

## I. ENFORCEMENT POLICY

1. Any Homeowner/tenant may report a violation or infraction to a Member of the Board of Directors or the Management Company in writing. The Board of Directors is unable to take action regarding anonymously and/or verbally reported violations.
2. Upon due notice, the Board may impose a fine, in addition to actual damages, upon a Homeowner for each violation and may suspend privileges (pool/clubhouse use, etc.). (CC&R Article III, Section 14; Article XIV, Sections (f), (g))

### 3. Violation Notice and Notice of Hearing

Each violation notice will include the type of violation, date of violation, consequences of the violation for continued noncompliance, as well as a notation of the appropriate section of the document or rule. Enforcement of penalties for violations is as follows:

- a. For the first violation, a reminder letter will be sent to Homeowner; Homeowner will have 30 days to rectify violation unless otherwise specified.
- b. For the second violation, a violation notice will be sent to the Homeowner; Homeowner will have 30 days to rectify violation.
- c. For continuing or subsequent violations of the same nature, or damage to the common area, or acts which endanger the safety and welfare of others, a hearing notice will be sent to the Homeowner. An administrative fee may be charged to the Homeowner for a Notice of Hearing.

### 4. Hearing Procedure

- a. The notice will be sent no later than 15 days prior to the scheduled hearing.
- b. The hearing notice will describe the nature of the violation and inform the Homeowner of the possibility of a monetary fine, charge for cost of damages, legal action, or other course of action.
- c. The Homeowner will be notified of the date, time, and location of the hearing. The Homeowner will be advised that they will be given this one opportunity to speak before the Board of Directors before any penalty or fine is considered or assessed.
- d. The Homeowner may make a one time request to reschedule the hearing.
- e. Failure of the Homeowner to attend the hearing meeting will result in judgement against the Homeowner.
- f. Based on facts presented at the hearing before the Board of Directors, the Board may:
  - i. Dismiss the violation.
  - ii. Grant an extension of time to correct the violation. The Board will also determine the action to be taken if the violation is not corrected within the time period allowed.

- iii. Levy a monetary penalty if the violation is not corrected:
    - 1. First fine: \$100.00
    - 2. Second fine: \$200.00
    - 3. Third fine: Alternative Dispute Resolution (ADR)/Legal action may be initiated.
    - 4. Continuing offense: Any violation which continues uninterrupted and uncorrected after the third fine may be subject to a daily fine of \$50.00 per day.
    - 5. When fines reach \$500.00, action to collect may be taken in small claims court.
  - iv. Intentional damage to common areas may result in a fine of up to \$500.00 plus cost to repair or replace damaged area.
  - g. The Board will notify the violating Homeowner in writing of its final decision within 10 days after the hearing.
- 5. In the event that a tenant or non-owner has violated the Association R&R's, the Homeowner will be sent a violation and/or hearing notice, and will be responsible for any potential monetary fine, damages, penalty, legal, or other action. A copy of the violation notice will be mailed to any tenant in violation of the CC&R's or R&R's. Tenant responsibility is not negated by Homeowner responsibility.
  - 6. Any penalty assessment levied or any charge to the Homeowner for reasonable costs incurred by the Association for the repair of damages will appear on the Homeowners next monthly dues statement to be due and payable at the due date for the assessment statement. Legal fees incurred as a result of arbitration or legal action will be awarded in conformance with ADR.
  - 7. If Homeowner fails to pay any penalty/damage assessment, the Board may institute Enforcement by Suit, as provided in CC&R Article V, Section 1 1.