RULES of the

CATALINA PUEBLO ASSOCIATION

Adopted by the Board of Directors of the Catalina Pueblo Association

Revised September 2023

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RULES of the CATALINA PUEBLO ASSOCIATION

1. General Provisions.

<u>1.1. Purpose.</u> We choose to live in Catalina Pueblo because of: its unique architectural character; the quality and high level of maintenance exhibited by its homes, landscaping and common facilities; and the strong sense of community shared by its residents. We ensure these positive characteristics by agreeing to be governed in the use and enjoyment of our property by rules. This document describes those Rules.

<u>1.2. Authority.</u> The Declaration of Protective Covenants, Conditions and Restrictions for Catalina Pueblo (the "CC&Rs"), Section 2.6, authorize the Board of Directors (the "Board") of the Catalina Pueblo Association (the "Association") to adopt rules governing property subject to the CC&Rs, including both lots owned by individual homeowners ("Lot" or "Lots") and the pool lots and streets owned by the Association ("Common Area"). The Lots and Common Area are collectively referred to as the "Properties". Based on that authority, the Board has adopted these Rules of the Catalina Pueblo Association ("Rules").

<u>1.3. Applicability.</u> The Rules apply to: all owners of lots in Catalina Pueblo ("Owner" or "Owners"); all family members, guests or tenants of Owners who reside in Dwelling Units on the Lots ("Resident" or "Residents"); and all non-resident guests, visitors, mortgagees, agents, contractors, workmen and licensees present on the Properties ("Non-Residents"). It is the responsibility of all Owners to obtain a copy of the Rules, familiarize themselves with them, and keep abreast of any changes. Owners are also responsible for ensuring that all Residents of and Non-Residents on their Lots are aware of and comply with the Rules.

<u>1.4. Adoption; Amendments.</u> Most of the Rules may be adopted, amended or repealed by either (1) a two-thirds (2/3) vote of the Board, or (2) a vote of the Owners of a majority of the Lots at the annual meeting, a special meeting or by mail ballot. Some Rules, however, contain wording also found in the CC&Rs. Such wording may not be changed unless the same wording in the CC&Rs is amended. Cross-references to the relevant provisions of the CC&Rs and Arizona statutes are provided in brackets [__].

<u>1.5. Enforcement.</u> The Rules will be enforced the same way as the CC&Rs. Procedures for enforcement are provided in Section 12 of the Rules.

<u>1.6. Definitions.</u> Terms used in the Rules shall have the same meaning as the definitions of those terms provided in Article 1 of the CC&Rs.

2. Home, Lot, and Landscaping Rules.

2.1. Home and Landscaping Changes.

2.1.1. Changes requiring Board approval [CC&Rs 8.1]. Advance approval for the following exterior changes must be obtained from the Board:

- (1) Any structural alteration, addition, or change (including color) to the exterior of any improvements placed on a Lot, including the townhome or any other existing structure, such as patio walls, carports, garages, mailboxes, lampposts and lighting fixtures (the "Dwelling Unit"). Separate documents containing specific rules governing the enclosure of carports and outdoor lighting have been adopted. These documents are reproduced as Appendices A and B of these Rules. They are also available on the Catalina Pueblo website (www.catalinapueblo.com).
- (2) Any new construction of or at a Dwelling Unit, including a fence, wall, patio, driveway, or other surfaced area.
- (3) Any change in the existing grade or topography of a Lot.
- (4) Any major changes to existing landscaping including but not limited to: the planting or removal of trees; the removal of specimen cacti; the use of decorative boulders, stones and rock ground cover; and the installation of walls or berms. Board review is not required for landscaping located within patios enclosed by walls.
- (5) Board approval is not required for an exterior change of Dwelling Unit color or other existing structure color which is not visible from adjacent Lots, Common Areas, designated pedestrian easements and streets (the "Neighboring Property"). An exterior color change is visible if it can be seen by a person six (6) feet tall standing at ground level anywhere on Neighboring Property.
- 2.1.2. Procedure for Board review of changes [CC&Rs 8.2, 8.4, 8.5, 8.10].
 - (1) Complete plans and specifications (including a construction schedule) must be submitted to the Board showing the nature, design, kind, quality, shape, height, materials, color scheme and location of any proposed exterior changes. (Landscaping changes not requiring additional plans may simply be described to the Board in writing.)
 - (2) If a proposed change involves extensive or detailed construction plans, the Board may retain an architect or other building professional to assist and advise the Board with its review and approval of those plans.
 - (3) Prior Board approval is required for a proposed change which involves structures or landscaping which may encroach upon a Common Area or the removal of existing landscaping in a Common Area. Where a potential encroachment is sought, the Board may require the Owner to have the boundary between their Lot and the Common Area surveyed and staked and the extent of the encroachment shown on their plans. Where the proposed encroachment involves an existing utility easement, the Board may require the Owner to use the utility "Blue Stake" procedure to prevent damage to underground utility lines. If approved by the Board, an encroachment will be memorialized by a license or easement granted to and recorded by the Owner.
 - (4) Within 30 days after the first regular meeting of the Board following submission, the Board will approve or disapprove, in writing, all plans submitted to it. A majority vote of the Board, at a meeting at which a quorum is present, is required to approve a proposed

change. When approval is granted, construction may begin as soon as necessary governmental permits are obtained and submitted to the Board along with a copy of the permit application.

- (5) Once approved, the plan cannot be modified unless all changes are submitted to the Board for additional approval.
- (6) The project may not present a safety risk to any person or place, nor compromise the structural integrity of adjoining structures.
- (7) The project must be completed within six months of the start date provided by the Owner. Posting a bond may be required for exceptions. The Board must be notified if the start date changes.
- (8) Members of the Board may, after reasonable notice to the Owner, inspect the change during and after construction to ensure the approved plans are followed.

2.1.3. Violation; enforcement [CC&Rs 8.8]. If an Owner fails to obtain Board approval for changes or fails to carry out the changes according to the approved plans, he or she is violating these Rules and the CC&Rs. Violations may be handled as provided in Section 12 of these Rules.

<u>2.2 Dwelling Unit Design Standards.</u> A distinguishing feature of Catalina Pueblo is its variety of floor plans, building materials and architectural details—all within a unifying vocabulary of Spanish Colonial Revival design. To maintain the visual coherence of the community intended by its founders, the following Rules describe the materials, color and construction detail standards for changes requiring Board approval.

