

**UNION HILLS CONDOMINIUM ASSOCIATION
ENFORCEMENT/FINE POLICY
AND APPEAL PROCESS**

ENFORCEMENT/FINE POLICY - Effective February 1, 2018

The following Enforcement/Fine Policy and Appeal Process is adopted pursuant to Article 5, Section 5.1.6 of the Declaration of Covenants, Conditions and Restrictions and Arizona law:

With the exception of any egregious violations that threaten health and safety or demand immediate attention as described below, in the Board's discretion, the following schedule will generally be followed: A member of the Association who is found to be in violation of the Declaration of Covenants, Conditions and Restrictions or any other provision of the governing documents of Association will be notified in writing, either by the Association Board of Directors or by the Association's managing agent, sent by mail (certified not required), emailed if owner requests, or hand delivered, of the nature of the violation. The Association may or may not send a courtesy notice as shown, without a fine, and fines may be increased for certain egregious violations in the Board's discretion. The notice of violation shall provide that within a period of time after mailing or delivery of the notice of violation, the member must either correct the violation or a fine may be assessed. The notice will generally have the provision of the governing documents that has been violated and the process by which the member may contest the notice of violation.

FIRST NOTICE - "Courtesy": An initial "courtesy" notice of the violation shall be mailed to the Owner requesting compliance within fourteen (14) days - **NO FINE**.

SECOND NOTICE - "Intent to Fine": If the violation still exists fourteen (14) days after the date of the first notice, a second notice requesting compliance within fourteen (14) days will be mailed to the Owner, stating that a \$50.00 fine will be assessed if the violation has not been corrected.

THIRD NOTICE - "Fine": If the violation still exists fourteen (14) days after the date of the second notice, a third notice requesting compliance within fourteen (14) days will be mailed to the Owner. A \$100.00 FINE will be assessed with the third notice and is due at the end of the 14-day period if the violation is not corrected.

FOURTH NOTICE - "Fine": If the violation still exists fourteen (14) days after the date of the third notice, a fourth notice requesting compliance within fourteen (14) days will be mailed to the Owner. A \$200.00 FINE will be assessed with the fourth notice and is due at the end of the 14-day period if the violation is not corrected.

CONTINUING VIOLATIONS: If the violation still exists fourteen (14) days after the date of the fourth notice, a fifth notice requesting compliance within fourteen (14) days will be mailed to the Owner. The FINES may be double if the violation continues or is ongoing. These fines shall be in addition to any costs incurred by the management company or Association. The FINE will be assessed with the fifth notice and is due at the end of the 14-day period if the violation is not corrected.

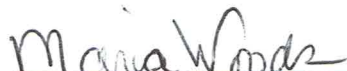
RECURRING VIOLATIONS: If the same type of violation recurs within three (3) months after it has been corrected, it shall be deemed "Recurring" and there shall be no Initial Courtesy Notice. The process will start with the Intent to Fine Notice.

BOARD DISCRETION: Notwithstanding the above provisions of the violation policy, the Board at its sole discretion, may at any time, assess a fine in an amount up to \$5,000 for any incident the Board deems to be egregious, dangerous, that may threaten the life, health, safety, or welfare of any person, resident or owner, or that cause detriment or damage to any Association or other Owner's property. The Board may levy this fine despite any past violation history or lack thereof. In addition, nothing in this Policy will limit the Board of Directors' right to seek immediate injunctive relief at any time regardless of the presence or absence of notices hereunder, for any violation that the Board of Directors determines in its sole and absolute discretion constitutes a material danger to persons or property or requires immediate action for any other reason. The Board of Directors reserves the right to take any action permitted by law or the CC&Rs, in addition to the above mentioned fine policy.

APPEAL PROCESS

- When a **courtesy (or "Intent to Fine" Notice if no courtesy notice)** is sent to an Owner, such notice shall include a statement notifying the Owner that he/she has the right to appeal the notice of violation.
- When an Owner desires to appeal a violation notice, he/she must so notify the Management Company in writing within twenty-one (21) days after the date of the violation notice and request to appear for a hearing before the Board.
- Appeals shall demonstrate ***extenuating circumstances*** which require deviation from the CC&Rs and/or guidelines.
- Appeal shall include all pertinent backup information to support the existence of the ***extenuating circumstance***.
- All decisions of the Board of Directors are final and may not be further appealed.
- Any appeal that does not meet the above requirements shall not be heard by the Board of Directors and shall be considered ***DENIED***.
- The Owner appealing the violation will be given written notice that a hearing on the appeal is scheduled.
- The appeal shall be heard in Executive Session unless the Owner requests it be heard in open session.
- The Owner who is appealing will be asked to state their case and present any applicable documentation.
- Upon completion of the question and answer period, the Board President will state that the appeal has been heard and the Board of Directors will make their decision in closed session. Written Notice of the Board's decision will be delivered to the Owner within seven (7) working days.
- If the appeal is denied, the Owner must bring the violation into compliance within ten (10) days. If the violation still exists after ten (10) days, the Owner shall be subject to the Policy as outlined above until the violation is corrected.

Adopted by the Board of Directors at a Board Meeting held the 1st day of February 2018.



Association President