

Kingswood Estates Unit III Owners Association Compliance Policy

Effective January 1, 2021

Purpose: *To ensure compliance with the Association's Governing Documents (including the Articles of Incorporation, By-Laws, Protective Covenants and the Community Policies) and the laws of the State of Arizona, and to maintain, preserve, enhance, and protect the property values and assets of the community.*

1. If a property is found to be in violation of the governing documents, the owner shall be advised in writing with a **Courtesy Notice** and the owner will be given 21 calendar 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 an 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 15 calendar days to correct the violation, contest the notice pursuant to the statute or request an opportunity to be heard.
3. If after 15 calendar 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 an 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 15 calendar days to correct the violation, contest the notice pursuant to statute or request an opportunity to be heard.
4. If after 15 calendar 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). The Final Notice will be sent to the Member by certified mail with a Return Receipt acknowledgement and by regular U.S. mail service.
5. If after 15 calendar days of sending the **Final Notice**, the owner does not comply, does not contest and does not request an opportunity to be heard, the Association will send **Continuing Notices** and impose a daily monetary penalty (see schedule below), and/or turn the matter over to legal counsel for legal action.
6. The sum of all fines imposed **exclusive of penalties and interest** shall not exceed two-thousand five hundred dollars (\$2,500).
7. Nothing as set forth above will limit the Board's right to take immediate legal action at any time, regardless of the presence or absence of notices hereunder, for any violation the Board of Directors determines in its sole and absolute discretion requires immediate legal action.

Approved 12.16.2020

Kingswood Estates Unit III Owners Association

Compliance Policy Monetary Penalty Schedule

Courtesy Notice	No fine
First Notice of Violation:	\$ 75.00
Second Notice of Violation:	\$ 150.00
Final Notice of Violation:	\$ 250.00
Notice of Continuing Violation:	\$ 100.00 per day

The sum of all fines imposed **exclusive of penalties and interest** shall not exceed two-thousand five hundred dollars (\$2,500).

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 Community Policies) and the laws of the State of Arizona.

In the event a homeowner or tenant violates the same rule within ninety 90 days of a prior violation of the same rule, the fine for such violation may be doubled as determined by the Board.

KINGSWOOD ESTATES UNIT III COMPLIANCE PROCEDURE

Effective January 1, 2021

The following procedure will be implemented to determine the validity of any reported violations of the Governing Documents by a member.

Once a complaint is received from an association member by our HOAMCO community manager or observed by or reported to a Board Member it will be assessed to determine whether in fact it is a violation of our Governing Documents.

Such a complaint and the nature of the complaint will be forwarded to our HOAMCO Community Manager via email with a copy sent to the Board President. If a complaint is received directly by our Community Manager the Board President will be advised in the same manner.

If verification and/or further clarification of the complaint is needed from KEOA by the HOAMCO Community Manager he or she will contact the KEOA Compliance Chairperson who will seek such verification and/or further clarification and when and where circumstances necessitate, make contact with the complainant.

In such an event the KEOA Compliance Chairperson will report their findings to the HOAMCO Community Manager via email copying the Board President. In cases where a verified complaint is established and is not in conflict with existing law, the **KEOA Compliance Policy** will be initiated.

If the complaint is unable to be independently verified the complainant will be notified by the HOAMCO community manager and apprised of the available alternatives.

If the complaint is of any immediate health or safety concern our HOAMCO community manager or their designate will notify the appropriate agencies and the Board President.