

FESTIVA TEMPE COMMUNITY ASSOCIATION

RULES AND REGULATIONS CC&R VIOLATION AND ENFORCEMENT POLICY EFFECTIVE MAY 1, 2014

The undersigned, constituting the members of the Board of Directors Festiva Tempe Community Association, an Arizona Non-Profit Corporation, hereby take the following action in writing at a duly called meeting of the Board on January 23, 2014.

The Festiva Tempe 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's Planned Communities Act, Arizona Revised Statutes 33-1801 through 33-1807 (Supp. 1997) and the provisions of the CC&R's and Project Documents, as currently in force and effect.

Friendly Reminder:

Once an account has been noted in violation, a notice that gives a friendly reminder outlining the violation will be issued. The Owner will be given fourteen (14) calendar days to bring the violation into compliance.

2nd Notice:

After 14 days, if the violation has not been corrected or has repeated or returned, a 2nd notice will be delivered to the Owner of the property outlining the violation. The Owner will be given fourteen (14) calendar days to bring the violation into compliance.

3rd Notice and Assessment of Initial Monetary Penalty:

The Association will assess an Initial Penalty of \$35.00 if the Owner has not corrected or removed (or has chosen not to correct or remove) the violation or the violation has repeated or returned as stated in the time frames in the 2nd Notice. All notices will be sent via regular mail.

Additional Monetary Penalties:

After the imposition of the Initial Monetary Penalty, Additional Monetary Penalties of \$75.00 may be imposed upon subsequent inspections every fourteen (14) calendar days if the Owner has not corrected or removed (or has chosen not to correct or remove) the violation or 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 90 days lapse between violation letters of the same offense, the next letter will be a Friendly Reminder after again noting the account three times.

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. The Board of Directors reserves the right to determine what is considered an extreme violation.

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 a monetary penalty. Every owner has the opportunity to request a hearing before the Board of Directors or appeal the violation. The Owner must provide a timely written request for a hearing/appeal.. When the hearing is scheduled, the Owner is bound by the decision of a majority of the Board.