WINDMILL VILLAGE COMMUNITY ASSOCIATION RESOLUTION BY THE BOARD OF DIRECTORS

RENTAL POLICY & ENFORCEMENT EFFECTIVE OCTOBER 2020

This Resolution was adopted during the September 30, 2020 Open Board of Directors Meeting, pursuant to ARS §33-1806.01 and Section 3.21 of the CC&R's.

Rental Rules:

- 1. Rental Information: Upon renting/leasing the property, the Lot Owner shall promptly provide the Association in writing the following information:
 - a. Beginning and ending dates of the lease,
 - b. Name and contact information for all adults occupying the property during the lease,
 - c. Description and license plate numbers of the tenants' vehicles.

2. Short-Term Rental Rules

CC&R Section 3.21:

"No Owner shall be permitted to lease a Living Unit for transient or hotel purposes."

a. A Lot Owner is considered to be in violation of the CC&R's if their property (full property or portion of the house) is being leased/rented for transient or hotel purposes, such as AirBNB, VRBO, Flipkey, Booking.com, etc.

3. Enforcement & Fine schedule for Short-Term Rental Rules

- a. First Notice: A courtesy violation notice will be mailed to the Lot Owner identifying the violation and providing ten (10) days to immediately cease and desist using their property for a short-term rental. The notice will identify that all future reservations must be canceled, and a \$200 fine will be assessed per day for every day their property is used and/or listed as a short-term rental. The notice will also identify the steps available that the Lot Owner may take to appeal the violation notice.
- **b. Second Notice:** If the Lot Owner does not respond to the Association's community management company within ten (10) days from the date of the courtesy violation notice, and/or the violation continues to occur, a second violation notice will be mailed to the Lot Owner identifying that they have been fined \$200 per day since the last notice for continuing to rent/lease their property as a short term rental. The notice will also identify the \$200 per day fine will be assessed until the property is brought into compliance.
- c. Third Notice: If the Lot Owner does not respond to the Association's community management company within ten (10) days from the date of the second violation notice, and/or the violation continues to occur, a third violation notice will be mailed to the Lot Owner identifying that they have been fined \$200 per day since the last notice for continuing to rent/lease their property as a short term rental. The notice will also identify the \$200 per day fine will be assessed until the property is brought into compliance.

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- d. Legal Action: If the Lot Owner does not respond to the Association's community management company within the ten (10) days from the date of the third violation notice, and/or the violation continues to occur, the Association will take the necessary Legal Action required to achieve compliance through the Association's attorney and the court system. All costs will be a part of the judgment that is sought against the Owner.
- e. Collection of Violation Fines & Charges: Any monetary fines imposed, administrative fees, and/or legal fees and costs incurred related to this policy shall be due and owing to the Association and the personal liability of the Lot Owner. The Association may bring an action at law against the Lot Owner personally obligated to pay the delinquent amount owed pursuant to the remedies available.

All fines for violations are cumulative. If the same violation reoccurs at anytime in the future, the fines will start where previously left off. The Enforcement & Fine Schedule will not start over.