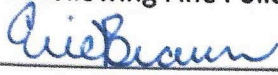


Revised Pinnacle Peak Estates – Unit 1 Homeowners' Association Fine Policy

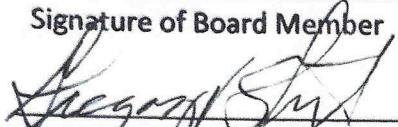
The undersigned, constituting the members of the Board of Directors of Pinnacle Peak Estates Unit 1 Homeowners' Association, an Arizona non-profit corporation, hereby take the following action at a duly held Board of Directors meeting on this 4th day of December 2024.

Resolved, that pursuant to A.R.S. 33-1803/33-1242, the Board of Directors hereby approves the following Revised Fine Policy for Pinnacle Peak Estates Unit 1 Homeowners' Association.

The following Fine Policy is effective December 4, 2024.


Signature of Board Member

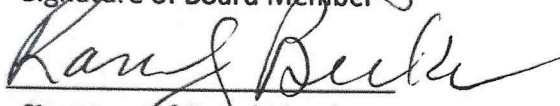
ERIC BRAUN - PRESIDENT
Printed Name/Position


Signature of Board Member

GREGORY V. STOBART
Printed Name/Position


Signature of Board Member

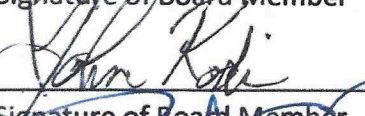
VICKI H. STERLING - SECRETARY
Printed Name/Position


Signature of Board Member

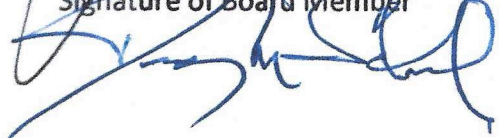
RANDY BECKER - TREASURER
Printed Name/Position


Signature of Board Member

CRAG P. STREIT MARINE AT LARGE
Printed Name/Position


Signature of Board Member

JOHN RODI / MEMBER AT LARGE
Printed Name/Position



FRANK W. SCHUBERT
Fine Policy

First Notice: (NO FINE): A courtesy violation letter shall be mailed to the homeowner via USPS regular mail (followed by an email sent from the PPE1HOA email address) and will describe the violation in question, specifically stating the section of the CC&R's, Bylaws or Rules that is being violated and will require the violation be remedied within 15 days of the date of the letter. The letter should describe the enforcement process, including the right for an opportunity to heard, potential for fines if the violation continues, and the ability for the Association to intercede and cure the violation (if violation requires a self-help resolution).

Second Notice: If the homeowner does not respond or cure the violation within 15 days of the first letter, a second notice requesting compliance within 15 days of the date of the second letter will be sent via email and USPS regular mail. A \$25.00 fine will be assessed with the second notice, contingent on an opportunity to be heard.

Third Notice: If the homeowner does not respond or cure the violation within 15 days of the second letter, a second notice requesting compliance within 15 days of the date of the letter will be sent via email and USPS regular mail. A \$75.00 fine will be assessed with the third notice, contingent on an opportunity to be heard.

Continuing Violation: If the homeowner does not respond or cure the violation within 15 days of the third letter, all subsequent correspondence concerning the violation should clearly define what action will be taken or what fines will be assessed to the homeowner's account, contingent on an opportunity to be heard. The Board has the right to levy a fine up to \$150.00 for each day the violation continues thereafter.

Repeat Violations: If a homeowner repeatedly violates the same specific section of the CC&Rs, Bylaws or Rules, the Board has the right to levy escalating fines with each additional violation. After a first notice (no fine), the fines shall follow the above escalation: \$25 for second notice, \$75 for third notice, and \$150 per day for subsequent violations.

Failure to Submit to the Architectural Committee: If the homeowner proceeds with an improvement to their lot without submitting the proposed improvement to the Architectural Committee and receiving their approval, a courtesy violation letter will be sent via email and USPS regular mail. If the homeowner does not respond or cure the violation within 15 days of the first letter, the homeowner may be fined up to \$2,500 as determined by the Board, contingent on an opportunity to be heard. The homeowner may be fined up to \$2,500 per month for every month they fail to submit the improvements to the Architectural Committee for review. The Board reserves the right to require the homeowner to correct all improvements in a timely manner in order to bring the improvements into compliance with the CC&Rs regardless of cost to the homeowner.

**The Board reserves the right to impose fines in amounts in excess of those set forth above, so long as the fine is reasonable in correlation to the violation.*

Notices/violation letters:

The notice of violation shall contain the following:

1. The provision of the community documents that has allegedly been violated.
2. The maximum amount of the monetary penalty that may be imposed by the Board with respect to each Notice, to include the potential for escalating fines.
3. A statement that the homeowner may request in writing a hearing on the subject of the violation before the Board. In order to be heard, the Association must receive a written request for such hearing within 15 days of the date of the letter. A homeowner's failure to request a hearing within the prescribed time period shall be deemed a waiver and forfeiture of the owner's right to a hearing with respect to that notice.

4. A statement that (i) if the homeowner fails to timely request to be heard, the amount of the monetary penalty as set forth in the notice shall be due within 15 days of the date of the letter, and (ii) if the homeowner requests to be heard as prescribed, any amount of monetary penalty imposed by the Board shall be due within 15 days after the date of the Board's notice of decision.

Notice: A notice shall be mailed to the homeowner's address as shown on the records of the Association. If more than one person or entity owns a lot/unit, a notice to one of the joint owners shall constitute notice to all of the joint owners.

Hearing: The Board shall conduct a timely requested hearing. Upon conclusion of the hearing, the Board shall determine, in its sole and absolute discretion, whether a violation occurred and, if so, the amount of the monetary penalty, if any, to be imposed for such violation. Such monetary penalty may not exceed the prescribed amount set forth in the notice. The Board shall mail the Decision to the homeowner. If the homeowner fails to appear at the hearing, then the homeowner shall be deemed to have waived his/her right to a hearing with respect to that violation.