

RULES AND REGULATIONS
Of the
CLIFF ROSE HOMEOWNERS ASSOCIATION, INC.

SECTION 1.

RULES and REGULATIONS in GENERAL

1.1 Authority:

The Rules and Regulations contained in this document are the Cliff Rose Subdivision Governing Documents and authorized by the By-Laws, Article II, Section 2.1.d. and Article VI in addition to CC&R Article II, Section 1C of the Cliff Rose Homeowners Association (CRHOA), Inc.

1.2 Purpose:

These Rules and Regulations are established for the betterment of the community of the Cliff Rose homeowners and residents. When a prospective homeowner purchases property in Cliff Rose, he/she agrees to abide by the documents governing the Cliff Rose Homeowners Association. These governing documents are provided to each new homeowner and renter to insure that ignorance of the rules is not a factor in non-compliance.

1.3 CC&R Definitions:

Unless otherwise defined, capitalized words and Rule language have the same meaning as defined in the CC&R Declaration.

1.4 Payment of Annual Dues:

Annual dues must be paid on time in January of each year. Dues paid later than the 31st of January can be assessed a late fee of \$15 in addition to interest penalties. Be aware that the HOA can foreclose on property that is delinquent in paying HOA dues. Send dues to:

Cliff Rose Homeowners Association
Attention: Annual Dues
PO Box 10000

Prescott, AZ 86304-0831

SECTION 2.

RULES and REGULATIONS - Selected from the CC&R for Reference:

2.1 Reasoning:

The following rules and regulations that are listed below were selected from the CC&R Governing Document. The reason for having them included in this document is that issues related to these subjects are common occurrences in almost any planned community and repeatedly are sources of misunderstanding within the individual members of the community of the Homeowners Association.

2.2 Selected from the CC&Rs:

2.2.1 No vehicle parking shall be allowed on unpaved portion of the residential lot (Ref. CC&R, Art. V, Sect. 1B, Amendment 3; dated 14 Oct. 1997)

2.2.2 No unlicensed vehicles are to be stored on any residential lot (Ref. CC&R, Art. V, Sect. 1L)

2.2.3 Only common household pets are permitted at Cliff Rose. Maintaining livestock, nondomestic animals, or raising household pets for the purpose of sale are prohibited. Pets must be confined in such a manner as to not disturb neighbors. Animal waste should be removed in a timely manner avoiding odor and unsanitary conditions. (Ref. CC&R, Art. V, Sect. 1D)

2.2.4 Dogs must be on a leash when outside the home or fenced back yard. It is required that the dog walker must pick up after them immediately on yards, sidewalks, streets, common areas and vacant lots. (Ref. CC&R, Art. V, Sect. 1D, amendment 3; dated 14 Oct. 1997). **Barking dog issues:** it is imperative to obtain evidence of a nuisance dog prior to contacting the Board or City of Prescott animal control. This is done with an audio/video camera. If you can legally obtain (you cannot force the dog to bark at you, you cannot enter another homeowners property) a barking dog audio/video of 5 minutes of continuous barking then you will have a case and the HOA and City can both proceed with enforcement. If the dog barks continuously but not longer than 5 minutes at a time, you may still have a case. You would need to have several videos to show that the dog is a nuisance. If the dog barks at you through your fence, this is also considered a nuisance. It's always best to try to discuss this issue with the neighbor who owns the dog.

Note: It is in the dog owner's best interest to avoid this type of complaint because it can become very expensive as both the HOA and the city will be imposing fines (see fine schedule: 3.8.7b).

2.2.5 No lots shall be used for storage of rubbish nor for storage of any property or thing that will cause lots to appear cluttered, unclean, or untidy. (Ref. CC&R, Art. V, Sect. 1K).

2.2.6 Each lot owner is responsible for the **outside maintenance** of all property owned by him or her and also is responsible for water, sewer and garbage collection fees for the lot. (Ref. CC&R, Art. IV, Sect. 4)

SECTION 3.

