Villa Alegre Association

An Arizona Corporation

Rules and Regulations as revised October 27, 2009

According to Article VII, Section 1 of the By-Laws of Villa Alegre Association, The Board of Directors is empowered to adopt the following Rules and regulations (hereinafter "Rules") governing the use of property within the Villa Alegre Community, including its facilities, and the personal conduct of Members (Property Owners) of the Association and their guests. The Board is further empowered to establish penalties for the infraction of the Rules. All members of the Association are responsible for their own compliance with these Rules and the other operative documents governing the Association, and Members are also responsible for ensuring compliance by their family members, tenants, guests, invitees and licensees. (The operative documents include the recorded covenants, conditions and restrictions ("CC&Rs"), Articles of Incorporation, By-Laws and these Rules.) These Rules have been adopted for the purpose of promoting the safety and welfare of the residents and protecting the value and desirability of the property within the Villa Alegre Community.

Members who rent their unit should secure written acknowledgement from tenants of receipt of the operative documents, coupled with a statement from the tenants that a violation of the operative documents also constitutes a material breach of the rental agreement.

1. Common Area

All complaints, communications, and requests regarding the Common Areas, including the facilities (hereinafter collectively the "Common Areas"), shall be made in writing to the property manager designated by the Board. Members and residents must give immediate written notice to the property manager of any damage, accident or injury that involves the properties, including, but not limited to, sprinklers, plants, ground cover, lights or other Common Area items.

The destruction or damage of any item or part of the Common Area by a Member of his/her family members, tenants, guests, invitees and/or licensees, or any pet of the foregoing, will be billed to the Member at cost, including labor. Collection of such amounts will be in the same manner as any other obligation set forth in the CC&Rs, By-Laws or pursuant to statute.

Any concerns for safety, vandalism, or other illegal activity should be reported directly to the police or call 911.

2. Behavior

No Person shall engage in any conduct that violates any laws, statutes, ordinances or regulations. No Person shall behave or permit behavior to occur that interferes with the rights, comfort and/or convenience of other residents at Villa Alegre. As with all Rules set forth herein, Members (Owners) are responsible for the actions or inactions of their family members, tenants, guests, invitees, licensees and pets.

Noise from stereos, televisions, parties, gatherings, conversations, vehicles, etc., must not unreasonably disturb other residents at any time. Without limiting the foregoing, no person shall cause or permit the blowing of a vehicle horn while approaching or upon any driveway or parking area within the Villa Alegre Community, except when absolutely necessary for the safety of others and/or the safe operation of a vehicle.

There shall be no loud music, loud power equipment or other loud noises or disturbances after 10:00 pm. This section is in addition to and does not supersede the limitations of the preceding paragraphs.

The consumption of alcoholic beverages or illegal substances of any kind are not allowed in or upon the Common Areas, including parking areas.

The speed limit within the Villa Alegre Community is 10 MPH and must be observed. Residents are responsible for notifying guests, invitees, or licensees of the speed limit and Members are responsible for any fines related thereto (as with the violation of any provision of the operative documents).

3. Tenants (renters)

Members are responsible for providing tenants with a copy of the operative documents, including the Rules.

Tenants are required to abide by all of the provisions of the operative documents, including these Rules.

The Association's property manager must be provided with the names, Unit number, and telephone number of each tenant within ten (10) days of the occupancy of a unit. (For purposes of these rules, "Tenant" also includes any intended occupants of a Unit.)

Members must include a clause in all rental (lease) agreements that requires compliance with the operative documents as a condition of continued occupancy of a Unit, and further provide that any violation of the operative documents by a tenant or his/her guests, invitees, and/or licensees is a material breach of the rental agreement, permitting eviction.

Members are ultimately responsible for the actions of his/her tenants and such tenants' guests, invitees, licensees and pets.

4. Exterior Alterations, Additions or Changes to Units

No person shall make any alterations, additions or changes in the exterior of any Unit of the structural components of any Unit in a building without first obtaining written permission from the Board of Directors. This includes, but is not limited to, awnings/patio covers, patios, fencing, antennas, solar units, satellite dishes, skylights, evaporative coolers, or any other such items. Complete and detailed drawings of plans and specifications showing the nature, kind, shape, materials and location (including Unit number) of any

proposed alterations, additions or changes must be submitted with the written request submitted to the Board of Directors. To the extent a building is required by the City of Phoenix, a valid building permit must also be obtained from the City of Phoenix and provided to the Board of Directors or property manager before any work can be commenced.