2.2.1. Building materials. The predominant building materials used in the construction of Catalina Pueblo homes are:

- (1) Building walls: stucco on concrete masonry, stucco on wood frame/lath, and unstuccoed burnt adobe.
- (2) Patio walls: unstuccoed burnt adobe, and stucco on concrete masonry with burnt adobe coping and decorative details.
- (3) Patio and carport roofs, supporting posts, shade structures and window lintels: wood construction.
- (4) Exterior storage areas within carports: vertical wood siding or formed plywood equivalent (T-Board).
- (5) Parapet wall coping: burnt adobe and cast concrete.
- (6) Windows, doors, sliding glass door surrounds: steel casement, cast concrete, wood and aluminum.
- (7) Roofs: Clay tile for visible pitched porch and building roofs; laid up construction for flat porch and building roofs behind parapets.
- (8) Decorative cast concrete details: canales/scuppers, spherical finials, coping, quatrefoil window frames, brackets, columns, etc.

2.2.2. Exterior colors. The subsections below list exterior paint colors either approved for use by Owners or allowed with Board approval. The colors are keyed to the building elements to which they will be applied; for example, stucco walls, woodwork, metalwork, etc.

These colors are available from Dunn-Edwards paint company. It is STRONGLY RECOMMENDED that only paint purchased from Dunn-Edwards be used so that the finished paint job will match the

approved colors. Dunn-Edwards paint is available in three grades ranging from least to most expensive as follows: Professional, Premium and Ultra- Premium. A discount is available from Dunn-Edwards for Catalina Pueblo Owners by referencing Catalina Pueblo Association or discount number 6065192.

The names of the colors listed below are in *italics* followed by the Dunn-Edwards color number in parentheses. The finish (sheen) level approved for the listed types of surfaces is also given; for example, Eggshell, Semi-Gloss, etc. Where a color such as black for lampposts, mailboxes, etc., is given, the paint may be purchased anywhere, and a semi-gloss sheen level should be used. Note subsection 2.2.2.1(11) which allows factory-applied colors on replacement elements (for example, windows, sliding doors, gutters, and garage doors) with Board approval.

2.2.2.1 Required Colors

- (1) Burnt adobe block used for walls (houses and patios), vertical surfaces of adobe blocks used as coping to cap stucco parapet walls, roof tiles, terra-cotta scuppers:
 - Do NOT paint.
 - A breathable, matte finish, water repellent sealant, formulated expressly for baked adobe.
- (2) Stuccoed walls and decorative cast concrete details:
 - Dunn-Edwards Spanish White, (DEC 724), Eggshell.
- (3) Exterior woodwork, including: supporting patio posts, beams and roofs; patio shade structures; window lintels; doors and door trim; T-board plywood paneling; wooden patio gates:
 - Dunn-Edwards Weathered Brown, (DEC 756), Eggshell.
 - Dunn-Edwards heavy bodied stain tinted to match Dunn-Edwards *Weathered Brown* (DEC 756).
- (4) Gutters and downspouts:
 - Dunn-Edwards Weathered Brown, (DEC 756), Eggshell or Semi-Gloss.
 - Dunn-Edwards Spanish White, DEC 724, semi-Gloss
- (5) Original metal window frames and metal casements:
 - Unpainted clear anodized aluminum or painted Dunn-Edwards, *Weathered Brown*, (DEC 756), Semi-Gloss.
 - Black, semi-gloss.
- (6) Front Doors:
 - Dunn-Edwards, *Weathered Brown*, (DEC 756), Semi-Gloss.
 - Stained wood (mahogany or similar transparent stain).
- (7) Original glass sliding door frames:
 - Unpainted clear anodized aluminum or painted Dunn-Edwards *Weathered Brown,* (DEC 756), *Semi-Gloss*.
 - Where replaced by wood or vinyl/metal-clad wood sliding glass or French doors: Dunn-Edwards *Weathered Brown*, (DEC 756) or *Spanish White*, (DEC 724), *Semi-Gloss*.

- (8) Garage doors:
 - Dunn-Edwards Weathered Brown, (DEC 756), Semi-Gloss.
 - Dunn-Edwards Spanish White, (DEC 724), Semi-Gloss.
- (9) Ironwork and metal work including patio gates, mailboxes, lampposts:
 - Black, semi-gloss finish (spray or brushed).
- (10) Cast concrete details:
 - Dunn Edwards, Spanish White, (DEC 724), Eggshell.
- (11) Prefinished replacements for items in subsections 4, 5, 7, and 8 should match colors named above or use the nearest matching available factory-applied colors.

2.2.2.2. Allowed exterior colors. A selection of alternative colors may be used with prior Board approval, as follows:

- (1) Alternate colors for an accent on a single stucco wall, and foundations within entry, side and rear patios:
 - Dunn-Edwards *Ruddy Oak*, (DE 5188), Eggshell.
 - Dunn-Edwards La Terra, (DE 5172), Eggshell.
 - Dunn-Edwards Weathered Saddle (DE 5187), Eggshell.
- (2) Alternate color for stucco "eyebrows" (toldos) above windows:
 - Dunn-Edwards Dry Creek, (DE 6122), Eggshell.
- (3) For porch ceilings planks (planks only; not rafters, joists, beams or posts):
 - Dunn-Edwards Sparkling River, (DE 5763), Flat or Eggshell.
 - Dunn-Edwards *Dry Creek*, (DE 6122), Flat or Eggshell.
- (4) For metal or vinyl window frames and metal or vinyl casements, and door frames:
 - Dunn-Edwards Mediterranean Sea, (DE 5830), Semi-Gloss
 - Dunn-Edwards *Teal me No Lies*, (DE 5732), Semi-Gloss.
 - Dunn-Edwards Reef Encounter (DE 5733), Semi-Gloss
 - Black, Semi-Gloss
- (5) For cast concrete details:
 - Dunn-Edwards Dry Creek, (DE 6122), Eggshell.
- (6) For metal patio gates:
 - Rusted steel finish, natural or chemically weathered.
 - Dunn-Edwards Weathered Brown, (DEC 756), Semi-Gloss.
- (7) For T-board plywood paneling and doors of exterior closets located on rear porches and adjoining the principal building's stucco wall:
 - Dunn-Edwards Spanish White (DEC 724), Eggshell.

2.2.3. Architectural details. One of the distinctive features of Catalina Pueblo is the Spanish Colonial architectural detailing included in the design of homes by the original developer, such as beveled wooden porch support posts and decorative wooden corbels, iron fasteners, cast-concrete corbels and canales, wall niches, shade "eyebrows" above windows, and various chimney cap treatments. Changes to existing buildings or the construction of new buildings and structures should preserve existing details and incorporate new details consistent with the original home and other homes in Catalina Pueblo.