RULES and REGULATIONS of the HOMEOWNERS ASSOCIATION:

3.1 General Property Standards

3.2 Architectural Review Committee (ARC) Criteria

3.3 Common Areas

3.4 Unimproved Residential Zoned Property (Vacant Lot) Maintenance

3.5 Recreational Vehicle (RV) Storage Lot

3.6 Contractors

3.7 Drainage Maintenance

3.8 Collecting Fines and Fees, Fines Schedule

3.1 General Property Standards:

3.1.1 Resolving Rule Disputes between Neighbors: When a rule dispute occurs between neighbors, the Board takes the position that neighbors should first try to resolve complaints between or among themselves. If the dispute can't be resolved, the complaining party should next contact the board president at CliffRosePresident@gmail.com, who will then investigate the situation and attempt to resolve the problem. If the investigation reveals that there is some violation of these rules and regulations, the situation will be referred to the Board for any action they deem necessary.

We all must understand that we share this neighborhood, and we must live together. Not all problems can be resolved to everyone's satisfaction. We must consider the entire community and work within the confines of the City of Prescott codes.

3.1.2 Vehicle Parking: RVs, Travel Trailers, Camper Shells, Boats, or Utility Trailers are not to be parked in a driveway, separate pad, or on the street for longer than 72 hours at a time, and they are not to extend into the sidewalk, or the street where there is no sidewalk. (This should allow time for loading, unloading or cleaning.) This rule applies to all vehicles whether resident owned, rented or belonging to a guest. (On-street parking is also regulated by Prescott City Code.)

This rule is not to be avoided by moving the vehicle from the driveway to the street and back to the driveway, etc. in order to extend or circumvent the 72 hour limit.

3.1.3 Trash and Recycle Cans: City of Prescott trash and recycle bins are to be stored so that they are not visible from the street. Personal trash bags and cans must also be out of sight except on special pick-up days. Cans stored outside should be placed behind a structure approved by the Architectural Review Committee that obscures the cans from view. Bushes/shrubs can also be used to obscure cans.

3.1.4 Billboards and Advertising Signs: No billboards or advertising signs of any character shall be erected, placed or permitted on the property, except for the signs used to identify properties. Only "For Sale" or "For Rent" signs are approved for use and shall be the standard 18 x 24 inch sign used by realtors. One additional rider 6x24 may be attached to the sign. A literature box may be placed next to the "For Sale" sign if required. (See also the CC&R, Article V, Section I F and the Prescott City Code)

3.1.5 Political Signs: The display of political signs shall be limited to a period of seventy-one (71) days before the day of an election for which the signs pertain. (A.R.S. 33-1808)

The total sign area permitted on any lot cannot exceed thirty-two (32) square feet. The signs may be free standing. Signs shall be removed within ten (10) days after the primary, general or special election. (See the Prescott City Zoning Code, Section 6.12, F, 4.)

3.1.6 Display of the Flag of the US: When the flag of the United States of America is displayed, it must be done in manner consistent with the federal flag code (P.L. 94-344; 90 Stat. 810; 4 United States Code sections 4 through 10). Each lot may have one flagpole not to exceed the home's roof line in height above ground level.

3.1.7 Property Maintenance/Compatibility: All property within the Cliff Rose development must be maintained such that it is compatible with the prevailing quality and residential image of Cliff Rose. This includes yard and structure maintenance. Plants must be properly trimmed, yards cleaned, driveways and walks repaired and structures painted. This also includes the maintenance of vacant lots.

3.1.8 Exterior Lighting: The City of Prescott supports the "Dark Sky" concept. A maximum frosted 25 watt incandescent or 4 watt fluorescent **exterior light (approx. 160-210 lumens, this information is on the box) or equivalent. The lights must not project upwards into the night sky. Frosted or translucent lenses help considerably. Lights brighter than 210 lumens must be on a motion sensor with a shut off delay of no more than 5 minutes. 1-2 minutes are usually adequate to deter trespassers. Please ensure your motion activated lights are not causing a disturbance to your neighbors.

