

Greenlaw Townhouses Unit Two Homeowners Association

Compliance Policy

Effective July 11, 2023

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. This Compliance Policy supersedes all previous versions of the Association's Compliance Policy.*

1. The owner shall be advised in writing with a **Courtesy Notice** that will specify (i) the provision of the Governing Documents that has allegedly been violated, (ii) the date the violation was observed, (iii) the name of the person(s) who observed the violation, (iv) the process the Member must follow to contest the Notice, including the Member's right to request and administrative hearing with the Arizona Department of Real Estate, and shall notify the Member of his or her right to be heard. The owner will be given 10 business days to correct the violation, contest the notice pursuant to statute or request an opportunity to be heard. The number of days given to correct the violation may be increased in the discretion of the Board.
2. If the owner does not comply with the request in the Courtesy Notice, the Association will send a **First Notice** that will specify (i) the provision of the Governing Documents that has allegedly been violated, (ii) the date the violation was observed, (iii) the monetary penalty that will be assessed against the Member if the violation is not cured, (iv) the name of the person(s) who observed the violation, (v) the process the Member must follow to contest the Notice, including the Member's right to request and administrative hearing with the Arizona Department of Real Estate, and shall notify the Member of his or her right to be heard. The owner will be given 10 business days to correct the violation, contest the notice pursuant to the statute or request an opportunity to be heard.
3. If after 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 a **Second Notice** which will specify (i) the provision of the Governing Documents that has allegedly been violated, (ii) the date the violation was observed, (iii) the monetary penalty that will be assessed against the Member if the violation is not cured, (iv) the name of the person(s) who observed the violation, (v) the process the Member must follow to contest the Notice, including the Member's right to request and administrative hearing with the Arizona Department of Real Estate, and shall notify the Member of his or her right to be heard. The owner will be given 10 business days to correct the violation, contest the notice pursuant to statute or request an opportunity to be heard.
4. If after 10 business days of sending the Second Notice, the owner does not comply, does not contest and does not request an opportunity to be heard, the Association will send a **Final Notice** which will specify the amount of the monetary penalty (see schedule below), and/or turn the matter over to legal counsel for legal action. The Final Notice may be sent to the Member by certified mail with a Return Receipt acknowledgement and by regular U.S. mail service.

5. Despite any provisions of this compliance policy or other policies that the Board may adopt, the Board at its discretion may levy a fine in an amount of up to \$2,000.00 for any violation that the Board deems such a fine appropriate. The Board may levy this fine at any time during any step of the compliance process and despite any past violation history or lack thereof.
6. The Board may take immediate legal action at any time, regardless of the presence or absence of notices provided for in this compliance policy, for any violation that the Board of Directors determines in its discretion requires immediate legal action.
7. The Board of Directors may adopt supplemental monetary penalty policies/schedules (or amend this Compliance Policy) to address specific violations in the community (i.e. parking, rentals, architectural violations, etc.). If a supplemental policy or schedule is not adopted, this general policy and schedule shall control.
8. The Board of Directors reserves the right to deviate from the monetary penalty amounts set forth herein if, after a hearing on the matter, the Board finds good cause to lower the amount of the monetary penalty levied in a particular case. The Board also reserves the right to pursue any and all other remedies set forth in the Governing Documents at the same time or in lieu of levying the monetary penalties set forth in this Compliance Policy. This includes turning a matter over to the Association's legal counsel.

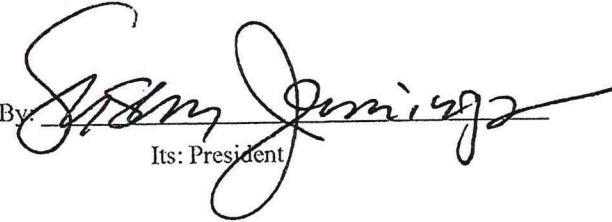
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Monetary Penalty Schedule for General Violations

Courtesy Notice	No monetary penalty
First Notice of Violation:	\$ 50. 00
Second Notice of Violation:	\$ 100.00
Final Notice of Violation:	\$ 150.00

APPROVED, the 11th day of July , 2023.

Greenlaw Townhouses Unit Two Homeowners Association

By: 
Its: President