

**ARIZONA SUNSET AT RITA RANCH HOMEOWNERS ASSOCIATION
FINE POLICY AND SCHEDULE**

RESOLVED:

By unanimous consent, Board of Directors of Arizona Sunset Homeowners Association approved the following FINE SCHEDULE for any violation of the CC&Rs or guidelines of the Arizona Sunset Homeowners Association.

The Board of Directors intends to impose monetary penalties as authorized by the amended A.R.S. Section 33-1803, as of Feb 1, 2008. The Board of Directors, when imposing monetary penalties reserves the right to enforce the community's restrictions in any other legal manner.

COURTESY NOTICE:

An initial courtesy notice of the violation shall be mailed via regular mail to the homeowner requesting compliance within fourteen (14) days. NO NOTICE OF FINE.

An owner who receives a courtesy notice or subsequent notices that the condition of the property is in violation of a requirement of the governing documents, without regard to whether a monetary penalty is imposed by said notice may provide the association with a written response by sending the response via certified mail within ten business days after the date of notice, if they feel the notice is in error; or, they may comply with said notice within the allotted fourteen day period.

The response shall be sent to the address contained in the notice or in the recorded notice prescribed by A.R. S. 33-1807(J).

Within ten business days after receipt of the certified mail containing the response from the owner, the association shall respond to the owner with a written explanation regarding the notice. Unless previously provided in the notice of violation, the association shall provide at least the following information:

1. The provision of governing documents that has allegedly been violated;
2. The date of the violation or the date the violation was observed;
3. The first and last name of the person or persons who observed the violation;
4. The process of the owner must follow to contest the notice.

Unless the information required in Item 4 above is provided in the notice of violation, the association shall not proceed with any action to enforce the governing documents, including the collection of attorney fees, before or during the time prescribed above regarding the exchange of information between the association and the owner.

At any time before or after completion of the exchange of information, the owner may petition for a hearing before the Board of Directors.

Unless the above procedure of request for information is received by certified mail by the association, the association may impose monetary penalties if the violation is not brought into compliance within the time period allotted.

COURTESY NOTICE:

No notice of fine.

SECOND NOTICE:

If violation still exists 14 days beyond the date of the "courtesy notice," a second notice requesting compliance within 14 days shall be mailed via certified mail to the homeowner, return receipt requested. A \$25.00 FINE will be assessed and due immediately with the second notice. The administrative cost (\$15.00) of the certified mailing, which will include the certified postage, will be added to the fine to be paid by the owner in violation. If an appeal from the homeowner is received within 10 business days of the second notice, further notices will be suspended until such time as the board has acted and notified the homeowner of the decision of the appeal.

THIRD NOTICE:

If violation still exists 14 days beyond the date of the "second notice," a third notice requesting compliance within 14 days shall be mailed via certified mail to the homeowner, return receipt requested. A \$50.00 FINE will be assessed and due immediately with the third notice. The administrative cost (\$15.00) of the certified mailing, which will include the certified postage, will be added to the fine to be paid by the owner in violation. If an appeal from the homeowner is received within 10 business days of the third notice, further notices will be suspended until such time as the board has acted and notified the homeowner of the decision of the appeal.

FOURTH NOTICE:

If violation still exists 14 days beyond the date of the "third notice," a fourth notice requesting compliance within 14 days shall be mailed via certified mail to the homeowner, return receipt requested. A \$100.00 FINE will be assessed and due immediately with the fourth notice. The administrative cost (\$15.00) of the certified mailing, which will include the certified postage, will be added to the fine to be paid by the owner in violation. If an appeal from the homeowner is received within 10 business days of the fourth notice, further notices will be suspended until such time as the board has acted and notified the homeowner of the decision of the appeal.

CONTINUING VIOLATIONS:

If the violation continues without resolution after the fourth notice, a FINE of \$100.00 shall be mailed via certified mail to the homeowner, return receipt requested, shall be assessed every 14 days until the violation is resolved. The administrative cost (\$15.00) of the certified mailing, which will include the certified postage, will be added to the fine to be paid by the owner in violation. 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.

FINES:


No fine shall be imposed without first providing written warning to the Owner describing the violation and stating that failure to stop the violation within no less than 14 days or another recurrence of the same violation within six months of the original violation shall make the Owner subject to imposition of a fine. Failure to pay fine shall subject the Owner to legal action.

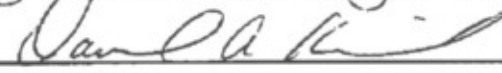
Accepted on this date: December 18, 2007, by motion of the Board of Directors

APPEAL PROCESS:
See attached appeal process.

President  _____

Vice President _____

Secretary  _____

Treasurer  _____

Member at Large _____

**ARIZONA SUNSET AT RITA RANCH
HOMEOWNERS ASSOCIATION
VIOLATION APPEAL PROCESS**

RESOLVED:

When a violation notice is sent to a homeowner, the notice includes a statement notifying the homeowner that they have the "RIGHT TO APPEAL."

When a homeowner wishes to appeal a violation, they do so by sending the Management Company a response via certified mail that they are requesting an appeal of the violation.

Appeals shall be received within 10 business days of the date of the fine notification. No appeals may be submitted 10 days after the fourth notice.

Appeals shall demonstrate extenuating circumstances, which require deviation from the CC&Rs and/or guidelines.

Any appeal, which does not meet the above requirements, shall be heard by the Board and shall be considered DENIED.

The appeal shall be held in Executive Session.

The Board President will introduce all parties.

Homeowner will have the opportunity to be heard for 10 minutes as part of the appeal process.

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 answers 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 10 working days.

If the appeal is denied, the homeowner must bring the violation into compliance within 14 days. If the violation exists after 14 days, the homeowner will be fined \$100.00 every 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.

Accepted on this date: December 19, 2007

President [Signature]

Vice President _____

Secretary [Signature]

Treasurer [Signature]

Member at Large _____