**Maximum values apply to the combined light of multiple bulbs within fixtures.

3.1.9 Rental/Lease of Homes:

a) **Terms:** The home and its lot must be leased together, in their entirety, and cannot be subleased.

b) Reporting to the Association: Owners must inform the Board by written notice via the “[Home Rental Information Update](#)” form under the “Forms” main menu item on the Cliff Rose Website. The completed form must be sent to the Cliff Rose HOA Manager whenever they lease/rent their home. This written notice must be accompanied by a confirmation that the lessee/renter is informed of and has been provided a hard copy of the current Rules and Regulations [see c) and d) below]. These actions shall be complied with no later than the commencement of the lease. The name and phone number of the lessee/renter must also be supplied.

c) Informing the Lessee/Renter: It is the owner's (not the Association's) responsibility to make sure the lessee/renter understands that all matters regarding maintenance and repair of the home are to be handled with the owner and not the Association.

d) Providing Hard Copy of the R&R: It is the owner's responsibility to supply a copy of these Rules and Regulations and the Declaration to the lessee/renter, and the owner is to ensure that the renter and occupants comply with the provisions of such documents.

3.2 Architectural Review Committee (ARC) Criteria:

3.2.1 Introduction: The following rules have been established by the Cliff Rose Homeowner Association's Board of Directors to assure compliance with Article V of the Declaration of Covenants, Conditions and Restrictions (CC&R). These rules apply to all properties within the Cliff Rose community. The primary purpose is for all new or existing structures and property to be in relative harmony with all other structures as determined by the ARC. All exterior materials must be compatible with the prevailing quality and residential image of Cliff Rose.

3.2.2 The ARC: The Board of Directors has appointed an *Architectural Review Committee* (hereafter referred to as the ARC) to review and approve all planned land and building improvements which may impact the appearance and value of the community. The ARC provides guidance for property development and/or improvements within the subdivision -including, but not limited to, site planning, building design, building materials and landscaping. The basic criteria in reviewing plans require that the design and the exterior materials and color scheme are compatible with the prevailing quality and residential image of Cliff Rose. Any proposed improvement must fit and complement the specific site on which it is to be located. The Email address is CliffRoseARC@Gmail.com

3.2.3 Design Recommendation: The ARC recommends that you obtain the services of a qualified designer or architect for the design of your custom home. The cost for this professional assistance will be offset by a more efficient use of resources, structural soundness, and greater homeowner satisfaction. The value of properties within Cliff Rose is enhanced by the views, the rural character, the natural vegetation, and scenic beauty. Preservation of existing trees and natural vegetation is also an important consideration. Maintaining these assets through the design and quality of all improvements is a function of the ARC.

3.2.4 Improvements that Require Review: All land and building improvements or alterations visible on the outside of the home require review and written approval by the ARC. Such improvements include but are not limited to the following:

- a) **All buildings** including accessory structures.
- b) **Property improvements** such as fences, retaining walls, paving, patios, spas, pools, alternate energy source installations such as solar panels and wind generators, as well as landscaping shrubbery, ground cover, trees, etc.
- c) **All exterior** materials and colors.
- d) **Alterations** or **additions** to any of the above. If in doubt, send your question to CliffRoseARC@Gmail.com. It's always best to get approval than to risk an unauthorized change and be fined.

3.2.5 Plan Approval Process by the ARC: The ARC is responsible for the process in which plans are received, reviewed, and written approvals and disapprovals are issued. The following steps shall be followed in submitting plans and materials for ARC review. The necessary forms for submittal are available online at the Association's website: www.CliffRoseHOA.org

- a) The lot owner is responsible to submit the **ARC worksheet** which identifies the lot number (if known), lot owner, mailing address and telephone number. They must also identify the name, address and phone number of the designer/architect and building/contractor. Submit to: CliffRoseARC@gmail.com or mail it with the plans to:

Cliff Rose Homeowners Association
Attention: Architectural Review Committee
PO Box 10000
Prescott, AZ 86304-0831

- b) The lot owner is responsible to supply one copy of the specified **drawings (building plans)**, including landscape/drainage plan, color samples for paint, roofing, gutters/downspouts and any other items required by the ARC, and submit to the above mail address:

Note: you can also contact the ARC director via Email and arrange a drop off in lieu of mail.

