



**ROSS MORGAN
& COMPANY, INC., AAMC®**
"An Accredited Association Management Company"

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CAGNEY RANCH ESTATES HOA ("CRE") ENFORCEMENT POLICY & SCHEDULE OF FINES

The primary objective of this enforcement policy is compliance with the Association's governing documents ("Rules"). The CA Civil Code requires all associations to publish a fine schedule.

ENFORCEMENT POLICY

In the event of any violation of the CRE's governing documents, the Board may call an Owner to a hearing and consider applying fines pursuant to California Civil Code §5855. Depending on the nature of the violation, the Board will consider the enforcement schedule below:

- First Offense:* Courtesy warning letter or Hearing Notice.
- Second Offense:* Final warning letter or Hearing Notice.
- Third Offense:* Hearing Notice, and additional enforcement in accordance with such hearing as necessary.

SCHEDULE OF FINES

Fines for ongoing violations of the Rules (such as failure to landscape, unsightly property condition, noncompliance with architectural rules, etc.) may be applied as follows:

- 1) Initial failure to correct violation: **\$4.00 per day** until the violation is resolved, provided, however, that the total monthly fine does not exceed \$120.00.
- 2) Failure to correct ongoing violation after a second hearing, 2 months after report of initial violation: **\$10.00 per day** until the violation is resolved; provided, however, that the total monthly fine does not exceed \$300.00.
- 3) Failure to correct ongoing violation after a third hearing 3 months after report of initial violation: **\$35.00 per day** until the violation is resolved; provided, however, that the total monthly fine does not exceed \$1,000.00.

Fines for per-incident violations of the Rules (such as loud parties, trash cans left in front of house, noncompliance with parking rules, etc.) may be applied as follows:

- 1) Initial failure to comply with provision(s) of the Rules: **\$120.00**;
- 2) Second failure to comply with the same provision(s) of the Rules: **\$300.00**;
- 3) Each additional violation of the same provision(s) of the Rules: **\$1,000.00**.

The Board may address multiple incidents of governing documents violations at one hearing; provided, however that adequate notice was given of such hearing for each violation.

The payment of any and all legal fees or costs incurred by the HOA to enforce compliance or collect fines will be the responsibility of the non-compliant Owner. It is each Owner's sole responsibility to inform any tenants of all rules and regulations, and to ensure such tenants' compliance. Each Owner is responsible for any violation committed by his or her tenants.

