


**ACTION IN WRITING  
OF THE  
BOARD OF DIRECTORS  
OF  
BOULDERS CASITAS CONDOMINIUM ASSOCIATION**

The undersigned, constituting all of the members of the Board of Directors of Boulders Casitas Condominium Association, an Arizona nonprofit corporation, hereby take the following actions in writing and without a meeting pursuant to Section 10-3821, Arizona Revised Statutes, which actions shall have the same force and effect as if taken by the Board at a duly called meeting of the Board:

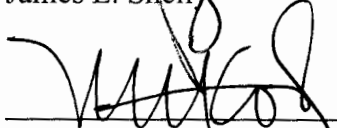
RESOLVED, that the Boulders Casitas Condominium Association Rules attached hereto as Exhibit A be and they are hereby adopted to become effective immediately.

Dated this 8th day of April, 2005.




---

James E. Shelly



---

Matthew H. Cody



---

Michael Corkle

**THE BOULDERS CASITAS CONDOMINIUM ASSOCIATION**

**RULES**

**THE BOULDERS CASITAS CONDOMINIUM ASSOCIATION**

**RULES**

**TABLE OF CONTENTS**

**Page**

**ARTICLE 1**

**PURPOSE, ORGANIZATION AND FINANCE**

1.1	Condominium Documents.....	1
1.2	Management.....	1
1.3	Finance.....	2

**ARTICLE 2**

**ASSOCIATION PROPERTY AND FACILITIES**

2.1	General Rules.....	3
2.2	Other Rules.....	3

**ARTICLE 3**

**ANTENNAS/SATELLITE DISHES**

3.1	Communication Services.....	4
3.2	Approved Devices.....	4
3.3	Restricted Devices.....	5

**ARTICLE 4**

**POLICY OF CORRECTIVE ACTIONS  
AND  
SCHEDULE OF FINES**

4.1	Procedures.....	5
4.2	Violations of Section 4.6 of the Declaration, Improvements and Alterations.....	5
4.3	Violations of Section 4.7 of the Declaration, Trash Containers and Collection.; Open Fires.....	5
4.4	Violations of Section 4.9 of the Declaration, Animals.....	6
4.5	Violations of Sections 4.14 and 4.15 of the Declaration, Vehicles and Parking.....	6
4.6	Other Violations of Condominium Documents.....	6

**ARTICLE 5**

**MISCELLANEOUS**

5.1	Complaints Concerning Violations.....	6
5.2	Modification of Rules.....	7
5.3	Conflict.....	7

# THE BOULDERS CASITAS CONDOMINIUM ASSOCIATION

## RULES

(Adopted April 8, 2005)

### ARTICLE 1 PURPOSE, ORGANIZATION AND FINANCE

**1.1 Condominium Documents.** The Boulders Casitas Condominium Association (the "Association") was established on October 19, 2004, as an Arizona nonprofit corporation for the purpose of providing management, maintenance and care of the Common Elements and any other property placed under its jurisdiction. The duties and powers of the Association are defined in the Condominium Documents, which are as follows:

- (i) Condominium Declaration for The Boulders Casitas, a condominium, as may be amended from time to time (the "Declaration");
- (ii) Articles of Incorporation of The Boulders Casitas Condominium Association;
- (iii) Bylaws of The Boulders Casitas Condominium Association; and
- (iv) The Boulders Casitas Condominium Association Rules (the "Rules").

Each Unit Owner in The Boulders Casitas Condominium is provided with a copy of all Condominium Documents. By taking title to a Unit within The Boulders Casitas Condominium, a Unit Owner agrees to comply with the provisions of the Condominium Documents as they pertain to the Unit Owners and Members. Throughout these Rules capitalized words will have the same meanings as described in Article 1 of the Declaration unless they are defined otherwise in these Rules. These Rules are only a part of the Condominium Documents; Unit Owners are encouraged to read all Condominium Documents to gain an understanding of how the Association operates and what restrictions are placed upon the Unit Owners and their property.

**1.2 Management.** The Board of Directors of the Association ("Board") is responsible for the administration of the Association and is authorized to hire personnel necessary for the daily operation of the Association and its Common Elements. Until 75% of the Units in the Condominium have been conveyed to Unit Owners, the declarant under the Declaration (Cachet-Boulders, LLC) has the authority to appoint and remove members of the Board. After conveyance of 75% of the Units in the Condominium to Unit Owners, the Board will be elected by the Members of the Association. Each Unit Owner is a Member of the Association.

