



## **Imposition and Enforcement of Fines Policy**

The following policy has been adopted by the Board of Directors of Heritage Hills Home Owners Association, d/b/a Camelback Canyon Estates (the "Association") as a part of the rules of the Association pursuant to the provisions of A.R.S. Section 33-1803 of the Arizona Revised Statutes and the Articles of Incorporation, Bylaws, CC&Rs, Rules and Policies of the Association.

Any infraction of any provision of the CC&R's, the Rules or Policies of the Association, including but not limited to the failure to obtain the required approval of the Association's Architectural Review Committee and the Board of Directors of structural or aesthetic changes or improvements located on a Homeowner's property, may result in the imposition of a fine against the Homeowner involved.

### Imposition and Enforcement of Fines

The Board of Directors of the Association hereby adopts the following provisions relating to the imposition and enforcement of fines for the purpose of aiding in the enforcement of the CC&R's, the Rules and the Policies heretofore or hereafter adopted by the Association:

1. Upon determination by the Board of Directors of the Association that a violation of any provision of the CC&R's, the Bylaws, Rules or Policies of the Association has occurred, the Association Member (herein referred to as the "Homeowner") involved will be advised of the Violation ("Notice of Violation"). A Notice of Violation shall be in writing, signed by an officer of the Association or the Property Manager and shall be mailed, postage prepaid, to the Homeowner involved. The Notice of Violation shall make specific reference to the violation which has occurred and shall set forth the section of the CC&R's, Bylaws or the Rule or Policy governing the violation and request advice from the Homeowner as to the corrective action to be taken and the date such action will be completed. The Notice of Violation shall also specify that the Homeowner shall have an opportunity to be heard, as provided in paragraphs 5 and 6 hereof, prior to the imposition of any fine hereunder. (In the case of an apparent violation coming to the attention of a member of the Board or the Property Manager relating to work then being undertaken by a Homeowner, such as exterior painting, remodeling or the commencement of a roofing job, which has not received the prior approval of the Architectural Committee and the Board of Directors, oral notification may be given to the Homeowner so that the Homeowner will have the option to stop the work in progress until a determination can be made as to compliance with the CC&R's, Bylaws the Rules or the Policy. A formal Notice of Violation will follow such oral notice.)

2. For the purposes of this Policy, a Violation shall be considered to have been cured if: (i) within 15 days of the date of a Notice of Violation as provided herein, the Homeowner advises the Association's property manager or the Board of Directors of the Association of the manner and time within which the violation will be cured or corrected; and (ii) within 15 days of the receipt of such advice the Property Manager or the Board of Directors advises the Homeowner, in writing, that the proposed cure or correction, if completed as proposed by the Homeowner, will be in accordance with the section or provision of the CC&R's, Bylaws the Rules or the Policy which has been violated.
3. If a violation which is the subject of a Notice of Violation is not cured within 30 days of the date of the mailing of the Notice of Violation and no hearing thereon has been requested a continuing fine not to exceed \$500.00 per day during which the violation continues may be assessed against the Homeowner. Upon the imposition of a fine, a "Notice of Fine," setting forth the amount of the fine and instruction with respect to the payment thereof shall be mailed to the Homeowner, postage prepaid, by registered or certified mail with return receipt requested.
4. The Association may enforce payment of any fines levied against a Homeowner by: 1) filing a lawsuit against the Homeowner; 2) obtaining a judgment against the Homeowner; AND 3) recording the judgment with the County Recorder's office. After the judgment is recorded, the Association will have a lien that is effective upon conveyance or paid at the time of the sale of the unit/lot, including attorney fees and other reasonable costs. Alternatively, the Association can collect the judgment through garnishment of wages or a bank account.
5. Within 15 days from and after the date of any notice given hereunder, the Homeowner may submit a request, in writing, addressed to the Board of Directors and mailed, faxed or personally delivered to the Board at the address given above, for a hearing with respect to the matter or matters referred to in any Notice of Violation or Notice of Fine.
6. In the event a hearing is requested, the Board of Directors or the President of the Association, shall, within 15 days following receipt of the request for hearing, schedule a hearing by the Board of Directors of the Association and such hearing shall be held as soon as reasonably practicable and in no event later than the 30th day following receipt of the request for hearing. Any hearing so scheduled may be continued to a later date upon the written agreement of the President of the Association and the Homeowner involved. Any fine imposed hereunder shall be suspended for the period of time occurring between the date of the request for hearing and the conclusion of the hearing, but may be reinstated as a part of the determination on the hearing.
7. Pursuant to Arizona law, any Homeowner who receives a written notice that the condition of the property owned by the unit/lot owner is in violation of a requirement of the Association's documents may provide the Association with a written response by sending the written response by certified mail to the Association's address (as listed in the written notice OR on the notice of contact form recorded with the County Recorder) within ten (10) business days

after the date of the notice. If the Association receives a written response from the unit/lot owner as specified above, the Association is then required to respond to the unit/lot owner within ten (10) business days with a written explanation regarding the notice.

The written notice shall provide, at a minimum, the following information:

- a. The provision of the Association's documents that has allegedly been violated;
- b. The date of the violation or the date the violation was observed;
- c. The first and last name of the person(s) who observed the violation; and
- d. The process the unit/lot owner must follow to contest the notice.

Any questions involving this Policy or any notice given hereunder may be addressed to the President of the Association or to the Property Manager, Cornerstone Properties, Inc., PO Box 62073, Phoenix, AZ 85082-2073.

All references herein to "Homeowner" shall be interpreted to include the singular and the plural.

A copy of this Policy shall be mailed to all members of the Association by the Property Manager. This Policy shall become effective as of 22<sup>nd</sup> day of June, 2020. (the "Effective Date") with respect to any violation which may occur on or after the Effective Date."

ADOPTED AND APPROVED by the Board of Directors, on the 22<sup>nd</sup> day of June, 2020.