



**RESOLUTION OF THE BOARD OF DIRECTORS
VISTOSO COMMUNITY ASSOCIATION
ADOPTED: AUGUST 29, 2024**

This resolution is adopted by the Board of Directors of Vistoso Community Association pursuant to Arizona Revised Statutes §33-1803, which provides that the Association's Board of Directors is entitled to impose fines for violation(s) of the Declaration of Covenants, Conditions and Restrictions (CC&Rs) and any rules adopted by the Board of Directors. The procedure for imposing fines for such violation(s) is set forth below and supersedes any other such procedure previously adopted by the Board. This policy is presumptive for all violations regarding a condition on a Member's Lot. In its discretion, the Board may deviate from the policy depending on the facts and circumstances of an individual violation.

I. "Friendly Reminder" In most cases (but expressly excluding common area damage, yard/garage/estate sales, and/or any health and safety issues), and when appropriate as determined by the Association Manager or the Board, the first notification to an Owner of their violation of the CC&Rs or a rule will be by means of a "friendly reminder" letter. The Association Manager will issue the letter.

II. "Notice of Violation" - If compliance is not gained by the time of the next inspection (and after the expiration of the first notification/friendly reminder), a written "**Notice of Violation(s)**" together with a request to cease and desist from an alleged violation(s) may be sent to the Owner of the Lot via regular mail at a cost to the Member. Additionally, the Association may also apply stickers to improperly parked vehicles. The Notice of Violation shall specify the relevant facts relating to the violation.

Pursuant to ARS §33-1803, the Notice of Violation shall include:

- (A) The First and Last Name of the individual who sited the violation;
- (B) The provision or provisions in the Declaration or Rules that has allegedly been violated;
- (C) The date or dates the alleged violations were observed; and
- (D) The process the Owner must follow to contest the notice.

If the Owner is leasing his/her home, the Association may provide a copy of the Notice of Violation(s) to the Owner's tenant in addition to the Owner. In the Board's discretion, the Board may begin the process with the Notice of Violation, bypassing the Friendly Reminder. The Board may deviate from any guidelines herein based on the application of the factors contained in paragraph VI below.

III. Definition - Continuing Violation(s)/Recurring Violation(s). If the violation still exists after the expiration of the deadline for compliance provided in the third violation notice, a fine will be assessed per each observed violation until the violation is resolved. If the same violation reoccurs within the three (3) month period following the date of the Initial Violation Notice or any subsequent violation notice, it will be considered a recurrence of the original violation.

IV. “Notice of Hearing” - If an Owner would like to contest the Notice of Violation, the Owner can request a hearing by e-mailing the Association at askvca@ranchovistosohoa.com within fifteen days from the date of this letter requesting a hearing. Upon receipt of that request, the Association will contact the Owner with the details of the hearing. The notice should substantially contain the following information:

- (a) The nature of the alleged violation(s);
- (b) The time and place of the hearing, which shall be not less than ten (10) days from the date of the notice;
- (c) An invitation to attend the hearing and produce any statement, evidence, and witnesses on his or her behalf;
- (d) The proposed sanction to be imposed, which includes the imposition of a fine and the payment of any attorney fees incurred by the Association; and
- (e) Information pertaining to the manner in which the penalty will be collected if the violation is upheld.

V. Hearing.

- (a) The hearing shall be held pursuant to the Notice of Hearing. The complaining Member and the Owner shall be afforded a reasonable opportunity to be heard. In cases in which a complaining homeowner initiated the process, the Board shall evaluate the proof according to protocol adopted by the Board.
- (b) Before any sanction becomes effective, the Association shall submit proof of the notice and the invitation to be heard.
- (c) Such proof shall be deemed adequate if a copy of the notice together with a statement of the date and manner of delivery is entered into the Owner’s lot file.
- (d) The notice requirement is satisfied if the Owner appears at the meeting.
- (e) The minutes of the meeting shall contain a written statement of the results of the hearing and the sanctions, if any, to be recommended to the Board.

VI. Imposition of Fine and any other Sanctions.

(a) Fines. At the conclusion of the hearing, the Owner may be excused from the hearing and the Board of Directors shall deliberate on the amount of the fine to be imposed, if any, based on:

- The seriousness of the violation(s),
- Whether this is a first violation or a continuing violation(s)
- Whether the type of offense poses a danger to property or any person
- Any other extenuating circumstances and whether the Owner agrees in good faith to correct the violation(s) within the time specified by the Board of Directors.
- Whether the amount is sufficient to obtain compliance, based on the facts
- Impact on property values
- After the Board of Directors determines the amount of the fine, the Board of Directors shall send notice to the Owner of the amount of the fine and its due date.
- The Board of Directors is empowered to impose a fine for each day that the violation(s) continues. **SEE FINE GUIDELINES.**

The attached Fine Guidelines are not absolute. The Board of Directors may impose a fine in any reasonable amount, based on the application of the factors above.