5. Items hung from, attached to or visible from the exterior of units

The Board of Directors reserves the right to approve or disapprove any item hung from, attached to or visible from the exterior of any Unit or any improvements related thereto, including fences and walls. Failure to remove any unapproved item following seven (7) days notice will be deemed a violation of these Rules and subject to any and all relief available to the Association, including fines. Notwithstanding the foregoing, no rugs, clotheslines, towels, mops, bottles, or pool mats may be hung from, attached to or be visible from the exterior of any Unit.

6. Vehicles/Parking

No mobile home, boat, recreational vehicle, trailer of any kind, truck (other than a maximum three-quarter (3/4) ton capacity truck of van designed for and used for personal, non-commercial use), camper, commercial or delivery vehicle, off-road vehicle, inoperable vehicles or permanent tent or similar structure shall be kept, placed, maintained or constructed, reconstructed or repaired upon any property within the Villa Alegre Community nor shall any motor vehicle be constructed, reconstructed or repaired within the Villa Alegre Community, except minor vehicle repairs that can be completed in the same day, during reasonable daytime hours. Such vehicle repairs must be conducted in the resident's designated parking space (s) and cannot in anyway damage the underlying surfaces maintained by the Association. With the exception of the clean-up requirements, the repair provisions of this paragraph shall not apply to emergency vehicle repairs, such as changing a flat tire. Commercial and delivery vehicles shall be permitted within the Villa Alegre Community for short durations while services are being performed and/or goods are being delivered to a unit.

Parking is prohibited in fire zones, non-designated Common Areas, or inside any backyard area and any such violations shall subject the vehicle to immediate tow away at the applicable owner's expense.

Any vehicle parked in such a manner as to impede, block or prevent ready access to the driveway, carport or garage of any Unit to which the vehicle does not belong, shall be subject to immediate tow away at the applicable owner's expense. All other parking violations addressed in these Rules may result in towing of the vehicles following seventy-two (72) hours after the vehicle has been tagged for a violation or the owner of the vehicle has been otherwise notified. Parking exceptions may be permitted under special circumstances only when granted in writing by the Board or property manager and then only with the express conditions set therein imposed.

Guest parking shall be limited to guest vehicles only and such vehicles may be permitted to remain overnight in guest parking spaces for a period of not more than two (2) weeks within any eight (8) week

period if written approval is secured from the board or property manager. Guest parking is limited to designated guest parking areas only. "Guests" shall include anyone other than a resident(s) of record.

Regardless of the cause, any leaking of vehicle fluids on any Common Areas, including streets, drives, or parking areas, must be cleaned up immediately.

The Association assumes no liability of any kind as a result of its control of vehicles and/or parking.

7. Children

City of Phoenix curfew requires children between the ages of 16 and 18 to be in their homes between the hours of midnight and 5:00 am, and children under the age of 16 must be in their homes between the hours of 10:00 pm and 5:00 am. City curfews will be strictly enforced within the Villa Alegre Community.

Parents/guardians are responsible for the supervision, safety and actions of their children at all times.

Playing in the streets or parking areas is prohibited. Playing should be limited to designated Common Areas or playgrounds. Parents/guardians should instruct children that playing in the streets, alleys or parking areas is not only unsafe, but prohibited.

Other than persons authorized by the Board of Directors or property manager, no person is permitted to access or walk on roofs, climb fences, or trees, or utilize any Common Area or facility for any purpose other than that accepted in the Phoenix Metropolitan area as the intended use.

Bicycles, tricycles, and any other wheeled toys or vehicles are prohibited on lawns, landscaped areas or any swimming pool area.

8. Pets

No animals, birds, fowl, poultry, or livestock, other than up to a total of two (2) generally recognized house pets, shall be maintained in any Unit within the Villa Alegre Community and then only if they are kept solely as domestic pets and not for commercial purposes. To the extent permitted herein, no animal or bird shall be allowed to the extent it disturbs surrounding residents or otherwise becomes a nuisance, and no structure for the care, housing or confinement of any animal or bird shall be maintained so as to be visible from any adjacent Unit or property. Upon the written request of any Member, the Board shall conclusively determine, in its sole and absolute discretion, whether, for the purposes of this paragraph, a particular animal or bird is a generally recognized house pet or a nuisance.