- c) It is mandatory that final plans and **supporting materials** be submitted to the ARC for written approval before any site clearing, excavation or exterior modification is started. Considering the seriousness of this violation of this Section, the fine assessed for any violation of this Section shall be a minimum of \$2,500.00.

- d) Article V, Section 1, paragraph A of the CC&R states that if the ARC does not approve or disapprove the plans and specifications within 30 days after submission, approval will not be required. The required **30 days approval time** will not begin until the ARC has a complete and correct package containing all the materials specified herein. If the package is incomplete, the lot owner will be notified of such deficiencies.
- e) **Completion time:** All construction approved by the ARC must be completed within one year from the date of commencement. If not, a new approval is required.
- f) **Document Submittal:** Documents submitted for ARC plan approval shall include the following detail:

Note: The ARC members may request additional information for their review. For example, a color sample painted on material similar to that being painted may be required to assure adequate muting of certain colors.

- f1) **Site Plan:** (Minimum scale: 1 inch = 10 feet) Show property lines, setbacks, easements, buildings, driveways, sidewalks, patios and/or decks, and fences - including dimensions. Also show trees having a trunk diameter of 3 inches or larger, measured at one foot from the ground.
- f2) **Grading Plan:** (Minimum scale: 1 inch = 10 feet). Show structures, improvements and trees - including existing and proposed grades and contour, flow lines and lot drainage, driveway slopes, the finished floor elevations referenced to the top of curb at center of driveway, etc. (Grading plan information may be incorporated into the site plan drawing provided the information is clearly readable.)
- f3) **Floor Plan:** (Minimum scale: ¼ inch = 1 foot) Show all floor spaces and dimensions; show interior floor level transitions; include all balconies, decks, garages and storage structures; indicate square footage of livable floor space on each level.
- f4) The **minimum livable floor space** in any new dwelling in this tract is 1200 sq. ft.
- f5) Dwellings with **more than one story** above grade level are not permitted. A walkout basement is permitted.
- f6) Each dwelling will provide a **two-car garage**.
- f7) **Roof Plan:** (Minimum scale: ¼ inch = 1 foot) Show hips, valleys, ridges, roof pitches and roofing materials. (For a list of approved roofing materials, see “**General Architectural Standards,**” Section 3.2.8).
- f8) **Exterior Elevations:** (Minimum scale: ¼ inch = 1 foot) Show proposed roof pitches, hips, ridges, roofing materials, pop-outs and all finish materials; show existing and finished grade lines on all exterior elevations. Indicate any condition that will affect the structure's exterior (see **Acceptable/unacceptable styles, materials, colors, etc.**).
- f9) **Exterior Colors and Finishes:** Provide color samples and describe all exterior finishes.

3.2.6 Definitions of Features for Painting Purposes:

- a) **House/Stucco/Body:** The main walls of the home which are either stucco or some type of siding.
- b) **Trim:** The fascia board which generally runs around the lower roofline, and is usually wood. Any wood that "trims" (runs around) a window(s) or door(s).
- c) **Pop-Outs:** Usually on the front and sides of the home. An area around windows and doors that is usually 4-6 inches wide and extends out 2-3 inches.
- d) **Exterior Doors:** Front entrance door, rear entrance door(s), side entrance door(s), garage door(s). The paint color of all exterior doors must be approved by the ARC.
- e) When **repainting**, a "Repainting, Evaluation and Approval Worksheet" must be submitted for consideration. A color chart is also available for keeping the uniformity in the area (except for the adobe type model which is usually decorated in southwestern colors). Worksheet and approved colors are available on website: www.CliffRoseHOA.org

3.2.7 Landscape Plan: (Minimum scale: ¼ inch = 1 foot) Show size, type and location of all trees and shrubs and ground cover to be used on site; also show all walks, patios, fences and decks as they relate to the landscape elements.

