

Violation & Fine Policy

The following Violation & Fine Policy has been drafted in accordance with the Declaration of Covenants Conditions and Restrictions for Hampshire (“Declaration”).

As set forth in Article 7, Section 7.1 of the Declaration, the Board of Directors has a responsibility to the Association to enforce the covenants set forth in the Declaration, By-Laws, and rules and regulations.

As set forth in Article 7, Section 7.4 of the Declaration, a violation or threatened violation of the Association’s Declaration, By-Laws, or Rules and Regulations shall be grounds for an action against the person or entity violating or threatening violation of the covenants, which available relief includes the recovery of damages or other sums due for the violation along with the costs and attorneys’ fees incurred in enforcing the Association’s covenants.

As set forth in Article 7, Section 7.4 of the Declaration, the Board of Directors has the authority to assess a fine, to an Owner for a violation against the Declaration, Plats, By-Laws, or Rules and Regulations.

Article 3, Section 3.3 of the Declaration provides that the Board may adopt and publish rules and regulations governing the Use of Lots and the Common Areas, this includes the establishing penalties for the infraction thereof.

Courtesy Notice: A Courtesy Warning/Notice of Violation may be sent to the Owner by the Association’s property manager. This notice may include (1) the nature of the alleged violation and (2) the Board determined timeframe to comply with the Declaration and resolve the violation. In the event the violation has not been corrected, or the Owner has not contacted the Board regarding the violation, the Association’s property manager may issue a second notice.

*The cost of the second courtesy notice and any additional cost incurred by the Association regarding this violation shall be assessed to the Owner.

First Violation: Notice of Violation letter shall be sent to the Owner from the Association’s legal counsel, which shall include (1) the nature of the alleged violation; (2) the proposed cure for the violation; (3) notice that the Owner may submit a written request for a hearing to the Board within ten (10) business days of the notice; and (4) notice of any proposed sanction that shall be imposed as contained in the notice, unless a request for a hearing is received by the Board within such time period. The amount of any fine shall be

consistent with the range of fines as provided for in the Schedule of Fines adopted by the Board, as amended from time to time.

Hearing: If a hearing is requested within the ten (10) business day period, the hearing shall be conducted by the Board and homeowner in executive session. After such hearing, or an opportunity thereof, the Board may impose a reasonable fine as provided or in the Schedule of Fines.

Second Violation: In the event the Owner does not submit a written request for a hearing to the Board within the ten (10) business day period, fails to attend the scheduled hearing, or fails to cure the violation, a Second Notice of Violation shall be sent to the Owner from the Association’s legal counsel. This Second Notice shall include notice that the Owner may submit a written request for mediation or binding arbitration within ten (10) days of the notice, at the Owner’s sole cost and expense. If a request for mediation or arbitration is not received within the ten (10) day period, the amount of any fine consistent with the range of fines as provided for in the Schedule of Fines adopted by the Board, as amended from time to time, and any expense incurred or to be incurred by the Association to cover costs incurred in bringing a Dwelling Unit into compliance shall be assessed to the Owner’s account ledger.

Schedule of Fines

Violation	Declaration Section	Fine Amount
Unauthorized use of Dwelling Unit	Article 3, Section 3.1	\$ 100
Use of a Dwelling or Lot for Business	Article 3, Section 3.1(b)	\$ 100
Unauthorized leasing of Unit	Article 3, Section 3.1	\$ 100
Use of a dwelling or Lot for timesharing purposes	Article 3, Section 3.1 (d)	\$ 250
Unauthorized subdivision of Unit	Article 3, Section 3.1 (d)	\$ 250
Failure to adhere to the Design Guidelines	Article 3, Section 3.3	\$ 200
Unauthorized sign/symbols/display	Article 3, Section 3.5	\$ 50
Obstruction or alteration of drainage flows	Article 4, Section 4.1	\$ 50
Unapproved Exterior Painting	Article 4, Section 4.1	\$ 100
Unapproved Work on Lot or Dwelling Unit	Article 4, Section 4.1	\$ 100
Failure to Maintain Unit	Article 5, Section 5.1	\$ 100
Damage of Party Wall	Article 13, Section 13.2	\$ 100
Any violation of the current Rules and Regulations		\$ 100
Any additional violation not provided herein of the governing documents		\$ 50

Owners shall also be responsible for any legal fees incurred by the Association arising from his/her default under the Association governing documents.

Repeat Offense or Failure to Comply within 10 Business Days

For all above listed fines, if an Owner either continues to repeat the violation or the violation has not been rectified within 10 business days, the fine amounts listed above shall double. The Board of Directors may issue a fine every thirty (30) days thereafter until the Owner complies with the Association's governing documents.