

3 Canyons Ranch Master Homeowners Association
Frequently Asked Questions (Updated July 16, 2011)

Assessments and Fees:

1. How much are the assessments, and when are they due?

The Regular assessments are **\$10.00** per membership and cover the current fiscal year from July 1, **2011** to June 30, **2012**. Assessment invoices have been mailed to all members. A membership is equal to 1 full acre of property or 100 square feet of living space. For example, a member with a 2100 square foot home on an 8 acre parcel would have 29 memberships.

2. What do the assessments cover?

Assessments are applied to the operating and capital expenses of the Association. The primary operating expenses include:

- Property taxes
- Liability insurance
- Legal expenses
- Road maintenance (3 Canyons Road only)
- Monthly fees to contractors who provide bookkeeping and administrative services
- Gate operation and maintenance
- Utilities

3. What are the fees associated with construction of a home?

The following fees are collected when a residence is constructed:

- Design Review fee: \$200.00
- Refundable Construction Deposit: \$1,000.00

4. What procedures are in place to collect delinquent assessments?

Delinquent assessments are collected by the HOA's Attorney. Delinquent assessments also incur a charge covering collections cost, interest and late fees. Attorney's fees and court costs may also be included with these charges, if legal action is required to collect the delinquent amounts.

Rules and Restrictions:

5. Are there restrictions on renting property?

There are no restrictions on renting property in 3 Canyons Ranch. However, an owner who leases his property to any person shall be responsible for ensuring compliance by the occupant with the CC&R's.

6. Is the community age-restricted?

No, 3 Canyons Ranch is not an age-restricted community.

7. How can I obtain a copy of the Covenants, Conditions and Restrictions (CC&R's)?

A copy of the CC&R's is available on the 3 Canyons Ranch HOA Website at <http://www.az3canyons.com> .

8. What are the rules governing construction, improvements, alterations, repairs, excavation, grading, landscaping or other work which in any way alters the exterior appearance of any property?

All additions, changes or alterations in any building, fence, wall or structure including exterior color scheme and all changes in the grade of Lots or Parcels cannot be commenced without obtaining prior written approval of the Master Design Committee.
(Master Design Control is covered in section 4.2.1 of the CC&R's)

9. How do I obtain approval from the Master Design Committee?

Follow the Master Design Committee Guidelines. A copy of these guidelines is available on the 3 Canyons Ranch HOA Website at <http://www.az3canyons.com> .

10. Where can I learn more about the rules that apply to setbacks, height restrictions, story restrictions, size restrictions and the number of buildings?

- Rules concerning setbacks are listed in section 4.3.4 of the CC&R's.
- Height restrictions are listed in section 4.3.5 of the CC&R's.
- Restrictions on the number of stories a building may have are listed in section 4.3.6 of the CC&R's.
- Size restrictions concerning residences and guest houses are listed in section 4.3.7 of the CC&R's.
- Restrictions on the number of buildings that may be built on a lot or parcel are listed in section 4.3.8 of the CC&R's.

11. Where can I learn more about the rules that apply to animals, antennas, satellite dishes, clotheslines, fences, boats and motor vehicles (travel trailers, buses, motor homes, and campers), signs and home businesses?

- Rules concerning animals are listed in section 4.2.4 of the CC&R's.
- Rules concerning antennas and satellite dishes are listed in section 4.2.8 of the CC&R's.
- Rules concerning clotheslines are listed in section 4.2.13 of the CC&R's.
- Rules concerning fencing are listed in section 4.9 of the CC&R's.
- Rules concerning boats and motor vehicles (travel trailers, buses, motor homes, and campers) are listed in section 4.2.6 of the CC&R's.
- Rules concerning signs are listed in section 4.2.3 of the CC&R's.
- Rules concerning home businesses are listed in section 4.2.28 of the CC&R's.

12. Can a member obtain a variance to the restrictions on setback, height, story, size or number of building?

The Board may grant reasonable variances to these restrictions upon application by a member.

(Variances are covered in section 4.3.9 of the CC&R's)

Meetings:

13. Are meetings of the Board of Directors open to all residents?

Yes, members are encouraged to attend and participate in the meetings of the Board of Directors.

14. When are meetings of the Board of Directors held?

Board of Directors meetings are held on the 2nd Wednesday of January, April, June and October. The Annual Meeting is held in July. Exact dates and times are published on the 3 Canyons Ranch HOA Website at <http://www.az3canyons.com>. In addition, all members are given written notification through a special first class Annual Meeting mailing.

15. Where are meetings of the Board of Directors held?

Board of Directors meetings are held at the La Purisima Retreat Center, Hereford, Arizona 85615. Directions are published on the 3 Canyons Ranch HOA Website at <http://www.az3canyons.com>.

16. How can I obtain copies of the minutes of the meetings of the Board of Directors?

Minutes are available on the 3 Canyons Ranch HOA Website at <http://www.az3canyons.com>.

Elections:

17. What items are covered by the elections?

Elections are concerned with the members of the Board of Directors.

- Board members are elected to a two year term.
- Board Members from odd number sections are elected in Years ending in an odd number. The election in July 2013 will include Board Members for sections 19, 21, 23, and 27.
- Board Members from even number sections are elected in Years ending in an even number. The election in July 2012 will include Board Members for sections 20 West (and 29 combined), 22, 24, 20 East, 26 and 28.

18. Who is entitled to vote?

You may vote if you own property in 3 Canyons Ranch. Each owner shall have the following number of memberships:

- One membership for each full acre in each lot or parcel owned by the member, but no memberships for fractional acres, and
- One membership for each one hundred (100) square feet of residential dwelling (including guesthouse) but no memberships for less than one hundred (100) square feet.

E.g. A member with a 2100 square foot house on an 8 acre parcel would have 29 membership votes.

(Memberships and Voting are covered in section 6 of the CC&R's)

19. When are elections held?

Elections are held in conjunction with the Annual Meeting of the Board of Directors. The Annual Meeting is normally held in July with the exact date, time and location announced on the 3 Canyons Ranch HOA Website at <http://www.az3canyons.com> . In addition, all

members are given written notification through a special first class Annual Meeting mailing.

20. How do I vote before the annual meeting?

If you are a member, you may vote before the annual meeting by using an absentee ballot, which is included in the Annual Meeting mailing.

21. May I vote at the meeting?

You may vote your membership(s) at the annual meeting if you attend in person.

Legislation Governing 3 Canyons Ranch HOA

22. What state laws govern the operation of the HOA?

The primary laws that govern the HOA are contained in Arizona Revised Statutes (ARS) sections 10-3130 through 10-11702 (Arizona Non-Profit Corporation Act) and sections 33-1801 through 33-1813 (Arizona Planned Communities Act). Other statutes may also apply. A complete listing of these statutes is available online at <http://www.azleg.state.az.us/ArizonaRevisedStatutes.asp> .