

**CONSENT TO ACTION
BY THE BOARD OF DIRECTORS
THE CROSSROADS HOMEOWNERS ASSOCIATION**

c/o AAM, LLC
1600 W. Broadway Road #200
Tempe, AZ 85282
(602) 957-9191

FINE POLICY AND APPEAL PROCESS

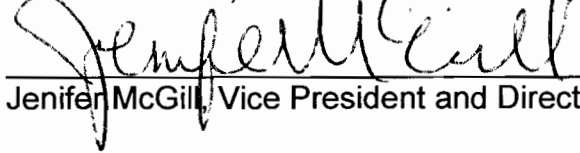
The undersigned, constituting a majority of the members of the Board of Directors of The Crossroads Homeowners Association, an Arizona nonprofit take the following action at a duly called meeting of the Board on August 25, 2011.

RESOLVED, that the Board of Directors hereby approves the Fine Policy and Appeal Process for The Crossroads Homeowners Association attached to this resolution.

The Board of Directors hereby instructs the managing agent to notify all Owners of the implementation of the Fine Policy and Appeal Process effective as of September 1, 2011.

IN WITNESS WHEREOF, the undersigned have executed this consent as of this 25 day of August, 2011.

Michael Barnett, President and Director, Board of Directors

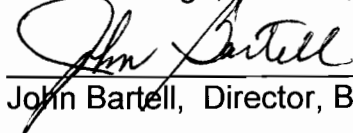


Jenifer McGill, Vice President and Director, Board of Directors

Kindra Sweet, Director, Board of Directors



William Gough, Director, Board of Directors



John Bartell, Director, Board of Directors

**THE CROSSROADS HOMEOWNERS ASSOCIATION
FINE POLICY AND APPEAL PROCESS
Effective September 1, 2011**

FINE POLICY

Pursuant to the Declaration, the Association shall have the right to adopt a schedule of fines for violation of any provision of the Governing Documents. The following Fine Policy and Appeal Process shall be followed for The Crossroads Homeowners Association:

FIRST NOTICE: An initial notice of the violation shall be mailed to the Owner regular mail requesting compliance within fourteen (14) days - **NO FINE**.

SECOND NOTICE: If violation still exists fourteen (14) days after the initial notice of violation, a second notice requesting compliance within fourteen (14) days shall be mailed regular mail to the Owner. A **\$25.00 FINE** will be assessed with the second notice of violation and is due immediately.

THIRD NOTICE: If violation still exists fourteen (14) days after the second notice of violation, a third notice requesting compliance within fourteen (14) days shall be mailed regular mail to the Owner. A **\$50.00 FINE** will be assessed with the third notice of violation and is due immediately.

FOURTH NOTICE: If violation still exists fourteen (14) days after the third notice of violation, a fourth notice requesting compliance within fourteen (14) days shall be mailed regular mail to the Owner. A **\$100.00 FINE** will be assessed with the fourth notice of violation and is due immediately.

CONTINUING VIOLATIONS: If the violation continues without resolution after the fourth notice of violation, a **FINE of \$100.00** shall be assessed **every fourteen (14) days** until the violation is resolved. In addition, the Board of Directors shall have the right to remedy the violation and/or take legal action, the cost of which shall be invoiced to the Owner and collected in the same manner as assessments.

FINES: No fine shall be imposed without first providing a written warning to the Owner describing the violation and stating that failure to correct the violation within fourteen (14) days or ***another occurrence of the same violation within six (6) months*** of the original violation shall make the Owner ***subject to imposition of a fine***. Failure to pay any fine shall subject the Owner to the same potential penalties and enforcement as failure to pay any assessments under the Declaration.

SELF HELP: Pursuant to Article VII of the Declaration, each Owner shall maintain his residence and lot in good repair. In the event an Owner fails to fulfill his maintenance and repair obligations or in the event an Owner fails to landscape his lot as required by the Declaration, the Board of Directors may have said lot and residence landscaped, cleaned and repaired ("Self Help") and may

charge the Owner for said Self Help in accordance with the provisions of the Declaration. An Owner shall not allow a condition to exist on his lot which will adversely affect any other lots and residences or other Owners. The Board of Directors' right to exercise Self Help may be implemented at anytime during the notification process at the discretion of the Board.

Notwithstanding the foregoing, the Board of Directors reserves the right to seek Injunctive Relief at anytime regardless of the presence or absence of notices hereunder, for any violation that the Board of Directors determines in its sole and absolute discretion constitutes a material danger to persons or property or requires immediate action for any other substantial reason.