- a) **The site** landscaping for any portion of the lot that faces a street must be completed within three (3) Months of close of Escrow (COE). Move-in is expected within 1 week after final inspection or COE, whichever is later. Notify the ARC immediately if you cannot move in right after COE.
- b) Importance is placed on leaving undisturbed as much of the **natural vegetation** as possible. (If desired, the ARC will provide a list of trees and shrubs commonly used in Arizona.)
- c) Exposed faces of **retaining walls** should not exceed 6 feet in height. Care shall be exercised to preserve both your scenic views and those of your neighbors. The City of Prescott requires special engineering for retaining walls exceeding a height of four feet. Special treatment of sloped surfaces is permitted to prevent soil erosion. Such treatment, when used, must have details described. Care shall be exercised to prevent drainage washout to any property.

3.2.8 General Architectural Standards: The following styles, materials, colors, etc. for building in Cliff Rose are set forth in the details for ARC plan approvals. Any plan detail not covered by this list, or identified as "unacceptable" must have a variance from the Board of Directors prior to any use.

a) Design Styles:

Acceptable

Contemporary
Ranch
Santa Fe (Pueblo)

Unacceptable

“A” Frame
Swiss Chalet
Geodesic Dome
Log Homes

b) Multi-Story Dwellings:

Acceptable

Single story dwelling
Single story with walkout basement

Unacceptable

Two-story dwelling above grade level

c) Roofing Materials:

Acceptable

Tile
Architectural shingle
Standing Seam metal
Metal shake

Unacceptable

Wood shake
Rolled (except on Santa Fe)

d) Exterior Siding Materials:

Acceptable

Wood - Cedar, Fir, Redwood
Lap Hardboard
Hardboard and Masonry stucco
Stem stone or rock wainscoting
Brick
Aluminum Siding – if combined with brick, stone or rock wainscoting

Unacceptable

4' x 8' Hardboard sheets
Shingle
Slump block
Concrete block unless as retaining wall or architectural
Stone or total rock construction

e) Exterior Colors:

Acceptable

Muted (desert) Tones*

Unacceptable

High contrast color scheme
Overly Bright colors; overly Dark colors

* Contact ARC Chair for pre-approved color samples or visit www.cliffrosehoa.org

f) Exterior Structures:

Acceptable

Retractable (telescoping)
support - Ham radio.

Unacceptable

Non-retractable or fold over CB or antennae or fold over support

CB or Ham radio.

Antennae support to be retracted Satellite/TV antennae exceeding or
folded over when not in use. Roofline. Satellite/TV antennae not higher
than roofline and preferably behind the house. Supporting structure
must be inside the house.

g) Fencing**Acceptable**

Style: Solid, Chain link, or Vertical stake

Height: Maximum six (6) feet high.

Color: Compatible with surrounding structures for chain link. **Materials:**

Plastered structures,

Vinyl, Wrought iron, Chain link,

Concrete (if preformed), Concrete block

(if split-faced), Architectural block

(color-toned or plastered) or Wood.

3.3 Common Areas:**Unacceptable**

No fences in front of the home. No exposed raw concrete block fence No material to be woven through chain link fences.

3.3.1 General: Common areas within Cliff Rose subdivision have been deeded to the Cliff Rose Association, Inc., and the maintenance of these common areas is the responsibility of the Association.

3.3.2 Benefits: Common areas provide several benefits to Cliff Rose residents. In particular, water flow within the subdivision is accommodated by several drainage ditches located within these common areas. Utility easements may also be located in these areas. The Subdivision's residents gain benefits of the common areas as they provide natural, unaltered space between homes, allowing residents to experience the native environment and unique ecosystem that is an integral part of our high desert location.

3.3.3 Expenses associated with the maintenance of these common areas are paid from dues assessed each homeowner within the subdivision. The Association Board, through a Maintenance Committee, monitors the condition, and use of these common areas. Residents who have concerns about common area condition, including safety issues, should contact the Maintenance Director.

