

**VENU AT GRAYHAWK CONDOMINIUM ASSOCIATION  
RESOLUTION OF THE BOARD OF DIRECTORS**

**AMENDED FINE SCHEDULE AND APPEAL PROCESS FOR SHORT-TERM  
RENTAL VIOLATIONS**

Pursuant to Section 3.6 of the Bylaws of Venu at Grayhawk Condominium Association, by affirmative written consent of all directors currently on the Board of Directors (the "Board") of the Venu at Grayhawk Condominium Association (the "Association"), an Arizona nonprofit corporation, the Association hereby adopts the following resolution as an official action of the Board and hereby direct that this action be filed with the minutes of the proceedings of the Board of the Association:

**WHEREAS**, Article 6, Section 6.3 of the Condominium Declaration for Venu at Grayhawk Condominium, recorded in the Official Records of Maricopa County, Arizona, at Instrument No. 2004-0207062 (the "Declaration"), and all amendments thereto, allows the Board to adopt, amend, and repeal rules and regulations governing the use of the Units and Common Elements, subject to the provisions of the Declaration and the Condominium Act;

**WHEREAS**, Article 6, Section 6.1 of the Declaration permits the Board to "act in all instances on behalf of the Association "[u]nless the Condominium Documents or the Condominium Act specifically require a vote of the Members;

**WHEREAS**, A.R.S. § 33-1242(A)(11) provides, in part, that the Association may "... after notice and an opportunity to be heard, impose reasonable monetary penalties on unit owners for violations of the declaration, bylaws and rules of the association."

**WHEREAS**, the Association previously adopted Board of Directors Resolution Regarding Leasing and Rental Regulations with an effective date of April 3, 2018 (the "2018 Leasing and Rental Policy"),

**WHEREAS**, the Board finds the monetary penalties imposed under the current "Short Term Rental Advertising Violation Fine Schedule" and "Short Term Rental Violation Fine Schedule," both of which are attached to the 2018 Leasing and Rental Policy, insufficient to create an economic incentive for owners to cease engaging in short-term rentals in violation of the Section 4.15 of the Declaration, which states as follows:

**4.15 Rental of Units.** No Owner of a Unit may lease less than his entire Unit. All leases must be in writing and must provide that the terms of the lease are subject in all respects to the provisions of this Declaration and the Rules and that any violation of this Declaration or the Rules by the Lessee or the other Occupants shall be a default under the lease. There

shall be no subleasing of Units or assignments of leases. *No Unit may be leased for a term of less than ninety (90) days, and no Unit shall be leased more than four times during any twelve (12) month period.* At least ten (10) days before commencement of the lease term, the Owner shall provide the Association with a copy of the signed lease and the following information: (a) the commencement date and expiration date of the lease term; (b) the names of each of the Lessees and each other person who will reside in the Unit during the lease term; (c) the address and telephone number at which the Owner can be contacted by the Association during the lease term; and (d) the name, address and telephone number of a person whom the Association can contact in the event of an emergency involving the Unit. Any Owner who leases his Unit must provide the Lessee with copies of this Declaration and the Rules. The Owner shall be liable for any violation of this Declaration or the Rules by the Lessees or other persons residing in the Unit and their guests or invitees and, in the event of any such violation, the Unit Owner, upon demand of the Association, shall immediately take all necessary actions to correct any such violations. The provisions of this Section shall not apply to the Declarant.

**WHEREAS**, the Association desires to amend and replace in their entirety both the “Short Term Rental Advertising Violation Fine Schedule” and “Short Term Rental Violation Fine Schedule” attached to the 2018 Leasing and Rental Policy;

**WHEREAS**, the Association desires all remaining provisions within the 2018 Leasing and Rental Policy to remain in full force and effect aside from those specifically amended herein;

**WHEREAS**, the Board expressly reserves the right to adopt supplemental or amended fine policies to address specific violations in the community.

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**BE IT THEREFORE RESOLVED**, effective February 1, 2022, the Board hereby adopts this Resolution and the Amended Short Term Rental Advertising Violation Fine Schedule and Amended Short Term Rental Violation Fine Schedule attached hereto. This Resolution and the Amended Short Term Rental Advertising Violation Fine Schedule and Amended Short Term Rental Violation Fine Schedule shall be mailed to all current Owners of record pursuant to the Certificate of Mailing.

DATED this 27th day of January, 2023.

