

**HIGHLAND MEADOWS HOMEOWNER'S ASSOCIATION
DECLARATION OF RESTRICTIONS, COVENANTS, AND CONDITIONS
(THE DEED RESTRICTIONS)
VIOLATION ENFORCEMENT POLICY**

The Highland Meadows Homeowner's Association ("Association") its successors and assigns including the Management Company hired to help run the affairs of the association, herein referred to as "Management". has the authority pursuant to the Declaration of Restrictions, Covenants, and Conditions ("Deed Restrictions") and, the By-Laws of The Highland Meadows Homeowners Association, Inc. to determine, in its reasonable discretion, the manner of remedy for violations of the provisions set forth in the Declaration of Restrictions, Covenants, and Conditions ("Deed Restrictions"), By-Laws, Architectural Standards Bulletins or guidelines.

The Board of Directors of the Association ("Board" or "BOD") has established procedures for the enforcement of the Declaration of Restrictions, Covenants, and Conditions (Deed Restrictions), By-Laws, Architectural Standards Bulletins or guidelines, and for the elimination of violations which may be found to exist within the Association;

The following procedures and practices are established for the enforcement of violations of the Declaration of Restrictions, Covenants, and Conditions ("Deed Restrictions"), By-Laws, Architectural Standards Bulletins or guidelines of the Highland Meadows Homeowners Association and for the remedy of violations of such provisions found to exist in, on or about any property within the Highland Meadows Homeowners Association and the same are to be known as the "Deed Restrictions Violation Enforcement Policy" of the Association in the discharge of its responsibilities for enforcement of remedies for violations within the Highland Meadows Homeowners Association:

1. Establishment of a Violation. Any condition, use, activity or improvement which does not comply with the provisions of the Declaration of Restrictions, Covenants, and Conditions ("Deed Restrictions"), By-Laws, Architectural Standards Bulletins or guidelines of the Association constitutes a "Violation" under this policy.
 - a. Architectural. Any improvement of any kind or nature erected, placed or altered on the exterior of any Lot which has not been first approved by the Architectural Control Committee ("ACC" or "Committee") or which does not in all respects conform to that which has been so approved is deemed a "Violation" under this Enforcement Policy.
 - b. Use Restrictions. Any activity or condition allowed to continue on any Lot that is in direct opposition to the Declaration of Restrictions, Covenants, and Conditions ("Deed Restrictions"), By-Laws, Architectural Standards Bulletins or guidelines which is not expressly authorized by the Board is deemed a "Violation" under this enforcement policy.

2. Notice of Violation.

- a. Initial (first) Notice. Upon verification of the existence of a Violation by the management staff ("Management") of the Highland Meadows Homeowners Association, Management will send to the Lot Owner a written notice of the discovery of the Violation ("Initial Notice"). The Lot Owner will have at least ten (10) days from the date of the initial notice to correct or eliminate the violation(s). The Initial Notice will inform the recipient as follows:
 - (i) The nature, description and location of the Violation; and
 - (ii) A request to remedy the Violation; and
 - (iii) Notice that if the Violation has already been corrected or plans and specifications for a subject improvement have been submitted to the ACC to disregard the notice.
- b. Notice of (second notice) Violation: If the Lot Owner fails to remedy the Violation or fails to submit plans and specifications for the offending improvement to the ACC or if the ACC has denied approval of the plans and specifications submitted, and the violation is continuing, no earlier than ten (10) days from the Initial Notice, Management shall send to the Lot Owner a Second Notice of Violation informing the recipient as follows:
 - (i) The nature, description and location of the Violation and the failure of the Lot Owner to correct the Violation, as previously requested, and
 - (ii) Notice that if the Violation is corrected or eliminated within ten (10) days from the delivery of the Second Notice of Violation, no further action will be taken; and
 - (iii) If necessary, work on any Improvement must cease immediately and may not resume without the expressed written approval of the ACC; and
 - (iv) Failure to remedy or cease work on any subject improvement will result in the Association electing to pursue any one or more of the remedies available to the Association under the Declaration of Covenants, Conditions and or this Enforcement Policy.
 - (v) If the issue is not resolved, or no response is received from the Home Owner, then the third or "Fine Letter" shall be sent, by certified mail, return receipt requested. This notice must also describe the violation that is the basis for the action, charge or fine. This notice must also inform the Home Owner that the Home Owner is entitled to cure the violation and avoid the charge or fine.
 - (vi) The Owner may, on or before thirty (30) days from the receipt of the notice of violation, deliver to the Association a written request for a hearing before the Board of Directors, to discuss and verify the facts and to resolve the matter.
- c. Final Notice of Violation: A formal notice of the Violation and the sanction to be imposed, including the amount of any fine or the amount of any damage. The "Final Notice of Violation" will be sent to the owner by certified mail, return receipt requested, where, within the time period specified in the Notice of Violation,

the Violation has not been corrected or the Association has not received a written request for a hearing.

d. Failure to Remedy. Failure to:

- (i) Cease all work immediately upon receipt of the Third Notice of Violation, or
- (ii) Remedy the current violation existing upon the Lot within thirty (30) days of the date of the Third Notice of Violation, shall constitute a continuing Violation and result in one or more of the following:
 - (a) A fine being levied by the Association against the Lot Owner,
 - (b) Correction of the offending Improvement by the Association at the expense of the Lot Owner through a Specific Assessment being levied against the Lot Owner, which may be recorded as a lien against the Lot or
 - (c) Any other remedy under law or at equity, Declaration of Restrictions, Covenants, and Conditions and Restrictions (“Deed Restrictions”), By-Laws, Architectural Standards Bulletins or guidelines, and or this Enforcement Policy, including but not limited to injunctive relief. Management shall send to the Lot Owner a formal Notice of Fine informing the recipient of the continuing Violation and the remedy chosen as a result thereof. The date of the Notice of Fine shall be the “Notice of Fine Date.”

