WINDCASTLE - CC & R VIOLATION NOTICES AND SCHEDULE OF FINES

<u>COURTESEY WARNING</u> A board member may place a telephone call or send a note to a homeowner who is found to be in violation. This would not be considered a "first notice". If, however, the board members deem the violation to be of a very serious nature, this warning is not compulsory upon the Board and may be skipped.

<u>1ST WARNING</u> A written, formal notification is sent (by regular US Mail) to the homeowner in violation. This notice will explain the violation(s) and what is expected of the homeowner to remedy the violation(s) and length of time allowed to correct the violation(s).

FINE RANGE: No Fine

<u>2ND WARNING</u> Written, formal notification is sent (by regular US Mail) to the homeowner in violation. This notice will explain the violation(s), once again, and what is expected of the homeowner to remedy the violations(s) and the required time frame in which to do so. This notice will accompanied by the amount of the fine being assessed to be made payable to Windcastle Home-owners Association and the due date of the fine. **FINE RANGE: \$50.00 - \$250.00**

<u>**3RD WARNING</u>** Written, formal notification is sent (by regular US Mail) to the homeowner in violation. This notice will explain the violation(s) and expected action to remedy the violation(s), as well as the required time frame. This letter will also levy the next fine and set out the due date for payment of all outstanding fines. Fines are to be paid to Windcastle Homeowners Association and shall include the fine from the second warning if still unpaid.</u>

FINE RANGE: \$250.00 - \$500.00

<u>4TH WARNING</u> Written, formal notification is sent (by regular US Mail) to the homeowner in violation. This notice will explain the violation(s), expected resolution(s) in terms of actions required and the allowed time to complete same. Also the amount of the next fine and any unpaid fines to this date will be detailed in this notice. Fines are to paid to Windcastle Homeowners Association. This notice will also include what options might be taken by the Board if no resolution results and/or fines are unpaid. **FINE RANGE: \$500.00 - \$1,500.00**

After the 4th warning, the board members will determine what options it may take to collect outstanding fines and remedy the violation(s).

At the Boards discretion, it can file a lien upon the property of the violator for any such unpaid fines or for funds advanced by the association to remedy a violation if not taken care of by the homeowner. The homeowner will be responsible for the costs of filing & releasing the lien, other related expenses, as well as, the balance of fines and expenses due the Homeowners Association.

The Board has the option of extending the time for resolution based on extenuating circumstances. Also, the Board has the option of eliminating any warning(s) and issue a final warning, depending on the severity of the violation(s).

All fines are per violation, per incident. The fines are accumulative beginning with the first fine. Unpaid fines balances will accrue interest, at a rate determined by the Board (typically 1.5% per month or 18% per annum), from the date the fines are delinquent. Fines are considered delinquent if not paid by the due date.

The Board will fairly apply fines when violations occur, that is to say that violations of a similar nature and severity will attach similar fines.

The Board may levy fines as per the <u>Schedule of Fines</u> set forth above applicable for the violation(s) with no prior notice to the members, but shall notify the members when such changes to the <u>Schedule of Fines</u> occur.

The Board has the authority to set and change the <u>Schedule of Fines</u> from time to time as it deems appropriate.