

Elkai Woods Fractional HOA

Schedule of Fines

Purpose: Standardize and document a consistent schedule of fines to be applied as needed by action of HOA Board.

1) Notification and Assessment

- i) First notice cites nature of violation and requests correction (email)
- ii) Second notice cites lack of correction and states intent to fine (email & regular mail)
- iii) Third notice imposes fine, states timeframe and action required to correct. Owner has a 10-day right of appeal. (email & certified mail)

2) Fine structure

- i) Board maintains the right of discretion depending on nature of violation and time needed to correct. Board is not required to fine.
- ii) Range of fines shall range from baseline of \$15 to reasonable cost of correction, depending on nature of violation. For example:
 - (1) Lesser violations, such as chronic parking issues, shall begin at baseline of \$15.00 per infraction
 - (2) Midrange violation, such as ignoring a fire or other safety rule shall begin at \$25.00 per infraction.
 - (3) Serious violations, such as unsanctioned exterior construction or destruction of HOA property shall be begin at \$200 plus cost to correct, as needed.
- iii) A second violation of same rule within 12 months shall be considered an ongoing violation and shall incur a doubled fine. A third violation of same in 12 months shall incur a tripled fine.
- iv) A violation not satisfactorily addressed in reasonably allotted time (as determined by Board) shall incur a doubled fine at 15 days and a tripled fine at 30 days.

3) Collection

- i) Homeowner has a 10 day right of appeal before Board.
- ii) If or when fine is affirmed, amount is immediately added to owner account and becomes an obligation, just like dues or assessments.
- iii) Late fees and interest apply.