

**UNANIMOUS CONSENT TO ACTION
BY THE BOARD OF DIRECTORS
SANTUARIO HOMEOWNERS ASSOCIATION**

c/o Associated Asset Management
7740 N. 16th Street, Suite 300
Phoenix, AZ 85020
602) 957-9191 - - FAX 602) 957-8802

**FINE POLICY AND
VIOLATION APPEAL PROCESS**

The undersigned, constituting all of the members of the Board of Directors of Santuario Homeowners Association, an Arizona nonprofit corporation, hereby take the following action:

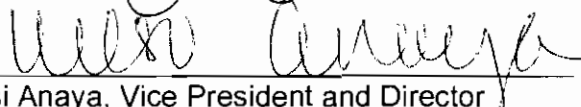
RESOLVED, that the Board of Directors hereby approves the attached Fine Policy and Violation Appeal Process for Santuario Homeowners Association, attached to this resolution.

The Board of Directors hereby instructs the managing agent to notify all homeowners of the implementation of the fine system effective as of August 1, 2006.

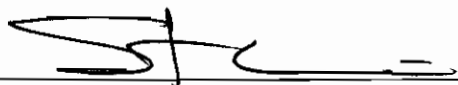
IN WITNESS WHEREOF, the undersigned have executed this consent as of this 26th day of February, 2007.



Jessica Ganly, President and Director
Board of Directors



Kelsi Anaya, Vice President and Director
Board of Directors



Steve Curtis, Secretary/Treasurer and Director
Board of Directors

FINE POLICY FINE APPEAL PROCESS

Effective August 1, 2006

FINE POLICY

The following Fine and Appeals Policy shall be followed for the Santuario Homeowners Association:

FIRST NOTICE: An initial notice of the violation shall be mailed via regular mail to the homeowner requesting compliance within fifteen (15) days - NO FINE.

SECOND NOTICE: If violation still exists, a second notice requesting compliance within fifteen (15) days shall be mailed via regular mail to the homeowner. A \$25.00 FINE will be assessed and due immediately with the second notice.

THIRD NOTICE: If violation still exists, a third notice requesting compliance within fifteen (15) days shall be mailed via regular mail to the homeowner. A \$50.00 FINE will be assessed and due immediately with the third notice.

FOURTH NOTICE: If violation still exists, a fourth notice requesting compliance within fifteen (15) days shall be mailed via regular mail to the homeowner. A \$50.00 FINE will be assessed and due immediately with the fourth notice.

CONTINUING VIOLATIONS: If the violation continues without resolution after the fourth notice, a FINE of \$100.00 shall be assessed every fifteen (15) days until the violation is resolved. In addition, the Board shall have the right to remedy the violation and/or take legal action, the cost of which shall be billed to the homeowner and collected as allowed by Arizona Revised Statutes.

FINES: No fine shall be imposed without first providing a written warning to the Owner describing the violation and stating that failure to stop the violation within no less than fifteen (15) days or another recurrence of the same violation within six (6) months of the original violation shall make the Owner subject to imposition of a fine.

VIOLATION APPEAL PROCESS

When a violation notice is sent to a homeowner, the notice includes a statement notifying the homeowner that they have the "RIGHT OF APPEAL". When a homeowner wants to appeal a violation, they must send the Management Company written notice that they are requesting an appeal of the violation.

- Appeals shall be received within ten (10) days of the date of the fine notification (violation letter).
- Appeals shall demonstrate extenuating circumstances which require deviation from the C C & R's and/or guidelines.
- Appeals 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 homeowner appealing the violation will be given written notice that 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 homeowner who is appealing will be asked to state their case and present any documentation that is applicable.
- Each Board Member will have the opportunity to ask the homeowner 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. Then "Written Notice" will be given to the homeowner of the Board's decision within seven (7) working days.

If the appeal is denied, the homeowner must bring the violation into compliance within fifteen (15) days. If the violation still exists after fifteen (15) days, the homeowner will be fined \$100.00 every fifteen (15) days until the violation is corrected. In addition, the Board of Directors may seek legal action to remedy the violation.

**UNANIMOUS CONSENT TO ACTION
BY THE BOARD OF DIRECTORS
SANTUARIO HOMEOWNERS ASSOCIATION
c/o AAM, LLC
7740 N. 16th Street, Suite 300
Phoenix, AZ 85020
602-957-9191**

The undersigned, constituting all of the members of the Board of Directors of Santuario Homeowners Association, an Arizona nonprofit corporation, hereby take the following actions in writing and without a meeting pursuant to Section 10-3821, Arizona Revised Statutes, which actions shall have the same force and effect as if taken by the Board at a duly called meeting of the Board.

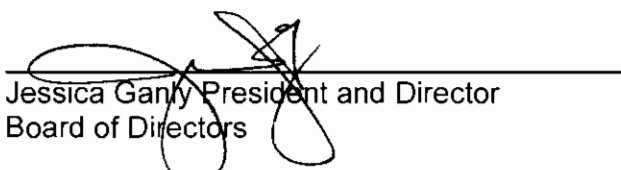
RESOLVED that the Architectural Committee shall consist of the following members:

Community Manager, AAM, LLC
Vicki Sears, AAM, LLC
Ercell Sherman, AAM, LLC
Jessica Ganly, DR Horton

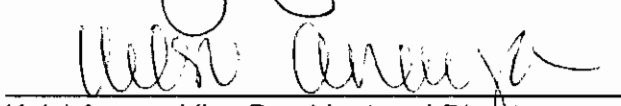
RESOLVED also that AAM shall have the ability to rule on Architectural Requests, unless those requests shall be deemed as "precedent setting" or "unusual". If such determination is made, those requests shall be forwarded to DR Horton representative on the Committee for review prior to notifying residents of approval/denial of requests.

This change shall become effective as of the date noted below.

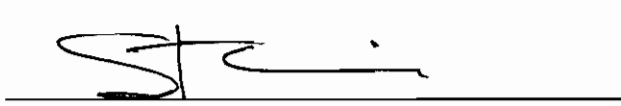
IN WITNESS WHEREOF, the undersigned have executed this consent as of the 26th day of February, 2007.



Jessica Ganly President and Director
Board of Directors



Kelsi Anaya, Vice President and Director
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Steve Curtis, Secretary/Treasurer and Director
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