

VISTA DEL CERRO ESTATES LOT OWNERS' ASSOCIATION

Rules and Regulations

INTRODUCTION

The Declaration of Covenants, Conditions, Reservations and Restrictions (the “Declaration”), which is applicable to the property administered by the Vista del Cerro Lot Owners' Association The “Association”), restricts your right to make certain changes to the exterior appearance of your home and yard without the consent of the Board of Directors (the “Board”) and/or its designated representatives, the Architectural Review Committee (ARCARC) of the Vista del Cerro Lot Owners' Association. Arizona law and the Declaration also permit the Board of Directors to adopt reasonable rules and regulations aimed at restricting and governing activities in our community (other than activities in the interior of any residence) and to enforce those rules and regulations.

These rules are not intended to control the lives of the Lot Owners in an unreasonable manner. Rather, they were created to prevent any individual Lot Owner from creating conditions on his and/or lot which could adversely affect the value of other homes in our community or could negatively impact the safety of our neighborhood. In fact, most of the rules set forth herein are merely restatements of limitations contained in the Declaration. Those rules are included here to make it easier for the Lot Owners by enabling them to look to one document to determine what activities are restricted.

Part I of this document describes certain aspects of the architectural control guidelines, the procedures which must be followed in requesting approval of certain changes in the appearance of your home or lot, certain guidelines which will aid you in determining the types of changes which will most likely be approved, and your option of appeal should the ARC not approve your application.

Part II of this document sets forth specific restrictions, which are applicable to the use of all of the properties in the Development. These restrictions either arise directly from the Declaration or constitute rules and regulations, which the Board of Directors has adopted.

Part III of this document summarizes the sanctions and remedies which the Association may impose against Lot Owners in the event they violate any of these rules and regulations or any other Association Governing Documents and sets forth a hearing procedure to ensure that Lot Owners are given an opportunity to be heard prior to the imposition of certain sanctions.

You should carefully read this entire document and be aware of your rights and obligations as a member of the community.

This document supersedes any prior rules and regulations and becomes part of the Declaration applicable to the properties administered by the Association; provided however, the terms of the Declaration shall in all cases govern over these rules and regulations. In the event of a conflict between a provision hereof and a provision of the Declaration, the provision of the Declaration shall prevail. Nothing contained herein shall be deemed to limit the applicability of the provisions of the Declaration. Further, the applicability to the Declarant (as defined in the Declaration) of certain of the provisions hereof may be limited by the provisions of the Declaration.

PART I – GUIDELINES FOR EXTERIOR MODIFICATIONS

In order to assure each Lot Owner that our community will remain attractive, each of our lots is subject to restrictions, which prevent us from making certain changes to the appearance of our homes or lots without the approval of the ARC prior to the installation or construction of those changes. The declared purpose of these rules is to assure that the character, exterior colors, landscaping, proportions, and location of each improvement on each lot is in harmony with its surrounding and is not offensive or esthetically detrimental to the neighboring property.

If you desire to make any changes to the exterior appearance of your residence or lot, you must apply to the ARC for approval. The ARC must review all proposed plans to determine if they fall within the existing guidelines. Only Lot Owners may apply for and receive approval for exterior alterations. All tenants wishing to make exterior changes may only do so after the Lot Owner applies for and receives approval. The ARC will not approve any requests from tenants directly.

If you fail to obtain consent, the Board has the right to require you to remove or remedy any unapproved changes. If you refuse, the Board has the authority to fine you and/or to sue you. ARC members will regularly walk the sub-division to look for violations and unapproved changes. Lot Owners may also notify the ARC of actions they observe that may be violations.

All applications for architectural changes must be submitted in writing to the ARC. Forms for this purpose are available from members of the ARC or by downloading from the VdC website - www.vistadelcerro.org/.

The purpose of these guidelines and procedures is to:

- A. Explain how to apply to the ARC for consideration of a proposed change.
- B. Indicate certain types of changes which are encouraged and will probably be approved, and other changes which are discouraged and will most likely not be approved.
- C. Inform you of your right to appeal a disapproved change.