2.2.4. Paving. Permitted driveway surfaces are: small-chip loose gravel; poured & brushed concrete; exposed aggregate concrete; paving brick laid on sand; or chip seal (base, oil and crushed gravel surface); no tinted concrete or asphaltic concrete without chip seal surface. External patios and sidewalks are generally poured, brushed concrete, exposed aggregate concrete or paving brick laid on sand; no tinted concrete or asphaltic concrete without chip seal surface. Any paving repair or replacement must be Board-approved in writing.

2.3. Specific Development Standards [CC&Rs 8.2].

2.3.1. Setbacks. No building, garage, addition or other structure, such as a fence, wall, entrance feature or hedge, may be built or installed between the existing 50-foot or 55-foot building setback lines as shown on the subdivision plats of Catalina Pueblo and the exterior property lines along Campbell Avenue and Avenida de Posada, respectively.

2.3.2. One-story construction. Only a single, one-story home shall be allowed on each Lot, with the exception of the residences built by the original developer at 2741 E. Avenida de Pueblo and 6231 N. Campbell Avenue.

2.3.3. Outbuildings. Freestanding secondary or temporary structures of any sort are prohibited, except for the existing freestanding garages built by the original developer.

2.3.4. Patio walls. Patio walls closer than 30 feet to the front property line may not be more than 4 feet high.

2.3.5. Building codes. It is the responsibility of the Owner to ensure that any remodeling, construction or reconstruction approved by the Board complies with all applicable county, state and federal building codes and that necessary permits are obtained.

2.4. Landscaping.

2.4.1. Plant materials. Plant materials in areas outside of patio walls shall be natural (not plastic or artificial), and either desert, desert-adapted or drought-tolerant. Any grass grown inside patios must be a pollen-free variety.

2.4.2. Use of boulders, rock groundcovers. Any crushed rock or decomposed granite used as groundcover must resemble native soil and rock both in color and material; no colored or white rock or stones shall be used.

2.5. Exterior Lighting.

2.5.1. Lampposts. Metal lampposts of a uniform design were provided with Catalina Pueblo homes when constructed. They were installed street side, along driveways, or mounted on garage wingwalls.

(1) Lamppost lights must be automatically turned on at dusk and turned off at dawn. These lights may not be controlled by a manual switch.

- (2) The Association will supply and maintain street side lamppost bulbs for all Properties. Owners and Residents are required to use the bulbs purchased by the Association.
- (3) If it is determined the bulb control or other electrical wiring of a lamppost on a Lot is defective, the Owner shall be notified in writing to conduct the repair. Should the repair not be completed within 14 days, the Association is authorized to make the repair and invoice the Owner for the cost as described in Rules Section 12.2.1. [CC&R 6.1.3]

2.5.2. Other permanent exterior lighting.

Such exterior lighting includes house-mounted and yard lighting.

- All new fixtures visible from streets and adjacent Lots must be consistent and in harmony with the general style and character of similar existing fixtures on homes in Catalina Pueblo. Examples of such existing fixtures may be found in Appendix B of these Rules.
- (2) Light bulbs in house-mounted fixtures visible from streets and adjacent Lots must be amber in color or installed behind amber glass in the fixture.
- (3) All exterior fixtures must comply with the Tucson/Pima County Outdoor Lighting Code (reproduced at: <u>http://webcms.pima.gov/UserFiles/Servers/Server_6/File/Government/Development%20Serv</u> ices/Building/OLC.pdf). Generally, unshielded fixtures shall not be used.
- (4) Exterior lights other than lampposts must be placed so they are not directed toward streets or adjacent Lots.

2.5.3. Exterior holiday lights and decorations. The Association welcomes the display of holiday lights and decorations by Owners and Residents. However, holiday lights and decorations which are permanently displayed or are in poor condition no longer serve their intended function.

- (1) Colored holiday lights and holiday decorations may be displayed from 30 days before the date of the holiday through 14 days after the date of the holiday.
- (2) Decorations must be appropriate to the holiday and in good condition.
- (3) The Board has the sole discretion to determine whether decorations on a Lot violate the intent of these provisions.

2.6. Outdoor Storage, Waste Disposal.

2.6.1. Clotheslines. Clotheslines may not be visible from adjacent Lots or streets. No portion of the Common Area may be used for drying personal articles belonging to Owners, Residents or-Non-Residents.

- 2.6.2. Woodpiles. Woodpiles must be within patio walls and may not be visible from streets.
- 2.6.3. Storage [CC&Rs 9.6].
 - (1) No portion of a Lot (including carport, driveway, porch, utility easements and any area visible from the street, Common Areas, or adjacent Lots) may be used for the permanent storage of construction materials, rubbish or garbage of any kind, household goods, furniture, business equipment, or for the storage of anything which will cause the Lot to appear unclean, untidy or unsightly.
 - (2) Construction equipment and debris must be removed within a maximum of 15 days of project completion.

2.6.4. Disposal of yard waste [CC&Rs 9.6]. No trash, yard waste or rubbish of any kind may be dumped or otherwise discarded on a Lot, the Common Area, or public street rights-of-way adjoining Catalina Pueblo.

2.6.5. Other Conditions; Board discretion. The Board may, in its sole discretion, determine whether any similar conditions on a Lot violate the intent of these provisions.

<u>2.7. Antennas, Roof-Mounted Equipment</u>. Board approval is required for mounting exterior equipment or devices visible from adjoining property and streets, including heating and cooling equipment, evaporative coolers, solar panels, and antennas for radio and television reception. No Board approval is required to replace such equipment, provided the replacement is approximately the same size and height, or to install radio, television, or satellite dish antennas up to the maximum size protected by federal law. Removal of non-functional equipment is strongly encouraged.

2.7.1. Preferred location of solar panels and satellite dish antennas. Wherever practical, solar panels and satellite dish antennas should be located behind the parapet walls on the main roofs of houses, so as not to be visible from streets and adjacent Lots.

<u>2.8. Mailboxes</u>. All mailboxes and supporting standards must adhere to the uniform shape, color (black) and design approved by the Board.

2.9. Signs, Flags, and Yard Ornaments.

2.9.1. Signs. No signs may be placed on a Lot, Common Area or the streets except:

- For sale, lease and rent signs displayed on a Lot by its Owner which shall not exceed eighteen by twenty-four inches and a sign rider which shall not exceed six by twenty-four inches [Arizona Revised Statutes 33-1808 (F)]
- (2) Temporary open house signs for homes listed for sale placed at appropriate locations in the area to direct interested parties to the property, but only while the Lot is open for inspection.
- (3) Security system signs having an area of not more than 1 square foot.
- (4) Political signs.
 - May not be placed on Common Areas.
 - On private Lots, they may not be placed earlier than 71 days before the day of an election, and later than 3 days after the election. [Arizona Revised Statues 33-1808(C); Pima County Zoning Code 18.79.110(C)].
 - The maximum aggregate total dimensions of all political signs on a Lot shall not exceed 16 square feet [Arizona Revised Statutes 33-1808(C)].

