

VILLAS AT UNION HILLS CONDOMINIUM ASSOCIATION

CC&R VIOLATION AND ENFORCEMENT POLICY

The Villas at Union Hills Condominium Unit Owners 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's Condominium Act, Arizona Revised Statutes, Title 33 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 February 18, 2026.

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 will also be sent to the tenant at the property address. The owner will be given fourteen (14) calendar days from the date of the letter to bring the violation into compliance. The first notice shall include a warning that if the violation is not cured within fourteen (14) calendar days from the date of the letter, an Initial Monetary penalty shall be assessed, which is comprised of an Initial Monetary Penalty plus a certified mailing fee of fifteen (15) dollars. This letter shall also state that the owner may petition the Department of Real Estate pursuant to ARS 32-2199.01. All letter fees are the responsibility of the Owner.

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 has been assessed, which is comprised of an Initial Monetary Penalty of \$75 for general violations, \$500 for short term rental violations, \$500 for animal and pet violations, \$500 for improvements and alterations violations, plus a certified mailing fee of fifteen (15) dollars. The second notice shall also include a warning that if the violation is not cured within fourteen (14) calendar days from the date of the letter, a Second Monetary Penalty shall be assessed, which is comprised of a Second Monetary Penalty plus a certified mailing fee of fifteen (15) dollars. All letter fees are the responsibility of the owner.

Third Notice and Assessment of Initial Monetary Penalty

A third notice will be sent if the owner has not complied with the second notice, or if the violation has returned or has been repeated. The third notice will inform the owner that a Second Monetary Penalty fee has been assessed, which is comprised of a Second Monetary Penalty of \$150 for general violations, \$750 for short term rental violations, \$750 for animal and pet violations, \$750 for improvements and alterations violations, plus a certified mailing fee of fifteen (15) dollars. The third notice shall also include a warning that if the violation is not cured within fourteen (14) calendar days from the date of the letter, an Additional Monetary Penalty shall be assessed, which is comprised of an Additional Monetary Penalty plus a certified mailing fee of fifteen (15) dollars. All letter fees are the responsibility of the owner.

Additional Monetary Penalty

After the imposition of the Initial Monetary Penalty and the Second Monetary Penalty, an Additional Monetary Penalty 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. The subsequent notices will inform the owner that an Additional Monetary Penalty fee has been assessed, which is comprised of an Additional Monetary Penalty of \$300 for general violations, \$1000 for short term rental violations, \$1000 for animal and pet violations, \$1000 for improvements and alterations violations, plus a certified mailing fee of fifteen (15) dollars. Inspections will be conducted to coincide with the terms of the notices. All letter fees are the responsibility of the Owner.

Certified Mailing Fee

In addition to the monetary penalties there will be a fifteen (15) dollar certified mailing fee assessed per violation. Should a period of time of at least ninety (90) days lapse between violation letters of the same offense, or if the violation has returned or has been repeated after ninety (90) days of the last notice then the next letter will be a first notice again.

Exception of 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 pest; threat of flood or fire damage to neighboring properties; an escaped pet; or a collapsed structure or tree blocking the road of drivers' lines of vision.

Right of Self-Help

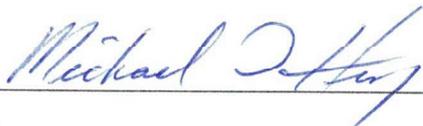
The Association has the right (but not the obligation) to enter the owner's property and to provide all maintenance and repairs that are necessary to remove the violation. Entry by the Association and any of its agents is not an actionable trespass. The Association may assess the Owner for the costs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

SCHEDULE OF MONETARY PENALTIES

Violation	Initial Monetary Penalty	Secondary Monetary Penalty	Additional Monetary Penalties
Short Term Rentals	\$500	\$750	\$1000
Animals and Pets	\$500	\$750	\$1000
Improvements and Alterations	\$500	\$750	\$1000
All Other Violations	\$75	\$150	\$300



Villas at Union Hills Condominium Unit Owners Association Board President

03-04-2026

Date