

Viewpoint West HOA
Monetary Penalties for Rules Violations

Adopted: November 16, 2007

Effective: January 1, 2008

Revised: November 18, 2009

Effective: November 18, 2009

Monetary penalties for violations of the CC&R's, Bylaws, Rules, and Building Guidelines of the Association shall be imposed according to the procedures set forth as follows:

Initial Violation Notice:

In the event the Board or its agent determines that a violation of the Association's governing documents exists, a written notice will be sent to the member at the mailing address as it appears on the records of the Association at the time of the notice. The initial Violation Notice shall include at a minimum the following information:

- The provisions of the documents that have been violated;
- The date of the violation or the date the violation was observed;
- The first and last names of the person or persons who observed the violation;
- The date by which the violation must be corrected;
- The process the owner must follow to contest the notice;
- The fine schedule if compliance is not corrected in the time allotted;
- The fact that a monetary penalty will be imposed for failure to correct the violation by the required deadline;

Second, Third and Fourth Violation Notice:

If the violation is not corrected within the period set forth in the initial Violation Notice, subsequent Violation Notices shall be sent to the member. These Violation Notices shall include at a minimum the following information:

- The nature and date of the initiation of the fine schedule;
- The date by which the violation must be corrected;
- The fine schedule if compliance is not corrected in the time allotted;

Fifth Violation Notice:

If the violation has not been corrected by the date set forth in the Fourth Violation Notice, the Board will seek legal action to collect said fines. This legal action will be taken at the homeowners' expense. The Fifth Notice informing the owner of the

Association's right to seek legal and/or equitable action to collect the fine and/or to remedy the noticed violation of the Association's governing documents. This notice shall be sent to the homeowner via certified mail.

Appeal Process:

Any Member who has received a Violation Notice shall have the opportunity to appear before the Board to appeal the Board's decision that a violation exists. Such appeal rights shall be deemed waived if not timely exercised by the member. The appeal process shall be as follows:

- Pursuant to ARS sec 33-1242 and 33-1803, within ten (10) business days following the date of the Violation Notice, the member may appeal the violation decision in writing to the Board and request a hearing on the matter. This request must be made by certified mail. If the written hearing request is not received within such ten (10) day period, the member's right of appeal shall terminate as of the end of the tenth day.
- The member shall have the right to appear at the hearing in person or by representative and to present all pertinent supporting information.
- A member who timely exercises his or her appeal right shall be provided a written notice of the time, date and location of scheduled appeal hearing which shall be conducted in an Executive Session meeting of the Board. In the event the member fails to appear in person or by representative at such scheduled appeal hearing, his or her appeal shall be deemed waived.
- After completion of the appeal hearing, the Board will make its decision. The member will be informed in writing of such decision within seven (7) days from the date of the appeal hearing.
- In the event the appeal is denied, unless otherwise stated in the Board's written decision, the effective date of the fine shall be ten (10) days after the date of the letter notifying the Member of the Board's decision.
- All decisions of the Board as to an appeal hearing are final and may not be appealed.

Viewpoint West Monetary Penalty Summary:

- A monetary penalty will be assessed in accordance with the then effective Fine Schedule for an uncorrected violation of the governing documents of the Association.
- In the event of a subsequent violation by a member of the same rule within six (6) months of a previous violation of such rule, all fines for each subsequent violation of the same rule shall be doubled. In addition, for such subsequent violations.
- The Board of Directors may determine the period for corrective action of a violation on a case-by-case basis.
- Fines are cumulative and will continue without further written notice until the violation is corrected. The violation will be deemed corrected as of the date the member notifies the Board of the correction thereof unless the Board subsequently determines that such date is not correct.
- The first and second violation notice will be mailed by first class mail. The third, fourth and fifth violation notice will be mailed by certified mail, return receipt requested.
- At any time, the Board may exercise the option to pursue corrective action through legal means.

Fine Schedule:

- A 2nd violation notice will be issued after ten (10) consecutive days of the initial violation if the violation is not corrected. A fine of ten (\$10.00) U.S. Dollars per day will be imposed. An owner may follow the appeal process at this point (As summarized previously in this document and in accordance with Arizona statutes).
- A 3rd violation notice will be issued after fifteen (15) consecutive days of the 2nd Violation notice, if the violation is still not corrected, a fine of twenty (\$20.00) U.S. Dollars per day will be imposed.
- A 4th violation notice will be issued after fifteen (15) consecutive days, if the violation is still not corrected, and a fine of thirty (\$30.00) U.S. Dollars per day will be imposed.

- If the violation is not corrected within fifteen (15) consecutive days after the 3rd Violation is issued, the association will seek legal action taken at homeowners' expense.
- **Variance:**

This Policy is intended as a guideline for the Association. The Board retains the right to vary the enforcement and fine process when it, in its sole discretion, determines that any such variance is appropriate. The Board may from time to time in its sole discretion amend, repeal, or augment this policy as it deems appropriate, subject, of course, to the terms of the governing documents of the Association and applicable law.