

RULES ENFORCEMENT POLICY

WHEREAS, inherent with the enforcement and defense of Master Declaration, the Articles of Incorporation, the By-Laws and Rules and after delivering proper notice and an opportunity for a hearing to the alleged violator, the Association may choose to impose a fine upon the violator; and

WHEREAS, the Association's power to impose fines is set forth in the Master Declaration.

THEREFORE, the Association will implement the following process regarding the enforcement of Association Rules.

COMPLAINT PROCESS

1. Inspections. The Association, acting through the HOA Inspector, the HOA Supervisor or other representative, will conduct inspections periodically. These inspections will include date/time stamped photographs of a Residential Site. The photographs will be archived in software used by the Association and will be provided to the Owner upon request.
2. Reporting Complaints. A complaint ("Complaint") regarding alleged violations may be reported by any Owner or resident within the Community or by the HOA Inspector, HOA Supervisor or other designated representative in writing. A complaint must include the street address of the property and a concise description of the alleged violation. Violations that cannot be confirmed by the Association, or its designated representative, by visual inspection will require additional supporting documentation from the complaining party.
3. Responsible Parties. Any non-compliance with the Rules and Regulations by any Owner, renter, or guest will be the responsibility of the Owner.

NOTICE OF VIOLATION

1. If the HOA Inspector, HOA Supervisor or Board determines a violation has occurred, a violation notice will be sent to the alleged violator describing the nature of the violation and the actions that must be taken to correct the violation ("Notice of Violation"). Please note that in any section with sub-categories (Basketball Backboards, Landscaping, etc.) separate violations may be issued for each sub category.
2. The Owner will be sent a written notification of the violation. Each notice will be sent via US mail, addressed to the Owner on file with the Association. Owners are responsible for informing the Association, if the Owner resides at an address different from that on file with the County Assessor's Office. Owners are responsible to ensure the Association has their current address. Owners are responsible for addressing covenant violations regardless of whether the property is rented or vacant. If the violation is the failure to submit for and receive Architectural Review Committee approval, an ARC application form will accompany the violation notice. A written response from the Owner to the violation notice, or compliance with the violation, is required within fifteen (15) calendar days from the date on the notice.
3. If the Owner fails to respond to the violation notice in the allotted time, or fails to remedy the violation, the matter will be referred to the Hearing Committee. A Hearing Notice will be sent,

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by first class mail, to the Owner at least fifteen (15) calendar days prior to date and time of the hearing. A notarized certificate of mailing will provide proof of mailing.

4. The Board of Directors will not impose a fine, suspend voting or suspend any other rights of an Owner for violations of the Governing Documents unless the procedures set forth in this policy are followed.
5. The Association may dispense with the Notice of Violation if it determines an emergency may exist, i.e. if the alleged violation may pose an immediate threat to persons or property. In such case, the initial Notice may be a Hearing Notice Letter.

HEARING RULES

1. The purpose of the Hearing Committee is to evaluate the nature of the alleged violation and to arrive at a resolution with the Owner(s). A Hearing Committee shall be appointed by the Board and be comprised of at least three (3) Owners whom the Board of Directors believes will be able to afford a fair and impartial hearing. If there is not an established Hearing Committee, the HOA Board shall perform the functions otherwise delegated to the Committee.
2. At the hearing, the Owner shall have the right, personally or by representation, to give testimony orally, in writing, or both (as specified in the Hearing Notice), subject to reasonable rules of procedure established by the Hearing Committee to assure a prompt and orderly resolution of the issues.
3. The Owner may be represented by counsel. If the Owner is represented by counsel, the Owner's hearing will be rescheduled until the Association's counsel can be present. Written and oral evidence may be presented. The hearing need not be conducted according to any technical rules relating to evidence or witnesses, except the presenting party will provide copies of any written evidence to the other party or parties.
4. The hearing shall be open to all Owners, unless the Owner requests privacy because of sensitive or personal information that satisfies the requirements of Executive Session. Any evidence shall be duly considered, but is not binding on the Committee in making its recommendations.
5. The Association shall deliver to the Owner notification of the decision within fifteen (15) calendar days after HOA Board acts on the recommendations of the Hearing Committee.

FAILURE TO APPEAR

Neither the alleged violating Owner nor any accusing person need be in attendance. Owners who fail to attend or do not file a written response with the Association may be fined if the Hearing Committee determines a violation exists based on the information it has available to it at that time.

NONPAYMENT OF ASSESSMENT

The foregoing Notice and Hearing procedures are not required in order for the Association to impose any sanction for nonpayment of an Assessment, including, but not limited to, imposing

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default interest, charging a late fee or lien charge, assessing collection costs and attorney fees and commencing and prosecuting a foreclosure action. For more detail, please see the Association's Delinquency Policy.

