

**GREEN VALLEY FOOTHILLS TOWNHOUSES, INC.**  
**(AKA GREEN VALLEY FOOTHILLS TOWNHOUSES IV)**  
**ENFORCEMENT POLICY**

The following Enforcement Policy was adopted by the Board of Directors of Green Valley Foothills Townhouses IV, (the “Association”) on **November 1, 2023**. This Policy is authorized by the Arizona Planned Communities Act in the Arizona Revised Statutes (see A.R.S. §33-1803) and the Governing Documents and supersedes any enforcement policy or procedures previously adopted by the Board.

**Introduction:** This Policy establishes how the provisions of the Governing Documents will be enforced in the Association. In the spirit of neighborliness and community, violations that Owners note on another’s property should be addressed with a personal contact and in a cooperative manner whenever possible. If violations cannot be resolved through this approach, then the enforcement procedures in the Association Documents and in this Policy shall be followed.

- 1 Establishment of a Violation:** An activity or condition existing on any Lot that violates a provision(s) of the Governing Documents, and which is not authorized in writing by the Association’s Board of Directors (the “Board”), is deemed a “violation”. Please note that Article 11 in the Amended and Restated Deed Restrictions also addresses enforcement of violations.
- 2 Reporting a Violation:** Verbal complaints about violations on Lots or in the Common Area will not be accepted from Owners or residents. The complainant must submit his/her complaint or concern in writing to the Board of Directors. The pertinent provision in the Arizona Planned Communities Act (A.R.S. §33-1803) requires that the name of person(s) observing the violation may have to be revealed to the alleged violator. In addition, if there is court action, the complainant may need to testify.
- 3 Informal Notification:** If the condition of a Lot is in violation of the Governing Documents, as noted by or reported to the Association, an Association representative will contact the Owner by telephone or in writing (via email, hand delivery, or U.S. Postal Service). The Owner will be informed of the violation and asked to rectify it within the following two weeks.
- 4 First Notice of Violation:** If Owner has failed to correct the violation on his/her Lot within two weeks from the date of the informal notification or has not made alternative arrangements for compliance with the Association, a first notice of violation will be sent to the Owner (via first class mail) with a timetable for corrective action, which will be at least 21 calendar days from the date of notice. The notice of violation may be disregarded by the Owner if the violation has already been corrected or if plans have already been submitted to the Board or the appropriate committee to correct the violation.
- 5 Contents of First Notice:** The Association’s first notice of violation shall provide at least the following information:
  - A. The rule or restriction that allegedly has been violated.
  - B. Action(s) required to cure violation and time limit for compliance.

- C. The date of the violation or the date the violation was observed.
- D. A copy of this Enforcement Policy to assure the Owner is aware of the process he/she must follow to contest the notice.
- E. Notice of the Owner's option to petition for an administrative hearing on the matter in the Arizona Department of Real Estate pursuant to A.R.S. §32-2199.01.

**6 Contesting the Notice of Violation:** If the Owner wishes to contest the first notice of violation, he/she shall provide a written response by certified mail within 21 calendar days after the date of the Association's first notice of violation. This shall include a request for any additional information he/she requires. This response shall be sent to the Association's address shown on the notice of violation.

**7 Response by Association to Owner:** Within 10 business days after receipt of the Owner's response, the Board or appropriate committee of the Board shall respond to the Owner with a written explanation regarding the notice of violation and shall provide any additional information the Owner reasonably requires in addition to the first and last name of the person(s) who observed the violation.

**8 Second Notice of Violation:** After the procedure in Paragraphs 5-6 is completed, or after the initial 21-day notice period set forth in the first notice of violation (if Owner has not responded in accordance with the procedures in this Enforcement Policy), a follow-up inspection will be conducted if applicable. If the Owner has not cured the violation(s) within the time specified or if any submitted plans to cure the violation are not approved, a second notice of violation will be sent, wherein the Owner will be instructed to cure the violation(s) within 7 calendar days after the date of the second notice. Alternatively, at this point, the Board may elect to follow the procedures set forth in Section 4.3 of the Deed Restrictions to correct the violation on the Lot. If the Board elects to act under Section 4.3 of the Deed Restrictions, Paragraphs 9 -17 below do not apply.

**9 Notice of Hearing:** A follow-up inspection will be conducted on or after the deadline set in the second notice of violation. If the non-compliance still has not been cured, the Board may refer the matter directly to the Association's Attorney for further action or may send the Owner a "Notice of Hearing" via certified mail, return receipt requested, and by first-class mail, wherein the Owner will be invited to attend a Hearing Panel and have an opportunity to be heard before further enforcement action is taken. The date, time and location shall be stated in the Notice of Hearing. If the Owner fails to respond to the Notice of Hearing within 10 days of the date of Notice, he/she will be deemed to have waived the right to a hearing and will be subject to further enforcement action by the Board, which may include the imposition of monetary penalties.

