

FOREST HEIGHTS HOMEOWNERS ASSOCIATION, INC.

POLICY RESOLUTION NUMBER 3

Rules, Compliance and Enforcement Procedures

WHEREAS Article XI, Enforcement, of the Declaration of Protective Covenants, Conditions and Restrictions (CC&Rs) for Forest Heights provides authority to the Board of Directors to create and enforce rules relating to the community;

AND WHEREAS the Association is governed by the CC&Rs, which includes the Declaration of Protective Covenants, Conditions and Restrictions, architectural design guidelines, construction regulations, rules and general policies of the Association. The CC&Rs protect the common interests of all lot owners by helping to preserve optimum property values and provide an organization that works on behalf of the community to minimize the effects of both construction and non-construction related activities;

NOW, THEREFORE, BE IT RESOLVED THAT

1. The “Outline of Compliance Procedures and Remedies” is provided as adopted rules and guide to lot owners to assist in understanding the procedures and remedies available to the Association, particularly as they relate to activities on individual lots. Lot owners and builders are simply asked to comply with the Association’s CC&Rs and avoid requiring the Association to become involved in compliance issues.
2. The “Outline of Compliance Procedures and Remedies” lists a number of situations that may occur and identifies the sequence of procedures employed to gain compliance. Those items not specifically addressed in the list will be handled in a manner that is consistent with the general application of the listed procedures. A copy of the “Outline of Compliance Procedures and Remedies” is attached as Exhibit A.
3. Before filing a complaint and requesting assistance from the Association, the individual making the complaint is responsible for contacting the offending party in an effort to remedy the situation.
4. Any complaint filed with the Association should clarify the steps already taken to resolve the situation by the individual making the complaint.
5. In most situations the Association’s representative will make an effort to telephone the lot owner and/or builder informing them of the compliance problem, offering assistance and information to help resolve the situation. In addition to attempting to reach the party by telephone, a written notice is mailed regarding the issue and clarification of time frames and fines that may apply. Successful telephone contact includes voice mail messages. Multiple telephone calls will not be attempted. Some infractions require no advance notice before the Association takes steps to remedy a situation or assess a fine. In cases where a notice of violation is posted on the lot, there will be no notification of the offending party in advance by telephone.

6. In a situation where there is an immediate threat to health, safety, or the environment, the Association may elect to rectify the situation immediately, without notice, and charge the lot owner(s) for any costs incurred.
7. Individual lot owners are responsible for assuring that the Association has current owner and builder information, including phone numbers and mailing addresses. Association lot owner records are maintained by the Management Company. Successful notification is based on the date of the telephone call or first class mailing of the notice, whether or not the lot owner's phone number and address is correct in the Association's records.

ATTEST:

October 6, 1999
DATE

/George Marshall/
FHHOA Board of Directors

EXHIBIT A

OUTLINE OF COMPLIANCE PROCEDURES AND REMEDIES

1.0. Building Plan Approval.

Prior to commencement of construction, the building plans are to be submitted to the Architectural Review Committee (ARC) for approval, including payment of the plan review fee. The ARC provides a plan submittal package that includes design guidelines, specifications and application forms. The basic plan review fee provides for three submittals: building design, exterior colors and finishes and landscaping.

Any fines that are imposed for failing to meet the guidelines will continue until the matter is resolved to the satisfaction of the ARC.

- 1.1. Commencement of building construction prior to ARC approval.
 - \$500 fine without prior notification for first time offenders
 - Demand stop construction, post on site and mail
 - Three calendar days to stop construction and submit plan application package to ARC
 - Turn matter over to the Association's attorney if construction does not stop and plan application is not submitted to the ARC by Day 3
 - \$100 daily fine commences on Day 4 and administrative charges begin
 - Day 10 the matter is referred to the Association's attorney for legal action due to failure to submit plans to the ARC
 - Repeat offenders (more than once) are subject to a \$1,000 fine for each repeat offense
- 1.2. Construction Incomplete (8 month limit). – Construction will be deemed complete when the owner in question provides an occupancy permit
 - 10 day notice to complete work and provide acceptable completion schedule
 - \$300 fine imposed on Day 11 and administrative charges begin
 - \$25 daily fine commences on Day 16
 - Day 30 the matter is referred to the Association's attorney for legal action
- 1.3. ARC approved conditions/requirements not being met; non-approved architectural changes and revisions.
 - \$300 to \$5,000 sliding scale fine imposed without prior notification (actual fine amount imposed depends on violation)
 - \$25 daily fine and administrative charges begin on Day 11
 - Day 30 the matter is referred to the Association's attorney for legal action

