

**-AMENDMENTS TO RULES AND FINES FOR INFRACTIONS OF RULES ADOPTED ON JUNE 7, 2004, AS AMENDED ON MARCH 29, 2008:**

**Over the course of many months in 2020 and into 2021, a dedicated group of property owners, one half of which were landlords (renters) and the other half were not, met, discussed adding to and amending the existing rules which, along with the covenants, conditions and restrictions, govern the use of residences and property in Lake Moovalya Keys, with an eye to preserving and improving the quality of life in the Keys, protecting the usefulness of the Key's common property and the value of properties owned by Key's owners, as well as the Key's property owners' safety and wellbeing.**

**DELETIONS TO PREFATORY PARAGRAPHS AND EXISTING RULES:**

The third introductory paragraph, which commences with "The membership has decided..." and the fourth introductory paragraph, which commences with "Protests..." are deleted.

The third sentence in the rule entitled "RENTERS" requiring a \$1,000.00 security deposit is deleted.

**AMENDED AND/OR ADDITIONAL RULES TO BE ADOPTED:**

The Rule entitled "NOISE ISSUES" is amended to read "NOISE AND NUISANCES" and the language set forth thereafter is deleted and replaced with the following:

**1. NOISE AND NUISANCES**

Noise is considered a nuisance, and nuisances are prohibited by the Association's rules and restrictions including, but not limited to, the following restriction: "No person shall operate any noise emitting device including, but not limited to, boats, motor vehicles, (including motorcycles, ATV's and the like), speakers, sound systems, radios, stereos, or other sound emitting devices of any kind in such a manner as to annoy or disturb the peace of any other owner or occupant." That list is not intended to be exclusive, as the human voice is quite capable of making noise which can become a nuisance. The following process should be followed by a homeowner with a noise or nuisance concern:

1. Contact the Keys General Manager at (928) 667-4484 to notify her/him of the noise/nuisance.
2. The general manager, or agent(s) of the general manager, will then investigate the noise/nuisance.
3. The general manager will notify the homeowner/designated agent via a phone call\* of the incident, directing the homeowner/property manager to immediately address the matter.
4. The general manager/agent will then complete an incident report and email/text a copy thereof to the homeowner/designated agent.
5. If the incident is not timely addressed, the general manager shall issue a citation for the violation of this rule.

\* If the property owner/designated agent is unable to be contacted immediately by telephone, a voicemail, text or email, or any combination thereof, shall be deemed adequate notice to the homeowner/designated agent.

Nothing in this rule prohibits a property owner from reporting nuisances to law enforcement.

Fines:

- |                                    |          |
|------------------------------------|----------|
| 1. First Violation:                | Warning  |
| 2. First citation:                 | \$ 50.00 |
| 3. Second citation:                | \$150.00 |
| 4. Third and subsequent citations: | \$250.00 |

## **2. LOT OWNER REQUIRED PARKING SPOTS:**

Every lot owner shall provide sufficient parking for guests and tenants to prevent parking on the property of others, and to enable compliance with association rules, including rules limiting use of overflow and other common property parking.

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|-----------------------|----------|
| First violation:      | Warning  |
| First Citation:       | \$50.00  |
| Second Citation:      | \$150.00 |
| Additional Citations: | \$250.00 |

Note: In addition to the above fines, any vehicle in violation of the above rule or its subparts may be towed at the vehicle and lot owner's expense.

The section entitled "7-DAY PARKING IN COMMON LOT" is amended to read "OVERFLOW AND OTHER COMMON PROPERTY PARKING" and the language set forth thereafter is amended to read as follows:

## **3. OVERFLOW AND OTHER COMMON PROPERTY PARKING:**

1. No vehicle, including cars, trucks, trailers, boats and the like (collectively a "vehicle"), may be present in the overflow lot for more than seven consecutive days, at which time each vehicle shall be removed from the common areas and overflow parking for not less than 72 hours, nor shall any vehicle be present on that property more than fourteen days in any 30 consecutive days. Parking on common property (including streets) other than the overflow lot shall remain limited to 72 hours.

Fines:

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|-----------|------------------------------|
| Citation: | \$50.00 per day, per vehicle |
|-----------|------------------------------|

2. All vehicles shall display a sticker or placard showing the residence owner's lot number visible in the windshield of vehicles, or affixed to a trailer within 24" of the hitch if not connected to a vehicle. Any vehicle not displaying a proper LMK sticker will be towed.

**4. ONE VEHICLE PER RESIDENTIAL LOT LIMITATION IN OVERFLOW PARKING:**

A maximum of one motor vehicle, or one motor vehicle connected to a trailer, or one trailer (collectively a “vehicle”), *per residential lot*, is permitted to park in the overflow lot or on other common property (including streets).

Fines:

Citation: \$50.00 per day, per vehicle

Note: Abuse of this rule may result in the towing of violating vehicles.

**5. EMERGENCY CONTACT INFORMATION:**

All homeowners shall provide their emergency contact information to the Keys General Manager, which shall be updated upon any change in that contact information. All homeowners shall also provide emergency contact information on who will address any issues that need immediate attention, including notification of a violation of the Rules or Restrictions, if this contact differs from the homeowner being the emergency contact. This information is necessary to enable the Keys General Manager to contact them to address such issues. All homeowners shall submit copies of TIS sheets for any lease or rental of their property with their contact telephone number, and that of their duly designated agent.

