

**Verde Santa Fe Community Association**  
**Short Term Rental - No Less Than Four Consecutive Weeks**  
**Compliance Policy**

**Effective October 6, 2021**

---

**Purpose:** *To ensure compliance with the Association's Governing Documents (including the Articles of Incorporation, By-Laws, Condominium Declaration and the Rules and Regulations) and the laws of the State of Arizona, and to maintain, preserve, enhance, and protect the property values and assets of the community.*

1. The owner shall be advised in writing with a **Courtesy Notice** that will specify (i) the provision of the Governing Documents that has allegedly been violated, (ii) the date the violation was observed, (iii) the name of the person(s) who observed the violation, (iv) the process the Member must follow to contest the Notice, including the Member's right to request an administrative hearing with the Arizona Department of Real Estate, and shall notify the Member of his or her right to be heard. The Owner will be given seven (7) calendar days to correct the violation, contest the notice pursuant to statute or request an opportunity to be heard.
2. If the Owner does not comply with the request in the Courtesy Notice, the Association may send a **First Notice** that will specify (i) the provision of the Governing Documents that has allegedly been violated, (ii) the date the violation was observed, (iii) the monetary penalty that will be assessed against the Member if the violation is not cured as specified by the First Notice, (iv) the name of the person(s) who observed the violation, (v) the process the Member must follow to contest the Notice, including the Member's right to request an administrative hearing with the Arizona Department of Real Estate, and shall notify the Member of his or her right to be heard. The Owner will be given seven (7) business days to correct the violation, contest the notice pursuant to the statute or request an opportunity to be heard.
3. If after seven (7) business days of sending the First Notice, the Owner does not comply, the Association may send a **Second Notice** which will specify (i) the provision of the Governing Documents that has allegedly been violated, (ii) the date the violation was observed, (iii) the monetary penalty that will be assessed against the Member if the violation is not cured as specified by the Second Notice, (iv) the name of the person(s) who observed the violation, (v) the process the Member must follow to contest the Notice, including the Member's right to request an administrative hearing with the Arizona Department of Real Estate, and shall notify the Member of his or her right to be heard. The Owner will be given seven (7) business days to correct the violation, contest the notice pursuant to statute or request an opportunity to be heard.
4. If after seven (7) business days of sending the Second Notice, the Owner does not comply, the Association may send a **Final Notice** which will specify (i) the monetary penalty that will be assessed against the Member if the violation is not cured as specified by the Final Notice, (ii) the Member may be subject to continuing fines if the violation is not cured as specified by the Final Notice, (iii) the matter may be turned over to legal counsel for further enforcement action. The Final Notice will be sent to the Member by certified mail with a Return Receipt acknowledgement and by regular U.S. mail service.

5. Nothing as set forth above will limit the Board's right to take immediate legal action at any time, regardless of the presence or absence of notices hereunder, for any violation that the Board of Directors determines in its sole and absolute discretion requires immediate legal action.
6. The Board reserves the right to vary the procedures set forth herein when, in its sole discretion, the Board determines that any such variance is appropriate. Further, the Board reserves the right to deviate from the fine amounts set forth herein if, after a Member appeals a fine, the Board finds good cause to modify the amount of the fine levied in a particular case. The Board also reserves the right to pursue any and all other remedies set forth in the CC&Rs at the same time or in lieu of levying the fines set forth in this Policy. This includes turning a matter over to the Association's legal counsel.
7. A repeat occurrence of a violation of the Short Term Rental restriction will be deemed a continuation of any previous violations subject to the next step in the violation enforcement process.

Adopted 10-6-2021 Board President 

**Verde Santa Fe Community Association**  
**Compliance Policy**  
**Monetary Penalty Schedule**

Courtesy Notice	No fine
Violation Fine for the first instance:	\$ 1,000.00
Violation Fine for the second instance:	\$ 2,000.00
Violation Fine for the third instance and every instance following:	\$ 3,000.00

Further action to be determined by the Board to include legal action or other options as allowed by the Association's Governing Documents (including the Articles of Incorporation, By-Laws, CC&Rs and the Rules and Regulations) and the laws of the State of Arizona.

Fining Policy adopted on August 16, 2021