

Quinta Verde Patiohouse Corporation Homeowners Association

Rules and Regulations

Quinta Verde is a small community of only 21 homes; therefore, it is important to each owner that the community maintains a high aesthetic appearance as well as a strong financial value. The purpose of these rules and regulations is to describe the policies set forth by the board of directors and to summarize the declaration of covenants, conditions and restrictions (CC&Rs) for Quinta Verde first dated November 13, 1978, Articles of Incorporation and Bylaws, (hereinafter referred to as the "Governing Documents"), which by Arizona Revised Statutes have been accepted by each owner as a part of owning a home within Quinta Verde. These rules & regulations are adopted by the association's board of directors pursuant to Article IV, Section 5A of the Bylaws.

The maintenance of all facilities and the common area is paid for by an assessment fee. Therefore, it is to the advantage of all to enjoy the facilities and see that they are cared for in a proper manner. If each member will respect the feelings and rights of other members, we will achieve our goal of harmonious community living.

The management company is the contractual administrator of the association. The management company carries out the day-to-day business operations of the association including, but not limited to: all accounting functions, homeowner inquiries, and overseeing maintenance of all common property. It also is charged with enforcement of the governing documents of the association.

Terms not otherwise defined herein shall have the same meanings as set forth in the Quinta Verde Patiohouse Corporation CC&Rs.

Conflicts

In the event there are conflicts between these rules & regulations and the governing documents, the governing documents shall prevail. If in the event there are conflicts between these rules & regulations and the Arizona Revised Statutes, the Arizona Revised Statutes shall prevail.

If any provision of the rules & regulations, or its application to any person or circumstance, shall ever be held to be invalid or unenforceable, then in each such event the remainder of this document or the application of such provision to any other person or any other circumstance (other than those as to which it shall be invalid or unenforceable) shall not be thereby affected, and each provision hereof shall remain valid and enforceable to the fullest extent permitted by law.

Architectural Control

The community was planned by architects and seeks to maintain a uniform appearance. Therefore, except as provided by the governing documents, alterations or additions are not permitted. It is clearly stated that NO alternations or additions to the outside of owner's units including but not limited to windows, doors, awnings, clothes lines, radio, television or other antennas, rooftop solar devices, light fixtures, private walks, front entry doors, courtyard gates, or the building structure itself are to be made

without prior written approval from the board of directors. For proper procedures to determine requirements and/or to obtain approval, contact the association's management company and request an architectural change form. The CC&Rs require the board of directors to act on requested changes within 30 days of submission or such changes are automatically approved.

Insurance

The Association maintains insurance coverage for directors and coverage for common area liability and coverage for all common property. Each unit owner will be responsible for carrying insurance on his/her patiohouse unit and other types of coverage that they deem pertinent.

Homeowner Responsibilities

1. Knowledge of and adherence to the contents of the governing documents.
2. Maintenance of the unit and the airspace for patio, fenced yard, all trees, shrubs, plants and grass within the fenced yard areas.
3. Owners must maintain, repair and replace at owner's expense all exterior, interior and structural portions of his/her patiohouse dwelling, garage, and patio, all wiring, meters, utility outlets and facilities serving his/her patiohouse unit, including walkways and driveways servicing such unit. Owner's responsibilities for the foregoing also include but are not limited to roofs, walls, garage doors, and gates accessing private yards attached to Owner's patiohouse unit. Owners are responsible for adhering to the color standards prescribed by the governing documents.
4. Owners, whether absentee or occupying their unit, are accountable for their actions, as well as actions of their guests, tenants, and tenant's guests while such persons are on the property. Owners shall provide their tenants with a copy of these rules & regulations and other pertinent information in the other governing documents.

General Restrictions

1. No obnoxious, offensive or illegal activities are permitted. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be observed.
2. Noise shall be kept at a level so as not to disturb your neighbors.
3. All clotheslines, equipment, service yards, wood piles or storage piles shall be kept screened by adequate planting or fencing as to conceal them from view of neighboring patiohouses and streets.
4. No rubbish or debris can be stored or allowed to accumulate on a lot. Trash must be in containers and kept in the garage or fenced yard. Trash cans cannot be placed out for collection prior to the evening before the pick-up and must be returned to their storage place (inside fenced yard or garage) by the end of each trash pick-up day.
5. No storage of boats, trailers, cars, portable storage units and the like is allowed in driveways, streets, parking areas, or any common area.
6. No reflective materials are to be used to cover over unit windows. No enclosures, drapes, blinds, shades, or other items affecting the appearance of a unit from outside the patiohouse shall be constructed or installed without the prior written consent of the board of directors.
7. Exterior screens, if installed, must harmonize with the existing window frame color.

