RAEBURN HOMEOWNERS ASSOCIATION, Inc. VIOLATION POLICY

The following will be Raeburn Homeowners Association, Inc. (hereinafter referred to Raeburn) Violation Policy. This policy has been written within the guidelines of the Declaration of Covenants, Conditions and Restrictions for Raeburn and the laws in the State of North Carolina. This policy will be enforced for the purpose of protecting the integrity, value and desirability of the lots, the owners and any and all parties having the right, title or interest in such lots in the subdivision of Raeburn. This Violation Policy was originally adopted in December, 2012 and was updated in December, 2016.

Any party having any right, title or interest in the subdivision of Raeburn (hereafter "homeowner") is required by the laws of the State of North Carolina to abide by the Declaration of Covenants, Conditions and Restrictions for the Raeburn Subdivision registered in the State of North Carolina, County of Mecklenburg. If at any time any of the aforesaid parties is in violation of the Declaration of Covenants, Conditions and Restrictions for Raeburn the following procedures will go into effect:

STEP 1 – The homeowner in violation will receive written notice of the charged violation with a specified period of time to comply. All notices will be sent to the lot mailing address in addition to any other address provided by the homeowner to the association or its agents, by first class mail. If the homeowner is unable to cure the violation within the specified time period, he/she is required to respond in writing within that specified time period to the managing agent acting on behalf of the Board of Directors, to either work out a resolution or request a hearing. If the managing agent has not received a response from the homeowner, Step 2 will go into effect.

<u>STEP 2</u> – The Board of Directors will set a hearing date and before an adjudicatory panel comprised by Board members. The homeowner charged shall be given written notice of the charge and the hearing date, time, and location with the notice being deposited in the mail at least ten (10) days prior to the hearing date.

At that hearing, the homeowner will be given the opportunity to be heard and present evidence. After reviewing all the evidence presented, the panel or the Board, will determine if the homeowner is in violation of the Restrictive Covenants. If it is found that the homeowner is in violation, then it will be determined if the homeowner should be fined and if planned community privileges or services should be suspended pursuant to the powers granted to the association in accordance with North Carolina General Statutes. Written notice of the decision will be mailed to the homeowner within twenty (20) days after the hearing date. If it is decided that a fine should be imposed, a reasonable fine up to one hundred (\$100.00) may be imposed for the violation, and without further hearing, \$100.00 per day or occurrence, for each day that the property remains in violation more than five (5) days after the decision letter date. A minimum grace period of five (5) days from the mailing date of the decision letter, is to be given before the actual imposition of a daily fine and/or suspension to give the homeowner the opportunity to cure the violation.

If it is decided a suspension from planned community privileges or services should be imposed, the suspension may take place until the violation or delinquency is cured, unless the Declaration provides to the contrary. All fines shall be assessments secured by the lien provision under NCGS 47F-3-116 and the Raeburn Homeowners Association, Inc. Delinquency Policy. A homeowner may appeal a decision made by the adjudicatory panel to the entire Board of Directors by delivering written notice of the appeal to the Directors at the association mailing address within fifteen (15) days after the date if the decision. After the Board of Directors reviews the appeal they may affirm, vacate, or modify the prior decision of the adjudicatory panel.

STEP 3 - If the homeowner is still in violation after Steps 1 and 2 and no resolutions have been made between the homeowner, Management Company and/or the Board of Directors of the Association, the case may be turned over to the attorney to resolve or begin lien, foreclosure proceedings and/or further legal action. While Step 3 takes place the homeowner will continue to be charged the daily fines imposed in STEP 2 if the violation continues. Once the matter has been turned over to the attorney the homeowner in violation will be responsible for all reasonable attorney's fees as is allowed in N.C.G.S. 47F-3-120 and the Raeburn Declaration of Covenants, Conditions and Restrictions in addition to all previous assessments, interest, fees, costs or fines incurred.