2.9.2. Flags. No more than two flags may be displayed at one time on a Lot and must be kept clean and in good condition. Flagpoles and standards on which flags are flown may be no higher than a Dwelling Unit's tallest parapet wall.

2.9.3. Yard ornaments, sculpture and furniture permanently placed or erected on a Lot so as to be visible from the street or adjacent Lots shall not be so numerous, large, or of such color and design that they are inconsistent with the scale of the buildings and landscaping on the Lot and the Spanish Colonial Revival architectural theme of the community. The Board has the sole discretion to determine if such yard features conform to the intent of this provision.

<u>2.10. Rainwater Storage Systems.</u> Water storage systems that collect roof runoff are allowed, provided they conform to the following requirements:

2.10.1. Are placed within the Owner's patio walls.

2.10.2. Are not visible from the street or from patios of adjacent Lots.

2.10.3. Are intended for landscape irrigation purposes only.

2.10.4. Collect only roof runoff.

2.10.5. Have filters/screens to catch debris, dust and silt, and prevent breeding of mosquitoes.

2.10.6. Do not overflow onto adjacent Lots.

2.10.7. Have backflow prevention where connected to irrigation systems that are also connected to City of Tucson potable water.

2.10.8. Meet all applicable government codes.

2.10.9. Are regularly maintained to prevent them from becoming a hazard or liability to the Owner or to any adjacent Lot.

3. Exterior Maintenance.

<u>3.1. Homes</u> [CC&Rs 6.1.1]. Maintenance and repair of homes and all other improvements on a Lot, including patio walls, plumbing, electrical, gas and sewer lines (as well as the extensions of such lines into Common Area streets), are the responsibility of each Owner.

<u>3.2. Landscaping Maintenance</u> [CC&Rs 6.1.1]. Maintenance of landscaping located on a Lot, (including on utility, pedestrian, and drainage easements) is the responsibility of the Owner. Landscaping must be compatible with the general appearance of the community and considerate of the interests of neighbors. The condition of landscaping may not detract from the general standard of tidiness and care. Noxious growth such as mistletoe, desert broom and ragweed must be removed. Packrat middens must be removed and the area cleaned to prevent re-infestation.

<u>3.3. Drainage and Utility/Pedestrian easements</u> [CC&Rs 6.1.1, 6.1.4, 7.3 & 7.5]. There are several existing natural watercourses or washes that carry storm waters through Catalina Pueblo. Although these washes are mostly located on individual Lots, they are subject to utility/pedestrian easements and an easement for drainage purposes granted by our subdivision plats to Pima County. Existing native vegetation in the wash areas shall not be removed but should be maintained at least annually so as not to obstruct the flow of storm waters or create a fire hazard. No rubbish or yard waste of any kind may be deposited in these areas. Each Owner is responsible for the maintenance of washes and utility/pedestrian easements located on his or her Lot. Leaf litter, dead trees, dead limbs, dead shrubs and dead undergrowth that constitutes a fire hazard should be removed annually.

<u>3.4. Failure to Maintain</u> [CC&Rs 6.1.4]. Each Owner is responsible for the maintenance and repair of all improvements and landscaping on his or her Lot, the easements within the Lot boundaries, and the washes within the Lot boundaries. Maintenance and repair shall be undertaken in a manner and with such frequency as shall keep each Owner's Lot in an attractive, well-kept and maintained condition.

3.4.1. The Board members designated as the Architecture Committee and Landscape Committee chairpersons may adopt procedures for their respective committees to periodically review Catalina Pueblo Lots for potential violations of these maintenance Rules, notify responsible Lot owners of any identified maintenance issues, and conduct follow up inspections to ensure compliance. If a maintenance issue remains unresolved, the Architecture and/or Landscape chairpersons will refer the potential violation to the Board for enforcement actions as provided below and in Rules Sec. 12.

3.4.2 The Board shall have the right to determine whether or not a Lot is in need of maintenance and repair in order to conform to the standards generally exhibited throughout Catalina Pueblo, and the Board shall use a reasonably high standard to determine whether such maintenance and repair is required so that the Lots as a whole will reflect a high pride of ownership.

<u>3.5. Avoiding negative maintenance impacts.</u> Any mechanized treatment of Dwelling Unit exterior surfaces or landscaped areas, such as spray-painting, sand-blasting, power-washing, or herbicide spraying, should be tented or conducted in a manner that does not adversely affect adjacent Lots.

4. Parking; Speed Limit.

<u>4.1. Parking in Designated Areas Only</u>. Owners, Residents and Non-Residents must park vehicles in the carport, garage, or driveway of a Lot. No portion of any vehicle parked in a driveway may extend into the road. Non-Residents may park on the street, but not overnight. Temporary parking for Non-Residents is available at the pool areas, but there is no overnight parking in those areas without a parking permit from the Board.

<u>4.2. Parking Requirement</u>. To ensure unobstructed passage of residential, trash collection, delivery, utility and emergency vehicles, no vehicles may block any Lot, inhibit access to or from any Lot, or be parked in any manner which restricts the flow of traffic. Nor may any vehicle be parked in a utility easement or wash.

<u>4.3. Recreational Vehicles</u>. Parking or storage of recreational vehicles (including but not limited to trailers, campers, motorhomes, mobile homes, and boats) is generally prohibited on all portions of Catalina Pueblo except within the confines of a carport or garage or with the permission of the Board. However, a recreational vehicle may be parked temporarily on the paved parking area of an Owner's Lot, on the street, or in any Common Area parking spot designated by the Board in order to load or unload the vehicle or to provide temporary parking for a transient guest of an Owner. Such parking may not exceed 24 hours in any 7-day period.

<u>4.4. Prohibition Against Inoperable Vehicles</u>. Unless concealed from view in a fully-enclosed garage, no inoperable, unlicensed, junked or wrecked vehicles may be parked or stored on any portion of Catalina Pueblo.

<u>4.5. Commercial Vehicles</u>. No commercial, construction or like vehicles may be parked or stored overnight in Catalina Pueblo other than inside a garage or carport, except with the permission of the Board.

