

Town Homes at Red Rock Meadows

Violations and Fines

I. Policy

A. Goal: The Association may establish and amend rules, regulations, so as to conduct all functions necessary to operate a townhome owners association and to promote and advance aesthetic appeal of the community and protect property values. The desired effect would be to gain community support, to facilitate a voluntary response, thus reducing the number of violations. The Architectural Control Committee (ACC), along with the Board of Directors (BOD), shall formulate a cohesive procedure with the ability to achieve an increase in voluntary compliance. It will allow the BOD, to take reasonable and necessary action, in order to correct the non-compliance issues.

B. Authority: It is recognized that the Association reserves the authority to set and issue fines upon a Lot and/or Owner for non-compliance with the existing Covenants. The Association shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration.

II. Procedures

A. Reporting:

Violations and/or related issues, should be reported by any member, currently held as a "Member in Good Standing", of the Town Homes at Red Rock Meadows community to the ACC or BOD members.

The ACC and BOD members shall have the authority, under their position and designated responsibilities, to initiate and investigate any issues related to the Covenants and By Laws.

B. Documentation:

Violation Report: The preliminary action will be the Violation Report, which shall be completed and submitted by the reporting person of authority.

Follow Up: The follow up report document, shall be used should additional space be required from the original Violation Report and/or to submit supplemental information pertinent to the preliminary report document.

Photographs/Diagrams: Supporting photographs, and when necessary, diagrams should be submitted as part of the original preliminary report file.

C. Notices:

Level 1 (Courtesy): This level is consistent with a Violation Notice - Warning, which shall be completed by the ACC and mailed via USPS First Class Mail to the homeowner. It shall outline the alleged violation, identify Section, and provide a brief description while reflecting the specific dates (7-14 days) given to take the desired corrective action. (Exception: This shall be the initial entry-level for all Violation Notices; however, the exception would be for a repeat or similar violation. The exception would bypass this level, with the initial referral being directed to the BOD.

Level 2/3: This level is consistent with a Violation Notice issued Fine, which shall be completed by the BOD and mailed via USPS certified/registered mail with return receipt to the homeowner. It shall outline the alleged Violation, identify the Section, and provide a brief description while reflecting the specific dates (7-14 days) given to take the desired corrective action. It will reflect the fine to be assessed to the homeowner.

Level 4: Memorandum of Agreement (MOA) may be utilized independently and/or in combination with Level 2/3 Violation - Fine, at the sole discretion of the BOD.

D. Fines:

Level 1 (Courtesy) - Fine \$ 0.00. If the Violation issued is corrected within the given time frame in a satisfactory manner, then any further action shall be waived, and the Violation Notice will be closed - resolved. Should that not be the case, the ACC will refer the Violation, to the BOD for further evaluation and action.

Level 2 Violation - Fine \$50.00. If the Violation - Fine issued, is corrected within the given time frame in a satisfactory manner, then any further action shall be waived, and the Violation - Fine will be closed - resolved. However, should that not be the case, unresolved violations will incur an additional fine of \$50.00, assessed monthly on the 10th of the month. The additional penalties will be deemed *issued without further notice* for as long as the violation remains unresolved beginning 30 days from the original issue date, not to exceed a total sum of \$250.00. The failure to resolve the non-compliance issue, plus unpaid monetary fine(s), may cause the BOD to initiate a referral to legal counsel for civil remedies.

Level 3 Violation - Fine \$100.00. If the Violation - Fine issued, is corrected within the given time frame in a satisfactory manner, then any further action shall be waived, and the Violation - Fine will be closed - resolved. However, should that not be the case, unresolved violations will incur an additional fine of \$100.00, assessed monthly on the 10th of the month. The additional penalties will be deemed *issued without further notice* for as long as the violation remains unresolved beginning 30 days from the original issue date, not to exceed a total sum of \$500.00. The failure to resolve the non-compliance issue, plus unpaid monetary fine(s), may cause the BOD to initiate a referral to legal counsel for civil remedies.

Level 4: MOA shall be an enforceable contract, between the BOD and the homeowner, to address particular and/or unique circumstances. The BOD shall be the sole authority in determining the usefulness of this level. Homeowner(s) that are participants, in a current ongoing Agreement, shall continue to remain "Members in Good Standing" despite an unresolved Covenant violation.

E. Hearing:

The homeowner shall be given an opportunity, and may request to address the BOD, regarding an issued Violation Notice. The homeowner must submit written notification to the BOD within thirty (30) days from the original date of issued Violation Notice.

The BOD will select the venue for the meeting; however, the homeowner is solely responsible for any fees and/or costs associated with fulfilling the requested meeting.