

KERRIGAN RANCH II COMMUNITY ASSOCIATION

ENFORCEMENT POLICY

If the Board of Directors of the Association receives a complaint from a member of the Association or observes that an alleged violation of the Association's governing documents has taken place, then the following steps shall be taken:

1. Notice of Violation. In its discretion, the Board may send a letter to the owner of the residence explaining the nature of the violation and the date upon which the alleged violation must be cured to avoid further action.
2. Notice of Hearing. If the violation is not cured within the timeframe set forth in the Notice of Violation letter, or, depending on the nature and severity of the violation, the Board decides to proceed directly to a hearing, a Notice of Hearing will be sent to the owner of the residence. The Notice of Hearing will include the following information: (a) the alleged violation, (b) the provision of the Association's governing documents that was allegedly violated, (c) a list of sanctions that may be imposed, and (d) the time, date and place of the Board meeting at which the violation will be addressed in a hearing in executive session. The Notice of Hearing shall be sent at least fifteen (15) days prior to the scheduled hearing date.
3. Hearing. On the date and at the time set forth in the Notice of Hearing letter, the Board of Directors will meet in executive session, regardless of whether the alleged violating owner is in attendance, to discuss and evaluate the evidence that has been presented by the complaining party, the alleged violating owner (either by written statement, evidence, or personal testimony) and any witnesses. The alleged violating owner shall have an opportunity to address the Board in his or her defense.
4. Disciplinary Action. If the Board of Directors, after evaluating all the evidence presented, finds that a violation has occurred, then the Board may impose disciplinary action against the violating owner by (a) levying a monetary penalty in accordance with the Association's Fine Schedule, (b) suspending the owner's membership privileges, and (c) taking any other disciplinary or corrective action authorized by the governing documents; however, this does not relieve the owner's obligation to pay all assessments levied by the Association or to otherwise comply with the governing documents. Any such suspension shall be for a period of time not exceeding thirty (30) days for any non-continuing violation. In the case of a continuing violation, such suspension may continue for as long as the violation continues.
5. Written Findings. Within fifteen (15) days following the hearing, the Board of Directors shall provide the owner with a written notice of its findings and any disciplinary action imposed against the owner, and no action against the owner may take effect prior to five (5) days after the hearing.
6. Internal Dispute Resolution. If the violation is not cured, the Association will proceed with "meet and confer" procedures pursuant to Civil Code Section 5915.
7. Legal Action. If the violation is not cured after Internal Dispute Resolution is offered, the matter will be turned over to the Association's attorney to commence legal action (alternative dispute resolution and/or litigation). Depending on the severity of the violation or other special circumstances, the Board may refer the matter to legal counsel at any time during the enforcement process.

FINE SCHEDULE

After Notice and a Hearing, the following monetary penalties may be imposed against an owner for the following violations of the Association's governing documents:

1. Levy a **Special Assessment** in the amount of \$200.00 for the first thirty (30) day period of any violation; \$200.00 for the second thirty (30) days of a continuing violation; \$200.00 for the third and any additional thirty (30) days of a continuing violation (**except for the specific violations below**).

a. **Prohibited (Recreational) Vehicles:** Levy a Special Assessment in the amount of \$500.00 for the first infraction, \$500.00 for the second infraction, \$1,000.00 for the third infraction, and \$1,000.00 for every subsequent infraction. Infractions are **not limited to a rolling timeframe; each infraction remains permanently on record and adds up as each infraction occurs**. Prohibited (recreational) vehicles include but are not limited to: boats, ATVs, trailers, jet skis, motorhomes, fifth wheelers, etc. (CC&Rs, Article II, Section 2.52.)

b. **Architectural Violations:** Installation of Unapproved Improvements, Unauthorized Exterior Changes, and Failure to Maintain Property (examples include installation of unapproved landscaping, painting your home an unapproved color, overgrown vegetation and weeds, dead lawn, dilapidated roofing): Levy a Special Assessment in the amount of \$500.00 for the first thirty (30) day period of the infraction; \$500.00 for the second thirty (30) days; \$1,000.00 for the third thirty (30) days; \$1,000.00 for every subsequent thirty (30) day period. (CC&Rs, Article II, Section 2.1.6; Article II, Section 2.9.2; Article V, Section 5.3.1)

c. **Initial Landscape Violations:** Levy a Special Assessment in the amount of \$500.00 for the first thirty (30) day period of the infraction; \$500.00 for the second thirty (30) days; \$1,000.00 for the third thirty (30) days. (CC&Rs, Article II, Section 2)

d. **Leasing/Renting Procedures/Short Term Rental Rules Violations:** Levy a Special Assessment for violations of the Leasing/Renting Procedures/Short Term Rental Rules as follows:

- First Occurrence: \$500.00.
- Second Occurrence: \$2,000.00 or, at the option of the Association, \$1,000.00 per day of the violating rental.
- Third and Any Subsequent or Continuing Occurrence: \$3,000.00 or, at the option of the Association, \$1,500.00 per day of the violating rental.

2. A "**continuing violation/occurrence**" is a violation that has never been cured and continues to exist or a violation that is repeated after being cured as a result of receipt of a Notice of Hearing.

Approved by the Board 9/12/17