



**The Islands Community Association
Amended and Restated Deed Enforcement Policy**

Approved: 8.23, 2021
Effective: 8.23, 2021

WHEREAS, The Islands Community Association (“Association”) has authority pursuant to the Amended And Restated Declaration of Covenants, Conditions, Restrictions and Easements For The Islands (“Declaration”) and the Bylaws of The Islands Community Association (“Bylaws”) to determine, in its reasonable discretion, the manner in which to remedy and/or impose penalties for violations of the provisions set forth in the Declaration, Architectural Guidelines, Rules and Regulations (“Rules”) and/or Bylaws (collectively, “governing documents”);

NOW THEREFORE, IT IS RESOLVED that the following general procedures and practices are established for the enforcement of violations of the use restrictions and architectural and design standards in the Declaration, Rules and Bylaws of the Association and for the elimination of violations found to exist within the Association. These procedures and practices shall be known as the “Enforcement Policy”. This Enforcement Policy completely amends, restates, and supersedes any prior enforcement policies and procedures of the Association.

1. The Association reserves the right to deviate from this Policy and to take any action at any time authorized by the governing documents or applicable law in order to secure compliance. This right includes, but is not limited to, the right to exercise self-help as set forth in the Declaration, and the right to turn any matter over to legal counsel at any time and act in accordance with legal counsel’s recommendation.

2. Violation Notices. Upon verification of the existence of a violation of the governing documents by the management staff (“Management”) or the Board, Management may send a written Notice of the Violation to the Lot Owner (“Initial Notice”) which shall set forth the information required by the Declaration and by applicable Arizona law. A subsequent Notice of Continuing Violation may be sent if the Lot Owner fails to remedy the Violation after the expiration of the compliance date provided in the Initial Notice, which shall notify the Owner of the Board’s intent to levy a fine if the violation is not corrected by the deadline provided, and of the Owner’s right to request a hearing.

3. Fines. If the Lot Owner fails to remedy the Violation by the compliance deadlines provided, or a Violation reoccurs, Management may send to the Lot Owner a Notice of Fine and/or Corrective Action which may set forth the information required by the Declaration and Arizona law. Unless otherwise specified by the Board, the amount of fines imposed will be in accordance with the **General Fine Schedule** adopted by the Board and attached to this Policy as **Exhibit A**.

4. Hearings. A hearing will be scheduled with the Board or a designated Committee within fourteen (14) days of receipt of a request by an owner for a hearing. The Board or Committee will take into consideration circumstances that may require a longer time period to accommodate schedules of both parties.

5. Recurring Violations. If the Lot Owner fails to remedy a violation, or the same violation reoccurs within three (3) months from the previous Notice of Fine and/or Corrective Action, the Board may take any action authorized by the governing documents, including but not limited to sending additional Violation Notices and imposing additional fines in accordance with the Schedules listed in Exhibits A to this Policy.

APPROVED, this 23 day of August, 2021.
The Islands Community Association

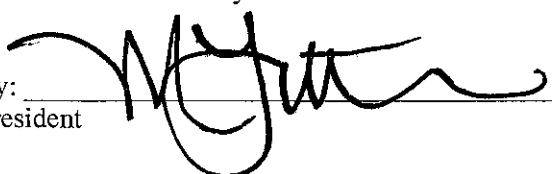
By: 
President



EXHIBIT A

The Islands Community Association General Fine Schedule

The fines set forth in this Fine Schedule shall be considered to constitute damages sustained by the Association, and are intended to compensate the Association for the administrative burden of addressing the violation and the adverse impact of the violation on the community. The Board retains the discretion to adopt supplemental fine schedules to address specific violations of the governing documents. If a supplemental violation-specific schedule is not adopted, the General Fine Schedule shall apply.

The Board of Directors reserves the right to deviate from the fine amounts set forth herein if the Board finds good cause to do so in a particular case. The Board also reserves the right to pursue any and all other remedies set forth in the Declaration at the same time or in lieu of levying the fines set forth in this Fine Schedule.

