

THE VILLAGE HOMEOWNERS ASSOCIATION RULES

PREFACE

These Rules were promulgated by the Board of Directors of the Village Homeowners Association pursuant to its authority under Article 6, Section 6,2(j) of the Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for the Village recorded at Docket 2009-18234 in the official records of Navajo County, Arizona (ACC&R's). The Rules *supplement* the conditions and restrictions set forth in the CC&R's and have the same force and effect.

Residents should report violations of the Rules and the CC&R's to the Board of Directors, or the appropriate Committee Chairperson, except in cases where residents can resolve the matter among themselves. Owners are responsible for any violation of these Rules and/or the CC&R's by their guests and/or tenants.

Additional copies of the Rules and all the Association's governing documents are available upon request (15 cents per page). Landlords should provide their tenants with copies of the Rules and the CC&R's. Questions concerning the Rules should be addressed to the Board in writing or at a regularly schedule Board meeting.

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RULES

SECTION 1: ENVIRONMENTAL

A. TRASH

1) All trash must be placed in plastic or paper bags or boxes and deposited in the Waste Management Company dumpster(s).

2) Large heavy metal or wooden objects (such as appliances, furniture, sinks, toilets, water heaters, cabinets, etc.) may not be deposited in the dumpsters or placed beside the dumpsters and must be disposed of offsite.

3) No hazardous, flammable or toxic substances or materials may be deposited into the dumpsters, including, but not limited to automotive oils, pesticides, solvents, paint, or batteries.

4) Dumpster lids must remain closed at all times except during the deposit of trash. Residents are responsible for closing the dumpster lid immediately after depositing trash.

B. NOISE

1) No resident or guest may use audio, television or other equipment anywhere on the property in such a manner as to disturb other residents. Residents and guests are required to keep general noise to minimum levels so as not to disturb other residents

C. PATIOS AND CARPORTS

1) Residents are responsible for keeping patios free of trash, weeds, pet excrement, and other unsightly or odorous items. Patios may not be used for storage of items other than accessories normally associated with use of the patio (BBQ's, patio furniture, etc.).

2) Common walls and fences may not be used for hanging towels, rugs, or other items. Throwing of trash, debris, or any item over common walls is prohibited. Trees and plants may not encroach over common walls.

3) No sunshades or other hanging items are permitted on carports except with prior approval from the Association.

4) Carports or shed tops may not be used for storage of any kind except with prior approval from the Association.

5) No equipment, materials, plants hoses, trash containers, furniture, boxes, debris, or other similar items may be placed in or on carports and sheds except temporarily when residents are moving in or out and during renovation projects.

SECTION 2: EXTERIOR MODIFICATIONS

A. LIGHTING AND HOLIDAY DECORATIONS

1) Residents may not install or change exterior lighting fixtures without the prior written approval of the Association except for placement of holiday lights and decorations around doors and patios. Holiday lighting and decorations must be removed no more than twenty (20) days after the holiday. Lighting fixtures that have been approved by the Association must be maintained in such a manner that light is not directed at neighboring units.

B. CHANGES TO EXTERIOR OF UNIT OR BUILDING

1) No exterior change, including but not limited to, additions, skylights, painting, patio covers, exposed cables, window awnings, fixtures, screens, security bars, exterior doors and windows, gates, fences and carport attachments, solar water heating units, and installation of exterior mechanical equipment, may be made until detailed plans have been submitted to and approved in writing by the Association.

2) No antenna or satellite dish may be installed on any portion of the property without the prior written approval of the Association except the following devices: Direct Broadcast Satellite (DBS) antennas one meter or less in diameter, Multi-point Distribution Service (MDS) antennas less than one meter in diameter, and antennas designed to receive television broadcast signals (collectively Antennas). Antennas must be placed inside the unit if an acceptable signal quality may be received from any place within the unit and if not, on the patio where the Antenna does not encroach upon the common area or another owner's unit. Exterior Antenna must be shielded from view of neighboring property to the maximum extent possible as long as an acceptable signal quality is received. If necessary to shield an Antenna from view, the Association may require that the Antenna be shielded by reasonably priced plants or other materials. Antennas and any visible wiring connected therewith must be painted to match the color of the structure to which they are attached provided the painting does not interfere with acceptable quality signal and does not void the manufacturer's warranty

3) Windows may not be covered with foil, paper products, bedding, or any other material used as a temporary covering. Window films, exterior shades, and awnings may not be installed without the prior written approval of the Association.

