

**PASEO TRAIL PARCEL D COMMUNITY ASSOCIATION
RULES, REGULATIONS AND CC&R VIOLATION ENFORCEMENT
FINE POLICY AND APPEAL PROCESS**

Effective January 1, 2012

Pursuant to the Declaration, the Association shall have the right to adopt a schedule of monetary penalties for violation of any provision of the Governing Documents. The Board of Directors of Paseo Trail Parcel D Community Association has established the following enforcement policy for Rules, Regulations, and Covenant, Conditions and Restrictions (CC&R's) violations, and any applicable monetary fines for continuing violations. This policy was formed following the established law of the State of Arizona, Section 1, Title 33, Arizona Revised Statute, Chapter 17, and Planned Communities. The goal of this policy is to protect all of the Members of the Association from excessive costs in enforcing the CC&R's as outlined in the ARTICLES of the legal documents, and to safeguard the value of the Members' properties. The Board may choose to modify this policy on specific cases that require special handling.

ENFORCEMENT POLICY

FIRST NOTICE - FRIENDLY REMINDER:

A notice will be sent to the Homeowner of the property outlining the violation. In the event that the Homeowner of the property can be identified as an absentee Homeowner, a copy of the violation notice will also be sent to the tenant at the property address. The Homeowner will be given fourteen **(14)** days to bring the violation into compliance. – **NO MONETARY PENALTY**

SECOND NOTICE:

If the violation still exists fourteen (14) days after the **FIRST NOTICE** of violation, a second notice will again define the violation and request the Homeowner bring the property into compliance within fourteen **(14)** days. A fine in the amount outlined in the SCHEDULE OF MONETARY PENALTIES will be assessed to their association account. This monetary penalty is collectable just as it is for any other assessment amount. The notification will define the Appeal Process.

THIRD NOTICE:

If the violation still exists fourteen (14) days after the **SECOND NOTICE** of violation, a third notice will again define the violation and request the Homeowner bring the property into compliance within fourteen (**14**) days. A monetary penalty in the amount outlined in the SCHEDULE OF MONETARY PENALTIES will be assessed to their association account. The fine is collectible just as it is for any other assessment amount. The notification will define the Appeal Process.

FOURTH NOTICE:

If the violation still exists fourteen (14) days after the **THIRD NOTICE** of violation, a fourth notice and any subsequent notices will again define the violation and notify the Homeowner that an additional monetary penalty has been assessed to their association account. Continued violations will result in additional monetary penalties (which may include the doubling of the monetary penalty each month to the maximum of \$3,200), legal action and legal costs assessed against the Homeowner at the discretion of the Board of Directors. The notification will define the Appeal Process.

MONETARY PENALTIES: No monetary penalty shall be imposed without first providing a written warning to the Homeowner describing the violation and stating that failure to correct the violation within fourteen (14) days or another recurrence of the same violation within six (6) months of the original violation shall make the Owner subject to imposition of a monetary penalty. Failure to pay any monetary penalties shall subject the Owner to the same potential penalties and enforcement as failure to pay any assessments under the Declaration.

SELF HELP: Pursuant to Article 7.4 of the Declaration, in the event any portion of any lot is so maintained as to present a public or private nuisance, or as to substantially detract from the appearance or quality of the surrounding lots or other areas of the Association; or in the event any portion of the lot is being used in a manner which violates the Declaration; or the owner of any lot is failing to perform any of its obligations under the Declaration, the Board may make a finding to such effect and give the offending Homeowner a fifteen (15) day notice to take corrective action or Self Help measures may be taken at the owner's expense in accordance with the provisions of the Declaration. The Board of Directors' right to exercise Self Help may be implemented at anytime during the notification process at the discretion of the Board. The costs associated with any corrective action or Self Help will be

assessed to their association account. Failure to pay these costs shall subject the Homeowner to the same potential penalties and enforcement as failure to pay any assessments under the Declaration.

