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# IRONWOOD

at Red Mountain HOA

3600 N. 19th Avenue  
Phoenix, AZ 85015-5403  
Office: 602-294-9100  
Facsimile: 602-294-6644  
dowdown@qwest.net

February 22, 2006

Dear Homeowners:

The Board of Directors of Ironwood at Red Mountain cordially invite you to participate in what they feel is the betterment of your community.

Once again the Board wishes to amend the CC&R's of the Association to keep any homes that are not rented at this point from being rented in the future. Any that are now rented would stay as rental units until the time they are sold. At the time they would return to owner occupied homes.

The reason for doing this is to keep the value of homes in alignment with home values in the area. Another reason is to keep insurance premiums as low as possible. Also mortgage rates are affected when there are too many rentals within a community. One homeowner in your Association just purchased a rental unit in a condominium and found because the number of rentals are so high they managed to get a conventional mortgage but it cost 2 whole interest points to get the mortgage.

Also, when there are too many rentals the atmosphere within the community changes. Ironwood doesn't have to look to far from its own borders to see what can happen if rentals become a problem.

Please consider the enclosed amendment and if you feel this is the correct direction the Association should take to safeguard your property values sign and return the enclosed vote for amending the CC&R's.

One of the reasons this amendment did not pass two years ago was because too many people were apathetic. They didn't take the time to either fill out the form or just threw it away. Please talk to your neighbors and take the time to consider this amendment.

Regards,

*The Ironwood at Red Mountain  
Board of Directors*



**INSTRUMENT TO AMEND  
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

The undersigned record Owner(s) of the designated Lot(s) hereby consent to and amend the Declaration of Covenants, Conditions, and Restrictions for Ironwood at Red Mountain Homeowners Association recorded in No. 99-0403824 in Maricopa County as follows:

ARTICLE 3, Section 3.12. Leasing of Lot; Exceptions.

The fourth sentence of Article 3, Section 3.12 is amended in its entirety as follows:

In the interest of preserving property values of all Lots within the property of Ironwood at Red Mountain Homeowners Association, leasing of lots within the property is prohibited. Lots shall be owner-occupied. However, owners that are leasing lots at the time that this amendment is passed will be allowed to continue leasing their lots until the earlier of (1) the lot is sold or (2) the lot is no longer being used for lease purposes. While the lots continue to be leased, all leases shall be made subject to the provisions contained in this Declaration, the Articles of Incorporation, By Laws, and Rules and Regulations of the Association. Exceptions: An owner may lease their lot one time only during the time that the owner owns the lot, and only if the following conditions are satisfied:

1. The owner has occupied the lot for at least six months before it is leased.
2. The owner is current with all dues, any fines, or assessments levied.
3. The owner must provide written notification of the intent to lease the lot to the Board of Directors and the Association's Management Company at least 14 calendar days before the lot is offered for rent.
4. There is a written rental agreement indicating a continuous rental term for a period no longer than one (1) year.

5. The owner must provide written notification to the Board of Directors and the Association's Management Company of the lease term within 7 calendar days of signing of the written lease agreement.
6. All Residents occupying the Residential Dwelling under the Lease, including the Lessee, are specifically made subject to the covenants, conditions, restrictions, easements, limitations and uses contained in this Declaration, the Bylaws, and any Association Rules.

RESOLUTION

BOARD OF DIRECTORS

IRONWOOD AT RED MOUNTAIN HOA

**Monetary Penalties C Due Process**

Upon motion duly made, seconded and carried, the following resolution was adopted by the Board of Directors:

RESOLVED: Effective immediately and pursuant to Section 33-1242 of the Arizona Revised Statutes, the Board of Directors shall have the power to impose monetary penalties upon the owners of Lots for violations of the Declaration of Covenants, Conditions and Restrictions, By Laws and Rules of the Association. This power shall apply to violations by the owner(s) and the Owner(s) shall also be liable for any violation committed by a family member, guest, tenant or other occupant of the Lot of the Owner(s).

The amount of the monetary penalties shall be determined based on the nature of the offense, the Owner's (s') violation history and the number of violations, and the amount so established by the Board of Directors shall range from \$10.00 to a maximum of \$500.00 per day. The Owner(s) in question shall be given an opportunity to be heard by the Board prior to the assessing of any monetary penalties, and written notice of said hearing shall be given at least ten (10) days in advance of the hearing by regular mail or by hand delivery at the last-known address of the Owner(s). Once it has been determined that the Owner(s) is guilty of a continuing violation, the Board may impose reasonable daily monetary penalties for each subsequent day of the violation and such continuing penalties shall continue to accrue until the Owner(s) notifies the Board that the violation has ceased and the Board has confirmed that, this, in fact, is the case. Any penalties assessed against the Owner(s) may be enforced in the same manner established in the Declaration in regard to delinquent maintenance assessments and said Owner(s) shall be liable in this manner for all violations committed by the family members, guests, tenants or any other occupant of the Owner(s).

DATED this 24 day of Feb, 2002



President