SECTION 3: STOOPS AND COMMON AREA

1) Stoops and cindered areas in front of the units are common area. Exterior carpeting and potted plants may be placed on the stoop in front of a unit if they are well-maintained by the resident. Owners are responsible for any damage caused to the common area as a result of the placement of such items.

2) Owners and residents may not plant any landscaping within the common area, including common area adjacent to the building, without the written approval of the Association. Landscaping that is approved in writing by the Association may not be installed less than ten (10) feet from any building and shall be maintained by the owner that made the request.

SECTION 4: VEHICLES

A. PARKING

1) All vehicles must be parked in designated parking spaces. No more than two (2) vehicles per unit (excluding guest vehicles) may be parked at any one time on the property without the prior written authorization of the Association.

2) Parking on the streets and driveways is strictly prohibited as these areas are designated for emergency service vehicles.

3) Contractor(s) performing work on a unit may park in that unit's carport or in a guest parking space.

4) Moving van/trucks may not be parked on the property except for the purposes of loading and unloading no more than twenty-four (24) hours. Vehicles used for moving may not be parked on the sidewalks or cinders or in any manner that blocks access to another owner's carport.

5) Residents may not park in other residents' assigned spaces without their prior permission.

6) Recreation vehicles, commercial vehicles, boats, campers, trailers, large trucks and similar equipment and vehicles are prohibited except for purposes of loading and unloading.

7) Guest parking is limited to no more than seven (7) days in any thirty (30) day period unless a longer period has been approved in writing by the Association.

8) Vehicles displaying "For Sale" signs are prohibited in any portion of the property.

9) Vehicles parking in violation of these Rules and/or the CC&R's may be towed at the owner's expense.

B. MAINTENANCE AND REPAIR

1) Vehicle repair (except for emergency repair) is prohibited within the community.

2) Exterior car washing is permitted.

C. SPEED LIMIT

1) The speed limit is fifteen (15) miles per hour within any portion of the property.

SECTION 5: PETS

A. LIMITATIONS

1) There shall be no more than two (2) household pets per unit. Residents who have more than two (2) approved pets at the time these Rules are adopted shall be allowed to keep such pets but shall not be allowed to replace more than two (2) such pets thereafter.

2) Small pets, which shall include hamsters, birds, turtles, lizards and fish, may be kept in larger numbers as long as they are not kept in a manner that creates a nuisance to other residents.

B. LEASH REQUIREMENTS

1) Animals must be on leashes at all times when outside a unit and must be under the complete control of their owners. Animals that are observed loose and/or uncontrolled in the common area will be reported to Animal Control.

2) Residents shall prevent animals from damaging any portion of the common area. Residents are responsible for the repair or replacement of any common area damaged by their pets.

3) No animal may be left unattended at any time outside of an owner's unit.

C. ANIMAL WASTE

1) Animal waste must be picked up and properly disposed of immediately. Animal waste shall not be placed in the dumpster unless placed within an enclosed bag.

D. NOISE

1) Residents are responsible for ensuring that their pets do not create a disturbance to other residents. Pets that create an ongoing nuisance shall not be permitted to remain on the property.

SECTION 6: MISCELLANEOUS

A. UNIT SALES

1) Owners who are selling or leasing their units may place one (1) sign on the inside or outside of a window that is no larger than 18" x 24". Signs may not be placed in the common areas.

2) Open houses are permitted in connection with the sale of a property. One (1) directional sign, no larger than five (5) square feet, may be placed near the entrance to the property. Owners are responsible for notifying their realtors of this limitation.

3) Sellers are legally required to provide purchasers with copies of all of the Association's governing documents (CC&R's, Rules, etc.).

B. BUSINESS ACTIVITIES

1) Use of any portion of the property for commercial purposes is strictly prohibited. Residents may have a home occupation as long as it complies with the requirements of the CC&R's.

