

CASA BELLA II CONDOMINIUMS MASTER OWNERS ASSOCIATION
ENFORCEMENT AND FINE POLICY

Effective August 10, 2018

Pursuant to the Amended and Restated Declaration of Condominium Casa Bella II Condominiums ("CC&Rs") recorded at Instrument No. 2017-0781302 with the Maricopa County Recorder, and in compliance with Arizona Revised Statute §33-1242, the Casa Bella II Condominiums Master Owners Association ("Association") hereby adopts this Enforcement and Fine Policy for violations of the CC&Rs, Bylaws, and Association's Rules and Regulations (collectively referred to herein as "Governing Documents").

Unless otherwise stated in the Governing Documents, any Owner who is found to be in violation of the Governing Documents, with the exception of the Owner's failure to pay Assessments and any other related charges, will be provided a written Notice of Violation regarding that certain violation in accordance with the schedule below. Subject to the terms of this Policy, the Association may impose monetary penalties ("Fines") in accordance with the Fine Schedule attached hereto as Exhibit "A", take legal action to address an Owner's violation of the Governing Documents, or proceed with any other remedy set forth in the Governing Documents.

INITIAL NOTICE: An Initial Notice of Violation shall be mailed via regular mail to the Owner in violation requesting compliance with the Governing Documents within fourteen (14) days of the date of the Notice. The Notice shall inform the Owner of the process the Owner must follow to contest the Notice and for Specific Violations as identified on Exhibit A, the Initial Notice will also inform the Owner that if said Specific Violation is not corrected by the expiration of the Notice, a Fine will be assessed in accordance with the Fine Schedule. The Notice may also inform the Owner that if compliance is not met, the Association may suspend the right of the Owner, his tenants or guests to use the Common Elements for a period not to exceed sixty (60) days or until the violation is corrected,

SECOND NOTICE: If the violation still exists, a Second Notice of Violation shall be mailed via regular mail to the Owner in violation demanding compliance with the Governing Documents within fourteen (14) days of the date of the Notice. The Notice shall inform the Owner of the process the Owner must follow to contest the Notice. The Notice will also inform the Owner that if the violation is not corrected by the expiration of the Notice, a Fine will be assessed in accordance with the attached Fine Schedule.

THIRD NOTICE: If the violation still exists, a Third Notice of Violation shall be mailed via regular mail to the Owner in violation demanding compliance with the Governing Documents within fourteen (14) days of the date of the Notice. The Notice shall inform the Owner of the process the Owner must follow to contest the Notice. The Notice will also inform the Owner of the Fine that has been imposed, its due date, and that if the violation is not corrected by the expiration of the Notice, another Fine will be assessed in accordance with the attached Fine Schedule.

FOURTH NOTICE: If the violation still exists, a Fourth Notice of Violation shall be mailed via regular mail to the Owner in violation demanding compliance with the Governing Documents within fourteen (14) days of the date of the Notice. The Notice shall inform the Owner of the process the Owner must follow to contest the Notice. The Notice will also inform the Owner of the Fine that has been imposed, its due date, and that if the violation is not corrected by the expiration of the Notice, another Fine will be assessed in accordance with the attached Fine Schedule.

CONTINUING VIOLATIONS: If the violation continues to exist without resolution after the Fourth Notice of Violation, additional Notices may be sent to the Owner demanding compliance with the Governing Documents within fourteen (14) days of the Notice and imposing a Fine in accordance with the attached Fine Schedule until the violation is resolved. If the same type of violation recurs within three (3) months after it has been corrected, the Association may start the process above with the Second Notice of Violation.

Notwithstanding the foregoing, and after providing an Owner with an Initial Notice, nothing in this Policy will limit the Association's right to pursue any and all legal remedies to address an Owner's violation of the Governing Documents. Pursuant to Section 20.4 of the CC&Rs, court costs and attorneys' fees incurred by the Association in enforcing the CC&Rs shall be deemed an Enforcement Assessment. The Association also reserves the right to pursue any other legal action permitted by law or the CC&Rs in addition to this Policy.

APPEAL PROCESS

- Any Owner who receives a Notice of Violation stating that the condition of the Owner's Unit is in violation of the Governing Documents may provide the Association with a written response contesting the Notice of Violation by sending the response to the Association by certified mail within twenty-one (21) days after the date of the Notice of Violation and the Association shall respond accordingly within ten (10) business days thereafter.
- Any Owner contesting a Notice of Violation may also request a hearing with the Association's Board of Directors that, if granted, will take place on a date set by the Board and during the Board's executive session meeting unless the Owner requests to meet with the Board during an open meeting.
- Following an appeal hearing, the Board of Directors will render a decision and notify the Owner in writing within ten (10) business days.
- All decisions of the Board are final and may not be further appealed.
- If the appeal is denied, the homeowner will be required to correct the violation(s) within fourteen (14) days. If the violation still exists after fourteen (14) days, the violation will be treated as a continuing violation and the Owner may continue to receive Violation Notices every

fourteen (14) days thereafter with accompanying Fines in accordance with the attached Fine Schedule. The Association may also proceed with any of its legal rights and remedies.

CASA BELLA II CONDOMINIUMS MASTER OWNERS ASSOCIATION

By: Bobbie Reid
President

By: Warren Reid Jr.
Vice President

By: Karen Fink
Secretary

By: Carol McGraw
Treasurer

By: [Signature]
Director

Exhibit A

**CASA BELLA II CONDOMINIUMS MASTER OWNERS ASSOCIATION
FINE SCHEDULE**

Subject to the requirements of the Association's Enforcement and Fine Policy, the Fine Schedule shall be as follows:

Category of Violation	Fines
Notice of Unapproved Architectural Modifications or Alterations (unapproved permanent or semi-permanent alterations)	Initial Notice: \$No Fine 2 nd Notice: \$250.00 3 rd Notice: \$300.00 4 th Notice, etc.: \$350.00
Use Restrictions (common area violations, Rules violations, business use, trash cans, noise, inappropriate actions, etc.)	Initial Notice: \$No Fine 2 nd Notice: \$100.00 3 rd Notice: \$150.00 4 th Notice, etc.: \$200.00
Maintenance and similar violations (failure to properly maintain Unit)	Initial Notice: \$No Fine 2 nd Notice: \$100.00 3 rd Notice: \$150.00 4 th Notice, etc.: \$200.00
Specific Violations (Violation of Smoking Policy or Animal Policy)	Initial Notice: \$100.00 2 nd Notice: \$150.00 3 rd Notice: \$200.00 4 th Notice, etc.: \$250.00

1. Some violations may fall into more than one Category of Violation. The Board shall have the discretion to determine which Category best describes the violation at issue.
2. Unless otherwise set forth in the Fine Policy, the monetary penalty amount to be levied shall be a one-time amount per Notice.
3. The examples listed are not intended to be limiting. Each Category of Violation may include other specific types of violations not listed.
4. The Fine Schedule and Enforcement and Fine Policy may be amended from time to time by the Board.