NEIGHBOR – NEIGHBOR DISPUTE POLICY

PREAMBLE

This Neighbor-Neighbor Dispute Policy was duly adopted by the Association of Directors of Mission Viejo Environmental Association on January 25th, 2000. Nothing herein is intended to be construed as an attempt to relieve the Association from any of its duties under the Restatement and Amendment of Master Declaration of Environmental Covenants, Conditions and Restrictions and Reservation of Easements for Mission Viejo Environmental Planned Community or other governing documents of the Association. This Policy only establishes a prerequisite to Association involvement in certain "Neighbor-Neighbor Disputes".

POLICY

A. <u>DEFINITIONS</u>.

- 1. "Association" shall mean Association of Directors, Officers and Committee Members.
- 2. "Neighbor-Neighbor Dispute" shall mean a dispute or complaint (s) lodged by one Lot owner against another Lot Owner which, in the Association's sole discretion, does not impact the Common Area, or other homeowners' enjoyment of the Common Area.
- 3. "ADR" shall mean Alternative Dispute Resolution; specifically mediation or arbitration.
- 4. "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 Association regarding interpretation of rights under, or enforcement of, the governing documents, the Association shall review 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-Neighbor Dispute, or one which would directly involve the Association.
- 2. If the Association finds that the complaint or dispute constitutes a Neighbor-Neighbor Dispute, and does not directly affect other members, it shall notify the parties to the Neighbor-Neighbor Dispute of its decision.
- 3. The parties to the Neighbor-Neighbor Dispute shall be required to submit the Neighbor-Neighbor Dispute to ADR <u>prior</u> to seeking Association involvement in resolving the Neighbor-Neighbor Dispute. This may be accomplished by the complaining party serving the other (responding) party(ies) with a Request for Resolution in accordance with California *Civil Code* Section 1354.
- 4. The Association shall not be obligated to become involved in any dispute not submitted to ADR as requested by the Association pursuant to this Resolution. Furthermore, a homeowner shall not be entitled to any relief from the Association if the homeowner fails to comply with an Association request for the homeowners to submit a Neighbor-Neighbor Dispute to ADR.
- 5. Upon receiving Written Certification that the parties first attempted to resolve the Neighbor-Neighbor Dispute through ADR, the Association then has the discretion whether to determine whether a violation of the Declaration or governing documents exists, and whether Association enforcement is required under the particular circumstances in accordance with its Notice and Hearing procedures.

THIS POLICY SHALL BE APPLICABLE TO ALL COMPLAINTS INVOLVING NEIGHBORNEIGHBOR DISPUTES AS THE ASSOCIATION SHALL DETERMINE.

Date of Revision: March 20, 2003