

Rules & Regulations

English Ridge "Clarks Bluff" Homeowners Association

Fines Schedule/Right to Hearing

Pursuant to the Declaration of Covenants, Conditions, and Restrictions ("CC&Rs") of the English Ridge "Clarks Bluff" Homeowners Association (the "Association") and R.C.W. 64.38.020(11), the following written rules and regulations are adopted in order to further and foster compliance by homeowners with the provisions and requirements of the CC&Rs, the Bylaws and Rules & Regulations (hereinafter collectively the "governing documents") of the Association. These rules are intended to provide additional incentive for compliance by owners who violate the requirements and provisions of the governing documents, not supplant or amend them, and in the event of an inconsistency or conflict between these Rules and the governing documents of the Association, the governing documents provisions will supercede and apply.

I. Violations, Investigation and Fines:

A. Introduction. The Washington statute R.C.W. 64.38.020(11), provides that an association can levy reasonable fines in accordance with a previously established schedule adopted by the board of directors and furnished to the owners, for violations of the governing documents of the Association.

B. Investigation/Notice of Violation.

1. Reporting Violations: All violations must be submitted in writing by mail or email to the property management company. The complaint must include **the violation(s) and the name and/or address of the violator, ways you have attempted to resolve the issue, your name, address, email address and phone number** are required for the property manager or a board member to contact you with any questions. All reporters' information shall remain confidential unless required by law to be disclosed. If the reporting homeowner supplies an email address then the board will email the progress to the reporting homeowner (so they can monitor the actions). **Any reports without the above listed information cannot be pursued and the board will not take action on anonymous complaints.**

2. Investigation: When a possible violation is reported to or otherwise becomes known to the Association, it will be investigated by the Board or its designated representative(s), and a determination made as to whether a violation has actually occurred. The property manager will automatically send out a warning letter to attempt to make contact and resolve the violation with the homeowner. In the case of the lot being a rental, the notice will be sent to the occupants and homeowner. The violation notice shall specify the nature of the offense and include a way to contact the property management company to discuss the violation.

Should a homeowner object to the complaints of the Association, they shall have 15 days after the violation notice is received to contact the property management company to discuss the violation in writing. If the notice was sent in error the Association will send a retraction letter and the offense will be taken off the lot

records. If both parties don't agree to the matter, it then can be submitted to arbitration as stated in the Declaration of Covenants, XX Section 6.

3. Notice of Violation: If violation continues for more than 30 days after the warning letter is sent or delivered, a written 1st Violation Notice will be sent or delivered. This 1st Notice is the second attempt for the Association to resolve the issue and informs the homeowner of the potential violation fine if they don't comply or attempt to make contact to the Association. It also informs the homeowner of their right to request a hearing.

If after 30 days from the 1st Violation Notice the violation still exists, the Association will then send a \$200 Violation Fine Notice. This letter will again inform the homeowner of how to request a hearing in regards to the violation. Failure to correct the violation will result in additional fines monthly until the violation is corrected. The fine must be paid within 30 days and will follow the policies and procedures on collections.

If a property receives two Covenant issues in the same article and section number recorded in a twelve month period of time a fine will be assessed. If this is a reoccurring violation, then this process happens once. Once the process has been completed, future violations receive only the third letter and fining begins anew.

- C. Rule - Legal Action.** If the owner sent a notice of a violation does not timely comply and correct the violation, the Association may assess fines against him/her and the lot according to the Fine Schedule as set forth in Section II below. Additional fines may continue to be assessed while the legal action is in process, if the homeowner continues to violate the requirements of the governing documents. All attorneys' fees and costs shall be awarded to the prevailing party and recoverable from the losing party in any action, lawsuit or other proceeding involving the enforcement of the governing documents.

Notwithstanding anything to the contrary herein, In the Board's discretion, legal action may be taken against the violating homeowner at any time after a compliance deadline is given to owner, and nothing in these Rules is intended to waive or otherwise modify the Association's legal right(s) to take other enforcement measures in order to secure or achieve compliance.

- D. Rule- Further Compliance Action.** Notwithstanding anything to the contrary in these Rules, the Association shall in all cases of a violation have the right to exercise the self help provisions in Article XX of the CC&Rs. Additional fines and legal expenses will continue to accrue and be assessed against the violating owner while the violation is being corrected by self help.

