

# ARROYO MOUNTAIN ESTATES HOMEOWNERS ASSOCIATION

## FINE POLICY AND APPEAL PROCESS

Effective June 14, 2007

### FINE POLICY

The following Fine Policy and Appeal Process for Arroyo Mountain Estates Homeowners Association 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.

**FIRST NOTICE:** An initial notice of the violation shall be mailed to the Homeowner requesting compliance within ten (10) days - **NO FINE**.

**SECOND NOTICE:** If violation still exists, a second notice requesting compliance within ten (10) days shall be mailed to the Homeowner. **NO FINE** will be assessed with the second notice.

**THIRD NOTICE:** If violation still exists, a third notice requesting compliance within ten (10) days shall be mailed to the Homeowner. A **\$50.00 FINE** will be assessed with the third notice and is due within thirty (30) days of imposition.

**FOURTH NOTICE:** If violation still exists, a fourth notice requesting compliance within ten (10) days shall be mailed to the Homeowner. A **\$50.00 FINE** will be assessed with the fourth notice and is due within thirty (30) days of imposition.

**REMEDY:** If the violation continues without resolution after the fourth notice, 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 as allowed by Arizona Revised Statutes.

**CONTINUING VIOLATIONS:** A violation of the same type as the subject of one or more violation notices given to the same homeowner within the preceding six (6) months shall be subject to action under the foregoing procedure as though the previous notice(s) had applied to the current violation rather than to a preceding violation, except that a notice under the FOURTH NOTICE above shall be given prior to the Board taking action under the REMEDY section above. For example, if a homeowner receives a FIRST NOTICE for a violation and then commits the same violation less than six (6) months later, such homeowner may

be given a notice under the SECOND NOTICE above without the need to give a new notice under FIRST NOTICE above.

**SELF HELP:** Per Article VIII of the CC&R's, Owner's shall maintain his residence and lot in good repair. In the event an Owner fails to fulfill his maintenance and repair obligations or in the event an Owner fails to landscape his lot, the Board of Directors may have said lot and residence landscaped, cleaned and repaired and may charge the Owner for said work. Such right to exercise "Self Help" may be implemented at anytime during the notification process at the discretion of the Board of Directors.

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

## 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 five (5) days after the date of the violation notice.
- 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*.
- 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 Homeowner 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 fined \$100.00 every fourteen (14) days until the violation is corrected. In addition, the Board of Directors may seek legal action to remedy the violation. All costs of legal action will be billed to the Homeowner and collected in the same manner as assessments.