O'DONNELL SQUARE FINE POLICY GENERAL PROVISIONS

The rules include architectural or property improvement requirements and procedures, and owner, resident and guest conduct and behavior requirements set forth in the governing documents, which include the Declaration of Covenants, Conditions, and Restrictions (CC&Rs), By-Laws, and House Rules of O'Donnell Square, or any statute, ordinance, or applicable requirement of any governmental entity.

The provisions of this policy shall be applicable to all Association owners, residents, guests, and property.

Resident(s) are either tenants or owners residing within the Association. If residents or their guests do not adhere to the provisions of the governing documents, written citations will be issued and fines imposed pursuant to the schedule set forth in this document for repeat violations.

Copies of all written notices of violations and fines issued to tenants shall be provided to the appropriate owner and/or rental agent.

Residents have the right to appeal citations and fines, and may also request an extension if more time is needed to correct a violation.

<u>VIOLATIONS – NOTIFICATION PROCEDURES</u>

The Managing Agent employed by the Association (if no Managing Agent is employed, the Board of Directors) shall provide written notification of a violation to the resident on record with the Association. The first notification serves to inform the resident of the infraction and the consequences if the violation continues or is repeated.

If the first notification is ineffective, the Managing Agent shall provide second written notice of the violation to the resident and owner, along with a fine. The second notification informs the resident and owner of the continued or repeat infraction, and of fines assessed to the owner's account for continued and repeated violations.

If the second or subsequent notification and fines are ineffective, or if the circumstances dictate immediate action, the Board may refer the matter to the Association's legal counsel for necessary action with all legal fees to be paid by the violator and/or unit owner pursuant to the governing documents.

<u>High-Risk Infractions:</u> The Board of Directors and Managing Agent may elect to refer certain infractions to an appropriate outside agency (Police, Fire, Animal Control, etc.) if they pose an immediate risk to the Association or other residents.

RESPONSIBILITIES OF OWNERS FOR FINES

Because proper Association account maintenance is the sole responsibility of the homeowner, owners are responsible for the actions and behavior of their guests and/or tenants at all times and for the payment of any fines levied. While tenants may resolve violations or pay fines on their behalf, the ultimate responsibility for resolution of infractions falls on the owner.

Should expenses be incurred by the Association for enforcement or remedy in response to violations of the governing documents by the resident, the owner of the unit shall be responsible for payment of such expenses.

Unpaid fines and/or Association costs shall constitute a lien against the owner's interest in such unit, which may be foreclosed upon by the Association.

SCHEDULE OF FINES

<u>First Offense</u>: A written citation to be sent to the resident and owner, if applicable. Request the owner correct the violation within ten (10) days.

<u>Second Offense:</u> A written citation to be sent to the resident and owner, if applicable, and a \$50.00 fine assessed to the owner. Request the owner correct the violation within ten (10) days.

- ** A second violation being for a similar violation within a six (6) month period.
- ** If a violation occurs of another nature it will count as a first violation of that nature.

<u>Third and Subsequent Offenses:</u> A written citation to be sent to the resident and owner, if applicable, and an additional \$125.00 fine assessed to the owner. Request the owner correct the violation within ten (10) days.

If, after the issuance of the Third Offense, the problem persists, the Board of Directors and Managing Agent may take any combination of the following remedies:

- An additional \$125.00 fine may be assessed for each day the violation is not corrected. The notices will be sent by first class mail to the owner.
- The matter may be referred to the Association's attorney for action. All costs for enforcement, legal or otherwise, shall be the responsibility of the homeowner to pay.
- The Board of Directors may correct the violation immediately and charge the owner for the cost of correcting the violation.

<u>Willful Damages:</u> A \$250.00 fine will be assessed for intentional damages in addition to being assessed for any and all repair(s) as a result of the damage inflicted.

APPEAL OF VIOLATION AND FINES:

The appeal process is as follows:

Should an owner decide to appeal a violation and/or fine, he or she shall send a <u>written</u> letter to the Board of Directors through the Managing Agent within ten (10) days of the date of the citation, notification, or fine. The appeals letter should state the circumstances or mitigating factors relating to the violation. Assessment of the fine for that violation shall be on hold until the Board reviews the appeal and renders a decision. The date of mailing as certified by the post office or commercial courier shall constitute the date of appeal. In the event of an extraordinary circumstance, the board will review written appeals received after the ten (10) day requirement on a case-by-case basis.

PAYMENT OF FINES:

The fines will be assessed to the owner's account fifteen (15) days after the date indicated on the violation letter. Unless appealed, a fine must be paid to the Association within thirty (30) days of the date of the citation.

If the fine is not paid within 30 days of the citation, the balance owed will be reflected in the account, and late fees assessed accordingly.

The Board may reduce the amount of fines after considering mitigating factors during the appeal process.

Payment of fines can be made by check payable to "O'Donnell Square Homeowners Association" for the amount, or added onto the next monthly maintenance fee payment. Payments are to be sent directly to the Managing Agent. It is the responsibility of the owner to ensure that the payment amount is correct and includes all assessed interest, late fees, etc.