The Board of Directors, at the regularly scheduled meeting held on January 11, 2001. adopted the following Violation Policy & Procedures

LEXINGTON HILLS HOMEOWNERS ASSOCIATION VIOLATION POLICY

Effective February 15,2001

In accordance with RCW 64.38.020 paragraph (11), a \$50 fine may be imposed upon Lexington Hills Homcowners Association Members where a continued violation of the Association's governing documents occurs. For uncoirected violations, the initial \$50 fine will be imposed at a hearing as described b the Violation Procedures. Following the initial fine, if the violation is not corrected or recurs within 14 calendar days, a "continuing violation" fine of \$50 may be imposed. Additional \$50 fines may also be imposed for each 14-day period, or portion thereof; that the violation is not corrected or recurs. The \$50 fine schedule for Lexington Hills Homcowners Association includes, but is not limited to, violations of paragraphs defined in Article III of the

Declaration Of Protective Covenants, Conditions, and Restrictions for Lexington Hills (Covenants). The Board of Directors has the right to impose fines for violations not listed herein provided the Violation Procedure is followed. Fines for violations that directly affect the health and safety of Lexington Hills Homeowners are not subject to the same time and notice requirements. Any fines assessed do not in any way reduce the power of the Board of Directors or any individual Association Member to enforce the Covenants through other legal means.

LEXINGTON HILLS HOMEOWNERS ASSOCIATION VIOLATION PROCEDURES

Effective February 15,2001

- 1. Board member or ACC member is notified of a potential violation of the protective covenants.
- 2. Within 30 days of notice, any one Board or ACC member will investigate the alleged violation and document their findings as appropriate.
- 3. If in agreement, they will ensure that the violating member is notified in writing of the specific violation, the potential fine, the current Violation Policy, and the date and time of the scheduled hearing. If we are aware that the home is rented, a copy of the notice will be sent to the current resident. The notice will request that the violation be corrected by the scheduled hearing date. The hearing date will be no earlier than 17 calendar days after delivery of the notice. Delivery shall be defined as mailing of the notice via U.S. Mail certified with return receipt requested and/or hand delivery to the member. A courtesy phone call may also be made.
- 4. A hearing is scheduled (usually part of the regular monthly Board or ACC meeting) where the member has an opportunity to be heard by the Board and/or the ACC. The Board will

vote on the following based on the evidence presented at the hearing: 1. Did a violation of the covenants occur? Yes or No. 2. Has the violation been corrected? Yes or No. 3. Should the \$50 fine be assessed? Yes or No. All decisions of the Board regarding fines are final.

5. If a fine is assessed, the member will be sent a written notice of the Boards decision within 5 business days of the hearing with a request for payment of the initial fine, demand to correct the violation, and outline the continuing violation schedule. A copy of the notice will be sent to the

Treasurer to record the assessment.

- 6. If the Board or ACC is notified that the violation has not been corrected within 14 days or recurs, and the initial fine has been assessed, they will investigate the continuing violation and document their findings as appropriate within a reasonable period of time. Findings will be presented at the next scheduled board meeting.
- 7. If in agreement, the association member will be sent a request for payment of the continuing violation fine, demand to correct the violation, and the continuing violation schedule. A copy of the notice will be sent to the Treasurer to record the assessment.
- 8. If payment is not received, the total amount of all fines will be added to the amount due and billed in accordance with the annual maintenance assessment procedures.
- 9. Additional \$50 fines may also be imposed during each 14-day period, or portion thereof; that the violation is not corrected or recurs.

LEXINGTON HILLS HOMEOWNERS ASSOCIATION

Procedure for assessing fine for non-payment of annual maintenance fees.

Revised 7/01/14

Effective 7/01/14

- 1. Lexington Hills Homeowners Association annual maintenance assessment plus any past due amounts are due on March 1st of each year.
- 2. Notices of annual assessment with past due amounts will be mailed via U.S. Mail to the last known address of the owner of the property (Board Records and/or Pierce County Assessor-Treasurer website) up to 45 calendar days in advance of the due date. If full payment of the "total amount due" is not received by the later of the due date or 30 calendar days after mailing of the notice, a fine of \$35 (aka late fee) may be assessed.
- 3. The total amount due includes but is not limited to current and past due maintenance assessments, fines, collection expenses, lien filing expenses, and amounts previously sent to collections but not paid).
- 4. A second notice will be mailed to the owner with the balance due including the \$35 Fine within 45 days of the fine being assessed unless the previous total amount due has been paid. If the total amount due is not paid within 30 days of mailing of the second notice the total amount may be turned over to a collection agency (currently Pierce County Collections). If

payment is received via collections, the cost of the collection action will be added to the account and billed during the next billing cycle.

- 5. Depending on the seriousness of the delinquency, the board may initiate proceedings to add a lien to the property for the amount of the current amount due (including any portion of annual assessments, fines, collection agency fees paid and the cost of filing the lien). A notice of Lien will be mailed to the homeowner. Once a lien has been filed, any costs associated with releasing the lien and/or foreclosure will be added to the homeowner's account.
- 6. Appeals or disputes of the total amount due or for waiver or refund of any fine may be made via E-mail to the board or letter. The board will vote on the merits of the case and make a decision. Decisions will be communicated to the homeowner and are final.