(b) Costs. Owners to whom certified mail notices are sent shall be assessed the management company’s charge to the Association for the mailings. Owners may also be assessed an administrative processing charge. Each letter issued after a Friendly Reminder shall incur a cost to the Member (please see fine guidelines). Additionally, the Association reserves the right to assess charges imposed by its third-party vendors to process violations.

VII. Request for Reconsideration to the Board of Directors.

- (a) The Owner may request reconsideration by the Board of Directors.

- (b) In order to schedule an appearance before the Board, the Owner must submit a written request to the Association Manager within ten (10) business days of receipt of notice of the sanctions.
- (c) The meeting shall be scheduled, and the Owner notified of the date, time and location via certified and regular mail.
- (d) The meeting will be held in Executive session, unless otherwise requested by the owner, pursuant to the Notice of Hearing and the Owner shall be afforded a reasonable opportunity to be heard.
- (e) At the conclusion of the meeting, the Owner may be excused from the meeting and the Board shall issue a ruling on whether the sanction stands, is modified or is rescinded.
- (f) The Board shall send a written notice to the Owner of its ruling.
- (g) The ruling of the Board will be final.

VIII. Payment of the Fine and/or Penalties. The Board shall advise the Owner that any fine which is not paid within fifteen (15) days of its due date, is delinquent and subject to late fees and interest the same as any other assessment, subject to applicable Arizona law.

IX. Collection. Fines and penalties will be collected from the Owners.

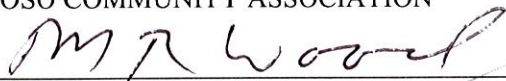
X. Injunctive Relief. If an owner fails to correct a violation after receiving notice of a violation, the Board of Directors may refer the matter to an attorney to file a lawsuit against an Owner to get a court order compelling the Owner to fix the violation. However, nothing in this Resolution or the attached Fine Guidelines shall limit the Board's right to seek immediate court intervention at any time, regardless of the presence or absence of notices or fines hereunder, for any violation that the Board of Directors determines in its sole and absolute discretion requires immediate action.

XI. This Policy is intended to serve as a guideline for the Association. The Board of Directors retains the right and authority to vary from this Violation and Enforcement Policy when, in its sole judgment, it determines that any such variance is appropriate. The decision by the Association to levy fines does not relieve the Owner from the obligation to correct the violations or comply with the Association's governing documents. These enforcement procedures and the remedies set forth herein do not constitute an election of remedies by the Association, and the Association reserves all such remedies available at law and in equity. The Association shall have the right to enforce the Governing Documents through any other remedies available to the Association concurrently with the enforcement procedures set forth herein.

XII. Where a Violation is determined to exist and is referred to the Board of Directors of the Association pursuant to any of the provisions of this Policy and where Management or the Board deems it to be in the best interests of the Association, the Association may, at any time during the enforcement process, refer the Violation to legal counsel for action seeking injunctive relief against the Lot Owner to correct or otherwise abate the Violation, or to pursue any other legal or equitable remedy that may be available to the Association.

Effective Date. The effective date of this resolution is 2024 DATED this 29th day of August.

VISTOSO COMMUNITY ASSOCIATION

By: , President

Attest: , Secretary



Fine Guidelines

'Friendly Reminder' Notification, no fine or administrative fee

First Violation, \$50 fine

Second Violation, \$100 fine

Third Violation, \$200 fine

Going forward after 3rd violation, up to \$500 fine,

(Administrative fee of \$20.00 added to every Violation)

Immediate Monetary fines per occurrence:

Sales: yard, garage, non-approved estate sales - \$250.00 per observation

Property Damage: Common area alterations or damage: \$150.00-\$500.00 plus cost to restore or repair.

The Board has the authority to deviate from these Fine Guidelines. The Board of Directors may impose a fine in any reasonable amount, based on the application of the factors above as set forth in the Violation Resolution.

The initial fine for any specific violation shall not be considered assessed until the Owner has been provided with both notice and an opportunity to be heard