8. No unit shall be used as for a business, professional, commercial, religious or institutional purpose whereby clients or customers of the occupant of the home come to the home to conduct their business.
9. No portion of a patiohouse lot, but for the entire lot, together with the improvements thereon, may be rented, and the only to a single family. Regardless of whether or not a unit is rented, all notices will be sent to the owner of the unit. It is the unit owner's responsibility to communicate with their tenant(s).
10. Owners shall not assume responsibility for the maintenance of the common areas, adjusting of the sprinkler system settings, or the replanting of trees, shrubs or grass on the common areas without having received prior approval of the board of directors.
11. Satellite dishes must be mounted so as not to be visible, so long as reception is not unreasonably impaired. Architectural approval is required prior to installation.
12. Any and all seasonal/holiday decorations may be displayed up to 30 days prior to the holiday, but must be removed within two (2) weeks following the holiday. Notwithstanding the foregoing to the contrary, seasonal lights and decor may be displayed between Thanksgiving weekend and then immediately following January 14th, but must be removed on or before January 14th.

Exterior Signs

No signs are allowed other than:

1. Address/house number sign (use of QV-designed standard tile is required)
2. One standard real estate "For Sale" or "For Lease" sign, properly affixed to a sign post. Sign location/placement should not block vision of drivers/vehicles entering, exiting, or traveling through the property, or onto an adjacent public street.
3. Political signs may be placed on a member's property, but must be in compliance with all city, town, county ordinance or state statutes. Signs may not be visible for more than 71 days prior to an election and must be removed within 3 days of the preceding election.
4. One sign advising others of the unit's security system placed near the unit's front wall, sign not to exceed approximately 10" X 10".

Parking and Vehicles

1. No on-street parking is permitted within the property between the hours of 11 PM and 5 AM.
2. Between the hours of 11 PM and 5 AM guests and visitors shall be directed to park in the garage or driveway of their host, the guest/overflow parking area on Myrtle Avenue or outside Quinta Verde property.
3. Vehicles parked in violation of the 11 PM to 5 AM rule are subject to fines. (See section titled Monetary Penalties - Parking).
4. Residents may request and be granted a written temporary variance to the 11 PM to 5 AM rule in advance (only) by the Board at the Board's sole discretion.
5. There are ten (10) parking stalls on the north side of Myrtle Avenue. Five (5) of these stalls are reserved for Visitors only. Visitors are defined as individuals that do not own, rent or occupy a home within Quinta Verde. Owners or those that rent or occupy a home within Quinta Verde may, subject to the conditions provided below, utilize one of the five (5) remaining stalls, hereinafter referred to as the "Flex Stalls". The Flex Stalls will 1) be on a first-come, first-serve basis, 2) restricted for use only by cars that are in daily use by the Owner, tenant or occupant (e.g.

stored and/or nonfunctioning cars will not be permitted), and 3) in no event can one Owner utilize more than one (1) Flex Stall at one time.

6. No motor vehicle(s) shall be parked on property without current registration. Vehicles not regularly used must be kept off the property. Vehicles parked on the property showing evidence of being inoperable, abandoned or "stored" will be towed after being properly tagged by the management company.
7. Vehicles parked on the streets during acceptable hours (e.g. not in violation of the 11 PM to 5 AM rule) must be parked in the same direction as the flow of traffic and so as to not obstruct pedestrian access to any part of the sidewalk.
8. No commercial-type vehicle or trucks other than passenger vehicles are to be regularly parked in the streets, driveways or common areas.
9. No motor vehicle shall be repaired or constructed in the streets, driveways, or common areas. Emergency repairs only will be permitted, i.e. changing a flat tire, dead battery, etc. No other repair work is to be undertaken.
10. No recreational vehicle of any type is permitted to be parked or stored in the streets, driveways or common areas, unless loading or unloading. Loading or unloading times shall not exceed eight (8) hours and may not be parked on the street overnight. This includes motor homes, mobile homes, travel trailers, campers, boats or any type of trailer.