APPROVAL PROCEDURE

If you desire to make any changes to the appearance of your home or lot, you must submit an application describing the change and receive the approval of the ARC before you commence your project. You must proceed in the following manner:

1. Contact the ARC by calling the ARC Chairman (Refer to VdC website for name and contact information). In that call, describe the nature of the project and obtain any additional information regarding how to apply for approval.
2. Prepare an application for approval in the form of a letter or other form designated from time to time by the ARC and return it to the ARC.
3. Submit the application along with the two (2) copies of your building/landscaping plans for changes. The plans should show exactly what the Lot Owner wishes to do. For building changes, show

dimensions of the structure, all materials and sizes, and all support structures. An outside architect or contractor, landscape architect, or the Lot Owner may draw up the required plans. Professional plans are not required, just clear and complete ones.

4. The ARC will review your application at its next scheduled meeting. The application and plans need to be received by the ARC two days before the meeting. In any event, the ARC will issue its decision within twenty (20) days after the application is presented to it. In the event the Board or the ARC as the case may be, fails to approve or disapprove an application for improvement or alteration within twenty (20) days after submission of such application, duly prepared in accordance with the rules established by the Board or the ARC, approval will not be required and the requirements of Article VI of the Declaration will be deemed to have been fully complied with.

5. After the meeting, the ARC will let you know its decision. If your application is approved, both copies of the application will be marked "Approved" and signed by two ARC members. One copy will be returned to you to keep with your records. One copy will be kept in the ARC's files.

6. If your application is denied, the ARC will notify you of the reasons why. You have the right to appeal the ARC's decision to the Board, if you desire. All Board decisions are final.

7. In some cases, the Board or the ARC will give tentative approval to your project based on your willingness to accept the Board's and/or the ARC's input to your specifications.

8. If your application is approved, your project must comply strictly in accordance with the plan approved by the ARC. If the project is not completed in accordance with the approved specifications, the Board may require your project to be redone in accordance with the approved specifications or be removed. All approved work must be done within six (6) months of the date it is approved. If not completed in that period, you must reapply for approval.

9. Any permits required for construction are strictly the responsibility of the Lot Owner. The Lot Owner is required to obtain or ensure his contractor obtains all building permits required by local and state regulations. The ARC must receive copies of such permits as a condition of any approval by the ARC and/or the Board. The ARC must also receive copies of any final inspections and approvals by local and/or state authorities.

10. No structure less than 2000 square feet of livable area, exclusive of garage may be erected.

The ARC has recommended and the Board has approved the following guidelines, which will aid you in determining how the ARC/Board will generally act on various types of requested changes. This is not a guarantee of approval since each home and lot has unique characteristics that may result in some generally acceptable criteria not being workable for that situation.

The guidelines address only certain matters, which arise frequently. The absence of a guideline dealing with a particular type of change should not be interpreted as either favoring or not favoring such a change. Questions regarding these guidelines should be directed to the ARC. You may call the ARC to discuss your plan and its chances for approval before you submit it if you should wish.

The goal of the ARC is to encourage improvements by Lot Owners that will enhance the community's property values while ensuring improvements will not interfere with neighbors' rights. The ARC will be glad to work with you to help you understand the guidelines and to help you develop a plan that will meet these goals and obtain approval.

LANDSCAPING

Landscaping of an informal type compatible with the natural surroundings will be encouraged. Any cutting of native trees or shrubs, except at locations of structures and improvements for which plans have first been approved by the ARC, shall require prior approval of the ARC; provided however, such prior approval shall not be required for the normal pruning and other maintenance of such vegetation nor for the thinning of such vegetation as necessary for fire prevention.

