

The Springs at Santa Rita Homeowners Association, Inc.

Resolution of the Board of Directors

Re: Enforcement Policy

Effective Date: January 13, 2026

This Enforcement Policy (the "Policy") is adopted by the Board of Directors (the "Board") of The Springs at Santa Rita Homeowners Association, Inc. (the "Association") pursuant to the Arizona Planned Communities Act (the "Act"), specifically, Arizona Revised Statutes §33-1803, and the *Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements for Roadhaven Resorts, Inc. (known and marketed as "The Springs at Santa Rita")* ("Declaration").

To the extent that the Act supersedes the Declaration, the provisions of this Policy reflect the applicable statutory requirements. This Policy supersedes any enforcement procedures or policies previously adopted by the Board, including but not limited to any policies or procedures contained in the Homeowner Handbook, or otherwise.

The Board has the duty and authority to enforce the Community Documents, which include the Declaration, the Articles of Incorporation, the Bylaws, and any applicable Rules and Regulations or Design Guidelines. The procedures for reporting, noticing, and holding hearings regarding violations of the Community Documents, and for imposing fines for such violation(s) is set forth below:

1. Reporting a Violation. A potential violation may be noted in one of two general ways: 1) by submission of written complaint form to the Board, the Association's management agent, or any Committee created by the Board tasked with monitoring and reporting potential violations of the Community Documents, 2) by report from any Committee created by the Board tasked with monitoring and reporting potential violations of the Community Documents. Verbal complaints will not be accepted from Owners or residents. The complainant must submit his/her complaint in writing. The Act requires that the first and last name of the person(s) observing the violation must be revealed to the alleged violator. In addition, the complainant may be called upon to testify in court as to the details of the violation.

The Board, Committee, or management agent may contact the Lot Owner via email and/or mail to provide a "friendly reminder" about the concerning condition on the Lot or the activity or behavior that potentially could be a violation of the Community Documents, and to seek resolution of the issue within no less than seven (7) calendar days following the date of the notification as deemed appropriate by the Committee and/or the Board under the circumstances. The Committee or management agent may send as many reminders as determined appropriate under the circumstances. The Committee or management agent will be responsible for updating the Board of Directors in a manner and on a timeline deemed appropriate by the Board. It is the responsibility of the Owner to advise the Association in writing that the violations have been cured. This does not relieve the Association from its duty to regularly inspect and monitor the community for violations of the Community Documents, and to exercise its discretionary enforcement authority reasonably and fairly.

2. Notice of Violation. Once the Board determines that sufficient opportunity has been given for complete or substantial resolution of the issue, and absent such complete or substantial resolution, the Board may issue (or instruct the management agent to issue) a written Notice of Violation to the Lot Owner. If the Owner is leasing the Lot, the Association may provide a copy of the Notice of Violation(s) to the Owner's tenant; however, the Owner is the party responsible to the Association for non-compliance with the Community Documents involving his/her Lot or the occupants of the Lot.

3. Contents of Notice of Violation. The Notice of Violation shall provide at least the following information:

- a. The rule or restriction that allegedly has been violated.
- b. The date of the violation or the date the violation was observed.
- c. The first and last name of the person or persons who observed the violation.
- d. The action(s) required to remedy the violation.
 - i. If the violation is a continuing one, the timetable for corrective action, which will be at least 21 calendar days from the date of the Notice of Violation.
 - ii. If the violation is not a continuing one, notice that any subsequent violation(s) of the same rule or provision of the Declaration may result in the imposition of fines after notice and hearing.
- e. A copy of this Enforcement Policy, or instructions for where a copy this Enforcement Policy may be obtained to ensure the Owner is aware of the process that must be followed to contest the Notice of Violation within 21 calendar days.
- f. Notice that an Owner may petition the Arizona Department of Real Estate for an administrative hearing pursuant to A.R.S. §32-2199.01.

4. Contesting the Notice of Violation. If the Owner wishes to contest the notice of violation, he/she shall provide a written response by certified mail within 21 calendar days after the date of the Notice of Violation, which may include a reasonable request for any additional information. This response shall be sent to the Association's address shown on the Notice of Violation.

5. Response by Association to Owner. Within 10 business days after receipt of the Owner's response, the Board (or management agent) shall respond to the Owner with a written explanation regarding the Notice of Violation and shall provide any information listed in Section 3 above, that was not provided in the Notice of Violation, plus any additional information the Owner reasonably requests.

6. Notice of Hearing. After the procedure in Paragraphs 2-5 is completed, and if the violation has not been cured or has re-occurred, the Board (or its management agent) may send the Owner a "Notice of Hearing" via certified mail, return receipt requested and first class mail, wherein the Owner will be invited to attend a regular or special Board meeting, and will have an opportunity to be heard before further enforcement action is taken. The date, time and location of the hearing shall be stated in the Notice of Hearing, which will be scheduled no earlier than ten (10) days from the date of the Notice of Hearing, and no later than thirty (30) days from the date of the Notice of Hearing, except in the discretion of the Board for good cause.

7. Proof of Delivery of Notice. Proof of delivery to the Owner of the Notice of Hearing shall be deemed adequate if a copy of the Notice, together with a statement of the date and manner of delivery by the officer, director, or agent who mailed or delivered the Notice is entered into the minutes of the Hearing. The proof of delivery of notice requirement is satisfied if the Owner appears at the hearing.

8. 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.

9. Procedure for Hearing. The hearing will be held in executive session unless the Owner requests the hearing takes place in an open meeting. Procedure for the hearing will be set by the Board of Directors. The Owner and his/her designated representative will be informed of the procedure before the hearing begins. The Owner and/or his/her designated representative will be given an opportunity to present supporting documentation and testimony to show cause why further enforcement action should not be authorized by the Board. If the Owner or his/her designated representative does not appear at the hearing, they shall be deemed to have waived their right to a hearing.