- 1.4. Painting building exteriors without ARC paint color approval. This includes paint color changes in the future.
 - \$100 fine at time observed and without prior notification
 - \$25 daily fine and administrative charges begin on Day 11
 - Repaint with approved color, if color does not comply
 - Day 30 the matter is referred to the Association’s attorney for legal action

2.0. Landscape Design & Installation

- 2.1. Landscaping designs. Landscaping designs are to be submitted within two months of substantial completion of construction and the front and street-facing portions must be installed within two months of approval or as specified by the ARC. Backyards and non-street facing landscaping are to be completely installed within six months of approval.
- 2.2. Front yard and street facing yard landscaping not installed or complete within two months of occupancy.
 - 10 day notice
 - \$100 fine on Day 11 and begin administrative charges
 - \$10 daily fine begins on Day 21
 - Day 31 refer matter to the Association’s attorney for legal action
- 2.3. Landscaping installed without ARC approval.
 - \$100 fine
 - \$10 daily fine on Day 11 and begin administrative charges
 - Day 31 refer matter to the Association’s attorney for legal action
- 2.4. Back or side yard landscaping not installed or incomplete within six months of occupancy.
 - Procedures and sanctions same as 2.2

3.0. Other Compliance Issues – Construction

- 3.1. Chemical toilets. Chemical toilets are to be placed on lot where work is in progress.
 - Three day notice provided
 - \$25 fine on Day 4 and begin administrative charges
 - Day 7 the Association may, at its discretion, correct the violation. Owner pays minimum \$100 for cost of providing service
 - Repeat violations will result in immediate \$50 fine plus administrative charges, followed by correction of violation with minimum \$100 charge
- 3.2. Construction and landscape materials, trash, and other items left in the street. Materials may not be left in the street over night. All materials are to be placed on the lot where work is taking place.
 - Procedures and sanctions same as 3.1

- 3.3. Construction, landscaping and other materials/debris off lot and on neighboring property or street. Lot owners are responsible for maintaining their own lots. Site must be kept clean and in good order. One neighbor may not use another neighbor's lot for any purpose.
- Procedures and sanctions same as 3.1
- 3.4. Construction debris. Debris is to be contained and is not allowed to accumulate in large quantities.
- Procedures and sanctions same as 3.1
- 3.5. Blowing debris and other loose materials on site. Anchored trash containers are required for miscellaneous small items including food wrappers, drink containers, and other debris. Blowing debris is not permitted. Larger items must be secured.
- Procedures and sanctions same as 3.1
- 3.6. Street cleaning and protection of storm drains. The street must be kept clean at all times. This includes protecting the storm drains from dirt, gravel and debris by using bio-bags or other appropriate materials.
- Procedures and sanctions same as 3.1
- 3.7. Soil stabilization. Using silt barriers and providing proper drainage is mandatory. Lot owners are required to minimize and prevent erosion that affects neighboring property. It is the responsibility of the adjoining lot owners to resolve the problem through mutual agreement, appeals to government agencies, or legal proceeding. The Association does not take on the responsibility for resolving these issues.
- Procedures and sanctions same as 3.1
- 3.8. Construction, work vehicles and trailers. These vehicles are not to be parked in the street or driveway but must be stored out of sight per the CC&Rs.
- Three day notice to correct problem
 - \$25 daily fine begins on Day 4, plus administrative charges
 - Daily fine increases to \$50 on Day 10
 - Day 16 the Association may have the item removed at lot owner's expense, minimum \$100 charge, and/or refer the matter to the Association's attorney for legal action
 - Repeat violations will begin with the \$25 daily fine and administrative charges, without notice, and follow the same steps as outlined above, with the daily fine increasing to \$50 on Day 7
- 3.9. Construction noise. Noise is to be kept within reasonable limits, especially when people are living in houses near by. Construction activities which generate noise are limited to the hours of 7:00 AM to 6:00 PM Monday through Saturday. Local noise ordinances are to be observed. No construction noise will be allowed on any legal holiday.