ARCHITECTURAL CHANGES

All plans for the construction of private roads and driveways and all building plans for any building, fence, wall or structure to be erected upon any lot, and the proposed location thereof, any re-modeling, reconstruction, alteration or addition to any building, road, driveway or other structure upon any lot shall require the approval in writing of the ARC. No structure of any kind, the plans, elevations and specifications of which have not received the written approval of the ARC, and which does not comply with such approved plans and specifications shall be erected, constructed, placed or maintained upon any lot. No changes in or from such plans shall be made without the prior written consent of the ARC. In addition to all other standards it may adopt, the ARC may deny any application if it determines in its sole and uncontrolled discretion that the quality, materials, amount of floor space, cost of construction or fair market value are not in keeping with the majority of the residences in the Development at the time of the application. The approval by the Board or by the ARC, as the case may be, of any matter for which prior approval is required by the Declaration shall not be deemed to constitute a waiver of any requirement or restriction imposed by Yavapai County or any other law, or of any requirement or restriction imposed by the Declaration, or of any right of the Board or ARC to withhold approval of any similar plan, drawing, specification or matter subsequently submitted for approval.

ARCHITECTURAL GUIDELINES

The following architectural guidelines are set forth in the Declaration or have been established by the Board in compliance therewith. This listing is not meant to be exclusive listing of all of the architectural guidelines applicable to the Development, but rather as a listing of some of the most significant provisions of which all Lot Owners should be aware

1. Outside Window Coverings.

Lot Owners may install non-reflective metallic film (designed to reduce sun and heat) on the inside of windows without applying for ARC approval. Lot Owners may not install plastic sheeting on the outside of windows or doors. Reflective foil or aluminum foil is not allowed on windows.

2. Exterior Light Fixtures.

All exterior light fixtures and lights shall be subject to the approval of the ARC and shall not have an obtrusive appearance or glare visible on any neighboring lot or parcel. Exterior security lights and spot or floodlights shall be directed downward so that they do not illuminate any ground area beyond the subject property line. Exterior light fixtures shall be one of the following: (1) Fixtures fully screened with opaque material causing the light to indirectly illuminate the ground, wall planes or landscaping; (2) Fixtures with lenses that fully obscure the light source (bulb) with a frosted incandescent source with a maximum cumulative output of 50 watts per fixture or equivalent alternate source; or (3) Fixtures with lenses that are clear or tinted with a frosted incandescent source with a maximum cumulative output of 50 watts or an equivalent alternate source.

3. Clothes Drying Facilities.

Outside clothes lines or other outside facilities for drying or airing clothes shall not be erected, placed or maintained on any lot unless erected, placed or maintained exclusively within the fenced rear yard of the lot or otherwise concealed and shall not be visible from neighboring property.

4. Solar Energy and Air Conditioning.

All plans for the external placement of solar energy and air conditioning equipment shall require the approval in writing of the ARC. The ARC shall not approve such plans unless they provide for such equipment to be reasonably blended with other improvements so as not to have an obtrusive appearance from any neighboring lot or parcel within the Development. Solar heating and/or solar water heating systems panels or collectors shall be constructed to integrate with the architecture of the structure (i.e. follow the slope of the roof area where they are placed) or be built into the surface to be reasonably flush with the adjacent materials. Tanks and any other auxiliary solar equipment shall be located within the structure or enclosed to screen them from view from adjacent properties.