4.6. Speed Limit. A speed limit of 15 miles per hour is imposed on all vehicles within Catalina Pueblo.

<u>4.7. Enforcement of Parking Restrictions</u>. If any Owner, Resident or Non-Resident violates this Section regarding vehicle parking and storage, the Association may take any action necessary to obtain compliance, including the removal of vehicles. Any cost shall be paid by the Owner.

5. Swimming Pools; Common Area Damages.

5.1. Use of Pools by Owners and Residents.

5.1.1. Use of the Common Area pools is limited to Owners, Residents and their-non-resident guests. Any other persons using the pools are subject to prosecution for trespassing.

5.1.2. Access to the pools is controlled by keyed gates to the pool enclosures. The Association provides a set of two keys (one for the pool enclosure gates and a second for the bathroom doors) to new Owners and to all Owners if re-keying is necessary. A \$25 per key charge will be imposed to replace keys.

5.1.3. Non-resident guests using the pools unaccompanied by an Owner or Resident must have the pool pass from the Owner or Resident.

5.1.4. Pool hours are from sunrise through 11:00 p.m. Exceptions to these hours for private parties may be arranged through the Board member responsible for pools or his/her designee (Pool Chair). Anyone using the pools after 11:00 p.m. without permission of the Pool Chair will be subject to prosecution for trespassing.

5.1.5. The pools are not supervised by lifeguards at any time.

5.1.6. Children under 14 must be accompanied by an adult responsible for their behavior and safety.

5.1.7. For safety and health reasons, the Adelita Pool spa is for the use of persons 5 years and older. Spa use by children under the age of 5 is prohibited.

5.1.8. Persons with colds, skin or other body infections, open wounds, diarrhea or any other contagious conditions are excluded from the pools and spa.

5.1.9. Do not use the pools and spa during electrical storms.

5.2. Pool Conduct and Equipment.

5.2.1. The gates providing access to the pool fenced enclosures are to be kept closed and locked at all times.

5.2.2. Persons must shower to remove all lotions and oils before entering the pool and spa.

5.2.3. Persons using the pools and spa must wear swimming suits. Nudity is prohibited. Incontinent persons and children who are not toilet-trained must wear tight fitting rubber or plastic pants or a swim diaper.

5.2.4. No glass containers are allowed within fenced pool areas at any time.

5.2.5. The spa must be covered when not in use.

5.2.6. Floats in the pool must be in the immediate possession of the swimmer.

5.2.7. Safety equipment (ring buoy and shepherd's crook) is for emergencies only.

5.2.8. Only the Pool Chair responsible for the pools may alter temperatures or water levels.

5.2.9. Courteous and safe behavior is required at all times of persons using the pool areas. No running, pushing, rough-housing, excessive noise or otherwise obnoxious behavior that creates a hostile environment or endangers the safety and enjoyment of the pools by other users will be tolerated.

5.2.10. Ramada lights are to be turned off when leaving pool areas at night.

5.2.11. No animals are allowed in fenced pool areas.

5.2.12. Place empty beverage containers and other trash in the containers provided at each pool.

5.2.13. All existing rules and new rules applicable to the pools-will be posted at pools and distributed to Owners and Residents.

5.3. Prohibited Activities in the Common Area. No smoking, vaping or firearms are permitted in the Common Area.

5.4. Common Area Damage [CC&Rs 5.3].

5.3.1. If any Common Area Improvement, including but not limited to the pools, pool decks, ramadas, restrooms and showers, pool equipment and plumbing, lighting, furniture, signs and landscaping, is damaged by a willful or grossly negligent act of an Owner, Resident or any of their non-resident guests, that Owner shall be liable for the damage.

5.3.2. As provided in CCRs Section 5.3., Owners have contractually authorized the Association to repair the damaged Common Area property. The Board will promptly repair or replace the damaged property, and the Owner shall repay the Association the amount expended for the repairs.

5.3.3. The Association's charges for the cost of repairs will be delinquent if not paid by the Owner within 30 days after completion of the work and submittal of the charges to the Owner by the Board. The Board may recover the delinquent amount as a reimbursement assessment as provided in Rules Sec. 12.3.2.

6. Animals [CC&Rs 9.1]. No animals except domesticated pets belonging to an Owner or Resident may be kept or maintained on the Properties. The keeping of pets is subject to the following limitations:

<u>6.1. No Commercial Purpose</u>. No pets may be kept, bred or maintained for any commercial purpose. <u>6.2. Number and Type of Pets</u>. An Owner or Resident may keep no more than 2 dogs or 2 cats or one of each.

<u>6.3. Control of Pets Required</u>. Owners and Residents must control their animals so they will not interfere with any other Owners and Residents' use and enjoyment of their own Lots, the Common Areas, designated pedestrian easements and streets. Dogs must be leashed when not indoors or confined within an enclosed patio on a Lot. Pets may never be left outdoors when the Owner or Resident is not at home.

<u>6.4. Clean-Up Required</u>. Pet owners are required to remove immediately and hygienically dispose of any animal waste deposited on his or her Lot, any other Lot, or on the Common Area.

<u>6.5. Restrictions on Nuisance or Danger</u>. No animal may be allowed to become a nuisance. An example of a nuisance is loud, frequent and continued barking of a dog that disturbs nearby Owners and Residents. Vicious animals that demonstrate a disposition to attack without provocation, thereby creating the potential for causing injury or endangering the safety of persons or other domestic animals will not be tolerated. The Board may, at its discretion, order the removal of such animals, or require muzzles and/or bark collars.

7. Odors and Noises.

<u>7.1. Odors</u>. Nothing that emits foul or obnoxious odors may be kept on any Lot. This includes, but is not limited to, pet feces, which must be cleaned up immediately [see Animals, Section 6.4].

<u>7.2. Noise</u> [CC&Rs 9.4]. Most Dwelling Units on Lots are adjoining, and patios abut one another directly, or are separated only by narrow easement areas. Because of this close proximity, all Owners and Residents must be mindful of the intrusion of their noise into their neighboring property at any hour. The following applies to all Owners, Residents and Non-Residents:

7.2.1. Prohibited Noise. Nothing that creates noises that might unreasonably disturb the peace of nearby residents may be kept on any Lot or Common Areas. For the purposes of this rule, an "unreasonable disturbance of the peace" is loud noise that interferes with any neighboring Owners and Residents' equal, identical and reciprocal rights to tranquility, comfort or convenient enjoyment of their property, indoors or outdoors. Repeated instances over time of loud, continuous noise are particularly invasive and objectionable.

<u>7.2.2. Time limitations on noise.</u> As a courtesy to your neighbors, no Owner, Resident or Non-Resident shall be permitted to create any noise as defined above in connection with routine maintenance, repair and construction work on any Lot before 8:00 a.m. or after the earlier of 6:00 p.m. or sunset.

