SANDPIPER RESORT OWNERS ASSOCIATION P.O. Box 771 Parker, AZ 85344 Sandpiperhoa@yahoo.com

VIOLATION ENFORCEMENT POLICY

The Sandpiper Resort Owners Association (the "Association") is charged with the responsibility to enforce the Declaration of Covenants, Conditions and Restrictions for Sandpiper Residential Community and the amendments thereto (the "Declaration"), as well as all rules and regulations adopted by the Association (the "Rules"). The Board of Directors (the "Board") has the power to act in all instances on behalf of the Association, and may enforce the Declaration and Rules in any manner provided for in the Declaration, Bylaws, or Articles of Incorporation of the Association. Such enforcement measures include, but are not limited to, the right to file an action against a defaulting Owner and/or Occupant of the Lot, and the right to impose monetary penalties for noncompliance.

The following violation enforcement policy is established for the assessment of monetary penalties for infractions only, and shall not restrict the Board's right to enforce the Declaration, Bylaws, or Rules in any lawful manner. Further, pursuant to Article XIII of the Declaration, the Association and the Board shall have the authority to correct a violation, and to do whatever is necessary for that purpose, and all expenses in connection therewith shall be charged to and assessed against the Owner in violation.

To that end, the following policy and procedure will generally be used. However, the Board may vary from this policy depending on the nature and/or number of violations, and the past violation history of the Owner or Occupant who is in violation of the Constituent Documents.

1. The Board authorizes the Association's community manager to carry out this violation enforcement policy with respect to the Declaration and the Rules.

2. Establishment of Violation.

- **a.** Architectural. Any exterior addition, alteration, or change of any kind or nature to any Unit or Lot which has not first been approved by the Board (or an architectural committee appointed by the Board) as required and provided for in the Declaration, or which does not in all respects conform to that which has been so approved is deemed a violation under this policy.
- **b.** Use Restrictions. Any activity or condition allowed on any Lot which is prohibited by the Declaration and/or the Rules is deemed a violation under this policy. This provision shall include actions required of Owners and Occupants by the Declaration including, but not limited to, Owner delivery of a copy of an applicable lease for the entire Lot to the Association as required by Article II, Section 17 of the Declaration.

- **c.** Common Areas. Any activity, condition, or personal conduct prohibited by the Declaration or Rules governing use of the Common Area shall be considered a violation under this policy.
- **d. Recurring Violations**. All recurring violations shall be treated as set forth below. For purposes of this policy, a "recurring violation" shall be defined as a violation that happens more than once. Recurring violations may include, but are not limited to, violations relating to pets and garage doors. *For purposes of this policy, large/recreational vehicles parking shall not be considered a recurring violation. Rather, large/recreational vehicles shall be addressed as set forth below.*

3. Initial Notice of Violation.

- **a. Initial Notice.** Upon community manager verification of the existence of a violation, an initial notice will be sent to the Owner providing the specific information regarding the violation and requesting that corrective action be taken within seven (7) days of the date of the notice or, if the violation is of a recurring nature, that the violation be immediately cured. This initial notice may be in the form of personal contact, telephone call, voice mail message, email, door hanger and/or a written letter.
- b. Initial Notice of Large/Recreational Vehicle Violation. Upon community manager verification of the existence of a large vehicle, recreational vehicle, trailer, boat, camper, bus, motorcycle or other similar type vehicle or equipment violation (hereinafter "Large/Recreational Vehicle", as further described in Article II, Section 8 of the Declaration), an initial notice will be made to the Owner, as described in "Initial Notice" above, requesting that the vehicle be removed from the Lot, street, or the Property within twenty-four (24) hours. Notice will also inform the Owner that, unless a hearing is requested within ten (10) business days pursuant to Paragraph 5 below, if they are still in violation after the twenty-four (24) hour period, the violation will result in a fine in the amount of \$100.00 per Large/Recreational Vehicle, which will be imposed each day that such vehicle is improperly parked or used on the Property, and that further action, including legal remedy and/or towing may be pursued at the Owner's expense.

4. Second Notice of Violation.

a. Second Notice. If the Owner fails to remedy the violation, or the Board or architectural committee has denied approval of the Owner's submission, a Second Notice of Violation shall be sent to the Owner requesting that the violation be remedied or that any work on any exterior improvement or alteration must cease immediately and that corrective action must be taken within ten (10) business days of the date of the Second Notice of Violation to avoid fines being levied and further action taken.

- **b.** Second Notice of Recurring Violations. If the same violation occurs a second time within a three (3) month period, a Second Notice of Violation shall be sent to the Owner requesting that the violation be remedied immediately, and stating that if the violation occurs again, fines will be imposed in the amount of \$25.00 per day each day the violation exists.
- 5. Hearing Request. An Owner may set forth in writing to the Board or architectural committee a request for a hearing and a basis for contesting in good faith the violation within ten (10) business days of the Notice of Violation. Failure to make the hearing request within such time period will waive the Owner's opportunity for said hearing. A hearing will be granted and permitted when requested within the allowable timeframe. At such hearing the Owner shall have an opportunity to be heard and will have the right to present oral and written evidence. The Board shall deliver to the Owner within seven (7) days after the hearing a written decision, and the monetary penalty assessed by the Board becomes due and payable upon receipt of the Board's decision. Such monetary penalty may be imposed retroactively to the date of the Notice of Violation in the sole discretion of the Board.
- 6. Remediation by Owner. Except in the cases of recurring violations, in the event that the Owner voluntarily corrects the violation within the compliance time frame noted in the Notice of Violation, no further action shall be taken.

7. Failure to Remedy.

- **a.** Failure to Remedy. Failure to cease all work immediately or remedy the current violation within ten (10) business days after the date of the Second Notice of Violation ("Notice of Fine Date") shall constitute a continuing violation and will result in a fine of \$25.00 per day beginning to accrue no earlier than ten (10) business days following the Notice of Fine Date.
- **b.** Failure to Remedy Recurring Violations. If the same violation occurs for a third or subsequent time, the violation will result in a fine in the amount of \$25.00 imposed each day the violation exists. Said fines will be levied against the Owners; and/or referred to counsel for any legal remedy, including but not limited to injunctive relief.
- c. Failure to Remedy Large/Recreational Vehicle Violation. Failure to remedy a Large/Recreational Vehicle violation within the initial twenty-four (24) hour period will result in a fine in the amount of \$100.00 per Large/Recreational Vehicle, which will be imposed each day that such vehicle is improperly parked, and towing may be pursued at the Owner's expense. Such fines and expenses will be levied against the Owner; and/or referred to counsel for any legal remedy, including but not limited to injunctive relief.