5. Antennas.

Antennas one meter or less in diameter or diagonal measurement which are designed for over-the-air reception of signals from direct broadcast satellites (“DBS”), multi-channel multi-point distribution (wireless cable) providers (“MMDS”) or television broadcast stations (“TVBS”), together with their associated hardware and mast, if applicable (an “Antenna System”) and which are placed, installed or kept on a lot must comply with the following restrictions, unless the particular restriction would impair the user’s ability to receive signals from a provider of DBS, MMDS or TVBS (a “Provider”): (1) An Antenna System must be placed on a lot in such a manner as not to be visible from any other lot, the Association common area or any street; (2) If an Antenna System cannot be placed on a lot in such a manner as not to be visible from any other lot, the Association common area or any street without impairing the user’s ability to receive signals from a Provider, an Antenna System must be screened by landscaping or some other means so that it is not visible from any other lot, the Association common area or any street, unless screening would impair the user’s ability to receive signals from a Provider, in which case an Antenna System must be screened by landscaping or some other means to reduce to the greatest extent possible its visibility from other lots, the Association common area or any street without impairing the user’s ability to receive signals from a Provider; (3) If no other location is available without impairing the user’s ability to receive signals from a Provider and an Antenna System must be mounted on a residence or other structure and is visible from any other lot, the Association common area or any street, the Antenna System must be painted a color that will blend into the background against which the Antenna System is mounted; (4) Antenna Systems designed to receive video program services from MMDS or TVBS which require masts to receive an acceptable signal must be mounted on masts which do not exceed twelve feet (12’) in height above the roofline, provided that no mast shall be higher than the height necessary to establish a line of sight contact with the transmitter. A restriction contained in this rule shall be deemed to impair a user’s ability to receive a signal from a Provider if compliance with the rule would unreasonably delay or prevent installation, maintenance or use of an Antenna System, unreasonably increase the cost of the installation, maintenance or use of an Antenna System or preclude reception of an acceptable quality signal. No dish which exceeds one meter in diameter or diagonal measurement, or any television or radio antenna or any mast which exceeds twelve feet (12’) in height above the roofline may be placed, installed constructed or kept on any lot without the prior written approval of the ARC.

6. Repair of Building and Painting.

No building or structure on any lot shall be permitted to fall into disrepair, and each such building and structure shall at all times be kept in good condition and repair and adequately painted or otherwise finished. No homes and other structures, including fences, may be painted or stained or repainted or restained a color different than the color previously approved in writing by the ARC.

7. Signs.

No signs whatsoever (including but not limited to, "For Sale", "For Rent", commercial or similar signs) which are visible from neighboring property shall be erected or maintained on any parcel of property within the development except: (1) such signs as may be required by legal proceedings; (2) One real estate "For Sale" or "For Lease" sign allowed per lot. Real estate sign to conform to industry standard of one sign no larger than 18" x 24" plus one rider no greater than 6" by 24". Signs to be placed parallel with the street and no closer than 4-feet from paved street edge. One information box or tube allowed per sign, not to exceed the height of the For Sale sign. No other form of For Sale or For Lease signage is approved; (3) on the days any estate or garage sale permitted under these rules and regulations is held, only such signs as are reasonably necessary to direct purchasers to the location of such sale with the size of such signs not to exceed 12" by 18" and shall be placed on a post no more than 24" high; and (4) additional signs of reasonable size shall be permitted for home addresses, protective services and vicious pets. The ARC or its representative will remove any nonconforming or improperly maintained signs.

8. Holiday Decorations.

Holiday decorations are permitted to be installed without approval of the ARC; provided however, such decorations shall be installed or erected no earlier than thirty (30) days prior to the subject holiday and shall be removed no later than thirty (30) days after such holiday.

9. Mailboxes.

Mailboxes shall be of the type, color and shall be located as approved by the ARC. Mailboxes shall be installed in accordance with United States Postal Service regulations.

10. Machinery and Equipment.

No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any lot except such machinery or equipment as is usual or customary in connection with the use or maintenance of a residence, appurtenant structures or other improvements and except that which the Declarant or the Association may require for the construction, operation and maintenance of the Association common properties. Any such permitted machinery or equipment shall be acoustically screened so as not to create an unreasonable or unnecessary noise or vibration audible to neighboring properties.

11. Temporary Occupancy.

No trailer, tent, shack, garage or barn, temporary buildings or structures of any kind shall be used at any time as a residence on any lot either temporary or permanent. Temporary buildings used during the construction of a dwelling on any lot shall be removed immediately after the completion of construction.

12. Flagpoles.

Installation of a permanent free standing flagpole will be allowed upon proper application and approval for a site improvement change, or when submitted and approved with the initial structure application, subject to the following limitations: (1) The height of the flagpole must be not more than the lesser of (i) eighteen feet (18') or (ii) the highest point of the residence located or to be located on the lot; (2) The flagpole must not be located closer to any property line than the applicable building setback regulations would allow for a building on the lot, except as to flagpoles to be located on the front yard of a residence which may be placed no closer than fifteen feet (15') from the front property line; and (3) Flagpoles shall have a matte finish of bronze, dark bronze or another earth-tone color with a maximum light reflective value of fifteen (15).