- (1) It is the responsibility of Owners to inform Residents and Non-Residents of these Rules.
- (2) Notice by an Owner to adjoining Lot Owners and the Association in advance of planned work on the Owner's Lot, whether such work is to the exterior or interior of the Dwelling Unit, is advised and appreciated.

<u>7.2.3. Emergencies.</u> The limitations described above do not prevent emergency repairs of unpredictable damage that threatens the structural integrity of buildings or safety and health of the Owner, Residents

or neighboring Lots.

8. Solid Waste Service.

<u>8.1. Trash</u>. Household waste, recycling materials, yard waste, and construction debris may not be stored or placed outside a home or its patio walls so as to be visible from adjacent Lots, Common Areas, designated pedestrian easements and streets except:

- (1) In below-ground containers; or
- (2) In hard containers with secured lids (or hard open bins for recycling materials) placed outside on the appointed day for pick-up. These containers may be placed outside no sooner than 5:00 p.m. on the day before the appointed day for pickup and removed no later than 5.00 p.m. on the day of pickup.

For the handling of construction debris, refer to Section 2.6.3.

<u>8.2. Trash Services</u>. The Association may engage a single company for trash removal service. Information regarding the identity of the company selected is available from the Board. Owners must use the company selected, individually arrange for service and be individually billed.

9. Business Activities [CC&Rs 9.2].

9.1. Criteria for Home Business. No trade or business may be conducted in or from any home unless:

(1) The existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the home;

(2) The business activity conforms to all applicable Pima County zoning requirements;

(3) The business activity does not involve the presence of anyone not from the household or door-to-door solicitation of Residents;

(4) The existence or operation of the business does not increase that Lot's use of Common Area facilities;

(5) The existence or operation of the business does not require customers or delivery trucks to visit the home; and

(6) The business activity does not constitute a nuisance as determined by the Board.

<u>9.2. Yard Sales or Garage Sales</u>. Yard, garage and estate sales are prohibited, except that such sales may be held upon a sale or transfer of home ownership with prior notice to the Board at least 10 days before the date of the proposed sale. Such sales may last no longer than 3 days.

10. Rental of Dwelling Units [CC&Rs 9.3]. In 2008, the Owners voted to restrict the number of rental properties in Catalina Pueblo, as reflected in the First Amendment to the CC&Rs, dated January 18, 2008 ("Rental Restrictions"). Key features of the Rental Restrictions are:

- (1) Ten percent limit on the number of Dwelling Units that may be leased at any given time;
- (2) Minimum 90-day length of leases;
- (3) Prior Board approval of all leases;

- (4) Exception from the limit on number of rentals for Owners of Dwelling Units which were leased when the Rental Restrictions were adopted in 2008;
- (5) Termination of an Owner's ability to rent upon sale or transfer of the Dwelling Unit; and
- (6) Authority of the Board to grant variances from the Rental Restrictions under certain circumstances.

The Board has adopted the following rules and procedures for the administration and enforcement of the Rental Restrictions:

<u>10.1 Rental Restriction Exception</u>. For purposes of this Section 10, a Dwelling Unit is considered a "rental" when a person has the exclusive right to use, occupy and enjoy the Dwelling Unit for a specified length of time greater than 90 days pursuant to a written lease. Continued occupancy of the Dwelling Unit by the Owner during the lease term is not considered a rental. A Dwelling Unit may be occupied by non-owners but not considered rented for purposes of this Section under specific conditions for which the Board may request verification when:

- (1) friends use it and the Owner receives no compensation;
- (2) occupied by a pet sitter or house sitter hired by the Owner;
- (3) used as an even vacation exchange; and
- (4) a Dwelling Unit is occupied by a "Qualified Family Member" of the Owner, which is defined as the Owner's:
 - natural or adopted child or a descendant of the Owner's child;
 - parent or an ancestor of the Owner's parent;
 - stepchild or stepparent;
 - child-in-law or parent-in-law; and
 - natural or adopted sibling.

<u>10.2. Implementation of Limit on the Number of Rentals</u>. The Rental Restrictions allow a total of 10% of the Dwelling Units (i.e., 11 Dwelling Units) in Catalina Pueblo to be rented. This process will be followed each time the total number of protected or approved rentable Dwelling Units falls below 11:

(1) Notice will be given to all Owners that the Board is accepting applications from Owners interested in renting their Dwelling Units. To make available to the greatest number of Owners the ability to lease their Dwelling Units, while also maintaining the limit on the number of rentals, the application process will be open only to those Owners who do not already own a rentable Dwelling Unit.

(2) Applications will be collected for 30 days, after which time the applying Owners will be ranked according to the date of the deed vesting ownership of their Dwelling Unit, with the earliest going to the top of the list. Applicants must verify their purchase or transfer date with a copy of their vesting deed.

(3) The first listed applicant has 30 days after notification of rental eligibility to decide if he/she can fulfill all requirements of a rentable Dwelling Unit.

(4) If the Owner wishes to proceed, he/she has 275 days from notification of rental eligibility to rent the Dwelling Unit for a minimum term of 90 days.

(5) If the Owner decides not to proceed, he/she is dropped from the current list of prospective lessors

but may apply again when the number of leased Dwelling Units falls below 11, and the Board calls for applications. In the event the first-listed applicant decides not to proceed, the next qualified applicant will be given 30 days to decide if he/she can fulfill all requirements of a rentable Dwelling Unit. If no Owner is able to use the available rental opportunity, the Board may wait up to 180 days before again providing notice to all Owners of the rental opportunity.

10.3. Procedure for Board Approval of Leases.

10.3.1. Before leasing a Dwelling Unit, whether in connection with an application to the Board for the ability to rent as provided in Subsection 10.2 above or leasing a Dwelling Unit that was rented before 2008 or has previously received the ability to rent from the Board, an Owner shall submit a written application to the Board, not later than 15 days before the next scheduled Board meeting. The application shall provide the following information:

(1) term of lease (including beginning and ending dates of tenancy);

(2) names and contact information for all adult tenants;

(3) description of tenant's vehicle(s) and license plate number(s);

(4) name and contact information for the property manager, if not the Owner; and

(5) the Owner's verification that the proposed tenant is not eligible for a "rental restriction exception" under Section 10.1.

10.3.2. The lease must be in writing and must include provision(s) that the lessee has been advised of the Association's Rules and agrees to abide by them.