EXTENSIONS

There may be circumstances that require an Owner additional time to correct his/her violation. In such instances, Owners may request extensions pursuant to the following:

1. All extension requests must be submitted in writing to the Association.
2. All extension requests will be reviewed on a case-by-case basis and decisions will be made based on the facts involving each individual request.
3. No extensions will be given past one year from the date of the original violation as set forth on the first violation notice, unless the Board approves the additional extension based on extenuating circumstances.
4. The Association staff and/or the Hearing Committee has authority to grant extensions for up to one year from the original date of the violation.
5. If a Owner submits an ARC form in response to a violation notice, he/she will have six-months from the date of approval of the ARC form, or one year from the date of the original violation, whichever comes first, to correct the violation. ARC forms submitted one year or later from the date of original violations will not be given additional extensions.

APPEALS

Each Owner has a right to appeal any Hearing Committee regarding a violation and/or an ARC decision. The Owner may appeal the findings to the HOA Board at its next regularly scheduled board meeting. The Board will not hear repeat appeal requests for the same matter.

FINES

First Violation. The fine for a first confirmed violation of a Rule will be determined by the type of violation as published in the Covenant Violation Fine Schedule.

NON-MAINTENANCE VIOLATIONS

1. Non-maintenance violations are violations that are not a part of the physical structure or permanent features of the property, such as house, driveway or landscaping. These include the following sections of the Green Book: 3.9, 3.15, 3.22, 3.26, 3.42, 3.43, 3.50, 3.52, 3.59, 3.60, 3.67, 3.70, 3.75, 3.80, 3.82, 3.95, 3.96, and 3.99.
2. Non-maintenance violations will be sent a First Notice when observed for the first time.
3. The violation will be sent to hearing and referred for fines, if the violation is observed two times and receives two violation notices in a six-month time period.

MAINTENANCE VIOLATIONS

Violations for maintenance items that have gone to Hearing and are not cured within 30-days of the Hearing Decision Letter can be fined in accordance with the Fine Schedule as a continuing violation. The process is outlined below:

1. Continuing violations are violations of all sections of the Green Book EXCEPT those listed in Non-Maintenance Violations above.

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2. The HOA Inspector will inspect the house no sooner than 30 calendar days from the date the Hearing Decision letter was sent and a Hearing Notice will be sent if the violation has not been corrected.
3. At the hearing, the Hearing Committee will review the information and picture provided by the HOA Inspector, as well as any testimony or documentation from the Owner or documented Owner's representative and make a recommendation to the Board of Directors.
4. The recommendation for an additional fine will be reviewed by the Board of Directors at its next scheduled meeting.
5. The Owner will be sent a Hearing Decision letter with the Board's decision.
6. If the same violation is sent to Hearing three (3) times with no communication from the Owner regarding intent to correct the violation, the Board of Directors may send a Certified Letter informing the Owner of potential future legal action that could be taken. The Owner will have 30 calendar days from the date of the letter to contact the Board of Directors. If no contact is made, the Board may vote to turn the violation over to the Association's attorney for further legal action.

RECURRING VIOLATIONS

Violations recurring within six (6) months of the Board Action confirming the violation will result in the issuance of a Hearing Notice Letter being sent with no First Notice. The Covenant Violation Fine Schedule will apply.

GENERAL PROVISIONS

1. **Waivers.** The Board is authorized to extend the time periods and otherwise modify or waive the procedures contained in this policy, on a case-by-case basis, as the Board determines to be necessary, in its sole discretion.
2. **Extenuating Circumstances.** If extenuating circumstances arise with a violation, the Association may request the Owner prepare and submit a written plan outlining how the violation will be corrected. The Board will review the proposed plan and will decide, in its sole discretion, whether to accept, reject or offer a compromise on the submission.
3. **Definitions.** Unless otherwise defined in this Policy, capitalized term or terms defined in the Declaration shall have the same meaning herein as set forth in the Declaration.
4. **New Owners.** When a closing occurs and a new Owner moves into the community, the Association will send a friendly reminder to the Owner for the first two (2) months after closing. This letter is designed to let the Owner know what the violations are, while giving them time to become familiar with the Association's rules and regulations. This will only be done with new Owners, but not with new tenants.
5. **Notification to ARC.** The HOA Supervisor or designated representative will notify the Architectural Review Committee (ARC), if the violation is a failure to submit for and receive ARC approval.

Adopted by the Board of Directors on November 21, 2016