RIGHT TO APPEAL

In all cases where the Board or ARC has disapproved the application for a change, the Lot Owner has the right to appear before the Board to appeal to the Board to reverse a decision regarding an application for change. A Lot Owner wishing to exercise such appeal right should notify the Board in writing of his or her desire to appear at the next regularly scheduled meeting and explain in that letter his or her reasons for the request as well as the bases for his or her appeal of the Board or ARC decision.

PART II - RULES AND REGULATIONS

In addition to the restrictions on changes established by the Declaration and the Board, the Declaration also authorizes the Board to adopt rules and regulations applicable to the Lot Owners and their guests' use of the properties in the Development.

1. Outside Storage.

Personal property may not be stored outside of a home or garage. Such personal property includes, but is not limited to, bicycles, garbage cans, and motorcycles, all of which must be stored in a resident's home or garage.

2. Garbage Pick-up.

All garbage and trash must be stored in covered containers in a location not visible from adjacent property except when placed outside for collection. Garbage containers may not be placed outside before six p.m. on the evening prior to the morning pick-up, and containers should be removed by sundown of the pick-up day. All garbage must be bagged, canned, or boxed so it cannot blow about or be scattered by animals. Those Lot Owners using the common trash receptacle shall not place items outside the closed container.

3. Garages.

The term "Motor Vehicle" as used in these rules and regulations shall include without limitation, automobiles, pick-up trucks, vans, trucks, recreational vehicles, buses, motor homes, boats, trailers, motorcycles and similar apparatus. Garages shall be used for parking Motor Vehicles and storage purposes only, and shall not be converted for living or recreational activities. Garage doors shall be kept closed at all times except for necessary and temporary ingress and egress. Each Lot Owner has control and use of his garage, except for the following limitations, which are imposed for the safety and welfare of all the residents:

- a) Storage of inflammable fluid is not allowed, except in approved containers.
- b) Explosive substances of any kind are not allowed in the Development at any time; provided however, such prohibition shall not apply to the Lot Ownership of reasonable amounts of ammunition used for hobby or sporting purposes.

4.Firewood Storage.

Firewood may not be stored outdoors unless it is in an area that is adequately screened so that it is not visible from any lot, the Association common property or any street.

5.Pets.

No animals, other than a reasonable number of generally recognized house or yard pets, shall be maintained on any property within the Development, and then only if they are kept, bred or raised thereon solely as domestic pets and not for commercial purposes. Dogs shall be kept within structures or fences or on secured leashes. No animal shall be allowed to make an unreasonable amount of noise or to become a nuisance. The Lot Owner of the pet is solely responsible for cleaning up after the pet. This includes both soiling in the pet Lot Owner's yard and in any other yards or the street. Any damage to the common areas of the Association by a pet must be repaired at the pet Lot Owner's expense. Animal Lot Owners shall repair all animal damage to common areas of the Association when requested to do so by the Board. Repairs and replacements will use materials of equal quality to those damaged. In the event the pet Lot Owner fails to do the repairs, the Board shall have the right to hire a contractor to repair the damage, and the bill for it will be assessed to the pet Lot Owner. The Board will inform the pet Lot Owner of its desire to have such repairs it deems necessary done, and allow the pet Lot Owner ample time to complete them. Damage covered by this policy includes, but is not limited to, lawn burn-out from animal wastes, holes dug into lawns, damage from chewing or scratching on walls, shrubs, and trees.

6.Auto Maintenance.

No repair or maintenance work shall be performed on any Motor Vehicle or other equipment except wholly within an enclosed garage. Motor Vehicles shall not be left standing anywhere on the property in an inoperative condition. All Motor Vehicles must have current license tags.

7.Parking.

