PACIFIC SHORES CC&R VIOLATION POLICY Revised August 2018

A. VIOLATION CLASSIFICATIONS

Be it hereby resolved that the Board of Directors of the Pacific Shores Homeowners' Association has duly adopted the following method of addressing and validating violations of the Rules & Regulations and the Covenants, Conditions and Restrictions (CC&Rs) of the Association. Violations, specifically or non-specifically outlined in the CC&Rs, shall be separated into the following general categories:

Architectural Violations shall include, but not be limited to: failure to obtain architectural approval prior to initiating improvement and/or failure to construct improvements in accordance with provisions of architectural approval.

Visible Violations shall include, but not be limited to: parking, vehicular restrictions and exterior maintenance of the home and all related improvements and landscaping.

Nuisance Violations shall include, but not be limited to: noise, odor, Common Area damage, behavior or control of pets, behavior or control of owners' children, family members or guests, and construction noise outside the hours of 7:30 AM - 6:00 PM Monday through Saturday.

Contractor Interference Violations shall include, but not be limited to, disrupting the work of contractors performing work on behalf of the association.

To establish a violation of the governing documents of the Association, proof of said violations must be obtained through either visual observation by a Board Member and a Management Representative or by two Board Members. Alternatively, proof can be substantiated upon notification of two (2) owners of two (2) separate residences, subject to the concurrence of either a Board Member or the Management Representative that a violation has actually occurred.

B. VIOLATION ESCALATION PROCESS

First Action: Owner shall receive a **general warning notice** via US Mail outlining the nature of the alleged violation and requesting correction and/or remedy of said violation.

Second Action: Owner shall receive a **formal written complaint** via US Mail. The written complaint shall establish the nature of the violation and provide the owner with an opportunity to **attend a hearing** to show cause why a fine should not be levied.

- For **Architectural Violations**, the Second Action is issued if corrective actions (i.e., submitting an architectural application or initiation and/or reasonable progress in remedial work) is not taken within 15 days of the First Action being issued.
- For **Visible Violations**, the Second Action is issued if corrective actions are not taken within 30 days of the First Action being issued.
- For **Nuisance Violations** and **Contractor Interference Violations**, the Second Action is issued for any recurrence of the same violation.

Subsequent Action: Owner shall receive a **violation fine** if the owner fails to exercise the option for a hearing and fails to correct the violation. Should the owner continue to fail to correct the violation, additional violation fines will be issued as outlined in Section C, and the Board shall exercise the option of filing a Notice of Non-Compliance against the property and/or initiate legal action. Additionally,

should a contractor charge the association an additional fee due to work stoppage as a result of a homeowner Contractor Interference Violation, the homeowner may be held responsible for reimbursing the Association for this fee following a Board review, with homeowner present, to determine the circumstances of the violation.

C. VIOLATION FINES

- 1. Minimum assessments for a first offense for any one violation will be \$50.00. Subsequent violations of the same Rule will be assessed at the rate of \$50.00 times the number of previous offenses, including the present offense. In addition to any assessment levied, the Board shall impose any additional sums, which amounted to actual cost, to the Association to repair the Association property or correct the violation. The Board of Directors may also suspend the voting rights or right to use the Association's recreational facilities, or any combination thereof, for any Rule violated. Any such suspension, however, shall not exceed thirty (30) days in length.
- 2. All assessments and charges imposed against an owner for a violation of the Rules will be applied to the offending owner's account and will appear on the owner's next statement of account. Any unpaid balances will be subject to additional late fees and charges as applied to the statement. Unpaid assessments shall become a lien against the offender's real property. Unsatisfied liens may result in foreclosure proceedings.
- 3. Thirty (30) days following the mailing of the penalty assessment letter, Management will check to determine if the violation has been corrected. If the violation has not been corrected, an additional violation penalty will be issued per the provisions of paragraph 1. of this Section C. If the violation has been corrected, no further action will be taken.
- 4. All homeowners of record and tenants will receive a copy of this complaint procedure. Additional copies will be available from the management company.
- 5. All letters and notices required under this procedure shall be sent in the United States mail, first-class postage prepaid, and addressed to the offending owner at the last known address listed with the management company.

D. GENERAL PROVISIONS

- 1. An owner is strictly liable for violations of these Rules by his or her guests or tenants. Where a tenant is in violation of a Rule, the owner will be served notice and have the responsibility for subsequent action as outlined hereafter as though they acted as if they were the offender.
- 2. The management company will send all correspondence to the offending owner of record at his or her last known address. This letter will state the nature of the offense, the deadline for correction and the date of the Board meeting at which the complaint will be heard. This letter may include the amount of the assessment to be levied (if not corrected), as well as any assessment to be levied for any repetition of the violation.
- 3. All complaints will be heard in the Executive Session Board of Directors Meeting. If the offending owner has corrected the violation, the Board may not impose an assessment and will close that complaint. If the violation has continued, the Board will determine what sanction is appropriate for the violation. Should the offending owner not appear at a scheduled hearing, the Board may make a determination on the matter in his or her absence. Any such determination is binding.
- 4. Notice of the Board action will be sent to the owner of record at his or her last known address.