II. Schedule of Fines

If an owner violates any provision or provisions of the governing documents and does not comply by the deadline given by the Association, fines may be imposed and accrue at the rate of \$200 per month until compliance occurs. Such fines may be assessed by the Association against any homeowner and/or his/her lot, starting immediately after the notice deadline period expires without the complete and total correction of the violation(s) by owner within that period.

III. Collection of Fines

The Association will bill the violating homeowner the applicable fines at such time and for such periods as the Association considers reasonable. If, after the fines accrue they remain unpaid and outstanding for more than 30 days from date of the first such billing, interest shall commence and apply to the unpaid fines at the rate of one percent (1%) per month on the unpaid balance.

All fines imposed by the Association upon an owner or owners which remain unpaid for said 90 days shall automatically constitute a lien on the Lot and all its improvements, and may be handled and foreclosed upon in the same fashion as if it were a lien for unpaid assessments under the Association's governing documents and the laws of the State of Washington. The Association may file a formal lien with the county in order to further protect its interests regarding the unpaid fine(s). The amount of the lien shall include interest, and all costs and expenses, including attorneys' fees, incurred by the Association in the imposition and collection of such unpaid fine(s).

IV. Request for Hearing/Opportunity to be heard

- A. Introduction.** Any homeowner found by the Board to be in violation of governing documents provisions or requirements may request a hearing to offer a defense to, or to explain extenuating circumstances regarding, the imposition of fines.
- B. Request of Hearing.** The homeowner must complete a written Request for Hearing which shall be mailed or delivered to the Association. The appeal request must contain the following:
 - 1. Homeowner's name and address;
 - 2. Homeowner's reasons, basis and defense for the hearing;
 - 3. A copy of all supporting documentation;
 - 4. The name of any attending attorneys, witnesses or other collaborating guests;
 - 5. The homeowner signature and date.
- C. Hearing Procedure.**
 - 1. The homeowner will be sent confirmation by the Association of its receipt of the Request for Hearing.
 - 2. The Board will appoint and assemble 5 current members of the Association's Board of Directors, or appoint and name a representative designated by the Board to act as a Review Board (the "Review Board") within seven (7) calendar days following receipt of a written Request for Hearing complying with the information requirements set forth above.
 - 3. No later than ten (10) calendar days following the formation of the Review Board, the Review Board shall mail or deliver notice to the appellant owner of a hearing date, which notice will provide the date, time, and location of the hearing, which is to be determined by the Review Board.
 - 4. The Review Board will permit the appealing homeowner up to thirty minutes to explain the circumstances of the matter and provide grounds as to why the fine should be waived, reduced or cancelled.

5. At the conclusion of the presentation, the hearing will adjourn, and the Review Board will review the circumstances of the Request for Hearing as presented.
6. Within seven (7) calendar days of the hearing, the Review Board will mail or deliver written notice to the homeowner of the Review Board's decision.
7. If the Review Board finds in favor of the homeowner, it will advise the homeowner as to whether the violation and/or the fines originally imposed are reduced, modified, or waived. Any adjustment(s) shall reflect on the homeowner's account the following month.
8. If the Review Board determines that the owner's explanation or defense presented at the hearing was inadequate or otherwise failed to justify a reduction, modification, or waiver of the violation and/or fines, the owner will be so notified, in which case the fines imposed will continue as owed to the Association until paid in full regardless of whether the violation has since been removed or corrected. In any event, if the Review Board finds against the homeowner, the fines will continue to accrue until full and adequate compliance occurs by homeowner.

V. Rule Enforceability

If any portion of this rule is determined to be legally unenforceable, it shall not negate the enforceability of the remaining portions of the rule.

These Policies and Procedures were established to promote the health, safety, and welfare of English Ridge Residents and to support the Association desires to preserve and enhance the property values within the development. The new Rules and Regulations will take effect 30 days following this notice on March 1, 2006.

DATED AND ENACTED January 12, 2006.

Melissa Harriman (President)

Todd Preston (Vice-President)

Rachael Duke (Secretary)

Bill Dorner (Treasurer)

Erika Clayton (Member at Large)