

## Elk Run Townhouse Owners Association

### COMPLIANCE POLICY

Purpose: To ensure compliance with the Association's Governing Documents (including the Articles of Incorporation, By-Laws, CC&Rs and the Rules and Regulations) and the laws of the State of Arizona, and to maintain, preserve, enhance, and protect the property values and assets of the community.

1. The owner shall be advised in writing with a Courtesy Notice. The owner will be given fourteen (14) days to correct the violation, but this number may be changed depending upon the circumstances.
2. If the owner does not comply with the request in the Courtesy Notice, the Association will send a First Notice of Non-Compliance. The Notice will specify the provision of the Document that has been violated, the date the violation was observed, the name of person(s) who observed the violation, amount of monetary penalty (see fine schedule), and the process the owner must follow to contest the Notice, and right to be heard. The owner will be given at least ten (10) business days to correct the violation, contest the notice pursuant to statute and/or request an opportunity to be heard.
  - 3(A). If the owner complies but requests an opportunity to be heard regarding the monetary penalty, the Association will respond within ten (10) business days.
  - 3(B). If the owner does not comply and requests an opportunity to be heard regarding the monetary penalty, the Association will respond within ten (10) business days.
  - 3(C). If after ten (10) business days of sending the First Notice, the owner does not comply, and does not request an opportunity to be heard, the Association will send Second Notice of Non-Compliance which will specify the amount of the monetary penalty (see Fine Schedule), and right to be heard.
4. If, after ten (10) business days of sending the Second Notice, the owner does not comply, and does not request an opportunity to be heard, the Association will send a Final Notice of Non-Compliance which will specify the amount of the monetary penalty (see fine Schedule), and/or turn matter over to legal counsel for legal action.
5. If an owner does not comply beyond that set forth in step 4 above, the Association may enforce further action to include increased fine and/or legal counsel.
6. At any time, the Association may turn a matter over to legal counsel for legal action.

#### Compliance Policy Monetary Penalty Schedule

Courtesy Notice No fine

First Notice of Violation: \$100.00

Second Notice of Violation: \$250.00

Final Notice of Violation: \$500.00

Further action to be determined by the Board to include legal action or other options as allowed by the Association's Governing Documents (including the Articles of Incorporation, By-Laws, CC&Rs and the Rules and Regulations) and the laws of the State of Arizona.

*Updated 10/22/16*