

VILLAS MONTANAS COMMUNITY ASSOCIATION

RULES AND REGULATIONS CC&R VIOLATION AND ENFORCEMENT POLICY

Villas Montanas Community Association has established the following Enforcement Policy for Covenants, Conditions and Restrictions (CC&R's) violations enforcement, and any applicable monetary penalties for continuing violations. This Policy will be deemed part of the Association Rules and is subject to amendment or modification at any time by majority vote of the Board. This Enforcement Policy for non-monetary violations is adopted in accordance with Arizona Law and the provisions of the CC&R's and Project Documents, as currently in force and effect. The Board of Directors hereby approve the following policy at a duly called meeting of the Board on May 1, 2019.

First Notice

A first notice will be sent to the owner of the property outlining the violation. In the event that the owner of the property is identified as an absentee owner, a copy of the notice may also be sent to the tenant at the property address. The owner will be given twenty-one (21) calendar days to bring the violation into compliance. The first notice shall include a warning that if the violation is not cured within twenty-one (21) calendar days, an initial monetary penalty of twenty-five (25) dollars shall be assessed. This letter shall also state that the owner may petition the Department of Real Estate pursuant to ARS 32-2199.01.

Second Notice and Assessment of Initial Monetary Penalty

A second notice will be sent if the owner has not complied with the first notice, or if the violation has returned or has been repeated. The second notice will inform the owner that an initial monetary penalty of twenty-five (25) dollars has been assessed. The second notice shall also include a warning that if the violation is not cured within twenty-one (21) calendar days, an additional monetary penalty of fifty (50) dollars shall be assessed.

Third Notice and Assessment of Additional Monetary Penalty

A third notice will be sent if the owner has not complied with the first and second notices, or if the violation has returned or has been repeated. The third notice will inform the owner that an additional monetary penalty of fifty (50) dollars has been assessed. The third notice shall also include a warning that if the violation is not cured within twenty-one (21) calendar days, upon each subsequent inspection where it is found that the violation is still not cured, an additional monetary penalty of one hundred (100) dollars shall be assessed.

Additional Monetary Penalty

After the imposition of the initial monetary penalty and the additional monetary penalty, another monetary penalty, in the amount of one hundred (100) dollars, may be assessed upon subsequent inspections if the owner has not corrected or removed the violation, or if the violation is repeated or has returned. Inspections will be conducted to coincide with the terms of the notices.

Should a period of time of at least ninety (90) calendar days lapse between violation letters of the same offense, the next letter will be a first notice again.

Exception to Notice Procedure

Violations posing a threat to the health, safety, and welfare of the community as a whole or any one or more other owners may require immediate action and thus create exceptions to the foregoing notice provisions. Examples of health, safety, and welfare violations include, but are not limited to, the following: accumulation of trash and/or other materials that may attract pests; threat of flood or fire damage to neighboring properties; an escaped pet; or a collapsed structure or tree blocking the road or drivers' lines of vision.

Right of Self-Help

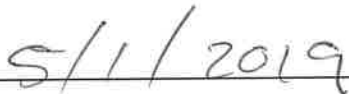
The Association has the right (but not the obligation) to enter the owner's property and to provide all maintenance and repairs that are necessary to remove the violation. Entry by the Association and any of its agents is not an actionable trespass. The Association may assess the Owner for the costs of all maintenance and repairs performed by the Association.

Opportunity to be Heard

The Association recognizes each owner's right to explain the reasons why there is a violation of the CC&R's or the other Project Documents, particularly if the violation results in an assessment. Before any fee is assessed, an owner has the opportunity to request a hearing before the Board of Directors. The owner must provide timely written request for a hearing. If the hearing is scheduled, and attended, the owner is bound by the decision of a majority of the Board.



For Villas Montanas Community Association



Date