Violations of noise rules and regulations can result in the following

- Three day notice to correct noise problem
- \$50 daily fine begins on Day 4, plus administrative charges
- Day 10 the matter is referred to the Association's attorney for legal action

3.10. Other construction related compliance procedures.

- One to seven day notice depending on nature of the problem
- Day two through eight one time or daily fines begin (ranging from \$25 to \$100) plus administrative charges
- Day nine through 30 refer matter to the Association's attorney for legal action

4.0. Other Compliance Issues – Non Construction

4.1. Tall grass, weeds, rubbish, trash, etc., on vacant lots and non-landscaped yards. Lots are to be kept clean from debris and grass and weeds are not allowed to exceed 10 inches in height. Lot owners are responsible for monitoring their property and keeping it in good order.

- 10 day notice to remove trash/make corrections
- \$25 daily fine commences on Day 11 and begin administrative charges
- Day 25 the Association may, but is not required to, correct the violation and bill the owner, with a minimum \$100 charge
- Day 60 the matter is referred to the Association's attorney for collections/legal action
- Repeat violations may start with a \$25 daily fine and administrative charges, without notice, and the Association may correct the violation after 11 days and bill the owner a minimum of \$100 charge, or refer the matter to the Association's attorney for legal action

4.2. Landscape maintenance. Lot owners are responsible for maintaining their landscaping to high standards: controlling weeds; pruning shrubs and trees; removing dead and/or diseased plants or trees; fertilizing, watering, mowing and controlling lawns; maintaining all auxiliary structures and features. Owners should plan ahead when they are going to be out of town to assure that landscape maintenance continues on a normal schedule.

- 15 day notice to make corrections
- \$25 daily fine begins on Day 16, plus administrative charges
- Daily fine increases to \$50 on Day 24
- Day 30 the Association may make corrections and charge a minimum of \$100 and/or refer matter to the Association's attorney for legal action
- Repeat violations incur an immediate \$25 daily fine (plus administrative charges), with the daily fine increasing to \$50 on Day 16 and subsequent steps per above procedures

- 4.3. Homes, fences and miscellaneous structures. All structures are to be kept in good order at all times. Plan ahead by setting aside funds over the years to replace roofs, repaint homes and fences, replace fences, and make general repairs.
- Procedures and sanctions same as 4.2
- 4.4. Construction and landscape materials, trash, and other items left in the street. Materials may not be left in the street over night. All materials are to be placed on the lot where work is taking place.
- Three day notice to make corrections
 - \$25 fine on Day 4 and begin administrative charges
 - Day 7 the Association may, at its discretion, correct the violation. Owner pays minimum \$100 for cost of providing service
 - Repeat violations will result in immediate \$50 fine plus administrative charges, followed by correction of violation with minimum \$100 charge
- 4.5. Construction, landscaping and other materials/debris off lot and on neighboring property, street or sidewalk. Lot owners are responsible for maintaining their own lots. Sites must be kept clean and in good order. One neighbor may not use another neighbor's lot for any purpose.
- Procedures and sanctions same as 4.4
- 4.6. Blowing debris and other loose materials on site. Anchored trash containers are required for miscellaneous small items including food wrappers, drink containers, and other miscellaneous debris. Blowing debris is not permitted. Larger items must be secured.
- Procedures and sanctions same as 4.4
- 4.7. Street cleaning and protection of storm drains. The street must be kept clean at all times. This includes protecting the storm drains from dirt, gravel and debris by using bio-bags or other appropriate materials.
- Procedures and sanctions same as 4.4
- 4.8. Soil stabilization. Using silt barriers and providing proper drainage is mandatory. Lot owners are required to minimize and prevent erosion that affects neighboring property. It is the responsibility of the adjoining lot owners to resolve the problem through mutual agreement, appeals to government agencies, or legal proceeding. The Association does not take on the responsibility for resolving these issues between neighbors, but can opt to be involved if erosion impacts a common area.
- Procedures and sanctions same as 4.4