3.3.4 Restricted Activities:

- a) **No motorized vehicular traffic** is allowed on common areas. The only exceptions are vehicles associated with contract maintenance or public utilities.
- b) Residents **may not park vehicles nor store items** of any kind on common area parcels.
- c) Residents **may not construct** any building, storage area, shelter, lean-to, or extend over or into common area parcels.
- d) Residents **may not place signs** on common area parcels. This includes, but is not limited to, sale signs, business advertising, and political signs.

e) **No gardening** of any type including trees and shrubs is permitted on common area parcels.

3.4 Unimproved Residential Zoned Property (Vacant Lot) Maintenance:

3.4.1 Definition: An unimproved residential lot is defined to be a vacant parcel of land that has been zoned for residential construction and which is owned by any individual, party, or corporation.

3.4.2 Mandate: Unimproved residential lots within Cliff Rose must be minimally maintained to standards set forth by City of Prescott Code, in addition must be maintained to Cliff Rose HOA standards. The responsibility of compliance belongs with the owner or owners of the lot.

3.4.3 Usage: Unimproved residential lots within Cliff Rose may not be used for storage or parking of any kind.

3.4.4 Weeds: Unimproved residential lots within Cliff Rose must be kept free of weeds in excess of 12" high on the entire lot. Keeping in mind that vegetation is beneficial to wildlife and erosion control, some growth on lots is allowable within these guidelines, however, all vegetation should be trimmed no higher than 4" on the 10-foot easement measured from the curb. Spraying to kill all vegetation is not recommended, but encouraged when applied on sidewalk and driveway cracks and crevices.

3.4.5 Unkempt Lot: Owners will be notified that their property must be maintained and must respond within the requested number of days, or by a requested calendar date. If no response is received, the necessary maintenance for that lot will be arranged by the HOA and billed to the lot owner.

3.4.6 Bushes and Trees: Unimproved residential lots within Cliff Rose may contain bushes and trees; however, they must be living. Dead or diseased bushes and trees must be removed.

3.4.7 Erosion: Unimproved residential lot erosion that causes adjacent sidewalks and streets to be coated with mud/dirt/rocks must be corrected, and the resulting mud/dirt build-up must be removed on a timely basis.

3.4.8 Complaints concerning vacant lots within Cliff Rose will be handled on a case-by-case basis. Lot owners will be notified, where necessary, and a description of actions to correct violations will be provided by the Board. The Board reserves the right, in the absence of lot owner responses to requests for violation corrections, to take whatever action is necessary. This may include correcting the problem and billing the lot owner or referring the violation to the City of Prescott authorities.

3.5 Recreational Vehicle (RV) Storage Lot:

3.5.1 General: The Cliff Rose Homeowners Association operates and maintains a forty-space recreational vehicle parking lot for the convenience of Cliff Rose homeowners.

3.5.2 Definitions and Requirements: Recreational vehicles are defined to be a motor home, travel trailer, fifth wheel, camper, boat and trailer, enclosed vehicle trailer, or ATV. Any other type of vehicle may be allowed as space permits with the provision that the space will be reclaimed by the lot administrator if necessary to accommodate a defined vehicle.

Since there are more home lots within Cliff Rose than there are spaces available in the RV parking lot, parking spaces are allocated on a first-come, first-served basis. A **Parking Agreement**, available from the parking lot administrator, must be signed by both the administrator and the homeowner, and payment of an applicable lease fee is required before a vehicle may be placed in the lot.

3.5.2 Leasing, Payments and Conditions: Parking spaces are leased at \$20 per month for vehicles up to 25 feet in length, and \$40 per month for vehicles over 25 feet in length. Leasing fees are paid in six month increments (January-June and July-December.) Homeowners are billed in December for the following year. Payments are to be made in a minimum of six-month increments with payment due by February 1. Those wishing to pay for the full year may deduct one month's fee from the total payment. Payments not received by February 1 or August 1 will be assessed a \$3 per month late penalty until payment is received. Unused fees are refunded to the homeowner in the event the assigned parking space is vacated prior to the end of the billing period.

