

ORCHARD RANCHETTES COMMUNITY ASSOCIATION

RULES AND REGULATIONS CC&R VIOLATION AND ENFORCEMENT POLICY

The undersigned, constituting the members of the Board of Directors Orchard Ranchettes Community Association, an Arizona Non-Profit Corporation, hereby take the following action in writing at a duly called meeting of the Board on Tuesday, September 29, 2016:

The Orchard Ranchettes 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.

First Notice:

A notice will be delivered to the Owner of the property outlining the violation requesting compliance within ten (10) calendar days. In the event that the Owner of the property can be identified as an absentee Owner, a copy of the violation letter will also be sent to the tenant at the property address.

Second Notice

If the violation still exists, a second notice will be delivered to the Owner of the property requesting compliance within ten (10) calendar days. In the event that the Owner of the property can be identified as an absentee Owner, a copy of the violation letter will also be sent to the tenant at the property address.

Third Notice and Assessment of Initial Monetary Penalty

If the violation still exists following an additional ten (10) day period, or a total period of thirty (30) days, a third notice will be delivered to the Owner of the property and the Association will assess an Initial Penalty of one hundred dollars (\$100.00). All penalty notices will be sent via regular mail.

Additional Monetary Penalties:

After the imposition of the Initial Monetary Penalty, Additional Monetary Penalties which increase by increments of fifty dollars (\$50.00) may be imposed upon subsequent inspections 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.

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 or the other Project Documents, particularly if the violation results in a monetary penalty. Before any penalty 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. When the hearing is scheduled, the Owner is bound by the decision of a majority of the Board.