**VENU AT GRAYHAWK CONDOMINIUM ASSOCIATION**

DocuSigned by:  
By: Steve Wexler  
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President – Stephen Wexler

DocuSigned by:  
By: Cindy Weber  
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Vice President – Cindy Weber

DocuSigned by:  
By: Chuck Rosco  
C8754F732145410...  
Secretary – Chuck Rosco

DocuSigned by:  
By: Randi Stewart  
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Treasurer – Randi Stewart

DocuSigned by:  
By: [Signature]  
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Director – Michael Convey

DocuSigned by:  
By: [Signature]  
564CC1555AED4B6...  
Director – Norm Weitzman

DocuSigned by:  
By: D. Winter  
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Director – Dave Winter

[certificate of mailing on the following page]

**CERTIFICATE OF MAILING TO OWNERS OF RECORD:**

I, Elizabeth Wagoner, the current Community Manager for the Venu at Grayhawk Condominium Association, hereby certify that I sent by mail and e-mail to all of the Owners of record as of the 27th day of January 2023, the Resolution and the Amended Short Term Rental Advertising Violation Fine Schedule and Amended Short Term Rental Violation Fine Schedule attached hereto and adopted by the Board on the 27th day of January, 2023.

DATED this 27th day of January, 2023.

DocuSigned by:  
By: Elizabeth Wagoner  
8C65F3331E4D4FC...  
Printed Name: Elizabeth Wagoner

**VENU AT GRAYHAWK CONDOMINIUM ASSOCIATION  
AMENDED SHORT TERM RENTAL ADVERTISING VIOLATION FINE  
SCHEDULE**

**Effective February 1, 2023**

This Amended Short Term Rental Advertising Violation Fine Schedule is hereby incorporated into and fully replaces the short term rental advertising violation fine schedule contained in the 2018 Leasing and Rental Policy, previously adopted by the Board on or about April 3, 2018.

Pursuant to the restrictions in Article 4, Section 4.15 of the Condominium Declaration for Venu at Grayhawk Condominium, recorded in the Official Records of Maricopa County, Arizona, at Instrument No. 2004-0207062 (the “Declaration”), and the 2018 Leasing and Rental Policy which specifies at Page 2 of 3, ¶ 4, that “[n]o Unit may be advertised as available on a ‘short-term rental’ basis, i.e. for a term of less than ninety (90) days. No Unit may be advertised as a ‘vacation rental,’ for ‘temporary lodging,’ or for any other purpose considered transient in nature[,]” the following Fine Schedule shall be imposed on members in violation of the same.

**FIRST NOTICE:** An initial notice of the violation shall be mailed to the Owner requesting compliance and granting the Owner ten (10) days to appeal the violation. **A \$1,500.00 fine for each 7 consecutive days that the advertisement is found to be in violation will be assessed if the Owner fails to appeal the fine.**

**SECOND NOTICE:** If a violation reoccurs within six (6) months after the date of the first notice, a second notice requesting compliance shall be mailed to the Owner. **A \$2,500.00 fine per 7 consecutive days that the advertisement is found to be in violation** will be assessed and due immediately with the second notice. If an appeal from the Owner is received within ten (10) days of the second notice, further notices will be suspended until such time as the board has acted and notified the Owner of the decision of the appeal.

**THIRD NOTICE:** If a violation reoccurs within six (6) months after the date of the second notice, a third notice requesting compliance within ten (10) days shall be mailed to the Owner. **A \$4,000.00 fine per 7 consecutive days that the advertisement is found to be in violation** will be assessed and due immediately with the third notice. If an appeal from the Owner is received within ten (10) days of the third notice, further notices will be suspended until such time as the board has acted and notified the Owner of the decision of the appeal.

**CONTINUING VIOLATIONS:** If a violation reoccurs within six (6) months after the date of the third or subsequent notice, an additional **\$5,000.00 fine** will be assessed and

due immediately. Additionally, the Owner account may be sent to the Association's law firm for further action.

**FINES:** No fine shall be imposed without the Association first providing one (1) written warning to the Owner describing the violation and stating that the failure to correct the violation within no less than ten (10) days, or another recurrence of the same violation within six (6) months, shall make the Owner subject to imposition of a fine in accordance with this fine schedule. Failure to pay any fine shall subject the Owner to the same potential penalties and enforcement as failure to pay any assessments under Article 7, Section 7.7 of the Declaration to the extent permitted by law.

**INJUNCTIVE RELIEF:** If a violation is not cured after the Third Notice, the Board of Directors may request that Association's attorney file an action seeking Injunctive Relief against the Owner to cure the violation. However, nothing in this Fine Schedule limits the Board of Directors right to seek immediate Injunctive Relief at any time regardless of the presence or absence of notices or fines hereunder, for any violation that the Board of Directors determines in its sole and absolute discretion.

**BOARD DISCRETION:** Notwithstanding the above provisions of the violation schedule, the Board at its sole discretion, may at any time, assess a fine in an amount up to \$5,000 for any incident the Board deems to be egregious, dangerous, that may threaten the life, health, safety, or welfare of any person, resident or owner, or that cause detriment or damage to any Association or other Owner's property. The Board may levy this fine despite any past violation history or lack thereof.

The fines set forth in this Fine Schedule shall be considered to constitute damages sustained by the Association, and are intended to compensate the Association for the administrative burden of addressing the violation and the adverse impact of the violation on the community.

