CONTINENTAL RANCH COMMUNITY ASSOCIATION

RESOLUTION RESALE INSPECTION & COMPLIANCE EVALUATION CONSENT FORM & RELATED FEE

(Effective January 1, 2023)

RECITALS

WHEREAS, the Association is governed by a Declaration of Covenants, Conditions and Restrictions recorded on November 18, 2002, in the Pima County Recorder's Office at Document No. 2002-2221225 ("Declaration"), as amended;

WHEREAS, Article 6, Section 6.2 of the Declaration provides that the affairs of the Association shall be conducted by the Board of Directors. Further, Article 12, Section 12.4 of the Declaration authorizes the Board to contract with management companies in order to delegate certain business functions to management;

WHEREAS, as part of all resale transfers, the Association requires its management company to inspect units to assess the condition of such property prior to the close of escrow. The selling Owner must fill out Compliance Evaluation Consent Form to provide management with access to the property;

WHEREAS, such inspection is part of the disclosure packet and disclosure fees are authorized by A.R.S. § 33-1806 or A.R.S. § 33-1260, respectively (these fees may not exceed \$400 in the aggregate, as may be amended by statute). The fee to inspect the property is \$35.00, as may be amended by the Board of Directors;

WHEREAS, the Association requires all selling owners to authorize access to the property by the Association for inspection by completing and returning a Compliance Evaluation Consent Form. This process affords the Association with the opportunity to assure that the property is in compliance with the governing documents prior to the transfer of ownership to a new Owner;

WHEREAS, by adopting this Resolution the Board has determined there is a need to have a Resale Inspection which requires all Owners to fill our and return the Compliance Evaluation & Consent Form;

THEREFORE, BE IT RESOLVED that the Board of Directors of the Continental Ranch Community Association ("Association"), hereby approves and adopts this Resolution for a Resale

Inspection Policy, which requires all Owners to fill out and return the Association-approved Compliance Evaluation & Consent Form:

- 1. Prior to the close of escrow, all selling Owners must fill out and return a Compliance Evaluation & Consent Form.
- 2. To fully comply with the resale inspection process, selling Owners must allow the Association's management company with reasonable and safe access to the property sufficient enough for the inspector to ascertain whether the property is in compliance with the governing documents.
- 3. All selling Owners will be charged \$35.00 for the resale inspection;
- 4. Owners failing to fill out and return the Compliance Evaluation & Consent Form, failing to pay the \$35.00 fee, or failing to allow management reasonable access to the property will be deemed in violation of the governing documents. Such violation(s) will be reported to the respective title companies as "property not in compliance."

VIOLATION PROCEDURES

Note: Failing to sign and return the Resale Inspection Form is not a "condition of the property" violation as that term is used in A.R.S. § 33-1803(B) & A.R.S. § 33-1242(B) respectively. As such, the Association is authorized to levy monetary penalties immediately. Notwithstanding, the Association will provide the Owner with notice and an opportunity to be heard before the Board of Directors.

Self Help – Upon inspection of the property, should the Association be required perform maintenance or to make repairs or replacements, the Association is authorized to do so and to seek reimbursement of those common expenses from the selling Owner as authorized by Article 8, Section 8.7 of the Declaration.

Self-help Procedures:

- 1. Homeowners will be notified by first-class mail of all violations or notices relating to the reimbursement of all Common Expenses for the costs relating to restoring damage to the Common Area. Lot or Parcel.
- 2. The homeowner has the right to a hearing before the Board, where decisions of the Board are final.

If the property is found to be out of compliance with the standards found in the Governing Documents (in the Board's discretion), prior to the Association exercising self-help remedies, the selling Owner is obligated to repair any damage or in the alternative demonstrate that the buyer will make all needed repairs and/or maintenance within sixty (60) days of closing escrow by submitting a signed Buyer Agreement Form to the management office before closing escrow. Any

Owner needing additional time to comply with this section must contact management and request such an extension in writing.

The Board of Directors reserves the right to take any action permitted by law or the Declaration, in addition to levying a monetary penalty or seeking injunctive relief.

Procedures:

- 1. Homeowners will be notified by first-class mail of all violations and notices relating to the reimbursement of all Common Expenses for the costs relating to restoring damage to Common Areas or Parcels.
- 2. The homeowner has the right to a hearing before the Board, where decisions of the Board are final.

The Board shall retain the right to amend or repeal this Resolution.

CERTIFICATION

I HEREBY CERTIFY that the foregoing is true and correct, and the above Resolution was approved at a meeting duly called and held on December 20, 2022, where a quorum of the Board was present. I further certify that all requirements for this Resolution as set forth in the Recitals were met.

DATED this _20th _ day of _December_, 2022.

CONTINENTAL RANCH COMMUNITY ASSOCIATION

Peggy Bracken

Its: President