WOODMAR IV ASSOCIATION, INC.

RULES AND REGULATIONS CC&R VIOLATION AND ENFORCEMENT POLICY

Woodmar IV Association, Inc. has established the following Enforcement Policy for Covenants, Conditions and Restrictions (CC&R's) violations enforcement, and any applicable monetary penalties for continuing violations. This Policy will be deemed part of the Association Rules and 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 Condominium Act, Arizona Revised Statutes, Title 33 and the provisions of the CC&R's and Project Documents, as currently in force and effect.

The Board of Directors has determined that the fine amounts set forth below are appropriate based on the nature of the violations. In determining the appropriateness of each fine, the Board of Directors has taken into account (at a minimum) the impact that the violation may have on the community as a whole, including but not necessarily limited to, property values and aesthetics; the impact that the violation may have on individual members of the community or HOA vendors ability to complete their work duties, a negative impact on the quiet enjoyment of their property and/or the common areas; and whether the fine amount is sufficient to increase the likelihood of compliance and reduce the likelihood of recurrence.

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 to bring the violation into compliance.

In the event the owner violates the illegal dumping violation, the owner will be given an immediate fine of \$500 for the first occurrence, \$1,000 second and \$1500 third occurrence and repeated from there. All fees will be comprised of the fine and an additional \$15.00 certified mailing fee.

In the event the owner violates the parking in common area violation, the owner will be given an immediate fine of \$250 for the first occurrence, \$500 for second occurrence, and \$1,000 for third occurrence and repeated from there. All fees will be comprised of the fine and an additional \$15.00 certified mailing fee.

Second Notice and Assessment of Initial Monetary Penalty

The Association will assess a Initial 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 fourteen (14) calendar days to bring the violation into compliance.

Third Notice and Assessment of Additional Monetary Penalty

The Association will assess an Additional Monetary Penalty of one hundred (100) 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 fourteen (14) calendar days to bring the violation into compliance.

Additional Monetary Penalty

After the imposition of the Maximum Initial Monetary Penalty, the full amount of the Additional Monetary Penalty of two hundred (200) dollars may be imposed upon subsequent inspections 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 will be conducted to coincide with the terms of the notices. The Owner will be given fourteen {14} calendar days to bring the violation into compliance.

Certified Mailing Fee

In addition to the monetary penalties there will be a fifteen {15} dollar certified mailing fee assessed per violation.

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. Any dollar amount spent by the association in addressing remedy to these immediate action issues, may be placed on owners account.

Should a period of time of at least ninety (90) days lapse between violation letters of the same offense, the next letter will be a First Notice again.

Exception to 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 at not limited to, the following: accumulation of trash and/or other materials that may attract pests; 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.

Right of Self-Help

The Association has the right (but not the obligation) to enter the Owner's property and to provide all maintenance and repairs that are necessary to remove 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.

Opportu nity to be Heard

The Association recognizes each Owner's right to explain the reasons why there is a violation of the CC&R's or the other Project Documents, particularly if the violation results in an assessment. Before any fine is assessed, an Owner has the opportunity to request a hearing before the Board of Directors . The Owner must provide timely <u>written</u> request for a hearing. If the hearing is scheduled, and attended, the Owner is bound by the decision of a majority of the Board.

Woodmar IV Association, Inc. Board President

Date