10.3.3. The tenant may not sublet all or any part of the Dwelling Unit.

10.4 Rental Conditions; Enforcement.

10.4.1. In the initial 365-day period, a Dwelling Unit shall be leased by the same lessee for a continuous period of not less than 90 days following the date the Board notifies an owner of their rental eligibility. In subsequent 365-day periods, a Dwelling Unit shall be leased by the same lessee for a continuous period of not less than 90 days following the end of the previous lease. Failure of an Owner of a rentable Dwelling Unit to satisfy this requirement for more than 275 days following the last 365 days in which there was a lease for that Dwelling Unit approved by the Board shall be the basis for revocation of that Owner's ability to rent as provided in Subsection 10.4.4 below.

10.4.2. The ability to rent a Dwelling Unit, whether existing before 2008 or approved by the Board as provided in Subsections 10.2 and 10.3 above, shall terminate upon the sale or other transfer of title of the Dwelling Unit. The ability to rent as governed by Section 10 is personal to the Owner and not transferable.

10.4.3. Any Dwelling Unit authorized to be used as a rental must comply with all other provisions of the CC&Rs and Rules.

10.4.4. Failure of any Owner to comply with the provisions of this Rule 10 may result in the Board permanently revoking the Owner's ability to rent their Dwelling Unit.

<u>10.5. Variance from Rental Restriction</u>. The Board has the discretion to allow a variance from the Rental Restriction and this Section 10 of the Rules to meet special situations and avoid undue hardship or practical difficulties. The Board will consider granting a variance under the following conditions:

- (1) The Owner asks to lease his/her Dwelling Unit for a period of not less than 90 days and up to one non-renewable year.
- (2) Such leasing may occur not more than once every five years.
- (3) A written request to the Board for a variance is required and must include: the intended term of the Owner's absence, a stated intent to return and occupy the property, the special circumstance requiring the rental, and the information listed in 10.3.1 above.
- (4) The term of the variance is coterminous with that of the lease.

<u>10.6. Periodic Review</u>. The Board will review this Rule 10 at least every five years from the time of initial adoption or most recent revision to ascertain whether there have been any adverse or unforeseen consequences resulting from its enforcement. During the review and possible revision, the current provisions would remain in force.

11. Sales of Homes [CC&Rs 9.7].

When a Dwelling Unit is sold or transferred, the Owner must promptly notify the Board and provide the Board with the name and address of the purchaser or transferee and any other information reasonably required by the Board to respond to requests by the Owner or its escrow agent for information about the Association. The Board shall charge a fee of \$400 for the costs incurred in the preparation and delivery of a statement and other documents furnished by the Association pursuant to Arizona law for the purposes of resale disclosure, lien estoppel and any other services related to the transfer or use of the Lot. In addition, the Board may charge a rush fee of not more than \$100 if the rush services are required to be performed with 72 hours after the request for rush services and may charge a documents update fee of \$50 if 30 days or more have passed since the date of the original disclosure statement or the date the documents were delivered. Excluded from this requirement are transfers of title for the purpose

12. Enforcement Procedures for CC&Rs and Rules. These provisions describe the procedures to be followed by the Association when enforcing the CC&Rs and Rules, including penalties and remedies for violations.

12.1. Violations of CC&RS, Rules [CC&Rs 10.1.1].

12.1.1. *Reporting a violation*. Members of the Board, assisted by Owner members of the Board's Architecture, Landscaping and Pool Committees, will note violations of the CC&Rs and Rules and initiate enforcement. However, any Owner or Resident may submit a complaint about a violation in writing to the Board. A statute governing Arizona homeowner's associations [A.R.S. Sec. 33-1803] states that the Board may be required to reveal the name of the person who observed the violation to the alleged violator.

12.1.2. *Courtesy notification*. Upon learning of a violation on a Lot and verifying its existence, the appropriate Board committee chair will notify the Board of the violation and the committee chair's

recommendation for enforcement action, together with the record of communications with the Lot's Owner. If the Board concurs with the committee chair's recommendation, it will direct the committee chair to contact the Lot's Owner in writing (via email, hand delivery or USPS First Class Mail) documenting the alleged violation and requesting that it be corrected within 14 days.

12.1.3. *Notice of violation*. If the Owner fails to correct the violation within 14 days of the courtesy notification or has not made alternative arrangements with the Board, the Board's president or vice president will forward to the Owner a written notice of violation (via USPS first class mail and certified mail, return receipt requested) with a deadline for corrective action, which will be at least 21 calendar days from the date of the notice. The notice of violation will contain:

- (1) A description of the condition of an Owner's Lot or the actions (or inaction) of an Owner that constitute an alleged violation of the CCRs or Rules.
- (2) The specific language of the CCRs or Rules that has allegedly been violated, including section and page numbers.
- (3) The date of the violation or the date on which the violation was first discovered.
- (4) The name of the Board member, Owner or Resident who first observed the violation.
- (5) The specific action(s) the Owner must take to correct the violation.
- (6) The deadline for correcting the violation, which will generally be at least 30 days from the date of the notice of violation, unless the Board concludes that extenuating circumstances justify a longer period for compliance; for example, the Owner provides proof of a contract for the correction with a planned completion date.
- (7) Notice to the Owner that if the violation is not corrected by the deadline, the Board may impose fines or pursue other remedies following a hearing, of which the Owner will receive notice and have an opportunity to be heard. This notice will also inform the Owner of the process to contest the notice of violation described in Subsection 12.1.3 below.
- (8) A copy of this Rules Section 12 to ensure that the Owner is aware of the process for enforcing the CC&Rs and Rules.

12.1.4. *Owner contest*. An Owner who receives a notice of violation may provide the Board with a written response contesting the notice by certified mail to the Board's address identified in the notice within 21 days after the date of the notice. Within 10 business days after receipt the Owner's certified response, the Board will respond in writing to the information provided by the Owner.

12.1.5. *Owner option to dispute violation at state Department of Real Estate*. An Owner may dispute the violation by seeking an administrative hearing before the Arizona Department of Real Estate as provided by state law [A.R.S. Sec. 32-2199.01].

12.1.6. Alternative enforcement remedies. After the procedures described in Subsections 12.1.1 through 12.1.4 have been completed, or when the 21-day response period described in Sec. 12.1.4 has passed without the Owner seeking to contest the notice of violation, the Board may proceed to conduct a hearing on the violation and impose penalties as provided in Sec. 12.1.7. Alternatively, the Board may

choose to pursue the enforcement remedies described in Sections 12.2.1 ("self-help") or 12.2.4 (court action).

12.1.7. *Hearing*. If the violation continues after the deadline for correction specified in the notice of violation, or if the same Owner violates the same provision of the CCRs or Rules, the Board will conduct a hearing on the continuing violation and the imposition of penalties.