The Board has contracted with a property management company ("Property Manager") to oversee the daily operation of the Association. The Property Manager will work closely with the Board to assure that the Association is being operated in a manner that will enhance and preserve

the community. The Property Manager's name, telephone number and address will be provided to each Unit Owner upon the close of escrow for the Unit.

**1.3 Finance.** The funds necessary to operate the Association and its facilities are provided by the Assessments levied by the Association against each Unit within The Boulders Casitas Condominium. The Board, subject to the provisions of the Declaration, has the authority to levy a Common Expense Assessment to provide for the operation and management of the Association and Special Assessments for the cost of any construction, reconstruction, repair or replacement of Common Element facilities. The financial stability of the Association is dependent upon the timely payment of all Assessments. The following rules shall apply to the payment of Assessments:

1st day of each month: Assessment is due and payable to The Boulders Casitas Condominium Association at the address provided by the Property Manager

5th day of month: If payment is not received at the above address by this date, a \$15.00 charge for late payment is automatically assessed (charges for late payment will be applied on every account showing one full assessment due with no notice to Unit Owner). The Property Manager will then mail a notice to the delinquent Unit Owner advising that a lien will be recorded and Justice Court action will be started if the amount remains unpaid 60 days after due.

60th day following date assessment was due: If payment has not been received within 60 days after its due date, then (i) interest at the rate of 12% per annum on the unpaid assessment shall begin to accrue from the due date, (ii) fees to cover the cost of lien recording and Justice Court filing will be charged to the delinquent Unit Owner's account, (iii) a lien will be recorded on the Unit Owner's property, and (iv) a complaint seeking all delinquent assessments, costs and fees will be filed in Justice Court. At this point, payment must include the collection costs and be paid by cashiers check, certified check or money order. The lien will remain on the property until the account is current.

When judgment is received from Justice Court: Matter referred to attorney or collection agency for collection. Any fees incurred in the collection of this matter will be charged to the delinquent Unit Owner.

Returned checks: There will be a \$25 charge for checks not paid by a Unit Owner's bank.

The fiscal year for the Association is the calendar year. The amount of the Common Expense Assessment will be determined each year by the Board and all Unit Owners will be

notified of the Common Expense Assessment to be charged for the next year in accordance with the provisions of the Declaration.

## **ARTICLE 2 ASSOCIATION PROPERTY AND FACILITIES**

**2.1 General Rules.** General rules applicable to all Association Common Elements and facilities are as follows:

**2.1.1 Code of Conduct.**

- (i) All persons must conduct themselves in a civil and courteous manner at all times and must not jeopardize or interfere with the rights and privileges of others.
- (ii) Loud, profane, indecent or abusive language is prohibited.
- (iii) Harassment or physical abuse of any person by another is prohibited.
- (iv) No person's actions shall compromise the safety of another.

**2.1.2 Responsibility.** Residents are responsible for their guests while using Association Common Elements and facilities.

**2.1.3 Notices and Advertisements.** No notices, advertisements or posters of any kind shall be placed or distributed on Association Common Elements without the prior written consent of the Board.

**2.2 Other Rules.**

**2.2.1 Vehicle Parking.** Any vehicle parked in areas other than permitted by the Declaration shall be subject to being immediately towed. Sections 4.14 and 4.15 of the Declaration set forth specific parking restrictions.

**2.2.2 Storage of Hazardous Materials.** The storage of flammable or hazardous materials or substantial amounts of chemicals in Units or garages is prohibited.

**2.2.3 Garages.** The use of a garage for a workshop or any other use that would violate Section 4.20 of the Declaration is prohibited.

**2.2.4 Water Usage.** To limit drainage problems and conserve water, washing of vehicles within the Condominium (including garages and driveways) is prohibited.

**2.2.5 Trash Containers.** Trash containers may be left at the curb for pickup no earlier than 5:00 p.m. on the day before the scheduled pickup is to occur and may remain at the curb until no later than 9:00 a.m. on the day after the scheduled pickup is to occur.

