

ONE CLUB HOUSE LANE, SECTOR 12 Homeowners' Association

Fine Schedule and Enforcement Policy

BACKGROUND

Homeowners purchased their homes in the One Club House Lane Sector 12 (OCHL-12) development in order to enjoy the attractive residential environment that the development provides. However, the purchase of a home in this community also imposes a legal obligation on all homeowners to adhere to the OCHL-12 Covenants, Conditions & Restrictions (CC&Rs) and related policies. And a home's purchase here comes with a clear expectation that the OCHL-12 CC&Rs and policies will be enforced on all homeowners in order to maintain an attractive and well-kept neighborhood with common amenities and, as far as possible, to maintain and/or increase property values.

The Board of Directors of the OCHL-12 Homeowners' Association (HOA) has a legal obligation to exercise reasonable business judgment and to act in the best interests of the entire community. Thus, OCHL-12 HOA Board members have an affirmative duty to enforce the CC&Rs and policies, but occasionally the only practical tool for enforcement of the CC&Rs and policies is a fine or the threat of fines. However, without a published Schedule of Fines, the Board of Directors cannot legally impose fines. The Washington State Law which governs Homeowners' Associations (RCW 64.38) states that Associations may "levy reasonable fines in accordance with a previously established schedule adopted by the board of directors and furnished to the owners for violation of the bylaws, rules, and regulations of the association". A Schedule of Fines will also help ensure that the board is not capricious, selective or arbitrary in enforcing the CC&Rs and related policies.

POLICY STATEMENT

The attached Schedule of Fines has been adopted by the OCHL-12 HOA Board of Directors. It outlines specific violations of the CC&Rs and policies and lists the penalty for those violations. This policy also specifies that a fine may only be imposed after the owner has been sent written notice that a fine is being considered, and is provided a reasonable opportunity to be heard regarding the alleged violation by the Board of Directors or a designated representative. No fine or enforcement fee will be imposed until after the requested hearing has taken place.

The purpose of fines is to encourage compliance with our CC&Rs and policies. This schedule of fines serves to provide each homeowner a clear understanding of the penalties involved for violations of our CC&Rs and policies, and for failure to respond to notice of alleged violations.

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Fine Schedule and Enforcement Procedure

Enforcement Procedure

- First Violation: A courtesy letter is mailed to the homeowners' last mailing address on file citing the specific violation(s) and requesting correction of said violation(s).
- Second Violation: A letter is mailed requesting the homeowner to appear at a hearing before the Board of Directors (or their appointed designees) to address the cited violation(s). The letter will identify the nature of the violation(s), the potential fine, and the date, time and location of the hearing. If the homeowner fails to appear at the hearing or provide written evidence on his/her behalf, a monetary penalty may then be imposed against the homeowner. The Board of Directors will notify the homeowner in writing of its decision.
- Continuing Violation: The Board may impose a continuing monetary penalty without additional notice or hearing, until the infraction or violation has been remedied. (A continuing violation is a violation of an ongoing nature which has not been corrected.)
- Repeat Violation: Hearing Letter to Homeowner.
(A repeat violation occurs when a person violates the same provision of the Association's governing document more than once and has already been given the appropriate warnings and offered a hearing. A repeated violation may result in an immediate doubling of fines.)

In the case of a repeat, continuing violation, fines (which have already been doubled) may be assessed on a weekly basis until the violation is corrected.

Schedule of Fines

Landscape Maintenance Violation	\$100.00 per week
Trash Cans	\$75.00 per week
Maintenance of Animals	\$100.00 per week
Parking Violation	\$75.00 per week
Architectural Violation	\$100.00 per week
View Impairment Obstruction Violation	\$100.00 per week
ACC Application Violation: (An ACC Application must be submitted and approved before any architectural improvements can be made. If the application is not submitted and approved prior to commencement of the work, fines may be imposed from the day work began, after the appropriate notice and hearing,)	\$100.00 per occurrence

This above list is not complete or comprehensive. Other significant violations not listed or specified above, such as illegal dumping in common areas, re-roofing with unapproved materials, and common area encroachment, may result in reasonable fines up to \$500.00 per week. The payment of any and all legal fees and related costs incurred by the Association to enforce violations or collect fines shall be the responsibility of the homeowner.