Each Lot Owner shall not have or maintain more vehicles than can be stored or parked in the Lot Owner's garage(s), driveway or improved parking area. An improved parking area is defined as an area determined by the Architectural Review ARC (ARC) during the initial site plan review process as well as any subsequent review of written application for ARC changes or additions.

No regular or permanent parking is permitted on paved association roadways. Short term parking, limited to hours not days, on a paved association roadway adjacent to a Lot Owner's property is permitted so long as such parking does not create a hazard for other vehicles using the roadway.

Residents are restricted to parking of Recreational Vehicles (RVs) as defined, but not limited to: motor homes, 5th wheel trailers, horse trailers, watercraft, toy haulers, all-terrain vehicles, and open or closed trailers. RVs are not allowed to be parked on a Lot Owner's lot, but are allowed within an enclosed garage. RVs are allowed to stage 48 hours prior to and 48 hours following a trip. This privilege is limited to two times per month.

The following variance may be allowed: Board of Directors may grant approval for RV to be parked on a Lot Owner's property when they are restricted from view or adequately screened so they are inconspicuous from any lot, Association common property or any street. Board of Directors approval must be by a majority, not a quorum and is required in writing for a variance. Granting of a variance is to be based on the condition, color and conspicuity of the RV. A Board member is not allowed to vote on their own approval for variance.

If Lot Owner damages Association property by use of any RV or vehicle Lot Owner will be subject to fines and the cost to repair Association property.

8. Towing on Violation.

The Board maintains the authority to remove Motor Vehicles not in compliance with these rules and regulations by towing at the expense of the owner of the Motor Vehicle.

9. Yard Maintenance and Diseases and Insects.

Each Lot Owner shall at all times maintain the yard and landscaping thereon and the exterior of the structures thereon in neat and clean condition and repair. Any damage to or destruction of the natural growth on the lot, which damage or destruction is visible from any lot, the Association common area or any street, shall be promptly repaired by replanting any damaged area. All lots shall be kept free of dead or infested trees. The Association may at the Lot Owner's expense enter upon any lot and remove any dead tree or tree infested with destructive insects or diseases, if within twenty (20) days after receiving notification from the Association, such removal is not accomplished by the Lot Owner. No Lot Owner shall permit anything or condition to exist upon any lot that shall induce, breed or harbor infectious plant diseases or noxious insects.

10. Nuisances.

No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any property within the development, and no odors shall be permitted to arise therefrom, so as to render any such property or any portion thereof unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its occupants. No motor vehicle shall be operated within the Development except by a licensed operator. No motor vehicle shall be operated on the property so as to create a loud or annoying noise. No exterior horns, whistles, bells or sirens, except security devices used exclusively for security purposes, shall be located or used on any property located within the Development.

11. Single Family Residential Use.

No structure located on a lot within the Development shall be used for any purpose other than as a single-family residence. Provided however, certain home businesses and in-home business sales can be conducted by Lot Owners on their lots without violation to the principal purpose of residential use and enjoyment of the property, provided a home business or in-home business sale is unobtrusively conducted without odor, noise, traffic or parking congestion. Upon the written request of an Lot Owner, the Board shall conclusively determine, in its sole and absolute discretion, whether any such home business or in-home business sale violates the terms of this rule and regulation or of the Declaration. Nothing contained in these rules and regulations shall be deemed to prevent the leasing of all of a residence and lot to a single family from time to time by the Lot Owner thereof, subject to all the provisions of these rules and regulations and of the Declaration.

12. Rental of Units.

In the event the Lot Owner of a lot desires to have his home occupied by any persons other than the Lot Owner and/or the Lot Owner's immediate family, whether by lease rental or otherwise, the Lot Owner before leasing, renting or permitting such occupancy, shall notify the proposed lessee, tenant or occupant that use of the premises is subject to these rules and regulations and to the provisions of the Declaration, and shall secure from the lessee, tenant or occupant a written agreement to abide by all of the covenants, and restrictions contained in the Declaration and these rules and regulations. Such written agreement shall also contain provisions by which the tenant, lessee or other occupant, as the case may be, expressly conditions his right to occupy the premises upon the observation by himself, his family and guests of all of the provisions of the Declaration and of these rules and regulations, and whereby both he and the Lot Owner agree for the benefit of the Association that any such failure to abide by the Declaration or these rules and regulations, shall entitle the Association to initiate appropriate legal action in the name of the Association and/or in the name of the Lot Owner to enforce the Declaration and these rules and regulations and to be entitled to be awarded exclusive possession of the premises. The following regulations have been adopted by the Board in addition to the leasing restrictions set forth in the Declaration.

