

NEIGHBOR TO NEIGHBOR DISPUTE POLICY

This Neighbor to Neighbor Dispute Policy was duly adopted by the Board of Directors of the Shady Canyon Community Association on August 5, 2004. Nothing herein is intended to be construed as an attempt to relieve the Association or the Board of Directors from any of its duties under the Declaration of Covenants, Conditions and Restrictions for the Shady Canyon Community Association or any other Governing Documents of the Association. This Policy only establishes a prerequisite to Association involvement in certain, limited, "Neighbor to Neighbor Disputes".

A. DEFINITIONS

1. "Neighbor to Neighbor Dispute" shall mean a dispute or complaint (s) lodged by one Lot Owner against another Lot Owner which, in the Board's sole discretion, does not impact the Common Area (example include, but are not limited to, parking, noise, animals).
2. "ADR", shall mean Alternative Dispute Resolution; specifically, mediation or arbitration.
3. "Written Certification" shall mean a letter signed by the disputing parties, certifying that one party requested the other party to submit the dispute to ADR and, either ADR was completed or the other party refused to submit the dispute to ADR.

B. POLICY TERMS

1. When a dispute or complaint is brought to the attention of the Board regarding interpretation of rights under, or enforcement of, the governing documents, the Board shall, at its next scheduled meeting, discuss the complaint or dispute and make a reasonable business judgment decision based upon the particular facts as to whether or not it constitutes a Neighbor to Neighbor Dispute.
2. If the Board finds that the complaint or dispute constitutes a Neighbor to Neighbor Dispute, it shall notify the parties of the Neighbor to Neighbor Dispute of its decision.
3. The parties to the Neighbor to Neighbor Dispute shall be required to use best efforts to submit their dispute to either the applicable governmental agency or ADR prior to seeking association involvement in resolving the dispute. For ADR, this may be accomplished by complaining party serving the other (responding) party(ies) with a Request for Resolution in accordance with California Civil Code Section 1354.
4. Upon receiving Written Certification that the parties first attempted to resolve the Neighbor to Neighbor Dispute by contacting the applicable government agency and/or through ADR, the Board shall determine whether a violation of the Declaration or governing documents exists which requires Association action, whether Association enforcement is required under the particular circumstances and, if so, the action to be taken in accordance with Association Notice and Hearing procedures.

THIS POLICY SHALL BE INAPPLICABLE TO ANY COMPLAINTS OTHER THAN
NEIGHBOR TO NEIGHBOR DISPUTES.