HEALTH, SAFETY, AND WELFARE: Immediate action will be required on any violation that affects the health, safety, and welfare of the Association or Association Members.

Notwithstanding the foregoing, the Board of Directors reserves the right to seek Injunctive Relief at anytime regardless of the presence or absence of notices hereunder, for any violation that the Board of Directors determines in its sole and absolute discretion constitutes a material danger to persons or property or requires immediate action for any other substantial reason.

The Board of Directors reserves the right to take any action permitted by law or the Declaration, in addition to the above mentioned **FINE POLICY**.

APPEAL PROCESS

- When a violation notice is sent to a Homeowner, such notice shall include a statement notifying the Homeowner that he/she has the "RIGHT OF APPEAL."
- When a Homeowner desires to appeal a violation, he/she must so notify the Management Company in writing within ten (10) business days after the date of the violation notice.
- Appeals shall demonstrate extenuating circumstances which require deviation from the Governing Documents.
- Appeal shall include all pertinent backup information to support the existence of the extenuating circumstance.
- All decisions of the Board are final and may not be further appealed.
- Any appeal that does not meet the above requirements shall not be heard by the Board and shall be considered DENIED.
- The Owner appealing the violation will be given written notice that a hearing on the appeal is scheduled.
- The appeal shall be heard in Executive Session.
- The Board President will introduce all parties.
- Lengthy discussions are not a part of an appeal process.
- The Homeowner who is appealing will be asked to state their case and present any applicable documentation.

- Each Board Member will have the opportunity to ask the Homeowner specific questions regarding the appeal.
- Upon completion of the question and answer period, the Board President will state that the appeal has been heard and the Board will make their decision in closed session. Written Notice of the Board's decision will be delivered to the Homeowner within seven (7) working days.
- If the appeal is denied, the Homeowner must bring the violation into compliance within fourteen (14) days. If the violation still exists after fourteen (14) days, the Homeowner will be given a monetary penalty of \$25.00 every fourteen (14) days until the violation is corrected. In addition, the Board of Directors may utilize Self Help measures or seek legal action to remedy the violation. All cost incurred by Self Help measures or legal action will be billed to the Homeowner and collected in the same manner as assessments.

SCHEDULE OF MONETARY PENALTIES

Level 1: 1st Occurrence \$10.00, Subsequent Occurrence \$20.00

- **Trash Receptacles**

Level 2: 1st Occurrence \$25.00, Subsequent Occurrence \$50.00

- **Weeds & Landscaping**
- **Broken Windows, Gates, Damaged Perimeter Walls**
- **Improperly Parked or Abandoned Vehicles**
- **Encroachment of plants, trees, personal items**
- **Animal waste or nuisance**

Level 3: 1st Occurrence \$50.00, Subsequent Occurrence \$100.00

- **Changes to property or new construction that requires submission and approval by the Architectural Review Committee.**

**UNANIMOUS CONSENT TO ACTION
BY THE BOARD OF DIRECTORS
PASEO TRAIL PARCEL D COMMUNITY ASSOCIATION**

c/o Vision Community Management
9633 S. 48th Street, Suite 150
Phoenix, AZ 85044
(480) 759-4945

MONETARY PENALTY POLICY AND APPEAL PROCESS

The undersigned, constituting all of the members of the Board of Directors of Paseo Trail Parcel D Community Association, an Arizona nonprofit corporation, hereby take the following actions in writing at a duly called meeting of the Board.

RESOLVED, that the Board of Directors hereby approves the Fine Policy and Appeal Process for Paseo Trail Parcel D Community Association attached to this resolution.

The Board of Directors hereby instructs the managing agent to notify all Owners of the implementation of the Fine Policy and Appeal Process effective as of October 1, 2011.

IN WITNESS WHEREOF, the undersigned have executed this consent as of this ____ day of _____, 2011.

President and Director, Board of Directors

Vice President and Director, Board of Directors

Vice President and Director, Board of Directors