**ARTICLE 3**  
**ANTENNAS/SATELLITE DISHES**

**3.1 Communication Services.** If a Unit Owner desires to install an antenna for the purpose of receiving television or other communications services, the rules in this Article 3 apply.

**3.2 Approved Devices.** An antenna one meter or less in diameter or diagonal measurement which is designed to receive signals from direct broadcast satellites (DBS) or designed to receive video programming services from multi-channel multi-point distribution (wireless cable) providers (MMDS) or an antenna that is designed to receive television broadcast signals (TVBS) may be placed, installed, or kept on a Unit if the antenna complies with the restrictions set forth in Subsections 3.2.1 through 3.2.5. For the purposes of this Section 3.2, a restriction shall be deemed to impair the user's ability to receive signals from a provider of DBS, MMDS or TVBS if compliance with the restriction would unreasonably delay or prevent installation, maintenance or use of the antenna, unreasonably increase the cost of installation, maintenance or use of the antenna or preclude reception of an acceptable quality signal.

**3.2.1** The antenna must be placed on the Unit in such a manner as to not be Visible from Neighboring Property unless it is impossible to do so without impairing the user's ability to receive signals from a provider of DBS, MMDS or TVBS.

**3.2.2** If the antenna cannot be placed on the Unit in such a manner as to not be Visible from Neighboring Property without impairing the user's ability to receive signals from a provider of DBS, MMDS or TVBS, then the antenna must be screened by landscaping or by some other means so that it is not Visible from Neighboring Property, unless such screening would impair the user's ability to receive signals from a provider of DBS, MMDS or TVBS, in which event the antenna must be screened by landscaping or by some other means to reduce to the greatest extent possible its Visibility from Neighboring Property without impairing the user's ability to receive signals from a provider of DBS, MMDS or TVBS.

**3.2.3** If the antenna is mounted on a Dwelling or other structure and is Visible from Neighboring Property, the antenna must be painted a color that will blend into the background against which the antenna is mounted, unless the painting of the antenna would impair the user's ability to receive signals from a provider of DBS, MMDS or TVBS.

**3.2.4** An antenna that is less than one meter in diameter and is designed to receive video program services from MMDS or an antenna designed to receive TVBS may be mounted on a mast that does not exceed 12 feet in height above the roof line. However, the mast shall be no higher than the height necessary to establish line of sight contact with the transmitter. If the mast or antenna is Visible from Neighboring Property, the mast or antenna must be painted a color that will blend into the background against which the antenna is mounted, so long as the painting of the antenna does not impair the user's ability to receive signals from the MMDS or TVBS provider.

**3.2.5** The antenna may not be installed, erected or placed on the Unit until 7 days after the Board receives written notice of the proposed installation. The notice to the Board

must contain information regarding the proposed location of the antenna on the Unit and the manner in which the antenna will be installed in order to be in compliance with the restrictions set forth in this section.

**3.3 Restricted Devices.** No antenna which exceeds one meter in diameter or diagonal measurement and no mast which exceeds 12 feet in height above the roof line may be placed, installed, constructed or kept on any Unit without the prior written approval of the Board.

**ARTICLE 4  
POLICY OF CORRECTIVE ACTIONS  
AND  
SCHEDULE OF FINES**

**4.1 Procedures.** No fines will be assessed without notice and an opportunity to be heard. Article 5 of the Bylaws sets forth the notice and hearing procedures for fines. Any fine for which a Unit Owner has waived the right to be heard, or any fine affirmed by the Board after hearing, shall be paid in accordance with instructions by the Board. Pursuant to Subsection 3.4.1(v) of the Declaration, the Association is entitled to suspend the rights of a Unit Owner or resident to use the Common Elements if fines are not paid when due. In addition to levying fines as penalties for infractions, the Association also may exercise any other remedy available pursuant to the Declaration or pursuant to Arizona law.

**4.2 Violations of Section 4.6 of the Declaration, Improvements and Alterations.** The Board shall levy a fine of one hundred dollars (\$100) against a Unit Owner for the failure by such Unit Owner, or by a resident of such Unit Owner's Unit, to obtain written approval from the Board prior to constructing or installing an Improvement that requires approval pursuant to Section 4.6 of the Declaration, or for the failure to comply with any other provision of Section 4.6 of the Declaration. A Unit Owner may submit a request for approval to the Board after the Board levies the fine, but the request will not be considered until the earlier of (i) payment of the fine by the Unit Owner, or (ii) determination by the Board that the fine should not be assessed.

