Protective Covenants and Building Restrictions for Eldorado at Santa Fe; and

BE IT FURTHER RESOLVED the Association will actively hold members and residents accountable to honor and implement the covenants; and

BE IT FURTHER RESOLVED that the Board will support an ongoing community education program which will stress the importance and heighten awareness of existing covenants; and

BE IT FURTHER RESOLVED that when the Association receives notice or identifies a covenants violation, it will initiate an investigation to confirm whether such violation has occurred and not been corrected; and

BE IT FURTHER RESOLVED that if the investigation reveals that an uncorrected violation exists, the Association shall send written notice to the property owner specifying the nature of the violation and requesting that the violation be corrected within a reasonable time, normally two weeks; and

BE IT FURTHER RESOLVED that if the property owner contests the existence of such violation then it will undergo with the Association a mediation or arbitration process. The decision of the arbitration committee will be final and binding; and

BE IT FURTHER RESOLVED that if the covenants violation is not corrected within the time as agreed upon by the arbitration committee, then the uncorrected violation will be provided to the Association's attorney for appropriate legal action. In the event judicial action is taken by the Board to enforce the covenants against a property owner or other

person(s) violating them, a reasonable attorney's fee may be recovered in addition to the costs incurred by the prevailing party, if the court finds that the unsuccessful party has acted in bad faith or in willful violation of the covenants.

This policy revision was adopted by the Board on January 18, 2001, and shall be effective on January 218, 2001.

John S. Hoader
President 1/18/2001
Patricia D. Lawrence 1/18/2001

Date

ATTEST: