

From: Architecture Control Committee

To: Sandia Mountain Ranch Residents

Subject: An Update on Architecture Control Committee Activities

We are writing to provide an update on the activities of the Architecture Control Committee (ACC) to the property owners of Sandia Mountain Ranch, Unit 2. We have addressed a number of building proposals since we last communicated with you, and this past summer three new members were elected to the ACC: Jerry Love, Terry Pehrson, and Steven Salk. These members joined Jack Brownell, Alex Chavez and Lynne Schluter to form the new committee. Committee elections were held, and Steven Salk was chosen as chairman and Lynne Schluter was chosen as secretary. We reviewed and updated the ACC charter and made it available on the SMR web site.

For those of you new to the neighborhood, the purpose of the ACC is to help ensure that the covenants are being adhered to for two primary reasons: 1) to maintain the character of the neighborhood and 2) to ensure safety. With the housing market depressed, this is more important than ever before. Studies have shown that neighborhoods with covenants that are enforced maintain significantly higher property values. In the fall of 2007, a local realtor conducted a study of home selling prices in two adjacent neighborhoods in the East Mountains, ours and SMR, Unit 1. Both neighborhoods had similar covenants; our Unit enforced the covenants, the other did not. Our neighborhood with the covenant enforcement had an average higher selling price of \$21/sf. One doesn't have to look far to see examples of beautiful homes that are not very desirable due to the conditions of nearby properties.

If you need a copy of the covenants, they are available on the SMR web site. It is your responsibility to ensure that any changes to your property are in compliance with those covenants. The ACC is here to review proposed changes to help with this or to help you find solutions when compliance is not possible.

The committee meets the first Monday of each month. If you have plans to be reviewed, please contact one of the committee members. There is no fee to bring any proposal or asking for review of plans by the ACC. The ACC wants to help you understand and stay within the covenant requirements.

Over the past month each ACC member canvassed the neighborhood for potential covenant violations. There are also past violation notifications that have not been resolved to date. The ACC is in the process of consolidating the information and determining what actions to take. The property owners will be notified, and then after an appropriate time a list of unaddressed violations will be posted on the SMR web site. It should be noted that the only issues we are discussing are violations that are clearly visible from roadways and/or from other lots within the SMR development where we received feedback from those neighbors.

The most common violations include:

- 1) Above ground propane tanks visible from the street
- 2) RVs, trailers, equipment, boats, etc parked within clear sight of the street or from other lots within the subdivision.
- 3) Fences and Gates that are too close to the right-of-way

Taken as a whole these violations impact the personality of the neighborhood and affect property values. We also point out that it is your legal responsibility to disclose violations to potential buyers when/if you sell your property.

Lastly we have been discussing how to proceed. The ACC charter currently says that the ACC is responsible for documenting and resolving potential violations and reviewing additions, building plans, etc, to ensure compliance with the covenants, but it is not an enforcement arm. That leaves it to individual neighbors and or groups of neighbors to take legal action when covenant violations are not resolved. It is the goal of the ACC to work with property owners to resolve issues so that they do not rise to the level of formal legal proceedings, and we will take a graded approach to addressing the potential violations. However, if covenant violations are not addressed in a timely fashion by property owners, we will reopen discussion with the neighborhood.

Sandia Mountain Ranch is a beautiful neighborhood. Please work with us to maintain and improve the desirability, and in turn, the value of our homes.

Sandia Mountain Ranch Architectural Control Committee

Jack Brownell Alex Chavez Jerry Love Terry Pehrson Steven Salk Lynne Schluter