Pets shall not run free and must be walked on a leash under the human control at all times. An owner is responsible for the immediate removal of any pet droppings. Any decision by the Board of Directors shall be enforceable as any other restriction contained herein or in the operative documents.

Members are responsible for any damage caused by their pet (s) or the pet (s) of their family members, tenants, guests, invitees and/or licensees.

9. <u>Dumpsters</u>

All trash must be placed in designated dumpsters.

All trash is to be bagged and closed before being put into the dumpsters.

No furniture, crates, or other large items are to be put into the dumpsters, or left around the dumpsters. All such items are to be removed from the Villa Alegre Community by the resident.

Added costs for hauling away any items assessed against the Association will be charged to the Member.

Small children who are unable to lift and put the trash bags easily into the dumpster should not be sent to the dumpster.

Children may not play in, or around dumpsters.

No rummaging through the dumpsters is allowed.

Any trash spilled must be cleaned up immediately.

10. Violations: Fines and Penalties

Any infraction of these Rules or of any provision of the CC&Rs, Articles of Incorporation or By-Laws, by a Member (Owner), family member, tenant, guest, invitee or licensee, shall result in a fine against the applicable Member and penalized as follows (in addition to any other penalties, disabilities or remedies available to the Association):

<u>First Offense:</u> Optional warning; property manager, employee or board Member notifying of the violation; minimum \$25.00 fine; and/or suspension of Member's Membership Rights. Membership Rights include but are not limited to; use of Common and Recreational Facilities, Voting Rights, Membership meeting attendance, Membership meeting speaking privileges, Common and Restricted Common area parking rights, and any other Association related privileges as may be determined by the Board in an effort to gain compliance with these Rules, any provision of the CC&Rs, Articles of Incorporation or By Laws.

<u>Second and additional offenses:</u> Minimum \$100.00 fine and/or loss of Member's membership rights. Unless otherwise indicated in any notice of an offense, a continuing offense shall be deemed to be a new offense every ten (10) days, until remedied.

Vandalism will involve a fine as outlined above, plus reimbursement to the Association for the actual replacement or repair costs, and for such other amounts as more fully set forth in the operative documents.

Any charge or fine not paid by its due date, as set forth in the operative documents or as set forth by the Board of Directors, will be handled in the same manner as any other assessment.

With the exception of the attorney's fees or charges imposed for the late payment of assessments, all other monetary charges, penalties, or fines imposed against a Member for violation of the operative documents shall provide notice and an opportunity to be heard before the charge, penalty or fine is deemed binding and collectible. The notice requirement is satisfied by mailing a copy of the amount due and payable, postage pre-paid, to the applicable Member, to the Member's last address appearing on the books and records of the Association, or supplied by such Member to the Association for such notices, to the extent provided in the CC&Rs.

The hearing requirement is satisfied by allowing an opportunity for the Member to be heard at the next scheduled meeting of the Board of Directors or as otherwise set forth in the notice of violation. The Member so notified has the obligation to find out when and where the next scheduled Board of Director's meeting will be held or to satisfy the requirements set forth in the notice. Failure to satisfy the requirements of the notice or to attend said meeting will constitute a waiver of the right to a hearing by the Member. In the event of a hearing, any determination by the Board of Directors or designated committee shall be deemed conclusive.

11. Miscellaneous

The above Rules are not intended to conflict with the CC&Rs, Articles of Incorporation, or By-Laws of the Villa Alegre Association.

In the event any one or more of these Rules, or any portion thereof, is adjudged invalid or superceded by future action of the board of Directors or any governing body, such partial invalidity shall not affect any other Rule herein or any other portion of the directly affected Rule, all of which shall remain fully enforceable by the Board as to all Members, family members, tenants, guests, invitees and licensees as set forth above. In lieu of the superseded or invalid Rule or any portion thereof, the Board of Directors may promulgate additional Rules to take the place of, supersede and be effective with respect to the material, superseded or adjudged invalid Rule. In addition, the Board of Directors may, pursuant to the By-Laws of Villa Alegre Association, amend these Rules and promulgate new Rules from time to time.

The foregoing rules were adopted and approved by the Board of Directors on the 27th day of October, 2009.