

## **RULES AND REGULATIONS**

In accordance with the authority granted by Section 7.11 of the Restated Declaration of Covenants, Conditions, and Restrictions Rim Rock Ranch Units 1, 2, 3 and 4 (hereinafter the "Covenants"), the Board adopts the following rules, regulations, and enforcement policies:

### **Definitions**

"Public Road," as referred to in Section 3.03 of the Covenants, means the county right-of-way as set forth on the plat for the Rim Rock Ranch Subdivision and includes more than just the paved portions of the roadway. The boundary of the county right-of-way and your property line has been marked by the surveyor pins at the front corners of each lot. The setback requirements are measured from the boundary of your property as set forth above.

"Improvements," as set forth in Section 3.03, means any structure constructed on the lot, but does not include driveways or sidewalks.

### **Assessments and Enforcement Provisions Concerning Encroachments**

In addition to and without limiting any of the other rights and powers the Board may have to enforce the Covenants, the Board, upon a finding that a violation of the Covenants was the result of a bona fide error *and* upon a further finding that a particular encroachment has no significant detrimental effect to the overall aesthetics of the subdivision, *may*, after notice and hearing, agree to take no action to enforce the setback requirements and impose the following assessments in lieu of seeking injunctive relief for the breach, or threatened breach, of the provisions of the Covenants. The election to impose an assessment or seek injunctive relief lies solely within the discretion of the Board. The Board's decision to take no action to enforce the setback requirements and to impose an assessment instead, shall not constitute a variance.

### **Assessments for Encroachment into Setbacks**

A. For encroachments, which are less than or equal to one linear foot into any setback, the Board will impose no assessment.

B. For encroachments, which are greater than one linear foot but less than or equal to two linear feet, the assessment shall be \$1,000.00.

C. For encroachments, which are greater than two linear feet but less than or equal to three linear feet, the assessment shall be \$3,000.00.

D. For encroachments, which are greater than three linear feet but less than or equal to four linear feet, the assessment shall be \$5,000.00.

E. For encroachments, which are greater than four linear feet but less than or equal to five linear feet, the assessment shall be \$10,000.00.

F. For encroachments, which are greater than five linear feet, then, the assessment shall be the sum of \$10,000.00 and the product of \$5,000.00 and the number of feet or part of a foot that the encroachment exceeds five linear feet. For example, if an improvement encroaches nine feet and ten inches into a building setback, the assessment shall be \$35,000.00. (\$10,000.00 for the first five linear feet plus \$25,000.00 for the next four feet ten inches [5 x \$5,000.00]).

If more than one setback is encroached upon, the Board may impose a separate assessment for each encroachment. For example, if a residence encroaches into both the front and side setback lines and each such encroachment is greater than one linear foot but less than or equal to two linear feet, the Board may impose an assessment of \$2,000.00.

#### **Assessments for the Violation of Other Restrictions**

For any violation of the covenants, for which a variance has not been granted, the Board may, after notice and hearing, with or without seeking injunctive relief, impose a daily assessment of \$100 until such violation has been corrected. For example, the construction of a storage building in front of the main residence, without first obtaining a variance from the Architectural Control Committee.

#### **Assessments for Violation of 3.01**

In the event that any improvements upon a lot are not completed as to exterior finish and appearance within six months plus any extension granted by the Architectural Control Committee, then the Board, after notice and hearing, may impose an assessment of \$100.00 per day until (1) the improvements are completed as to exterior finish and appearance; or (2) the improvements are demolished, removed from the site, and the lot is substantially returned to its original condition.

#### **Assessments for Violations of Section 3.08 (Garbage and Trash Disposal), Section 3.09 (Inoperable or Junked Vehicles) and 3.10 (Signs)**

Following written notice to any owner of a violation of Sections 3.08, 3.09, or 3.10 of the Covenants, the Board may, without limiting any of the other rights and powers it may have to enforce the Covenants, after notice and

hearing, impose an assessment of \$100.00 per day for each day until the violation is corrected.

**Creation of Lien and Personal Obligation**

In accordance with Section 6.01 of the Covenants, the foregoing charges and assessments levied by the Board, shall constitute a contractual lien upon the owner's tract, which may be foreclosed by non-judicial foreclosure.