The Board of Directors also reserves the right to deviate from the fine amounts set forth herein if, after a hearing on the matter, the Board finds good cause to decrease the amount of the fine levied in a particular case. The Board also reserves the right to pursue any and all other remedies set forth in the Declaration at the same time or in lieu of levying the fines set forth in this Fine Schedule.

**FOB SHUTOFF:** Upon the levying of any fine by the Association against an Owner or Unit subject to this fine policy, the Association will turn off the Owner's FOB and all amenities use privileges for the Owner, or the Owner's guest, tenants, or residents, until the fines levied under this policy are paid in full. This policy is described in the "Venu at Grayhawk Condominium Association Board of Directors Resolution Regarding Great Room Access and Key Fob Deactivation Policy," effective April 20, 2021.

The Board of Directors reserves the right to take any action permitted by law or the Declaration in addition to the fine policy contained herein.

### **APPEAL PROCESS**

- When a violation notice is sent to an Owner, such notice shall include a statement notifying the Owner that he/she has the “RIGHT OF APPEAL”.
- When an Owner desires to appeal a violation, he/she must so notify the Management Company in writing within ten (10) days of the date of the violation notice.
- Appeals shall demonstrate extenuating circumstances which require deviation from the Declaration and/or applicable rules.
- Appeal shall include all pertinent backup information to support the existence of the extenuating circumstance.
- All decisions of the Board of Directors are final and may not be further appealed.
- Any appeal that does not meet the above requirements shall not be heard by the Board of Directors 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 at the next regular Board meeting.
- The Board President will introduce all parties.
- Lengthy discussions are not a part of an appeal process.
- The Owner 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 Owner 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 of Directors will make their decision in closed session. Written Notice of the Board’s decision will be delivered to the Owner within seven (7) business days.

If the appeal is denied, the Owner must bring the violation into compliance within fourteen (14) days of the date of the Written Notice of the Board’s denial. If the violation still exists after fourteen (14) days, the Owner will be further fined in accordance with this fine schedule until the violation is corrected. In addition, the Board may seek legal action to remedy the violation.

**VENU AT GRAYHAWK CONDOMINIUM ASSOCIATION  
AMENDED SHORT TERM RENTAL VIOLATION FINE SCHEDULE**

**Effective February 1, 2023**

This Amended Short Term Rental Violation Fine Schedule is hereby incorporated into and fully replaces the short term rental violation fine schedule contained in the 2018 Leasing and Rental Policy, previously adopted by the Board on or about April 3, 2018.

The following Fine Schedule shall be imposed on Owners for violation of Article 4, Section 4.15 of the Condominium Declaration for Venu at Grayhawk Condominium, recorded in the Official Records of Maricopa County, Arizona, at Instrument No. 2004-0207062 (the "Declaration"), which states: "[n]o Unit may be leased for a term of less than ninety (90) days, and no Unit shall be leased more than four times during any twelve (12) month period."

**FIRST NOTICE:** An initial notice of the violation shall be mailed to the Owner requesting compliance and granting the Owner ten (10) days to appeal the violation. **A \$2,000.00 fine will be assessed if the Owner fails to appeal the fine.**

**SECOND NOTICE:** If a violation reoccurs within six (6) months after the date of the first notice, a second notice requesting compliance shall be mailed to the Owner. **A \$3,000.00 fine** will be assessed and due immediately with the second notice. If an appeal from the Owner is received within ten (10) days of the second notice, further notices will be suspended until such time as the board has acted and notified the Owner of the decision of the appeal.

**THIRD NOTICE:** If a violation reoccurs within six (6) months after the date of the second notice, a third notice requesting compliance shall be mailed to the Owner. **A \$4,000.00 fine** will be assessed and due immediately with the third notice. If an appeal from the Owner is received within ten (10) days of the third notice, further notices will be suspended until such time as the board has acted and notified the Owner of the decision of the appeal.

**CONTINUING VIOLATIONS:** If a violation reoccurs within six (6) months after the date of the third or subsequent notices, an additional **\$5,000.00 fine** will be assessed and due immediately. Additionally, the Owner account may be sent to the Association's law firm for further action.

**FINES:** No fine shall be imposed without the Association first providing one (1) written warning to the Owner describing the violation and stating that the failure to correct the violation within no less than ten (10) days, or another recurrence of the same violation within six (6) months, shall make the Owner subject to imposition of a fine in accordance with this fine schedule. Failure to pay any fine shall subject the Owner to the same potential



penalties and enforcement as failure to pay any assessments under Article 7, Section 7.7 of the Declaration to the extent permitted by law

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The Board of Directors also reserves the right to deviate from the fine amounts set forth herein if, after a hearing on the matter, the Board finds good cause to decrease the amount of the fine levied in a particular case. The Board also reserves the right to pursue any and all other remedies set forth in the Declaration at the same time or in lieu of levying the fines set forth in this Fine Schedule.

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The Board of Directors reserves the right to take any action permitted by law or the Declaration in addition to the fine policy contained herein.

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