

EXHIBIT (A)
ROYAL RANCH HOMEOWNERS ASSOCIATION
FINE POLICY
Revised June 2007 (document updated 10/09)
Certified Fee Amount Amended to "Actual Cost" 10/09
Certified Mail Fee Removed - Sent Regular Mail Only 2010

RESOLVED:

By unanimous consent the Board of Directors of Royal Ranch Homeowners Association, approved the following

FINE SCHEDULE for any violation of the CC&R's or Guidelines of the Royal Ranch Homeowners Association.

The Board of Directors intends to impose monetary penalties as authorized by A.R.S. Section 33-1803. The Board of Directors, when imposing monetary penalties reserves the right to enforce the community's restrictions in any other legal manner. The following fine schedule is intended to be a guide only and is not intended to create any rights. The Board of Directors reserves the right to impose a monetary penalty on the first date of a violation to accrue the fine daily until the violation is cured, and to impose fines in amounts in excess of those set forth in the fine schedule.

COURTESY NOTICE:

An initial courtesy notice "Friendly Reminder" letter of the violation shall be mailed via regular mail to the homeowner requesting compliance within (10) days.

SECOND NOTICE:

If violation still exist a "Violation Letter" requesting compliance within (10) days shall be mailed via regular mail to the homeowner. A **\$25.00 FINE** will be assessed and due immediately. **NOTE: Notification of HOA intention to initiate "Self Help" to remedy the violation if it is not remedied within 15 days.**

THIRD NOTICE:

If violation still exist a "Violation Letter" requesting compliance within (10) days shall be mailed via regular mail. A **\$50.00 FINE** will be assessed and due immediately. **NOTE: "Self Help" may be initiated on the Third Notice and actual cost to remedy violation added to the homeowner account.**

FOURTH NOTICE:

If violation still exist a "Violation Letter" requesting compliance within (10) days shall be mailed via regular mail to the homeowner. A **\$100.00 FINE** will be assessed and due immediately.

CONTINUING VIOLATIONS:

If the violation continues without resolution after the fourth notice, a **FINE of \$100.00** may be assessed **every (10) days** until the violation is resolved. In addition the Board shall have the right to remedy the violation and/or take legal action, the cost of which shall be billed to the homeowner and collected in the same manner as assessments.

AUTOMATIC GROUNDS FOR A FINE:

1. If a homeowner is reported to be draining a pool or spa in to the common area an automatic **FINE of \$50.00** will be assessed to the homeowners account for the cost of repair to the area. Additional cost could occur due to the damage.
2. If a homeowner is reported to be posting a flyer on the HOA mailboxes an automatic **FINE of \$25.00** will be assessed to the homeowners account for the cost of repair.

FINES:

No fine shall be imposed without first providing a written warning to the Owner describing the violation and stating that failure to stop the violation within no less than ten (10) 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 fine**. Failure to pay any fines shall subject the Owner to the same potential penalties and enforcement as failure to pay any assessments.

APPEAL PROCESS:

See attached appeals process, Exhibit (B)

EXHIBIT (B)

ROYAL RANCH HOMEOWNERS ASSOCIATION VIOLATION CONTEST & APPEALS PROCESS Revised June 2007 document clarified 6/2010

CONTEST A VIOLATION

- When a violation notice is sent to a homeowner, the notice includes a statement notifying the homeowner that they have a “RIGHT TO APPEAL”.
- When a homeowner wants to APPEAL a violation, under Arizona Senate Bill # 1560, 1007. ARS 33-1803 & ARS 33-1807 they must send the HOA Agent written notice that they are requesting an appeal of the violation. Homeowner must send this request by CERTIFIED MAIL.
- An Appeal of the violation shall be received within (10) days of the date of the violation letter.
- The Board of Directors shall have 10 business days from the date of receipt of the homeowner’s certified mail written appeal of violation, to provide the following to the homeowner under the Arizona Senate Bill #1560, 1007. ARS 33-1803 & ARS 33-1807.
 1. Name of reporting party who noted an alleged violation of the CC&R’s and/or Guidelines
 2. Provision of the documents that the homeowner has allegedly violated
 3. Date and time the alleged violation of the CC&R’s and/or Guidelines was noted
 4. Process in which the homeowner may appeal the violation.
- Any contest, which does not meet the above requirements, shall not be heard by the Board and shall be considered **DENIED**.

APPEAL PROCESS

- Appeals shall demonstrate **extenuating circumstances**, which require deviation from the CC&R’s and/or guidelines.
- Appeal shall include all pertinent backup information to support the existence of the **extenuating circumstance**.
- The appeal shall be held in Executive Session.
- Homeowner will have the opportunity to be heard for 5 minutes as part of the appeal process
- The Board President will introduce all parties.
- The homeowner who is appealing will be asked to state their case and present any documentation that is applicable.
- Each Board Member will have the opportunity to ask the homeowner specific questions regarding the appeal.
- Upon completion of the questions and answer period, the Board President will state that the appeal has been heard and the Board will make their decision in closed session. Then “Written Notice” will be given to the homeowner of the Board’s decision within (7) working days.
- During the Appeal review regular schedule inspections will be done and noted. No fines will be assessed to the account until a decision has been made by the board.
- All decisions of the Board are final and may not be further appealed.
- If the appeal is denied, the homeowner must bring the violation into compliance within (10) days. If the violation still exists after (10) days, the homeowner will be fined \$100.00 every (10) days until the violation is corrected. In addition, the Board of Directors may seek other remedies and/or legal action to remedy the violation. All costs will be billed to the homeowner and collected in the same manner as assessments.