- (1) Notice of hearing. The Board will send the Owner a notice of hearing by certified mail, return receipt requested, inviting the Owner to attend the next regularly scheduled Board meeting or a special meeting called for the purpose of conducting the hearing, for which at least 48 hours written notice shall be given the affected Owner and Association members, where the Owner will have an opportunity to be heard. The date, time and location of the hearing will be included in the notice of hearing. Proof of delivery of the hearing notice to the Owner shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered into the minutes of the hearing by the Board officer or agent who mailed the notice.
- (2) Designated representative. An Owner may present to the Board (prior to or at the hearing) written notification that another person is the Owner's designated representative. A designated representative may speak on behalf of the Owner.
- (3) Hearing procedure. That portion of the Board's meeting devoted to the hearing on the violation will be closed to Association members other than the affected Owner, unless that Owner requests that the hearing be held in open session. The Owner or a designated representative will be given an opportunity to present reasons why further enforcement action, which could include the imposition of a monetary penalty or referral of the matter to the Association's attorney, should not be taken by the Board.
- (4) Failure of Owner to appear. Failure of the Owner to appear at the hearing, absent a request for continuation based on reasonable extenuating circumstances, shall constitute a waiver of the Owner's opportunity to be heard and the Board may proceed to impose a monetary penalty or refer the matter to the Association's attorney for further action.

12.1.8. *Imposition of fine or other sanctions*. At the conclusion of the hearing the Board will determine whether a fine or other sanction is to be imposed, and if so, the amount of the fine. The standard fine will be \$250, but the Board may adjust this amount up or down based on:

- (1) The seriousness of the violation.
- (2) Whether this is a continuing violation.
- (3) Whether the Owner has committed other violations.
- (4) Whether the violation poses a health or safety hazard.
- (5) Whether the Owner agrees to correct the violation by a date specified by the Board.
- (6) Any other factors believed pertinent by the Board.

12.1.9. *Notice of decision*. Within 10 business days after the date of the hearing, the Owner will be notified in writing of the results of the hearing, including the amount of any monetary penalty or other enforcement action that may have been imposed by the Board and that:

- (1) Any fine that is not paid within 15 days of after its due date is delinquent and is subject to a latepayment penalty of 10% of the amount of the unpaid penalty plus 1.5% interest per month on the accumulating unpaid balance.
- (2) Any fines which remain unpaid for 15 days after the due date for the payment will become a lien on the Owner's Lot. The Board will remove the lien when the Owner pays the fine, including any late penalties, interest or related costs.
- (3) Alternatively, the Board may elect to recover the unpaid fine and penalties through a reimbursement assessment as described in Subsection 12.2.2 below.

12.2. Alternative Means of Enforcement [CC&Rs 6.1.4].

12.2.1. Association action to correct violations [CC&Rs 10.1.2]. [Existing Section 12.6 deleted in its entirety] If the Board determines that the enforcement process described in Subsection12.1 above has failed to correct a violation of the CCRs or Rules, or that the impact of the violation on the health, safety and welfare of the other Owners and Residents is severe, the Board may elect to exercise its right to enter upon the Lot in question and correct the violation as follows:

- (1) Provide notice to the Lot Owner of the violation as described in Subsection 12.1.2 above.
- (2) Exercise the Board's right and easement to direct the Association's agents and contractors to enter upon the Owner's Lot for the purpose of correcting the violations.
- (3) All reasonable costs incurred by the Association to bring the Lot into conformity with the CCRs and Rules, including costs of labor, materials and related administrative costs, such as attorneys' fees, shall be added to the next assessment to which the Owner's Lot is subject and collected in the same manner as any other assessment.

12.2.2. *Suspension of Owner's right to use common area* [CC&Rs 10.1.1]. If an Owner or Resident's violation of the CCRs and Rules involves the use of the Common Area, including the pools, spa and related parking areas, the Board may, in addition to any fines imposed pursuant to Subsection 12.1.8 above, suspend the offending Owner's right to use the Common Area facilities, subject to such conditions as the Board may specify.

12.2.3. *Court action* [CC&Rs 10.1.3]. The Board may enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens or charges imposed by the CCRs and Rules. The prevailing party in any such court action shall be awarded reasonable attorneys' fees and costs.

<u>12.3. Reimbursement assessments</u> [CC&Rs 3.6]. The Board may levy a reimbursement assessment upon a Lot in the following circumstances:

12.3.1. *Self Help.* Any Owner or Resident who has failed to comply with the CCRs or Rules, causing an expenditure of money by the Association to bring the Owner's Lot into compliance as authorized in Subsection 12.2.1.

12.3.2. *Common area damage*. Any Owner or Resident who has caused damage to the Common Area and failed to repay to the Association the costs of the repairs or replacement as required by Section 5.3.

12.3.3. *Failure to pay fines.* Any Owner who has failed to timely pay a fine and penalties imposed by the Board for a violation of the CCRs and Rules as provided by Subsection 12.1.9(3) above.

<u>12.4. Enforcement for Non-Payment of Assessments [CC&Rs 3.8]</u>. If any annual assessment is not paid within 15 days of its due date, the Board shall impose a late-payment penalty of 10% of the amount of the assessment plus 1.5% interest per month on the accumulating unpaid balance. The Board may enforce the obligation of an Owner to pay the assessment by either or both of the following remedies:

12.4.1. *Lawsuit*. The Board may initiate and pursue a lawsuit against any Owner who is personally obligated by the CCRs to pay the delinquent assessment. A judgment obtained in favor of the Association shall include the amount of the delinquent assessment(s), late-payment penalty and interest; any additional reasonable charges incurred by the Association; and any other amounts the court may award, including reasonable attorney's fees and court costs.

12.4.2. Assessment lien enforcement [CC&Rs 3.8.2]. CC&Rs Sec. 3.1 provides that all annual assessments, plus late-penalties and interest, when imposed become a continuing lien upon a Lot. The Board may enforce the lien by:

- (1) Making a written demand for payment of the delinquent assessment upon the defaulting Owner, stating the date and amount of the delinquency.
- (2) Recording a claim of lien on behalf of the Association against the Lot of the defaulting Owner, containing the information described in the CC&Rs, Sec. 3.8.3. The claim will also extend to all future unpaid assessments. The claim will only be released when the Owner is current in the payment of all delinquent assessments.
- (3) Foreclosure in court of the assessment lien in the same manner as provided by Arizona law for the foreclosure of a realty mortgage or trust deed. The Association may also seek reasonable attorney's fees, court costs, title search fees, interest and all other costs to the extent permitted by law.