In the event of an emergency, call 888-818-4911 in lieu of calling 911. For non-emergency issues call the Keys General Manager at (928) 667-4484

Failure to provide emergency information will result in:

First Violation:	Warning
Failure to comply within thirty days from first Violation:	\$50.00
Failure to comply within 30 days from first Citation:	\$150.00
Failure to comply within 30 days from second Citation:	\$250.00

\* If the property owner/designated agent is unable to be contacted immediately by telephone, a voicemail, text or email, or any combination thereof, shall be deemed adequate notice to the homeowner/designated agent.

**6. GOOD NEIGHBOR POLICY:**

1. The HOA Board of Directors will adopt a “Good neighbor policy,” a copy of which is attached hereto, outlining the importance of being courteous to your neighbor, not trespassing or parking on neighboring property or docks, not parking in neighboring driveways or otherwise interfering with the use of other’s property. It will also advise occupants of residences that Lake Moovalya Keys is a gated, single family, residential subdivision which is governed by restrictions and rules, violations of which could result in fines, towing fees and, potentially, arrest. All homeowners will be provided a current copy of the rules governing the use of all single-family residences in the Keys, along with the fines.

2. The Good Neighbor policy, rules and fines shall be signed with each lease by each lessee (tenant) and submitted with the TIS sheet to the Moovalya Keys General Manager. All tenants and other occupants will be provided a current copy of the rules governing the use of all single-family residences in the Keys.
3. The Good Neighbor policy shall be posted inside each home occupied by persons other than the owner(s), and the HOA Board shall authorize the purchase and installation of signs in several of the Moovalya Keys common areas stating the Good Neighbor Policy.

Failure to have Good Neighbor policy posted inside each home not occupied by its owner(s), as well as the failure to comply with the Good Neighbor Policy (which is incorporated into this rule by this reference), will result in citations:

First Violation	Warning
First Citation	\$50.00
Second Citation	\$150.00
Each citation thereafter:	\$250.00

Note: All above “Good Neighbor Policy” posting and compliance fines shall be “reset” to the above “first violation” (warning) and subsequent graduating status for any property owner who has not received a complaint or citation for 365 consecutive days.

**7. FAILURE TO SUBMIT A TENANT INFORMATION SHEET TO THE ASSOCIATION BASED UPON A MISREPRESENTATION:**

In the event that a property owner, or the agent of a property owner, or person or entity acting on behalf of a property owner, fails or refuses to provide a TIS sheet to the Association *based on a misrepresentation to the Association or its authorized agent that the occupant(s) of a residence is (are) not or will not be “leasing” the property or are not “tenants”* (leasing or tenants meaning the paying, giving, or receiving of consideration or benefit of any kind, directly or indirectly, in exchange for the right to occupy a residence or residences located in Lake Moovalya Keys), that property owner shall pay a fine to the Association of \$500.00 for the first violation, and \$1,000.00 for each successive violation.

**8. INCREASE IN EXISTING FINES:**

The fines associated with existing rules may be increased in the discretion of the Board of Directors at a duly noticed meeting for that purpose.

**9. UNLICENSED DRIVERS**

All motorized vehicles, including but not limited to cars, trucks, golf carts, ATV’s, motorcycles, and the like, shall be operated within Lake Moovalya Keys by licensed drivers, only. “Licensed drivers” shall mean drivers possessing a driver’s license issued by a state, or the equivalent of a state, for the purpose of operating motor vehicles on roads and highways.

Fines:

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|------------------------------------|----------|
| 1. First violation:                | Warning  |
| 2. First citation:                 | \$ 50.00 |
| 3. Second citation:                | \$150.00 |
| 4. Third and subsequent citations: | \$250.00 |

If violation of a rule occurs and a citation is issued, it shall be issued to the homeowner with a copy forwarded to HOA Board of Directors. All violations/citations shall be recorded and tracked by the General Manager and presented to the HOA Board of Directors at their monthly meeting. All cited homeowners will have the ability to appeal the citation by notifying the General Manager via email or a mailed letter that they are appealing the citation. The homeowner can then present their appeal at the monthly board meeting following receipt of their appeal at which time the board will vote on whether or not to overturn the citation.

### NOTICE

**Please be advised that all Lake Moovalya Keys property owners who rent their residential property to any person or persons for less than 30 consecutive days (i.e.; short term rentals) are engaged, under Arizona law, in transient lodging and are, as such, required to register with the Arizona Department of Revenue, apply for and secure an Arizona Transaction Privilege Tax (TPT) license, and report the income derived from and pay taxes on that lodging income to the Department of Revenue (A.R.S. 42-5020 (F), R15-5-1001, R15-5-2002 (B)(2). The failure to do so would be a violation of Arizona law, and violations of Arizona law are prohibited by the Lake Moovalya Keys Covenants, Conditions and Restrictions (Use and Occupancy Restrictions, Section 12.3). Reporting requirements may also exist to other state entities, such as La Paz County. Consequently, the Association will request TPT compliance information from owners engaged in transient lodging.**