WOLF CREEK PROPERTY OWNERS ASSOCIATION FINE PROCEDURE AND SCHEDULE

It has rarely been the case that members have failed to abide by the CC&Rs, particularly after notice of the violation by the Board. Nevertheless, there have been occasions on which that has occurred. Accordingly, the Board has adopted the following procedure and fine schedule for violations to assure that everyone follows the rules which we, as members of the association, have agreed to follow. The fines are not exclusive but are in addition to any additional or other remedy which the Board may legally take.

- A. <u>Due Process</u>. Prior to the imposition of any fine, the homeowner shall be given notice and an opportunity to appear in person or by teleconference before the Board of Directors to contend why the fine should not be imposed. At least 5 days notice of the hearing shall be given and the owner shall be notified in writing within 15 days after the hearing of the outcome.
- B. <u>Enforcement Guidelines</u>. Generally, absent special circumstances, the Association will adhere to the following discipline and fine protocol for violations of the governing documents:
 - 1. Fine/Hearing Notice. The Board will send a letter notifying of a violation and request correction within a reasonable amount of time. The letter will set forth a possible fine amount and a hearing date if the violation is not corrected. All notices may be sent by email.
 - 2. General Fines. The following fine schedule will apply to violations which are not specifically addressed below:
 - a. First Violation \$100

- b. Second Violation \$150
- c. Third Violation \$200

Note that a failure to correct a violation within the specified time may result in issuance of a notice of an additional violation.

- 3. Fines for Failure to Complete Construction. A refundable \$3,200 deposit must be made prior to the start of construction. If the outside of the house is not completed within 18 months of the start of construction, \$2000 of the deposit is forfeited. A fine of \$200/month will be assessed for each month after the 18th month that the exterior of the house is not complete. If construction is not complete within 24 months the fine will increase to \$400/month. Once the deposit is exhausted, fines will be billed bimonthly.
- 4. CC&R 12.3 requires that members obtain board approval for cutting of trees over 10 inches in diameter other than trees posing a hazard. Because there is no remedy for wrongful removal of a mature tree, the board has approved a \$1,000 fine for each tree removed in violation of 12.3.
- Past Due Invoices. Once an association invoice becomes past due, a \$50 late fine will be added to the amount of the invoice. An additional \$50 fine will be added for each additional month that the invoice remains unpaid