- A. **INITIAL NOTICE:** An initial notice of the violation may be mailed to the Owner requesting compliance. **NO FINE will be levied.**
- B. **NOTICE OF CONTINUING VIOLATION (SECOND NOTICE):** If the violation has reoccurred or still exists after the deadline for compliance provided for in the First Notice, a Second Notice requesting compliance may be mailed to the Owner. **NO FINE will be levied**, but the Owner may be notified of (1) the Board's intent to levy a fine if the violation reoccurs or is not corrected by the deadline provided, and (2) the Owner's right to request a hearing.
- C. **NOTICE OF FINE AND/OR CORRECTIVE ACTION (THIRD NOTICE):** If the violation reoccurs or still exists after the compliance deadline provided in the Notice of Continuing Violation, a Notice of Fine and/or Corrective Action may be mailed to the Owner. A **\$50.00 fine** may be assessed with the Notice of Fine and/or Corrective Action (Third Notice).
- D. **FOURTH NOTICE:** If the violation reoccurs or still exists after the deadline for compliance provided in the Notice of Fine and/or Corrective Action, a fourth notice requesting compliance may be mailed to the Owner. A **\$75.00 fine** may be assessed with the fourth notice.
- E. **FIFTH NOTICE:** If the violation reoccurs or still exists after the deadline for compliance provided in the fourth notice, a fifth notice requesting compliance may be mailed to the Owner. A **\$100.00 fine** may be assessed.
- F. **CONTINUING VIOLATIONS:** If the violation continues without resolution after the compliance deadline provided in the fifth notice, a **fine of \$100.00** may be assessed **every fourteen (14) days** until the violation is resolved. In addition, the Board of Directors shall have the right, but not the obligation, to remedy the violation and/or take legal action, in accordance with the Amended and Restated Deed Enforcement Policy.
- G. **REOCCURRING VIOLATIONS.** If the same violation reoccurs within the three (3) month period following the date of any notice of violation, then the notification/fine assessment may resume from the most recent correspondence sent. In addition, the Board of Directors shall have the right, but not the obligation, to remedy the violation, implement self-help and/or take legal action, in accordance with the Amended and Restated Deed Enforcement Policy. The cost of self-help or legal action may be assessed to the owners account, per the Declaration.



SUPPLEMENTAL FINE SCHEDULE

Fines applicable to Short Term Rental Violations

The fines set forth in this Supplemental Fine Schedule shall be considered to constitute damages sustained by the Association, and are intended to compensate the Association for the administrative burden of addressing the violation and the adverse impact of the violation on the community.

The Board of Directors reserves the right to deviate from the fine amounts set forth herein if the Board finds good cause to do so in a particular case. The Board also reserves the right to pursue any and all other remedies set forth in the Declaration at the same time or in lieu of levying the fines set forth in this Fine Schedule.

- A. INITIAL NOTICE:** An initial notice of the violation may be mailed to the Owner requesting compliance and informing the Owner (1) of the Board's intent to levy a fine in an amount equal to the greater of (a) two times the average nightly lease rate, or (b) \$500.00, and (2) of the Owner's right to request a hearing.
- B. SECOND VIOLATION NOTICE:** If the violation reoccurs, a fine in an amount equal to the greater of (a) three times the average nightly lease rate or (b) \$1,000.00 may be levied.
- C. THIRD VIOLATION NOTICE:** If the violation occurs a third time, a fine in an amount equal to the greater of (a) four times the average nightly lease rate or (b) \$1,500.00 may be levied.
- D. SUBSEQUENT VIOLATIONS.** For each subsequent Short Term Rental violation, a fine may be levied in an amount that is increased incrementally from the previously levied fine. The rate of increase will be the greater of (a) the average nightly lease rate, or (b) \$500.00.