The Board of Directors reserves the right to take any action permitted by law or the Declaration, in addition to the above mentioned fine policy.

APPEAL PROCESS

- When a violation notice is sent to an Owner, such notice shall include a statement notifying the Owner that he/she has the "RIGHT OF APPEAL."
- When an Owner desires to appeal a violation, he/she must so notify the Management Company in writing within ten (10) days after the date of the violation notice.
- Appeals shall demonstrate *extenuating circumstances* which require deviation from the Governing Documents.
- Appeal shall include all pertinent backup information to support the existence of the *extenuating circumstance*.
- All decisions of the Board are final and may not be further appealed.
- Any appeal that does not meet the above requirements shall not be heard by the Board and shall be considered **DENIED**.
- The Owner appealing the violation will be given written notice that a hearing on the appeal is scheduled.
- The appeal shall be heard in Executive Session.
- The Board President will introduce all parties.
- Lengthy discussions are not a part of an appeal process.
- The Owner who is appealing will be asked to state their case and present any applicable documentation.
- Each Board Member will have the opportunity to ask the Owner specific questions regarding the appeal.
- Upon completion of the question and answer period, the Board President will state that the appeal has been heard and the Board will make their decision in closed session. Written Notice of the Board's decision will be delivered to the Owner within seven (7) working days.
- If the appeal is denied, the Owner must bring the violation into compliance within ten (10) days. If the violation still exists after ten (10) days, the Owner will be fined \$100.00 every ten (10) days until the violation is corrected. In addition, the Board of Directors may seek legal action to remedy the violation. All costs of legal action will be billed to the Homeowner and collected in the same manner as assessments.

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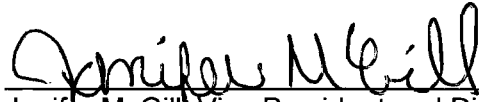
The undersigned, constituting a majority of the members of the Board of Directors of Crossroads Homeowners Association, an Arizona nonprofit corporation, hereby take the following actions at a duly called meeting of the Board.

RESOLVED that pursuant to Article 6, Section 6.14 of the Declaration of Covenants, Conditions and Restrictions for The Crossroads Homeowners Association ("CC&Rs") in addition to the Working Capital Fee referred to in Section 6.13, each Purchaser of a Lot shall pay to the Association immediately upon becoming the owner of the Lot a transfer fee in such amount as is established from time to time by the Board to cover the expenses of the Association (or its management company) to change it records, to administer the change in ownership and to any ancillary expense related thereto.

FURTHER RESOLVED that the Board of Directors hereby establishes such Transfer Fee in the amount of \$ 100.00 shall be collected from each Person or entity other than a Builder who purchases a Lot or Parcel effective 10-25-12. Such Transfer Fee shall be made payable to Crossroads Homeowners Association. Transfer Fee payments made shall be nonrefundable and shall not be considered as an advance payment of any Assessments.

IN WITNESS WHEREOF, the undersigned have executed this consent as of this 25 day of Oct 2012.

Mike Barnett, President and Director, Board of Directors



Jennifer McGill, Vice President and Director, Board of Directors

Kindra Sweet, Secretary, and Director, Board of Directors



Jill Beach, Treasurer, and Director, Board of Directors



John Bartlett, Director, Board of Directors

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ASSESSMENT COLLECTION POLICY


The undersigned, constituting a majority of the members of the Board of Directors of the Crossroads Homeowners Association, an Arizona nonprofit corporation, hereby take the following action in writing at a duly called meeting of the Board held on May 22, 2014.

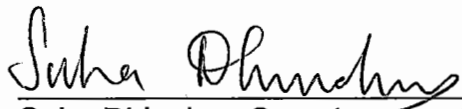
RESOLVED, that the Board of Directors hereby approves the Assessment Collection Policy dated July 1, 2014 for the Crossroads Homeowners Association attached to this resolution. The Board of Directors further directs the managing agent to notify all Owners of the implementation of the Assessment Collection Policy effective as of July 1, 2014.

IN WITNESS WHEREOF, the undersigned have executed this consent as of this 22 day of May, 2014.


Kindra Sweet - President


John Bartell - Vice President


Mike Barnett - Treasurer


Suba Dhinakar - Secretary

5/22/14

CROSSROADS HOMEOWNERS ASSOCIATION
ASSESSMENT COLLECTION POLICY
Effective July 1, 2014

The following Assessment Collection Policy shall be followed for the Crossroads Homeowners Association.

Defined Terms:

Late Charges means the charges applied to an account in compliance with A.R.S. § 33-1803(A), as described below.

