

University Terrace Homeowners Association

Violation, Fine and Reimbursement Assessment Policy

Adopted by the Board of Directors on October 17, 2007

The following shall set forth the violation, fine and reimbursement assessment policy that will be applied equally to all owners of University Terrace Homeowners Association (if a complaint is made or reimbursement is required). Said policy shall be applied if an owner is in violation of the governing documents or causes a need for a reimbursement assessment related to maintenance, administrative and/or other fees incurred by the Association that are related to an owner's action, the action of their tenant and/or their unit/lot, or any inaction thereof.

Violation and Fine Policy

The Violation and Fine Policy is set forth as a means of enforcing violations of the governing documents and/or rules or policies established by the Board of Directors. For such violations the following shall apply:

1st letter – Courtesy notice sent to the owner addressing the specific violation and/or problem and requesting a resolution within a specified period of time (30-days or less).

2nd letter – If the violation and/or problem continues and the owner has failed to resolve the matter, a second letter is sent requesting that the violation and/or problem be resolved within a specified time frame (15-days or less).

3rd letter – If the violation and/or problem is not resolved via the second letter, the Board of Directors will invite the owner to a hearing to discuss the matter and will determine if the following sanctions should be applied to the owner:

- A minimum fine in an amount of \$250.00 per occurrence or per month (assessed against owner's account)
- Legal action, if required. All legal costs shall be charged back to the owner as a reimbursement assessment in accordance with civil code section 1354.
- In addition to legal costs, all other costs incurred by the Association in seeking compliance shall also be assessed to the owner's account.
- Fines will remain in effect until satisfactory evidence of compliance has been provided to the Board of Directors via photo and letter, or inspection by the Board or management.
- Owner will be held responsible to pay fines assessed to their account in accordance with any governmental laws.

After the hearing, the Board of Directors will make a decision regarding the sanctions to be imposed against the owner in violation. A decision regarding this matter will be mailed to the owner within fifteen (15) business days of the hearing.

NOTE: The Board reserves the right to forego the first and/or second letters and call an owner to a hearing upon the first notice if deemed reasonable and prudent.

Reimbursement Assessment Policy

The following shall set forth the reimbursement assessment policy that will be applied equally to all owners of University Terrace Homeowners Association. Said policy shall be applied if an owner causes a need for a reimbursement assessment related to maintenance, administrative and/or other fees incurred by the Association that are related to an owner's action, the action of their tenant and/or their unit/lot, or any inaction thereof.

1. Owner shall be informed, in person, in writing, by letter, fax or email of the basis for the reimbursement assessment.
2. Owner shall be given 30-days to reimburse the Association for expenses caused by the owner.
3. If owner fails to reimburse the Association within 30-days, the matter will be turned over to collections and the owner shall be held fully responsible for all collection costs.
4. Owner shall also be responsible for any fees incurred in seeking reimbursement including, but not limited to administrative, management, and legal fees and costs.