- 4.9. Building, fencing, and landscaping materials (barkdust, soil, sand, gravel, plants, etc.). These materials are to be placed/used promptly after delivery. All materials must be used or removed within 14 days.
- Seven day notice to correct problem
 - \$25 daily fine begins on Day 8, plus administrative charges
 - Daily fine increases to \$50 on Day 24
 - Day 30 the Association may, at its discretion, correct the violation. Owner pays minimum \$100 for cost of providing service
- 4.10. Recreation and work vehicles and trailers. These vehicles are not to be parked in the street nor otherwise stored in sight per the CC&Rs.
- Three day notice to correct problem
 - \$25 daily fine begins on Day 4, plus administrative charges
 - Daily fine increases to \$50 on Day 10
 - Day 16 the Association may have the item removed at lot owner's expense, minimum \$100 charge, and/or refer the matter to the Association's attorney for legal action
 - Repeat violations will begin with the \$25 daily fine and administrative charges, without notice, and follow the same steps as outlined above, with the daily fine increasing to \$50 on Day 7
- 4.11. Noise and social/good neighbor problems. Neighbors are to be respectful of one another at all times. Local government ordinances regulate noise during defined hours of the night, early morning and Sundays. One can file a complaint with the police, and/or request mediation assistance through local government. It is difficult for the Association to evaluate noise and/or other social problems and the Association is not in the position to resolve these types of matters.
- 4.12. Domestic household pets. Pet owners are responsible for obeying local leash laws and for cleaning up after their pets. Animals are required to be restrained with a leash, tether or other physical control device any time they are on public property. On private property, which includes motorized vehicles, an animal is required to be restrained in a manner that physically prevents the animal from leaving that property. Pets are not permitted to be a nuisance to neighbors and the community. If a pet is disturbing neighbors, the neighbors may petition the Association to require the pet to be removed from the project. Written complaints from multiple neighbors surrounding or in the immediate neighborhood of the lot owner with the offending pet must be received by the Association. The Association may give notice and assess fines for pet problems. After three notices, the pet is subject to removal from the project.
- Receipt of written complaint about the pet
 - Ten day notice to correct problem
 - Receipt of second written complaint after ten days
 - Second ten day notice to correct problem and begin administrative charges
 - Receipt of third written complaint (must be from a different party at a different residence than the first two complaints)

- Ten day notice to remove animal from property and to notify Association of removal
- If animal is not removed or not reported as removed, or if the animal is observed on the property, \$25 daily fine assessed on the eleventh day and continues until the animal is removed and its removal is reported to the Association

4.13. Other general rules compliance procedures.

- One to seven day notice depending on nature of the problem
- Day two through eight one time or daily fines begin (ranging from \$25 to \$100) plus administrative charges
- Day nine through 30 refer matter to the Association's attorney for legal action

5.0. Supplemental information to compliance actions and charges by the Association

- 5.1. Administrative charges relate to expenses incurred by the Association, including but not limited to the cost of consultants, Architectural Review Committee, architects, landscape designers, engineers, Association managing agent, legal costs, notices, collections, managing a resolution to a problem and cost for contract work, materials, equipment rental, materials removal and disposal, towing and storage, vehicle mileage, office services and supplies, as well as other similar items and costs.
- 5.2. Collection of fines and reimbursement for costs are governed by the Association's Assessment and Compliance Payment Policy and the CC&Rs.
- 5.3. Legal action typically leads to the matter being referred to the Association's attorney and resulting in correspondence, filing liens and notices, collections, filing court actions, and pursuing other legal rights and remedies.
- 5.4. Repeat violations by the same builder, contractor or lot owner, regardless of single or multiple locations and times, are subject to a) immediate fines without advance notice, b) administrative charges, and c) commencement of the compliance procedures at this step of the process.
- 5.5. Lot owners making requests of the Association, where additional expenses to the Association apply for administrative and other services, are subject to reimbursement to the Association for those costs. It is difficult for the Association to foresee all the types of requests that may be made by lot owners and their representatives.
- 5.6. Under special circumstances, the Association may issue permits for time extensions and schedule variations.

- 5.7. Removal, storage and disposal of equipment, materials and debris are the responsibility of the lot owner.
- 5.8. Lot owners should inform contractors and/or renters of the Association's rules to help minimize problems and reduce the chances for fines and other actions required by the Association to seek compliance. The lot owner is ultimately responsible for all problems and their consequences. Lot owners may want to have language in their contracts that allow for passing along fines and other charges to those contractors that create problems.
- 5.9. Notification is based on all seven days of the week for making corrections and does not exclude weekends, holidays, absence or unavailability of the lot owner or their contractor.
- 5.10. Following initial lot construction and landscape completion, requests for changes are subject to fees and charges based on Association policy procedures and/or reimbursement of professional and administrative fees and costs to the Association to process and review the request.
- 5.11. The integrity of the Association's CC&Rs is based on the Association attempting to be consistent in applying the rules and seeking compliance.
- 5.12. There can be some extenuating circumstances where it would be reasonable for a lot owner or builder to request a variation in time frames or activities that are covered by the CC&Rs. Communications in a timely manner with the appropriate Association representative is very important. Do not ignore the rules and then expect to have consideration given to variations after the fact.