Owner means the owner of the property whose responsibility it is to bring an account current.

Payment Plan means a board-authorized written payment plan containing terms described below.

Late Charges:

In compliance with A.R.S. § 33-1803(A), a late charge of Fifteen Dollars (\$15.00) or ten percent (10%) of the unpaid assessment, whichever is greater, will be applied to every account showing any part of an assessment (\$15.00 or greater) that is over 15 days past due.

Assessment Collection Procedures:

- A written reminder will be mailed to the Owner on the **sixteenth (16th)** day after the assessment due date stating that the Owner has a past-due assessments and a late charge has been applied to the Owner's account. The Owner is responsible for paying all late charges.
- A written demand letter will be mailed to the Owner on the **thirtieth (30th)** day after the assessment due date. The delinquent account is assessed a fee for the preparation of the demand letter and the Owner is responsible for paying this fee.
- A notice of lien will be filed with the county recorder on every account that shows the assessment being at least **ninety (90)** days past due and \$100.00 in past due assessments. The delinquent account is assessed a fee for the preparation and filing of the notice of lien and the Owner is responsible for paying this fee. The lien shall not be released until such time as the account is paid in full.
- Thirty (30) days after a lien notice is recorded on the property, should the account remain delinquent, the Board will determine how to proceed with collection efforts, which may include one of the following:
 - a. For accounts with an outstanding balance of less than Three Thousand Five Hundred Dollars (\$3,500.00), the Community may file a complaint in Small Claims Court to pursue a personal judgment against the Owner or the account may be referred to an attorney or a collection agency. If a complaint is filed in Small Claims Court and the account is not paid in full or the Owner does not enter into a Payment Plan prior to a personal judgment being obtained, the account may be referred to an **attorney or a collection agency** for collection

upon obtaining the personal judgment. The Owner is responsible for paying all collection costs, legal fees, document preparation fees, and other costs permitted by law or contract.

- b. For accounts with outstanding balances greater than Three Thousand Five Hundred Dollars (\$3,500.00), the account may be referred to an attorney or a collection agency for further collection proceedings at the discretion of the Board of Directors. The Owner is responsible for paying all collection costs, legal fees, document preparation fees, and other costs permitted by law or contract.
- For properties that have been foreclosed upon, the Board of Directors has sole discretion as to whether to take action to collect past due assessments.

Applying Payments Received on Past Due Accounts:

Per A.R.S. § 33-1807(K), unless an Owner directs otherwise, all payments received on an Owner's account shall be applied in the following order:

1. Past Due Assessments;
2. Late Charges;
3. Collection Fees (including demand letter, notice of lien, and other applicable document preparation and filing fees);
4. Attorney Fees and Costs; and
5. Other unpaid fees, charges and monetary penalties, or interest and late charges on any of those amounts.

Payment Plans:

The Board of Directors authorizes Payment Plans for past due balances (including past due assessments and related fees) (the "Debt") with the following terms:

- Payment Plans shall be in writing and signed by the Owner. Payments made without benefit of a written Payment Plan signed by the Owner will not be treated as payments toward the Payment Plan and collection activity shall be initiated in accordance with this Assessment Collection Procedures outlined above.
- The Payment Plan length and the amount of the monthly installments owed will be determined by the amount of the Debt:
 - If the Debt is less than \$500.00, a payment plan of six months (six equal monthly installments) will be offered.
 - If the Debt is \$500.01 to \$1,000.00, a payment plan of twelve months (12 equal monthly installments) will be offered.
 - If the Debt is \$1,000.01 or more, a payment plan of eighteen months (18 equal monthly installments) will be offered.
- Late Charges as provided in this Assessment Collection Policy will not be charged on the Debt during the term of the Payment Plan so long as payments are received in accordance with the Payment Plan.
- The Owner will be responsible to pay additional assessments as they become due while a Payment Plan remains in effect. Future assessments cannot be included in the Payment Plan amount.
- All Payment Plans will be monitored by the managing agent.

- Upon default of Payment Plan, AAM will resume collection efforts with the next step of the Assessment Collection Procedures without further notice to the owner based on where in the process the account was at the time the Payment Plan commenced.

Waiver of Past Due Amounts:

The Board of Directors will generally not consider waiver of late fees, lien fees, attorneys' fees, or other collection costs incurred on an account where the assessments were not paid in accordance with the Assessment Collection Policy through no fault of the Association or its Agent(s). However, the Board of Directors retains full discretion to make business decisions concerning the collectability of accounts and their compromise or settlement.