

# COLDWATER SPRINGS HOMEOWNERS ASSOCIATION

## COMPLIANCE POLICY

### REVISED

Pursuant to A.R.S. 33-1803 and the Declaration of Covenants, conditions and Restrictions for Coldwater Springs ("Declaration"). Coldwater Springs Homeowners Association ("Association") has adopted the following compliance Policy to ensure that Owners and Residents are complying with the use restrictions set forth in the Declaration. Further, the Compliance Policy sets forth the procedure that the Association and its Management Company will follow in an effort to gain compliance and specifies the action to be taken when a member chooses not to comply with the Declaration or other governing documents. This compliance Policy will be part of the association's Rules and may be amended at any time by a majority vote of the Board of Directors.

#### First Notice

The Associations Management Company will mail a friendly initial notice of the violation to the Owner of the property outlining the violation and requesting compliance within ten (10) business days. There is **no monetary penalty** imposed at this time. If the Management Company can identify that the Owner of the property as an offsite owner, the Management Company will mail a copy of the violation to the property address in addition to the Owners' off-site address. No certified mailing with first notice. **No Demand Letter will be sent until the Covenant Enforcement level has been reached.**

#### Second Notice and Imposition Initial Monetary Penalty

The HOA Board of Directors has instructed the Management Company to mail a friendly Second Notice if violations set forth in the First Notice still exists or if the violation has been repeated or returned, for not less than 30 days of the First Notice. The Association will impose an Initial **Monetary Penalty of \$15.00**, if the violation still exists or is repeated and returned from the date of the First Notice. The Management company will mail a copy of the violation to the property address in addition to the Owners' off-site address. No certified mail to the property address unless the property owner resides at address. **The Management Company will mail a copy of the violation to the Owner of the property by certified mail.**

#### Third Notice and Imposition of Second Monetary Penalty

The HOA Board of Directors has instructed the Management Company to mail a third Notice if violations set forth in the Second Notice still exists or the violation has been repeated or returned, for not less than 30 days from the date of the Second Notice. The Management Company also has been instructed by the HOA Board of Directors to impose a Second **Monetary Penalty of \$25.00**, if the violation still exists or is repeated and returned from the date of the Second Notice. No certified mail to the property address unless the property owner resides at address. **The Management Company will mail a copy of the violation to the Owner of the property by certified mail.**

## **Imposition of Additional Monetary Penalty**

The HOA Board of Directors has instructed the Management Company after mailing the **Fourth Notice** and imposed an additional **\$50.00** monetary penalty, the Management Company will notify the Board of Directors of the Owner's case. After the Board of Directors review the Owner's case, they may direct the Management Company to impose up to two (2) Additional Monetary Penalties of \$50.00 each upon subsequent inspections if the violation still exists or is repeated and returned. The Management Company will conduct the inspections to coincide with the terms of the notices. The Owner will be provided ten (10) business days to correct the violation following each additional notice and imposition of an Additional Monetary Penalty of \$50.00. No certified mail to the property address unless the property owner resides at address. **The Management Company will mail a copy of each additional Monetary Penalty to the Owner of the property by certified mail.**

## **Covenant Enforcement Demand Letter and Legal Action**

After the Management Company has mailed **two (2) additional Notices imposing \$50.00** monetary penalties in each Notice and if the violation still exists or is repeated following subsequent inspections, the Management Company will forward the Owner's case to the HOA Board of Directors for their review again. The Board of Directors may recommend sending the case to the Association's attorney for a Covenant Enforcement Demand Letter and further legal action if the Owner does not correct the violation. Any expenses incurred by the Association including the attorneys' fees and costs, will be billed back to the Owner. **The Management Company will mail a copy of each additional Monetary Penalty to the Owner of the property by certified mail.**

## **Certified Mailing Fee**

In addition to the monetary penalties being imposed, the Management Company will impose a \$12.50 certified mailing fee on all certified letters.

## **Restart of Process**

If the same type of violation occurs within 120 days from the date of the Second Notice letter, then the Management Company will proceed with the mailing of the Third Notice and the imposition of a \$25.00 Monetary Penalty.

## **Right of Self-Help**

Pursuant to Article 4, Section 4.2 and Article 10, Section 10.22 of the Declaration, the Association has the right (but not the obligation) to enter the Owner's Lot and perform any and all maintenance and repairs that are necessary to correct the violation. Entry by the Association and any of its agents is not an actionable trespass. The Association may assess the Owner for the costs of all maintenance and repairs performed by the Association.

## **Exception to Notice Procedure**

Notwithstanding the above notice procedure, the Association through its Board of Directors reserves the right to file a lawsuit against an Owner for injunctive relief at any time for any violation that the Board of Directors determines in its sole and absolute discretion to constitute a material danger to person or property, poses a threat to the health, safety and welfare of the community as a whole or any one or more Owners, or requires immediate action for any other substantive reason.

The Board of Directors may take any other action as authorized by its Declaration or the law, in addition to the Compliance Policy outlined above.

## **Opportunity to be Heard: Appeal Process**

When an Owner desires to appeal a violation, the Owner must provide the Association's Management Company a written request for a hearing within ten (10) business days after the date of the violation notice. Upon receipt of such written request, the Management Company will schedule and provide the Owner written notice of the date, time and location of his/her appeal hearing. Following the hearing, the Board of Directors shall deliberate on the information provided by the Owner and provide the Owner its written appeal decision. All decisions of the Board of Directors are final.