10. Board's Decision. At the conclusion of the hearing, the Board may excuse the Owner from the hearing and the Board shall decide the amount of the fine to be imposed, if any, in accordance with the Fine Guidelines, attached hereto as Exhibit A. The Board may decide to delay the imposition of a fine or impose a reduced fine based on one or more of the following considerations:

- a. The seriousness of the violation(s)
- b. Whether this is a first violation or a continuing violation(s)
- c. Whether this type of offense poses a danger to property or any person
- d. Whether the Owner agrees in good faith to correct the violation(s) within the time specified by the Board
- e. Any other extenuating circumstances

Written notice of the Board's determination of the amount of the fine and its due date shall be sent to the Owner within ten (10) business days of the date of the hearing. The Board may impose a fine in its sole discretion for verified violations of the Community Documents even if the violation was cured prior to the date of the hearing.

11. Continuing Violations. In accordance with the Fine Guidelines, each day a violation continues after notice from the Board to the Owner constitutes a separate violation and can be subject to an additional fine. In addition, each reoccurrence of a violation of the same nature constitutes a continuing violation and can be escalated to the next level of the enforcement process. The Board of Directors is empowered to impose a fine for each day that the violation continues.

12. Owner's Request for Reconsideration. The Owner may request reconsideration of the Board's decision. The Owner must submit a written request to the Board of Directors within ten (10) business days of the date of the Board's decision. A meeting with the Board shall be scheduled and the Owner notified of the date, time and location via regular mail. The Owner shall be afforded a reasonable opportunity to be heard. After

the meeting, the Board shall issue a ruling on whether its decision stands, is modified, or is rescinded. The Board shall send a written notice to the Owner of its ruling. The ruling of the Board will be final.

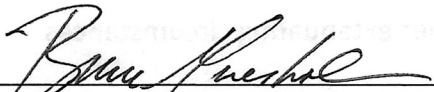
13. Payment of the Fine and/or Penalties. The Board shall advise the Owner that any fine that is not paid within thirty (30) days of its due date is delinquent and subject to a late charge of \$15.00 or 10% of the fine, whichever is greater. The late charge is added to and becomes part of the fine.

14. Collection of Penalties. The Association shall have a lien for penalties and associated late charges, attorney fees and costs, imposed for violation of the Community Documents, ONLY AFTER the entry of a judgment in a civil suit by a court of competent jurisdiction, and the recording of that judgment in the office of the County Recorder. This lien shall be effective on conveyance of any interest in the subject Lot. The Association may collect the amounts due under the judgment at the time of the subsequent conveyance of the Lot (subject to timely renewal), or at any time prior to conveyance of the Lot, by any lawful means, except that the judgment lien for monetary penalties may not be foreclosed.

15. Cumulative Rights and Remedies. All rights and remedies of the Association at law or in equity are cumulative, and the exercise of one right or remedy shall not waive the Association's right to exercise another right or remedy, including but not limited to correction of such violations or the commencement of civil judicial or administrative proceedings in accordance with the Declaration. These remedies may be exercised in addition to or instead of the imposition of fines.

The undersigned hereby certify that this Resolution of the Board of Directors Re: Enforcement Policy was approved and adopted at a duly held meeting of the Board of Directors on the 11th day of November 2025.

THE SPRINGS AT SANTA RITA HOMEOWNERS ASSOCIATION, INC.

By: 
Bruce Grieshaber
Its: President

ATTEST

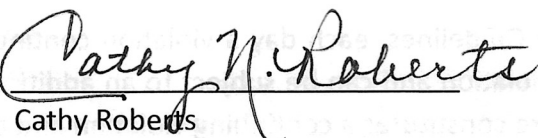
By: 
Cathy Roberts
Its: Secretary

EXHIBIT A - FINE GUIDELINES

1. The default general fine for violation(s) of the Community Documents is \$25.00, subject to additional fines for Recurring Violations as set forth below. Other Specific Fines may be established by the Board in the Rules or Design Guidelines, or in other similar policies.
2. Recurring Violations. There are three instances when an additional fine may be imposed for recurring violations of the same rule or restriction in the Community Documents:
 - a. Escalated Fine. If a violation of the same rule or restriction in the Community Documents reoccurs within 90 days of: (a) the initial imposition of a monetary penalty for that violation, OR (b) the date of the last occurrence of the same violation, whichever is later; the Board may impose an additional monetary penalty of double the amount of the last monetary penalty imposed, not to exceed \$400.00.
 - b. Duplicate Fine. If an Escalated Penalty does not apply, and a violation of the same rule or restriction in the Community Documents reoccurs within six (6) months of the date of the last occurrence of the same violation, the Board may, after written notice to the Owner, but without an additional hearing, impose another monetary penalty equal to the amount of the last monetary penalty imposed. Escalated penalties may then resume if applicable.
 - c. Daily Fine. If a violation of a rule or restriction in the Community Documents is of a kind or type that reoccurs continuously without interruption for more than a single day, the Board may impose the applicable General Fine, plus an additional Daily Fine of no more than \$10.00 per day for the first 30 days of continuous violation, and no more than \$20.00 per day for continuing violations exceeding 30 days.
3. Other Enforcement Remedies. The Board's decision whether to impose a fine in accordance with the provisions above does not limit in any way the authority and discretion of the Board to take other enforcement actions in lieu of, or in addition to, the imposition of fines, in accordance with the Declaration.