3.5.3 More Info: For further information, or to initiate licensing of an available space, please contact the Lot Administrator, a Board member, or email ContactCliffRose@Gmail.com

3.6 Contractors:

3.6.1 General: General Contractors, Sub-contractors, Material Suppliers, and others providing services and work in the Subdivision's established area must be aware of and comply with Prescott City Codes and Cliff Rose Rules and Regulations.

3.6.2 Conditions or Safety Concerns: Residents and Contractors who have concerns about a violation of Rules and Regulations, construction area condition or safety issue, should contact the ARC Chairman, or any member of the HOA Board, or email CliffRoseARC@gmail.com

3.7 Drainage Maintenance:

3.7.1 General Requirements are imposed by the City of Prescott. Living in the "Desert Southwest" requires adequate provision for drainage to protect both private and public property. As more land is developed within and around Cliff Rose, the requirement for adequate drainage becomes even more critical. While a developer is required to provide drainage easements as part of the subdivision plat, responsibility for maintenance of that drainage lies with property owners on whose

land the easement is located. Prescott City Code (Title XVI, Chapter 16-2: "Drainage Regulations") clearly specifies this responsibility.

3.7.2 CRHOA Requirements are rules and regulations that were developed for the Subdivision to insure the integrity of drainage within Cliff Rose, and to keep drainage landscaping consistent with subdivision norms for all homeowners. These rules and regulations have their roots in state and local building codes and drainage regulations, but are more specific, and are an enforceable part of the documents governing Cliff Rose Homeowners Association.

- a) **Planning Drainage Modification:** Plans for new drainage or drainage modification on individual lots must be approved by the Maintenance Committee. This is required to insure that drainage plans integrate with existing drainage system for the subdivision and do not adversely affect drainage on adjoining properties or common areas.
- b) For **existing drainage**, repairs must match the color and material previously used. A complete list of planned replacement material must be provided to the Maintenance Committee for approval.
- c) **Concrete:** If concrete is used for a drainage channel, its color must match or be compatible with existing rip-rap.
- d) Rip-rap drainage channels must be underlined with designated plastic liner or fabric sheeting. Fabric liner is preferred for stability, longevity and it is beneficial to the water table.
- e) Drainage impediment must not be allowed. Landscaping and/or lot improvements must not cause any restriction to drainage water flow through subdivision drainage easements. Drainage flow impediment can be caused by fencing, retaining walls or other structures and also by vegetation growth of any kind.
- f) Street culverts maintenance is the responsibility of the City of Prescott. Homeowners should notify the City's Street Maintenance Division, or the Maintenance Committee concerning culvert debris and flow restrictions. Note: driveway culverts must be kept debris free by the property owner(s).
- g) Questions or concerns regarding drainage in common areas should be referred to the Maintenance Committee.
- h) **Compliance:** Failure to adequately create and/or maintain drainage on private property may result in action by the City or the Association to ensure compliance.

3.8 Collecting Fees and Fines, Fines Schedule:

3.8.1 General: From time to time a homeowner within Cliff Rose subdivision may violate one or more of the terms contained in Homeowners Association governing documents. Because compliance with the contents of these documents is required, and because such compliance maintains the atmosphere and decor that makes Cliff Rose unique, the Homeowners Association Board of Directors is tasked with correcting non-compliance issues. In the event that notification to the homeowner in non-compliance does not yield resolution, the Board has no other course of action than to institute a fine. Fines must be paid, and the non-compliance issue(s) must be corrected. Failure to do so may result in legal action by the Board.

3.8.2 Fine Administration: Fines are assessed to gain compliance and are administered only when an impasse between a non-compliant homeowner and the Board has developed. It is the duty of the Board of Directors to insure that violations of the governing documents are corrected in a timely manner.

3.8.3 Assessment: Fines are assessed by the Board of Directors in accordance with the Fines Schedule, and begin after the 21st day non-compliant homeowners receive an official written notification of violation from the President of the Board (or his/her authorized representative, IE: HOAMCO).

