# SKY HILLS SUBDIVISION HOMEOWNERS' ASSOCIATION FINE POLICY

### POLICY-USE RESTRICTIONS

The goal of the Board of Directors of the Sky Hills Subdivision Homeowners' Association, Inc., is for the benefit of all owners to maintain and enjoy a safe, attractive neighborhood where the property values are protected.

Sky Hills Subdivision Homeowners' Association has Architectural Controls and Use Restrictions. Both have defined processes for their enforcement as defined by Alaska Law and the Sky Hills Owners Association Declarations.

#### Architectural Controls:

The procedure for control, enforcement and legal action, if necessary, is stated under Article IX of the amended and restated declarations of the Sky Hills Subdivision.

#### Use Restrictions:

The procedure for control, enforcement and legal action, if necessary, is stated in this policy of use restrictions of the Sky Hills Subdivision.

To this end, one of the duties of the Board of Directors is to enforce the Declarations of the Sky Hills Subdivision. This enforcement is to be carried out uniformly with the same standards applying equally to all owners. To the greatest extent possible, these standards are the language of our governing documents, not the opinions or desires of the individuals who execute the enforcement process.

The Board further recognizes that owners have a reasonable right to privacy and could be harmed by an unjust accusation of a violation. For these reasons, confidentiality will be respected as much as possible.

The Board recognizes presently that certain situations, which are in violation of the covenants, do exist and the Board is endeavoring to remedy these infractions. The Board also recognizes that there may be future violations and for that reason wishes to have a uniform policy in place.

The Board reserves the power to establish, make and enforce compliance with such additional rules and regulations as may be necessary and to impose fines for infractions of all rules and regulations.

## PROCEDURE FOR VIOLATIONS

Any suspected use restriction violation may be brought to the attention of the Architectural Committee by any member of the Association.

Upon notification to the Architectural Committee and within 3 days of a use restriction violation, two or more of the members of the Committee and/or other Board members will view the property to see if the condition exists. After review, the complainant will be notified if the observation has merit as a violation.

If a violation does exist, the property management firm will be instructed by a member of the Architectural Committee to send a certified letter to the resident within one business day that a violation does exist. In addition, the certified letter will explain that if subsequent letters are required for a violation, progressive fines will be assessed and considered a lien on the property. This is considered the <u>first</u> letter. <u>Your</u> response can be done via mail to PO Box 92130, Anchorage, Alaska 99509; through email (<u>pmsi@gci.net</u>), or via fax (907-562-3550).

After the first letter is sent, the resident will have the opportunity over the next 10 business days to correct the violation or respond to the property management firm in writing as to why the item in question is not a violation.

If there is no response or the resident does not correct the violation at the end of 10 business days, a second notice of violation letter will be sent certified mail by the property management firm. This is considered the <u>second</u> letter. This letter will also notify the owner of a \$50.00 assessment. After delivery of the second notice is verified, two or more committee members will view the condition to see if the violation is corrected.

After more than 7 days pass with non-corrective action taken by the owner, a third certified letter will be sent by the management firm advising the owner of the continued violation and an assessment of \$250.00 for not taking corrective action to date. This is considered the third letter.

After the third letter, an assessment of \$500.00 for every calendar month will be assessed until the violation is corrected.

The owner must notify the property management firm when the violation is corrected which will then be confirmed by two or more committee members.

Depending on the severity of the violation and the resident's cooperation, the Board may decide the \$500.00 assessment may be adjusted and or imposed more frequently than monthly.

## PROCEDURE FOR SEASONAL VIOLATIONS

If the Architectural Committee determines the deviation is a violation of a seasonal covenant such as the parking of boats or recreational vehicles (outlined in Article VII Section 7.01 in the declarations) outside the calendar dates permitted, two or more members of the committee can contact the property management firm to inform the resident of the violation, the time frame for correction of the violation, and the penalty for non-correction. Notification can be hand delivery of a violation notice, or telephone call, and that the violation must be remedied by the third business day from day of notice. The penalty for non-correction of the seasonal covenant is \$10.00 per day assessed from the date of notification.

After the initial notification, continuing this seasonal violation will automatically continue the fine. Assessment for covenant violations are enforceable liens on the property. Additional fees for bookkeeping and legal costs may be added.