

COLONY BILTMORE GREENS HOMEOWNER ASSOCIATION

RULES AND REGULATIONS CC&R VIOLATION AND ENFORCEMENT POLICY

Colony Biltmore Greens Homeowners Association has established the following Enforcement Policy for Covenants, Conditions and Restrictions (CC&Rs) violations enforcement, and any applicable monetary fines for continuing violations. This Policy is subject to amendment or modification at any time by majority vote of the Board. This Enforcement Policy for non-monetary violations is adopted in accordance with Arizona's Planned Communities Act, Arizona Revised Statutes 33-1801 through 33-1807 (Supp. 1997) and the provisions of the CC&Rs and Project Documents, as currently in force and effect.

First Notice

A letter will be sent to the Owner of the property outlining the violation. In the event that the Owner of the property can be identified as an absentee Owner, a copy of the violation letter will also be sent to the tenant at the property address. The Owner will be given fourteen (14) calendar days from receipt of the notice to bring the violation into compliance.

Second Notice

A letter will be sent to the Owner of the property outlining the violation. In the event that the Owner of the property can be identified as an absentee Owner, a copy of the violation letter will also be sent to the tenant at the property address. The Owner will be given seven (7) calendar days from receipt of the second notice to bring the violation into compliance.

Third Notice and Assessment of Initial Monetary Penalty

The Association will assess an Initial Monetary Penalty of twenty five (\$25) dollars if the Owner has not corrected or removed (or has chosen not to correct or remove) the violation or the violation has repeated or returned. The Owner will be given seven (7) calendar days from receipt of the third notice to bring the violation into compliance.

Fourth Notice and Assessment of Additional Monetary Penalty

The Association will assess an Additional Monetary Penalty of fifty (\$50) dollars if the Owner has not corrected or removed (or has chosen not to correct or remove) the violation or the violation has repeated or returned. The Owner will be given seven (7) calendar days from receipt of the fourth notice to bring the violation into compliance.

Repeat Monetary Inspection Penalty

After the imposition of the Initial and Additional Monetary Penalties, a Repeat Monetary Inspection Penalty of one hundred (\$100) dollars may be imposed upon each subsequent inspection if the Owner has not corrected or removed (or has chosen not to correct or remove) the violation or the violation is repeated or has returned. Inspections may be conducted as frequently as every seven (7) calendar days until the violation is brought into compliance.

Certified Mailing Fee

In addition to the monetary penalties, there will be a fifteen (\$15) dollar certified mailing fee assessed for each notice mailed after the First Notice.

Violations of the Same Offense

Should a period of time of at least six (6) months lapse between violations letters of the same offense, the next letter will be a First Notice again.

Exception to the Notice Procedure

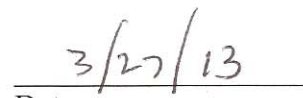
Violations posing a threat to the health, safety, and welfare of the community as a whole or any one or more other Owners may require immediate action and thus create exceptions to the foregoing notice provisions. Examples of health, safety, and welfare violations include, but are not limited to, the following: accumulation of trash and/or other materials that may attract pests; allowing a pool to become stagnant and improperly maintained; threat of flood or fire damage to neighboring properties; an escaped pet; or a collapsed structure or tree blocking the road or drivers' lines of vision.

Opportunity to be Heard

The Association recognizes each Owner's right to explain the reasons why there is a violation of the CC&Rs or the other Project Documents, particularly if the violation results in a monetary penalty. When a monetary penalty is assessed, an Owner has the opportunity to request a hearing before the Board of Directors. The Owner must provide a written request for a hearing no later than seven (7) calendar days from receipt of the monetary penalty. If the hearing is scheduled, and attended, the Owner is bound by the decision of a majority of the Board.



Authorized Signature



Date