

**UNANIMOUS CONSENT TO ACTION
BY THE BOARD OF DIRECTORS
RANCHO VISTA HOMEOWNERS ASSOCIATION**

C/o Associated Asset Management
7740 N. 16th Street, Suite 300
Phoenix, AZ 85020
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FINE POLICY AND
VIOLATION APPEAL PROCESS
COLLECTION POLICY

The undersigned, constituting all of the members of the Board of Directors of Rancho Vista Homeowners Association, Inc., an Arizona nonprofit corporation, hereby take the following action:

RESOLVED, that the Board of Directors hereby approves the attached Fine and Collection Policy and Violation Appeal Process for Rancho Vista Homeowners Association, Inc., attached to this resolution.

The Board of Directors hereby instructs the managing agent to notify all homeowners of the implementation of the fine system effective as of July 1, 2005.

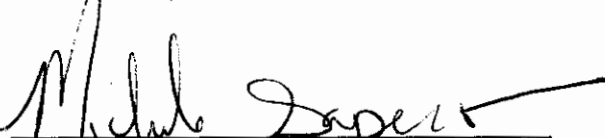
IN WITNESS WHEREOF, the undersigned have executed this consent as of this 1 day of July, 2005.



Mark Weber, President



Brent Smith, Vice President



Michele Saper, Secretary/Treasurer

RANCHO VISTA HOMEOWNERS ASSOCIATION

FINE POLICY FINE APPEAL PROCESS COLLECTION POLICY

Effective July 1, 2005

FINE POLICY

The following Fine and Appeals Policy shall be followed for the Rancho Vista Homeowners Association:

FIRST NOTICE: An initial notice of the violation shall be mailed via regular mail to the homeowner requesting compliance within fourteen (14) days - **NO FINE**.

SECOND NOTICE: If violation still exists, a second notice requesting compliance within ten (10) days shall be mailed via certified mail to the homeowner, return receipt requested. A **\$25.00 FINE** will be assessed and due immediately with the second notice.

THIRD NOTICE: If violation still exists, a third notice requesting compliance within ten (10) days shall be mailed via certified mail to the homeowner, return receipt requested. A **\$50.00 FINE** will be assessed and due immediately with the third notice.

FOURTH NOTICE: If violation still exists, a fourth notice requesting compliance within ten (10) days shall be mailed via certified mail to the homeowner, return receipt requested. A **\$50.00 FINE** will be assessed and due immediately with the fourth notice.

CONTINUING VIOLATIONS: If the violation continues without resolution after the fourth notice, a **FINE of \$100.00** shall be assessed **every ten (10) days** until the violation is resolved. In addition, the Board shall have the right to remedy the violation and/or take legal action, the cost of which shall be billed to the homeowner 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 stop the violation within no less than ten (10) days or ***another recurrence of the same violation within six (6) 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 Article IX, Section 2 of the Rancho Vista Homeowners Association C C & R's.

VIOLATION APPEAL PROCESS

- When a violation notice is sent to a homeowner, the notice includes a statement notifying the homeowner that they have the "RIGHT OF APPEAL".
- When a homeowner wants to appeal a violation, they must send the Management Company written notice that they are requesting an appeal of the violation.
- Appeals shall be received within five (5) days of the date of the fine notification (violation letter).
- Appeals shall demonstrate ***extenuating circumstances*** which require deviation from the CC&R's and/or guidelines.
- Appeals 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 be heard by the Board and shall be considered ***DENIED***.
- The homeowner appealing the violation will be given written notice that the appeal is scheduled.
- The appeal shall be heard in Executive Session.
- The Board President will introduce all parties.
- Lengthy discussions are not a part of an appeal process.
- The homeowner who is appealing will be asked to state their case and present any documentation that is applicable.
- Each Board Member will have the opportunity to ask the homeowner specific questions regarding the appeal.
- Upon completion of the question and answer period, the Board President will state that the appeal has been heard and the Board will make their decision in closed session. Then "Written Notice" will be given to the homeowner of the Board's decision within seven (7) working days.
- If the appeal is denied, the homeowner must bring the violation into compliance within fourteen (14) days. If the violation still exists after fourteen (14) days, the homeowner will be fined \$100.00 every fourteen (14) 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.

ASSESSMENT COLLECTION POLICY

LATE FEE: A fee of \$15.00 will be assessed on every account showing one full assessment due after the published delinquent date.

Assessment Collection Schedule:

1. Written reminder to property owner on the fifteenth (15th) day of the assessment payment month that account is outstanding and a late fee has been applied to account.
2. Written demand letter mailed certified and regular U.S. Mail the thirtieth (30th) day after assessment is past due. All demand letter fees are the responsibility of the property owner.

3. A lien is filed on every account that shows the assessment being at least ninety (90) days past due. The delinquent account is assessed a lien fee. The lien shall not be released until such time as the account is paid in full. All lien fees are the responsibility of the property owner.
4. After a lien is filed on the property, should the account remain outstanding, the balance is sent to an attorney for collections. All legal fees are the responsibility of the property owner.

Payments will be applied to an account as follows:

1. Past due assessments
2. Fines
3. Demand letter fee
4. Lien fee and legal costs
5. Late charges

The Board of Directors shall not consider waiver of late fees, lien fees, or attorney collection fees incurred on an account where the assessment was not paid in accordance with the Assessment Collection Policy through no fault of the Association or its Agent.

Payment plans will be accepted under the following conditions:

Payments made without benefit of a properly executed payment plan will not be construed as a payment plan, and collection activity shall be initiated in accordance with the Assessment Collection Policy.

Late fees as provided in the Assessment Collection Policy shall not be charged during the term of the payment plan if payments are received in accordance with the plan.

A minimum payment plan payment equal to one-sixth of the full assessment due plus collections costs will be accepted on a monthly basis.

A lien will be filed and attorney collection proceedings will be implemented upon default of payment plan with no further notice to the property owner.