3.8.4 Unpaid Fines: If fines are not paid and the non-compliance is not corrected immediately after written notification that fines have begun, the applicable fine will continue to accumulate on a daily basis. When the accumulated fine reaches \$500 or more, regardless of time passed, the Board will notify the homeowner in writing that it may be instituting legal action to include collections and/or lawsuit.

3.8.5 Legal Action: Fines will be owed and continue to accumulate daily until paid or a legal action has been rendered. If the non-compliant homeowner corrects a violation prior to legal action, fine accumulation will cease as of the date of correction. It is the responsibility of the homeowner to contact the HOA President or designated representative that the issue has been corrected so a determination can be made. Payment of the total fine at the time correction has been completed may avoid legal action. If legal action becomes necessary, recovery of court costs and attorney fees will be pursued.

3.8.6 21-Day Compliance Policy:

The owner will receive a courtesy notice by regular mail citing the alleged violation, and the owner will be given twenty-one (21) calendar days to correct the violation, to contest the notice, or to request an opportunity to be heard per A.R.S. 33-1803. The board, at its discretion, may increase the number of days allowed to correct the violation. To contest your fine in writing send your response via Certified Mail to: HOAMCO, C/O Cliff Rose Compliance Officer, 3205 Lakeside Village, Prescott, AZ, 86301

If the alleged violation in the courtesy notice has not been corrected in twenty-one (21) days, the association, as required by Arizona State Statute 33-1803, will send a written first notice by certified mail that states the alleged violation and includes:

- the provision of the document that has allegedly been violated,
- the date of the violation or the date the violation was observed, and the address of the violation,
- the first and last name of the person or persons who observed the violation, and
- the process that the member must follow to contest the notice. A copy of the compliance policy will be enclosed. Homeowners have a right to petition for an administrative hearing pursuant to A.R.S 33-1803 Paragraph E and paragraph 2 section v.

The owner will be given ten (10) days from the date of the first notice to respond to the association by certified mail (required by state statute) to contest the notice, to request an opportunity to be heard, or to correct the violation. If the violation has not been corrected or contested within ten (10) days, the violation will be considered validated, and a first-level fine of one-hundred dollars (\$100) will be imposed.

If the violation has not been corrected within 10 days of date on the first notice, a second notice will be sent by certified mail, and an additional second-level one-hundred-fifty dollar (\$150) fine will be imposed in addition to the first-notice fine.

If the violation has not been corrected within ten (10) days of the date on the second notice, a final notice will be sent by certified mail with a return receipt acknowledgement, and an additional third-level two-hundred-fifty dollar (\$250) fine will be imposed in addition to the first- and second-notice fines. Final notice will specify the amount of the monetary penalty (see schedule below) and/or will turn the matter over to legal counsel for legal action.

At any time, the association may turn a matter over to legal counsel for legal action.

3.8.7 Fine Levels Definition is the function of the Board of Directors, and they decide how this criteria is imposed; additionally, the Board has the discretion to waive fines for any reason as determined by a vote of the members. Since this is a general list, the Board has the authority to classify fines not listed as the situation warrants.

a) Level 1:

- Rules and Regulations requirement for trash or recycling containers to be hidden from street view.
- CC&R and ARC Criterion requirements for front yard landscaping (weeds, overgrown bushes/trees, dead bushes/trees, etc.).
- ARC Criterion, Guidelines Exterior Structures requirements (excessive light brightness, incorrect use of antennas, paint maintenance, damaged structures, etc.).
- Rules and Regulations requirements for Property Maintenance including vacant lots (weeds, driveways, sidewalks, etc.).

b) Level 2:

- CC&R requirements that pets must not disturb neighbors (barking dog violations).
- CC&R requirements regarding unused/unlicensed vehicle and trash storage.
- Rules & Regulations regarding vehicle parking.
- ARC Criterion, Guidelines for Exterior Color requirements.
- ARC Criterion, Guidelines for fencing requirements.

c) Level 3:

- Common Area Rules and Regulations
- Drainage Maintenance Rules and Regulations
- ARC Criterion, Guidelines for Design Style, Multi-Store Dwelling, Roofing Materials and Exterior Siding Materials