

**Knollwood Homeowners Association
Policies and Procedures Regarding Violation of Covenants and Fines (Abridged)**

Summative Statement

Ideally, covenant enforcement should not be necessary. Every homeowner paying his/her fair share of the community's expenses and maintaining his/her property should be a priority. If, however, legal enforcement of violations should be necessary, it will be done in a priority manner. That is, the failure to pay Association dues may be legally enforced before property maintenance violations are enforced.

Section 9.6 of the Covenant deals with violations specifically the enforcement process. The enforcement process has a series of steps starting with letter notification and ending with more severe action such as legal action beyond 75 days of first notification.

Table 1. Schedule of Fines

Violation	Penalty	Fine
3. Homeowners Association (3.2-3.3)	Legal action	Attorney fees/\$150.00 every 30 days not resolved up to 75 days at which time legal action will be taken
4. Land Use (4.1-4.7)	Legal action	\$150.00 every 30 days not resolved up to 75 days at which time legal action will be taken/Attorney fees
5. Architectural Control (5.2-5.5)	Legal action if necessary	\$150.00 every 30 days not resolved up to 75 days at which time legal action will be taken/Attorney fees
6. Residential Provisions (6.1-6.4)	Legal action	Attorney fees/\$150.00 every 30 days not resolved up to 75 days at which time legal action will be taken
7. Property Maintenance (7.1-7.2)	Legal action if necessary	\$150.00 every 30 days not resolved up to 75 days at which time legal action will be taken
8. General Provisions (8.1-8.21)	Legal action if necessary	\$150.00 every 30 days not resolved up to 75 days at which time legal action will be taken

Notes:

1. RETURNED CHECKS: Returned check fees plus \$20.00 each occurrence
2. Fines for repeating the same violation will be at increments of \$150.00. Notice of the offense will be \$300.00.
3. Unpaid or Overdue Homeowners dues (that is, past June 15 for half of the dues, and past December 15 for the full dues): Dues plus a fine of \$150.00 for every 30 days not resolved up to 75 days at which time legal action may be taken. In addition to fines, a 1% monthly interest rate will be assessed for violations that remain unresolved.