**10 Hearing:**

- A. Hearing Panel: A quorum of the Board of Directors shall act as the Hearing Panel.
- B. Designated Representative: An Owner may present to the Hearing Panel (prior to the hearing) written notification that another person is the Owner's designated representative. A designated representative may speak on behalf of the Owner. If the Owner is bringing legal counsel to the hearing, the Board must be notified at least seven (7) days prior to the hearing.

- C. Procedure for Hearing: Procedure for the hearing will be set by the Board. The Owner and any designated representative will be informed of the procedure before the hearing begins. The Owner and/or his/her designated representative will be given an opportunity to present supporting documentation and testimony to show cause why further enforcement action should not be authorized by the Board, which could include the levy of a monetary penalty and/or referral of the matter to the Association's attorney.
- D. Closed Session: The hearing will be held in Executive (closed) Session unless the Owner requests that the hearing takes place in an open meeting.

**11 Proof of Delivery of Notice:** Proof of delivery to the Owner of the Notice of Hearing shall be deemed adequate if a copy of the notice, together with a statement on the date and manner of delivery is entered in the minutes of the hearing, by the officer, director, or agent who mailed or delivered the Notice.

**12 Procedure If Owner or Representative Does Not Appear:** If the Owner or his/her designee does not appear at the hearing, they shall be deemed to have waived their right to a hearing, and the Board may levy a monetary penalty, take other enforcement action, and/or refer the matter to the Association's attorney for further action.

**13 Hearing Panel's Decision:** Notice shall be sent to the Owner within ten (10) business days after the date of the hearing, stating the Board's decision, including the amount of any monetary penalty or other enforcement action that may have been imposed by the Board, and its due date and/or date of implementation.

**14 Schedule of Monetary Penalties:**

- Minor Violations: \$150.00 for each violation, plus \$50.00 for each month or portion of a month that the violation continues.  
Examples of Minor Violations signs remaining up, flagpole height, cluttered carport or yard, loose pets, not picking up after dogs, parking of recreational vehicles, etc.
- Major Violations: \$500 for each violation, plus \$200 for each month or portion of a month that the violation continues.  
Examples of Major Violations: unauthorized construction, much needed exterior maintenance, removal/trimming of trees from common land, noncompliance with business restrictions (9.4 Deed Restriction), etc.).
- The Hearing Panel has discretion to reduce the monetary penalties imposed depending on the circumstances.

**15 Repeat Violations:** A penalty for repeated violation of an Association rule or restriction may be imposed by the Board for each issue of noncompliance of the same rule or restriction.

**16 Delinquency of Penalty:** Any monetary penalty imposed, which has not been paid within fifteen (15) days after its stated due date, shall be delinquent, and a late charge of \$15.00 or 10% of the penalty, whichever is greater, shall be added to the penalty.

**17 Collection of Penalties:** The Association shall have a lien for penalties and associated late charges, attorney fees and costs, imposed for violation of an Association rule or restriction, after the entry of a judgement in a civil suit for penalties, late charges and associated attorney fees and costs, by a court of competent jurisdiction, and the recording of that judgment in the office of the Pima County Recorder. This lien shall be effective on conveyance of any interest in the subject Lot. The Association may collect the amounts due under the judgment prior to conveyance of the lot, by any lawful means.

**18 Cumulative Rights and Remedies:** All rights and remedies of the Association at law or in equity are cumulative, and the exercise of one right or remedy shall not waive the Associations' right to exercise another right or remedy. This means that the Association's Board can decide to bring a lawsuit against an Owner to enforce an applicable Association rule, restriction, or statute in addition to or instead of imposing a monetary penalty. This also means that all pertinent provisions of the Declaration also apply.

DATED this 7<sup>th</sup> day of DECEMBER, 2023.

GREEN VALLEY FOOTHILLS TOWNHOUSES, INC.

BY: Julianne Pepschagen  
ITS: PRESIDENT

### Timeline Summary:

1. Violation Reported
  - a. 2 weeks to rectify or submit a solution.
2. If not in compliance Board sends first official notice
  - a. Sent first class mail.
  - b. 21 days to rectify.
3. If Owner Contests
  - a. Owner sends Certified Letter to Board within 21 days of first notice.
  - b. Board responds within 10 days of receiving.
4. If no response by Owner in 21 days, Board sends second official notice.
  - a. Owner has 7 days to rectify.
  - b. If no response by Owner, Board may Act per Section 4.3 of Deed Restrictions.
5. Hearing process if needed.
  - a. Paragraphs 11-15
6. Monetary Penalties  
Paragraphs 15-18