- a) The home and its lot must be leased together, in their entirety, and cannot be subleased.
- b) Lot Owners must inform the Association, with written notice to the Secretary of the Association whenever they lease/rent their home. Information is to be supplied to the Board no later than the commencement of the lease. This must include:
 - 1. A copy of the rental/lease agreement.
 - 2. The name and phone number of the renter and all occupants of the home.
 - 3. The term of the rental agreement.
 - 4. Any other information that relates to the operation of the Association deemed necessary by the Board.
- c) The Lot Owner must supply a copy of the rental agreement information, requested above, each time a unit is leased/rented to a new renter/occupant, or whenever the rental period is extended or renewed with an existing renter.
- d) The term of any lease or rental agreement must be for a period of not less than six (6) consecutive months. Short term rental(s) is not allowed for either the entire property, or a room or any other portion of the property. This restriction includes rentals by the Lot Owner or lessee, made directly with the party involved or thru a third party i.e. Airbnb or Realtor, rental agency or its agents.
- e) It is the Lot Owner's responsibility to handle all maintenance and repairs to the home, and to make sure the renter understands that all matters regarding maintenance and repair of the home are to be handled with the Lot Owner and not the Association.
- f) It is the Lot Owner's responsibility to supply a copy of these rules and regulations and of the Declaration to the renter, and the Lot Owner is to ensure that the renter and occupants comply with the provisions of such documents.

13. Sale of Units.

Any Lot Owner contemplating the sale of a residence must inform the Secretary of the Association of such intent at the time the residence is offered for sale.

The Association will, upon request in writing to the Secretary, provide copies of the Association's Governing Documents, a statement of unpaid Association assessments, and other information, as required by the Association Governing Documents and applicable law. A reasonable charge will be made for the issuance of these items.

Within thirty (30) days after the purchase of a home, the new Lot Owner must register with the Secretary of the Association, in writing, and shall provide the following:

- a) Names of all occupants and Lot Owners of the residence address and the address at which the Lot Owner desires to receive notices.
- b) Business and home telephone numbers and email address, if any.
- c) The nature of the Lot Owner's interest in the lot.
- d) A copy of the recorded deed or contract for sale for the lot.
- e) Any other information that relates to the operation of the Association deemed necessary by the Board.

14. Garage Sales and Estate Sales.

Private garage sales are not permitted except when the Lot Owners are moving out of the home and then only within thirty (30) days prior to the scheduled closing date. Estate sales are permitted in the event of the death of one or more of the Lot Owners of the home provided the sale is held within six months after such death. Any garage sale or estate sale permitted by this rule shall be held between the hours of 9:00 a.m. and 4:00 p.m. and shall not be held for more than two consecutive days. Individuals holding any such permitted sale must notify the Board not less than ten (10) days prior to the sale and must ensure that all sign and parking regulations of the Association are followed.

15. Guests.

The Development has been designed for restricted access as set forth in the Declaration. In particular, in no event shall any guests be admitted except for the express purpose of such guests going immediately and directly to the lot whose Lot Owner or tenant has authorized entry into the development. Lot Owners shall be liable for any and all damages caused by his or her guests and additionally shall be liable for any violation of the Declaration or these rules and regulations by his or her guests.