3. Fine Structure. Any fine imposed shall be imposed as described in the Fine Schedule. The fine, which, if unpaid, may be recorded as a lien against the Lot or any other remedy under law or at equity, including but not limited to injunctive relief.

- a. The Board shall have final discretion in determining the appropriate fine for the violation. The Board may adopt and amend from time to time, a schedule of fines applicable to Violations within Highland Meadows, which may include a progression of fines for repeat offenders.
- b. Imposition of fines will be in addition to and not exclusive of any other rights, remedies and recoveries of the HMHOA.
- c. Fines are imposed against Lots and become the personal obligation of the Owners of such Lots.

4. Hearing. Included in the Notice of Fine will be the opportunity for the Lot Owner to request and be granted a hearing by the HMHOA Board prior to any fine or Specific Assessment being levied upon the Lot Owner. The Notice of Fine will allow the Lot Owner thirty (30) days to contact Management, in writing, to request a hearing upon the issue of the continuing violation. Such hearing shall be held no later than the 30th day after the date the Board receives the Owner’s request for a hearing. Prior to the effectiveness of any fine hereunder, proof of proper notice of the hearing shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, delegate, or agent who delivered such notice. The notice of hearing shall be sent no later than the 10th day before the hearing. The HMHOA or the Owner may

request a postponement, and if requested, a postponement shall be granted for a period of not more than (ten) 10 days. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction or fine, if any, imposed by the Board. The HMHOA shall notify the Owner in writing of its action within ten (10) days after the hearing. The Board may, but shall not be obligated to, suspend any proposed sanction or fine if the violation is cured within the ten-day period. Such suspension shall constitute a waiver of the right to fine future violations of the same or other provisions and rules by the Owner. Should the Lot Owner fail to contact Management within ten (10) days of the Notice of Fine Date, that party will have waived its opportunity for a hearing.

5. **Corrective Action.** Where a Violation is determined to exist and referred to the Board of Directors of the Association, pursuant to any provision of this Enforcement Policy, the Board of the Association may undertake to cause the Violation to be corrected, removed or otherwise abated by qualified contractors if the Board, in its reasonable judgment, determines the Violation may be readily corrected, removed or abated without undue expense and without breach of the peace. Where management decides to initiate any action by qualified contractors, the following will apply:
 - a. HMHOA Board must give the Lot Owner and any third party directly affected by the proposed action prior written notice of undertaking of the action. The forgoing notice may be given at any time.
 - b. Cost incurred in correcting or eliminating the Violation will be recovered from the Lot Owner as a Specific Assessment as set forth in the Declaration.
 - c. The Association, and its agents and contractors will not be liable to the Lot Owner or any third party for any damages or costs alleged to arise by virtue of action taken under this Paragraph where the Association and its agents have acted reasonably and in conformity with this Enforcement Policy.
6. **Referral to Legal Council.** Where a Violation is determined to exist and is referred to the Board of Directors of the Association pursuant to any of the provisions of this Enforcement Policy and where The Board deems it to be in the best interests of the Association, the Board may, at any time during the enforcement process, refer the Violation to legal counsel for action seeking injunctive relief against the Lot Owner to correct or otherwise abate the Violation, or to pursue any other legal or equitable remedy that may be available to the Association.
7. **Notices:**
 - a. Any notice required by this Enforcement Policy to be given, sent, delivered or received in writing will be deemed to have been given, sent, delivered or received, as the case may be, upon the earlier to occur of the following:

- (i). When the notice is delivered by telecopy, the notice is deemed delivered when the sender receives a facsimile acknowledgement acknowledging delivery of telecopy.
 - (ii). When the notice is placed into the care and custody of the United States Postal Service, the notice is deemed delivered as of the date the notice is deposited into a receptacle of the United States Postal Service with postage prepaid and addressed to the most recent address of the recipient according to the records of the Association. The third Notice of Violation will be sent certified mail, return receipt requested.
 - b. Where the interests of an Owner in a Lot have been handled by a representative or agent of such Owner or where Owner has otherwise acted so as to put the Association on notice that its interests in a Lot has been and is being handled by a representative or agent, any notice or communication from the Association or Management pursuant to this Enforcement Policy will be deemed full and effective for all purposes if given to such representative or agent.
8. Cure of the Violation During Enforcement. A Lot Owner may correct or eliminate a Violation at any time prior to the imposition of any fine. Upon verification by The BOD that the Violation has been corrected or eliminated, the Violation will be deemed no longer to exist and the Notice of Violation voided. The Lot Owner will remain liable for all costs and fines under this Enforcement Policy, which costs and fines will be collected from the Owner as a Specific Assessment.
9. Binding Effect. The terms and conditions of this Enforcement Policy, as may be amended from time to time by the Board, shall bind all Owners including their heirs, successors transferees or assigns, and all properties in Highland Meadows shall hereafter be held, occupied, transferred and conveyed subject to the terms and conditions of this Enforcement Policy, as amended.

This is to certify that the forgoing resolution was adopted by the Board of Directors by unanimous consent, effective as of _____ until such date as it may be modified, rescinded or revoked.

President

Vice President

Treasurer

Director

Director

Director

Director