

**UNANIMOUS CONSENT TO ACTION
BY THE BOARD OF DIRECTORS
Foothills Reserve Master Homeowners' Association, Inc.
C/O AAM, LLC
1600 Broadway Road, Suite 200
Tempe, Az 85282
(602)957-9191**

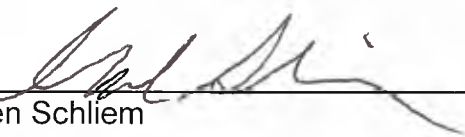
FINE POLICY AND VIOLATION APPEAL PROCESS

The undersigned, constituting all of the members of the Board of Directors of Foothills Reserve Master Homeowners' Association, Inc., an Arizona nonprofit corporation, hereby take the following action:

RESOLVED, that the Board of Directors hereby approved on June 15, 2020 the Fine Policy and Appeal Process for Foothill Reserve Master Association attached to this resolution.

FURTHER RESOLVED, The Board of Directors hereby instructs the managing agent to notify all Owners of the implementation of the Fine Policy and Appeal Process effective as of August 1, 2020.

IN WITNESS WHEREOF, the undersigned have executed this consent as of this 20th day of July 2020.

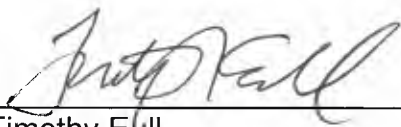


Galen Schliem
President - Board of Directors



Randy Gallagher
Vice President - Board of Directors

Paul Hadzellis
Secretary/Treasurer - Board of Directors



Timothy Eull
Director - Board of Directors

Director - Board of Directors

**FOOTHILLS RESERVE MASTER HOA
FINE POLICY AND APPEAL PROCESS
Effective August 1, 2020**

FINE POLICY

The following Fine Policy and Appeal Process shall be followed for Foothills Reserve Master Homeowners' Association, Inc.:

FIRST NOTICE: An initial notice of the violation shall be mailed to the Owner requesting compliance within ten (10) days - NO FINE.

SECOND NOTICE: If violation still exists ten (10) days after the initial notice of violation, a second notice requesting compliance within ten (10) shall be mailed to the Owner. A \$25.00 FINE will be assessed with the second notice of violation and is due immediately.

THIRD NOTICE: If violation still exists ten (10) days after the second notice of violation, a third notice requesting compliance within ten (10) shall be mailed to the Owner. A \$50.00 FINE will be assessed with the third notice of violation and is due immediately.

CONTINUING VIOLATIONS: If the violation continues without resolution after the fourth notice of violation, a FINE of \$100.00 shall be assessed every ten (10) days until the violation is resolved. In addition, the Board of Directors shall have the right to remedy the violation and/or take legal action, the cost of which shall be invoiced to the Owner and collected in the same manner as assessments.

FINES: No fine shall be imposed without first providing a written warning to the Owner describing the violation and stating that failure to correct the violation within ten (10) days or *another occurrence of the same violation within three (3) months* of the original violation shall make the Owner *subject to imposition of a fine*. Failure to pay any fine shall subject the Owner to the same potential penalties and enforcement as failure to pay any assessments under the Declaration.

SELF HELP: Pursuant to Article Section 10.3 of the Declaration, each Owner shall maintain his residence and lot in good repair. In the event an Owner fails to fulfill his maintenance and repair obligations or in the event an Owner fails to landscape his lot as required by the Declaration, the Board of Directors may have the lot and residence landscaped, cleaned and repaired ("Self Help") and may charge the Owner for Self Help in accordance with the provisions of the Declaration. An Owner shall not allow a condition to exist on his lot which will adversely affect any other lots of residences or other Owners. The Board of Director's right to exercise Self Help may be implemented at any time during the notification process at the discretion of the board.

Notwithstanding the foregoing, the Board of Directors reserves the right to seek Injunctive Relief at anytime 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 substantial reason.

The Board of Directors reserves the right to take any action permitted by law or the Declaration, in addition to the above-mentioned fine policy.

APPEAL PROCESS

- When a violation notice is sent to an Owner, such notice shall include a statement notifying the Owner that he/she has the "RIGHT OF APPEAL."
- When an Owner desires to appeal a violation, he/she must so notify the Management Company in writing within ten (10) days after the date of the violation notice.
- Appeals shall demonstrate **extenuating circumstances**, which require deviation from the Governing Documents.
- Appeal shall include all pertinent backup information to support the existence of the **extenuating circumstance**.
- All decisions of the Board are final and may not be further appealed.
- Any appeal that does not meet the above requirements shall not be heard by the Board and shall be considered **DENIED**.
- The Owner appealing the violation will be given written notice that the appeal has been received and it will be reviewed by the Board.
- The appeal shall be heard in the Executive Session and the Board President will introduce all parties.
- The homeowner who is appealing will be asked to state their case and present any documentation that is applicable. Board members will have the opportunity to ask the homeowner any questions. Once completed, the Board President will state the appeal has been heard. The homeowner will be excused and the Board will make their decision in the closed session. A written notice will be given to the homeowner with the Board's decision within ten (10) 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 will be fined \$100.00 every ten (10) days until the violation is corrected. In addition, the Board of Directors may seek legal action to remedy the violation. All costs of legal action will be billed to the Homeowner and collected in the same manner as assessments.