PART III - SANCTIONS AND REMEDIES

Each Lot Owner and occupant of a home is governed by and must comply with the provisions of these Rules and Regulations, the By-Laws, the Declaration and the Articles of Incorporation of the Association (collectively the "Governing Documents"), and such amendments thereto as may be made from time to time. A failure to comply with the Governing Documents entitles the Association to the following relief:

1. Entitlement to Relief. The Association may commence legal action to recover sums due, for damages, injunctive relief, lien foreclosure or any combination thereof, or any action for any other relief authorized by the Governing Documents or available at law or in equity. In no case may any Lot Owner withhold any assessment due and payable to the Association, or take (or omit) other action in violation of the Governing Documents, as a measure to enforce such Lot Owner's position, or for any other reason. These rights and remedies do not limit in any way any other rights or remedies granted to the Association in the Governing Documents or by law.

2. Sanctions and Remedies. In addition to any other remedies or sanctions, express or implied, administration or legal, the Association shall have the right, but not the obligation, to implement any one or more of the following actions against Lot Owners and occupants who violate (or whose families or guests violate) the provisions of the Governing Documents:

a. Impose a FINE as determined in the VdC Fees, Fines & Deposits document and an interest rate up to the maximum allowed by Arizona State statute on any delinquent assessment payments and any costs (including reasonable attorneys' fees) incurred by or on behalf of the Association in collecting the same (which shall be paid by the Lot Owner). As set forth in the Declaration, assessments shall be deemed to be delinquent if not paid within fifteen (15) days after the due date.

b. Suspend the voting rights and right to use of the recreational facilities of a Lot Owner during any period in which a Lot Owner is in default in payment of any assessment levied by the Association.

c. Enter any lot, upon 24 hours' notice, and between the hours of 8:00 a.m. and 8:00 p.m., and remedy any condition which the Lot Owner or occupant has caused or allowed to exist in violation of the Governing Documents, and assess the cost thereof against the Lot Owner and the lot. Such right of entry shall be limited to any exterior area of a lot subject to the Governing Documents. Any such entry upon a lot pursuant to this section shall not be deemed a trespass.

d. Foreclose any lien arising under the provisions of the Governing Documents or under law, in the manner provided by the Declaration and by applicable law.

3. Rights to Hearing. In the case of imposition of any of the remedies authorized by Section 2, Paragraphs c, d, or e of this Part III, the Board must cause to be mailed or delivered to the Lot Owner against whom the remedy is sought to be imposed written notice specifying the general nature of the violation, the remedy to be imposed and the effective date of such imposition, which notice must be delivered at least ten (10) days prior to such effective date. Such Lot Owner has the right, upon written request delivered to the Board within the foregoing ten (10) day period, to a hearing before the Board. The Board will set the hearing at a reasonable time and place, with reasonable notice to the parties involved, but in no case later than thirty (30) days after the request for a hearing. The Board has established uniform and fair rules for the conduct of such hearing, including without limitation the right of interested parties to appear and be heard. If a hearing is requested, the remedy imposed will not take effect until the hearing is completed or the matter is otherwise resolved by mutual agreement of the Board and the persons against whom the remedy is sought, whichever event occurs first. If the person or persons against whom the remedy is sought do not appear at their duly notified hearing, the remedy imposed may be enforced forthwith.

The decision of the Board and the rules for the conduct of hearings established by the Board, shall be final and binding on all parties. The rights bestowed upon Lot Owners by this Section 3 shall be the sole and exclusive remedy of such Lot Owners with respect to the matters covered

by this rule, except as may be otherwise specifically authorized by the Governing Documents and applicable law.

4. Costs of Proceeding and Attorneys' Fees. The Association is entitled to recover all of its costs, expenses, and reasonable attorneys' fees, if any, in the collection of any and all delinquent assessments.

5. Liens for Charges, Penalties, Etc. Any charges, penalties, interest costs, collection costs, court costs or attorneys' fees imposed or incurred by the Association under this rule will be assessed against the lot of the Lot Owner against whom the same are imposed and will be lien against the lot in the same manner as a lien for assessments, and will also be a personal obligation of such Lot Owner. The lien shall attach as of the date of imposition of the remedy, but will not be final as to violations appealed under Section 3 until affirmed in writing by the Board following the hearing.