Pets

1. Only generally recognized household pets shall be allowed to reside in the community. No animals, fish or birds of any kind shall be raised, bred or kept on the premises, except that commonly accepted household pets may be kept, provided that such pets are not kept, bred or maintained for any commercial purpose. Generally recognized household pets shall by example mean a dog, cat, fish, gerbil, hamster, turtle or bird of a variety commonly kept as household pets.
2. All dogs shall be kept on a leash, in the owner's arms or in a carry container at all times while outside the walls of their home unit and all pets shall be directly under the control of the owner, lessee, occupant, or guest at all times.
3. Pet owners are responsible for cleaning up after their pet(s) at all times.
4. No pet shall at any time be tied up and left unattended, either in the common areas or in the yard of a unit.
5. No dog shall be allowed to bark continuously for any reason.
6. Pets that display vicious or aggressive behavior shall not be left in a yard unattended.

Voting Rights

Each unit owner has an undivided interest in the association and has one vote per unit owner. In accordance with Article III of the CC&Rs, if any patiohouse unit owner shall be in arrears in the payment of any amount due under any of the provisions of the governing documents for a period of 15 days, or shall be in default in the performance of any of the terms of these governing documents for a period of 15 days, said unit owner's right to vote as a member of the Quinta Verde Patiohouse Corporation shall be suspended and shall remain suspended until all payments are brought current and all defaults remedied.

Monetary Penalties – General Violations

In accordance with the governing documents, the board of directors has authorized the management company on behalf of the association to assess homeowners' fines and/or penalties for any violations of the Rules & Regulations, Bylaws or CC&Rs.

Monetary penalties will be imposed in the following manner. A written notice will be mailed via USPS to the owner of said violation and such notice will contain conditions necessary to cure the violation or activity in order to avoid a monetary penalty. The minimum penalty set by the board of directors will be \$25.00 assessed on the second notice of violation. A \$50.00 penalty will be assessed on a third notice of violation and \$100.00 on the fourth notice of violation. The time lapse between notices will be determined by the nature of the violation and urgency to cure it.

Monetary Penalties – Parking Violations

FIRST INCIDENT: Letter sent to resident or residents it appears from all circumstances and information may reasonably be associated with the vehicle, warning of penalty for future incident, asking resident to contact the Board if information incorrect.

SECOND INCIDENT: Letter sent to resident and/or Lot owner reasonably believed associated with the vehicle, imposing \$50.00 penalty, giving opportunity to appear before the Board for hearing to contest the penalty. The Board has the discretion to determine what constitutes a First Incident or a Second Incident, e.g., if the vehicle is not the same it may be treated as a First Incident.

THIRD AND SUBSEQUENT INCIDENTS: Letter sent to resident and/or Lot owner reasonably believed associated with the vehicle, imposing \$100.00 penalty, giving opportunity to appear before the Board for hearing to contest the penalty.

Hearing/Appeal Requirements

Homeowners have a right to a hearing/appeal before the board of directors. Hearing/appeal requests must be done in writing and provided to the management company. The board will discuss the homeowner's appeal at an executive session meeting. Please contact the management company if you would like to submit an appeal.

Waiver

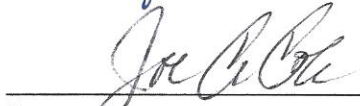
The failure of the management company or the board of directors to seek redress for violation of, or to insist upon the strict performance of, any covenant or condition of the governing documents or any of the rules & regulations, shall not be construed as a waiver or relinquishment of the future performance of such obligations of the governing documents or the rules & regulations, or of the right to exercise such election, but the same shall continue and remain in full force and effect with respect to any subsequent breach, act or omission.

THESE RULES & REGULATIONS WILL BE ENFORCED BY THE MANAGEMENT COMPANY. ANYONE WHO WILLFULLY DAMAGES OR OTHERWISE VANDALIZES OR DESTROYS ASSOCIATION PROPERTY WILL BE FINED AND PROSECUTED.

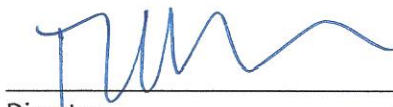
These Rules & Regulations of Quinta Verde Patiohouse Corporation are approved and adopted this 4th day of NOVEMBER, 2013, by the Board of Directors as approved by the Owners of this date.



President



Treasurer



Director



Director