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RULES OF THE PORTAL III PINE CREEK CANYON HOMEOWNERS' ASSOCIATION
RELATING TO VIOLATIONS OF RESTRICTIVE COVENANTS

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RULES OF THE PORTAL III
PINE CREEK CANYON HOMEOWNERS' ASSOCIATION
RELATING TO VIOLATIONS OF RESTRICTIVE COVENANTS

These Rules, adopted by the Board of Directors of the Portal III Pine Creek Canyon Homeowners' Association (the "Association") on October 12, 2013, shall govern the submission of complaints regarding alleged violations of the restrictive covenants applicable to homeowners within the Association, the evaluation of those complaints, and the corrective action, if any, to be taken in response thereto.

1. Complaints. Any member in good standing of the Portal III Pine Creek Canyon Homeowners' Association may make a request of the Association to initiate enforcement action with respect to any alleged violation of the applicable restrictive covenants by another member of the Association. All complaints shall include specific allegations regarding (i) the particular restrictive covenant that is allegedly being violated; (ii) the dates of the alleged violations, and (iii) the homeowner's position regarding the corrective action needed. Such request must be in writing and shall be addressed to:

Portal III Pine Creek Canyon HOA
P.O. Box 1929
Pine, Arizona 85544

2. Portal III HOA Responses to Complaints. The Association will consider all Complaints filed in the order received. When determining whether to take action with respect to an alleged violation, the Association will consider (i) the duration of the alleged violation, (ii) the severity of the alleged violation, (iii) the extent of the impact of the alleged violation on other property owners within the Association, and (iv) the cost involved with pursuing remedial measures with respect to the alleged violation. The Association has limited resources, and alleged violations, even when involving the same regulation, differ factually. As such, decisions regarding responses to Complaints are necessarily subjective. The Association is committed to fair, even and impartial enforcement of the applicable restrictive covenants. However, as with any homeowners' association, the Association cannot guarantee that it will take action with respect to every Complaint filed.

3. Notice of Violation. Should the Association elect to undertake corrective action with respect to a given Complaint, the Association will issue a Notice of Violation to the violator indicating:

- (i) The name and address of the property owner receiving the violation;
- (ii) The specific provision of the Declaration or community documents that has allegedly been violated;
- (iii) The date of the violation or the date the violation was observed;
- (iv) The first and last name of the person or persons who observed the violation;
- (v) The process the member must follow to contest the notice.



(vi) The amount of the fine or fines to be charged in the event that the violation is not timely remedied, and the means by which the fine(s) shall be enforced and collected;

(vii) Notice that the violator may provide a written response to the Association by sending the response by certified mail within ten business days after the date of the notice. This response shall be sent to the address contained in the notice.

3. Response. Within ten days after receipt of the certified mail containing a response from the member as described in Section 2(vii) above, the Association shall respond to the member with a written explanation regarding the notice that includes, at a minimum, the information described in the preceding paragraph.

4. Imposition of Fines. Pursuant to A.R.S. § 33-1803, the Association has elected to impose monetary penalties on members for violations of the Declaration. Fines may be imposed from the date that the information provided in Section 2 above is provided to the member. In the event that corrective action is not completed within the time period allotted in a Citation, the Board shall issue an initial Basic Fine, to be followed by Daily Fines in the amounts indicated on the attached schedule. The Basic Fine shall be due and payable beginning on the day upon which corrective action was to be completed. Daily Fines shall accrue each day thereafter. From time to time, the Board may elect to modify or amend the fine schedule. Any such amendment must be approved by the Board after notice to the members of the Association

5. Right to Petition for Hearing. At any time before or after completion of the exchange of information described in Paragraph 3 above, the member may petition for a hearing pursuant to A.R.S. § 41-2198.01 if the dispute is within the jurisdiction of the Department of Fire, Building and Life Safety as prescribed in A.R.S. § 41-2198.01(B).

6. Late Charges. In the event that any Basic Fine is not paid within fifteen days of its due date, the Association shall impose a late charge in the amount of \$15.00 or ten percent of the unpaid assessment, whichever amount is greater. Any monies paid by a member for an unpaid penalty shall be applied first to the principal amount unpaid and then to the interest accrued.

Adopted this 12th day of October, 2013, by the Board of Directors of the Portal III Pine Creek Canyon Homeowners' Association.

Branda Betts
Secretary

VIOLATION FINE SCHEDULE
(Adopted and Approved at June 15, 2013 Board Meeting)

VIOLATION	CC&R SECTION	BASIC FINE	DAILY FINE
Single Family Use	Section 2(a)	\$250.00	\$150.00
Animals	Section 2(b)	\$100.00	\$50.00
Antennas	Section 2(c)	\$100.00	\$50.00
Improvements and Alterations	Section 2(d)	\$250.00	\$150.00
Driveways	Section 2(e)	\$250.00	\$150.00
Temporary Occupancy	Section 2(f)	\$250.00	\$150.00
Trailers and Motor Vehicles	Section 2(g)	\$100.00	\$50.00
Maintenance of Lawns and Plantings	Section 2(h)	\$100.00	\$50.00
Nuisances	Section 2(i)	\$250.00	\$150.00
Repair of Buildings	Section 2(j)	\$100.00	\$50.00
Trash Containers and Collection	Section 2(k)	\$100.00	\$50.00
Fires	Section 2(k)(i)	\$250.00	\$150.00
Clothes Drying Facilities	Section 2(l)	\$100.00	\$50.00
Right of Way	Section 2(m)	\$100.00	\$50.00
Mineral Exploration	Section 2(n)	\$250.00	\$150.00
Machinery & Equipment	Section 2(o)	\$250.00	\$150.00
Disease & Insects	Section 2(p)	\$100.00	\$50.00
Restriction on Further Subdivision	Section 2(q)	\$100.00	\$50.00
Signs	Section 2(r)	\$100.00	\$50.00
Any Other Violation		\$250.00	