The failure by a Unit Owner or resident to remove or satisfactorily correct an Improvement that the Board has disapproved may result in the Association taking legal action to correct the violation. In any such legal action, the Association will seek to recover all attorneys' fees resulting from the action pursuant to Section 13.15 of the Declaration and pursuant to Arizona law. In addition, the Board may levy an additional fine of twenty dollars (\$20) per day for each day a Unit Owner fails to comply with instructions from the Board with respect to removal or correction of an Improvement installed without written approval.

**4.3 Violations of Section 4.7 of the Declaration, Trash Containers and Collection.; Open Fires** The Board shall levy a fine against a Unit Owner for the failure by such Unit Owner, or by a resident of such Unit Owner's Unit, to comply with Section 4.7 of the Declaration and Subsection 2.2.5 of these Rules. The Board may levy against a Unit Owner a fine equal to ten dollars (\$10) multiplied by the number of days the violation exists, not to exceed a maximum fine of fifty dollars (\$50). The Unit Owner of each Unit shall be entitled to one (1) warning letter before a fine is levied. If the next violation after a warning letter is



committed more than one (1) year after the warning letter is issued, then another warning letter shall be issued before a fine is levied.

**4.4 Violations of Section 4.9 of the Declaration, Animals.** The Unit Owner of a Unit shall be subject to a fine of (i) twenty-five dollars (\$25) for the first violation, (ii) fifty dollars (\$50) for the second violation and (iii) one hundred dollars (\$100) for the third violation and each violation thereafter for the following violations of Section 4.9 of the Declaration. The Unit Owner of a Unit shall be entitled to one (1) warning letter before the first fine is levied.

- (i) failure by a resident to observe the leash rule;
- (ii) failure by a resident to control an animal so that it is not a nuisance or does not make an unreasonable amount of noise; and
- (iii) failure by a resident to immediately remove feces deposited by an animal on any Unit or Common Element.

If a second or third violation is committed more than one (1) year after the previous violation for which a fine was assessed, then the fine for a first violation shall apply.

**4.5 Violations of Sections 4.14 and 4.15 of the Declaration, Vehicles and Parking.** The Unit Owner of a Unit shall be entitled to one (1) warning letter prior to the Board taking any action. The failure to comply with the warning letter in the time provided therein, or a second or subsequent violation within one (1) year after the previous violation, will result in the Board levying a fine of fifty dollars (\$50) for each time a Unit Owner fails to comply with directions from the Board to correct the violation. No warning letter will be issued on second or subsequent violations. In addition, the Board also may exercise its rights pursuant to Section 4.16 of the Declaration by towing the vehicle. The costs and expenses of towing the vehicle shall be charged to the Unit Owner as provided in Section 4.16 of the Declaration.

**4.6 Other Violations of Condominium Documents.** Violations by a Unit Owner of any provision of the Declaration, Bylaws or these Rules not specifically provided for in this Section may result in the Board levying a fine against the Unit Owner in the amount of (i) twenty-five dollars (\$25) for the first violation, (ii) fifty dollars (\$50) for the second violation and (iii) one hundred dollars (\$100) for the third violation and each violation thereafter if the violation is one that is not continuing in nature, or in the amount of ten dollars (\$10) multiplied by the number of days the violation exists if the violation is one that is continuing in nature. Any Unit Owner committing a continuing violation shall be entitled to one (1) warning letter before a fine is levied.

## **ARTICLE 5 MISCELLANEOUS**

**5.1 Complaints Concerning Violations.** A Unit Owner or resident may report an alleged violation to the Association by a telephone call to the Property Manager.

**5.2 Modification of Rules.** These Rules may be modified from time to time as may be deemed necessary in the sole discretion of the Board of The Boulders Casitas Condominium Association.

**5.3 Conflict.** In the event of any conflict between these Rules and the Declaration, the Declaration shall control. In the event of any conflict between these Rules and the Bylaws, the Bylaws shall control. In the event of any conflict between these Rules and the Master Governing Documents, the Master Governing Documents shall control.