2) The unauthorized placement of commercial handbills on gates, doors, building, cars and storage sheds is prohibited.

C. NEW RESIDENTS/TENANTS

1) New owners must provide contact information (name, address, telephone numbers, e-mail) to the Association within fifteen (15) days of close of escrow.

2) Any owners renting his unit must provide the Association with written notice of the date the lease begins, the date the lease ends, and the names of the tenants at least fifteen (15) days before the tenants take possession of the unit. Any unit that is rented for a period of more than six (6) consecutive months must have an approved storage shed.

SECTION 7: COLLECTION AND ENFORCEMENT

A. ASSESSMENTS

1) Any assessment that remains unpaid fifteen (15) days after its payment becomes due shall be subject to a late fee of \$15.00.

2) If an assessment remains delinquent for more than thirty (30) days, the Association shall send the delinquent owner a written demand for payment stating the amount of the delinquency plus ten percent (10%) of the fee amount.

3) If an assessment remains delinquent for more than sixty (60) days after delivery of a written demand for payment, the Association may refer the account to an attorney for collection. The penalty will include the ten percent (10%) fee as well as all attorney fees.

4) If an assessment remains delinquent for more than ninety (90) days after delivery of a written demand for payment, the Association may authorize an attorney to file a lien against the overdue unit.

5) Owners shall be responsible for all attorney(s)' fees and costs incurred by the Association in collecting delinquent assessments.

6) Pursuant to Arizona law, payments made toward delinquent assessments shall be applied to the owner's account in the following order: unpaid assessment, late fees, costs of collection, attorney's fees and costs, fines, other charges and late charges for those amounts.

7) There will be a fee of not more than \$25.00 applied to an owner's account for any check that is returned for insufficient/uncollectible funds.

B. VIOLATIONS OF CC&R'S AND RULES

1) When an owner (or his tenant or guest) is in violation of these Rules or the CC&R's, the Association shall send the owner a First Violation Notice informing the owner of the violation(s) and a date by which the violation(s) must be corrected. The owner is responsible for notifying the Association that the violation has been corrected.

2) If an owner fails to correct the violation by the date set forth in the First Violation Notice, the owner shall receive a Final Violation Notice which shall include the following:

- (i) a description of the alleged violation(s) and the provision(s) of Rules and/or CC&R's violated;
- (ii) the date of the alleged violation or the date that it was observed;
- (iii) the name of the person or persons who observed the alleged violation;
- (iv) the action required to correct the violation and the date by which corrective action must be taken;
- (v) the process the owner must follow to contest the notice.

The owner is responsible for notifying the Association that the violation has been corrected.

3) If the violation persists after the date for corrective action set forth in the Final Violation Notice, a Notice of Hearing may be sent to the owner informing the owner that fines may be imposed for the violation and providing the owner with an opportunity to be heard by the Board of Directors before fines are imposed. If the owner does not request a hearing before the Board of Directors in writing within ten (10) days of the date of the Notice of Hearing, the owner will waive his right to be heard regarding the violation.

4) Reasonable fines may be imposed for each violation of the Rules and/or CC&R's including continuing fines for each day a violation continues beyond the date for corrective action set forth in the Final Violation Notice. The Association reserves the right to waive fines if the owner is making good faith efforts to correct the violation(s). Any fine which remains unpaid fifteen (15) or more days after the due date shall be delinquent and subject to a late fee of \$15.00 or ten percent (10%) of the unpaid fine, whichever is greater. Payment of a fine does not constitute a variance for the violation; all violations must be corrected regardless of the fines imposed. The owner is responsible for notifying the Association that the violation has been corrected.

5) If a violation is not corrected by the owner by the date set forth in the Final Violation Notice, the Association may refer the matter to counsel and initiate legal action against the owner. Collection of delinquent fines may be enforced by seeking a personal judgment against the owner and upon obtaining a judgment, recording a lien against the owner's unit. Costs incurred by the Association in enforcing these Rules and the CC&R's shall be applied to the owner's account.

6) The Association reserves the right to refer any violation to counsel or to institute legal action against an owner at any time in the enforcement process if the Board of Directors, in its sole discretion, determines that the nature of the violation warrants such action.