

## ENFORCEMENT POLICY

Effective January 18, 2005

The following resolution by The Sunpeak Association (the "Association") is adopted at a regular meeting of the Board of Trustees.

### RECITALS

A. The Association is the Master Association charged with certain responsibilities regarding the care, maintenance and service of the Sun Peak Community including its common areas and amenities.

B. The Association through its Board of Trustees has the responsibility to ensure compliance with The Master Declaration of Covenants, Conditions and Restrictions including overseeing compliance of all neighborhood covenants, conditions and restrictions, and Rules and Regulations (collectively "CC&R's") as established by the Board of Trustees from time to time, all in a manner which uniformly enhances, preserves and protects the value, attractiveness and desirability of the Sun Peak Community.

C. The Board of Trustees of the Association desires to adopt a uniform and systematic procedure to enforce and ensure compliance with the CC&R's.

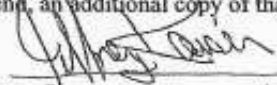
NOW, THEREFORE, BE IT RESOLVED that the Association does hereby adopt the following procedures and policies for the enforcement of the CC&R's of the Association:

1. Violation. When a violation of the CC&R's occurs or when a valid complaint is received in writing from a Sun Peak resident, the following steps shall be taken:

- a. A "courtesy" letter shall be written to the property Owner stating the violation and requesting that the action cease or that appropriate steps be taken to resolve the violation within two weeks.
- b. If the violation is not resolved, a second letter shall be sent informing the Owner that if the violation is not cured within a specified timeframe, a fine as determined by the Board of Trustees will be assessed in an amount up to \$250.00.
- c. If the violation continues, a third letter shall be written to the property Owner explaining that a fine has been assessed against their property due to the violation and that if the fine is not paid within 30 days, a lien will be filed against the property and all clubhouse privileges will be denied if the violation is not resolved in the 30 day period. Interest shall accrue at the rate of 18% per annum. The Owner is also informed that within 15 days they may request a hearing, in writing, before the Board of Trustees in order to contest the fine.

2. Use of Certified Mail/Regular Mail. In the event the Association causes a collection or demand letter or notices to be sent to a delinquent Owner by regular mail, the Association may also cause, but shall not be required to send, an additional copy of that letter or notice by certified mail, return receipt requested.

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Jeffrey Arthur Kaiser



NOTARY PUBLIC  
SPENCER BROWN  
150 W Central Street  
Nashville, TN 37007  
My Commission Expires  
July 25, 2017

3. Referral of Delinquent Accounts to Attorneys. Upon referral to the Association's attorneys, the attorneys shall take all appropriate action to collect the accounts referred. The Owner shall be responsible for all attorneys' fees and costs related to the collection. The attorney is authorized to take whatever action is necessary, in consultation with the Manager, believed to be in the best interest of the Association, including, but not limited to:

- a. Filing of a suit against the delinquent Owner for a money judgment;
- b. Instituting foreclosure procedures to enforce the Association's lien;
- c. Filing necessary claims, documents, and motions in bankruptcy court in order to protect the Association's interests;

4. Foreclosure. The Association may choose to foreclose on its lien in lieu of suing an Owner in court for a money judgment.

5. Waivers. The Association is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Association shall determine appropriate under the circumstances. The failure of the Association to insist upon or enforce the provisions of this Policy shall not be construed as a waiver, or relinquishment of any such terms, conditions or rights thereunder and shall not affect the Association's right to insist on strict performance and compliance with regard to any future compliance with this Policy.

6. Notification to and Communication with Owners. The Association shall, upon request, provide a copy of this Resolution to any Owner requesting a copy.

7. Ongoing Evaluation. Nothing in this Resolution shall require the Association to take specific actions other than to notify the Owner of the violation. However, the Association has the option and right to continue to evaluate each violation on a case by case basis and seek enforcement thereof.


8. Defenses. Failure of the Association to comply with any provision in this Enforcement Policy shall not be deemed a defense to failing to comply with any Policy set forth herein, payment of fines, assessment fees or other charges, late charges, return check charges, attorney fees and/or costs as described and imposed by this Enforcement Policy.

9. Amendment. This Enforcement Policy may be amended from time to time by the Board of Trustees.

IN WITNESS WHEREOF, the undersigned certifies that this Resolution was adopted by the Board of Trustees of the Association.



SUNPEAK ASSOCIATION  
JEFFREY KAISER

By: 

Its: \_\_\_\_\_

July 8, 2005

