

FIRST HYLAND GREENS ASSOCIATION

COVENANT AND RULE ENFORCEMENT AND FINING POLICY

Penalties for a violation of any provision in the Declaration of Covenants, Conditions and Restrictions for the First Hyland Greens Association, or any adopted Rules and Regulations of the First Hyland Greens Association (collectively, the "Governing Documents"), will be imposed by the Board of Directors (the "Board") as follows:

Courtesy Notice:

Periodically, the Board (or as delegated by the Board to a management company), will perform an inspection of the Association, and may mail a written "Courtesy Notice of Covenants Violation" (hereinafter "Courtesy Notice") to the owner(s) of each property at the mailing address on file for each violation of a provision of the Governing Documents that is observed. The Board (or management company) will also send Courtesy Notices to those owners who are known to be in violation of the Governing Documents per third party written complaints and subsequent verification. The notice shall generally state the date and nature of the observed violation(s), the Covenant and/or Rule violated, and shall notify the owner(s) of the property in question that they have twenty-five (25) calendar days from the date of the notice (the "Grace Period") to correct the violation(s). Should the owner(s) correct the violation(s) before the expiration of the Grace Period, then no further action will be taken against the owner(s) regarding the violation(s) noted in the Courtesy Notice(s). The Board (or management company as authorized) will determine whether or not the violation has been corrected after the Grace Period has expired.

Opportunity for Hearing:

Each owner has the opportunity for a hearing with the Board. An owner may appeal any cited violation to the Board by emailing, mailing or faxing a written request for a hearing to the Board (or management company) within ten (10) days of the date of the Courtesy Notice. Providing such notice shall have the effect of pausing any deadlines set by this or any other policy until such time as the hearing is completed. The Board may undertake this hearing as a group or the President of the Association may appoint a Hearing Committee after consultation with the Chair of the Architectural Control Committee or management company.

First Fine Notice:

If any violation for which a Courtesy Notice was sent is not resolved by the conclusion of Grace Period, and if a hearing request has not been received, a Fine Notice shall be sent to the owner(s) via certified mail, return receipt requested, to the mailing address on file and a \$50.00 fine shall be assessed to the owner. All voting rights of the owner(s) shall be suspended until the violation(s) is/are corrected and the fines are paid. The owner(s) shall not be permitted to submit architectural modification requests to the Association,

other than those required to correct the violation, until such violation has been corrected and all fines have been paid.

Second Fine Notice:

If a violation(s) remain(s) unresolved twenty-five (25) days after the First Fine Notice is sent, a second Fine Notice will be sent to the owner(s) via certified mail, return receipt requested, and a second level fine of \$100.00 shall be assessed to the owner(s). All voting rights of the owner(s) shall remain suspended until the violation(s) is/are corrected and the fines paid. The owner(s) right to submit architectural modification requests to the Association continues to be suspended, other than those required to correct the violation, until such violation has been corrected and all fines have been paid.

Third and Further Fine Notices:

If the violation(s) remain(s) unresolved, the Board (or as delegated by the Board to a management company) shall mail, via certified mail, return receipt requested, additional Fine Notices to the owner(s) and charge an additional fine to the owner(s) for each subsequent month the violation remains unresolved. Should the owner(s) balance reach \$750.00 or more, the Board may remand the amount owed to the association's attorney for collection and enforcement of the Covenant(s), and may place a lien on the property for all current and future outstanding amounts.

If the account is sent to the association's attorney, fines will continue to accrue at a rate of \$200.00 per month until the violation is corrected. Any legal fees and costs incurred by the Association in connection with collecting such fines will be charged to the owner(s) and the owner(s) shall be liable for repayment in full of any and all such fees and costs. All voting rights of the owner(s) shall remain suspended until the violation(s) is/are corrected. Also, the right to submit architectural modification requests to the Association, other than those required to correct the violation, shall be suspended until such violation has been corrected and all fines have been paid.

Violations by Tenants/Guests:

A violation by a tenant or guest shall be treated as a violation by the owner(s) of the home occupied by the tenant. As such, all Courtesy Notices and Fine Notices shall be mailed to the owner(s) if the owner(s) have provided a mailing address to the Association. Otherwise, all such notices shall be sent to the property address.

Miscellaneous:

Notwithstanding any of the foregoing, non-receipt of a Courtesy Notice or a Fine Notice shall not excuse any owner from their duty to correct a violation and/or pay a fine that has been levied against them. The Association, or management company, shall keep a record of all Notices sent, and that record, by itself, shall be sufficient to prove that a notice was sent and received.

The Board may extend any of the deadlines listed above as it deems necessary to allow owner(s) sufficient time to correct any violations should such time be reasonably requested by the owner(s).

Fine Schedule:

The following fine schedule has been adopted for all recurring Covenant or Rule violations:

Initial Violation:	Warning Letter
First Fine Notice (Violation of same Covenant or Rule)	\$ 50.00
Second Fine Notice (of same Covenant or Rule)	\$100.00
Third and Continuing Fine Notices (or same Covenant or Rule)	\$200.00

All fines are due and payable upon notification and will be considered delinquent if not paid within twenty-five (25) days of the date appearing on any Fine Notice. While it is the Association's policy to not place a lien on the property for fine amounts under \$750.00, it should be noted that any unpaid fine can become a lien on the property should the Board, in its sole and absolute discretion, decide that such action is warranted.

Upon receipt of any request for a payment plan or waiver of fees by any owner, the Board (or management company if so delegated) shall make a decision on such request.

PRESIDENT'S CERTIFICATION

The undersigned, being President of the First Hyland Greens Association, certified that the foregoing Covenant and Rule Enforcement and Fining Policy was adopted by the Board of Directors of the Association at a duly called and held meeting of the Board on August , 2012, and in witness thereof the undersigned has subscribed his/her name.

FIRST HYLAND GREENS ASSOCIATION

By: _____