

VILLAGE AT FOREST HEIGHTS HOMEOWNERS ASSOCIATION, INC.

Resolution Number 7 – Compliance Procedures, Fees and Administrative Charges

WHEREAS, Article 6.8, Association Rules and Regulations, of the Declaration of Protective Covenants and Restrictions (Declaration), of the Village at Forest Heights Homeowners Association, Inc., a nonprofit corporation formed under the laws of the State of Oregon, provides the Association, through the Board of Directors, the authority to adopt, modify or revoke Rules and Regulations governing the conduct of persons and the operation and use of the common areas and the Lots as it may deem necessary or appropriate in order to preserve the peaceful and orderly use and enjoyment of the Property;

AND WHEREAS, Article 7.8, Association Rules and Regulations, and Article 7.4, Alterations, of the Bylaws, describe the Authority related to rules and regulations and alterations to the Units and the Common Areas. The Association is governed by the CC&Rs, which includes the Declaration of Protective Covenants, Conditions and Restrictions, architectural design guidelines, construction regulations, rules and general policies of the Association. The CC&Rs protect the common interests of all lot owners by helping to preserve optimum property values and provide an organization that works on behalf of the community to minimize the effects of both construction and non-construction related activities;

NOW, THEREFORE, BE IT RESOLVED THAT

1. Unless specifically addressed in other resolutions, the following sanctions and procedures are to apply to situations where the Association finds it necessary to address compliance related issues within the Association.
 - A. Seven (7) day notice is given to the Lot Owner to correct the problem.
 - B. Day eight (8), a \$10 daily fine, until corrected.
 - C. Day ten (10), Administrative charges begin.
 - D. Day fifteen (15), the Association may correct the violation, but is not obligated to do so. If the Association corrects the situation, the Lot Owner is responsible for reimbursing the costs to the Association. There is a minimum \$100 charge by the Association for correcting a matter.
 - E. Day twenty-five (25), the Association may refer the matter to the Association's attorney for legal action.
 - F. Repeat violations will begin with the \$10 daily fine and Administrative charges, without prior notice, and following the same steps as outlined above.
2. Procedures for appealing compliance and other matters. The normal process is for the Association's Managing Agent to provide notice to Lot Owners where compliance and other issues exist. If a Lot Owner does not agree with the issue as stated, they may appeal using the following steps:

- A. Level 1. Appeal the Administrative decision to the Committee that has jurisdiction relating to the matter.
- B. Level 2. Appeal the Committee decision to the Board of Directors
- C. Level 3. The Board of Directors makes the final decision.

Supplemental information to compliance actions and charges by the Association:

1. Administrative charges relate to expenses incurred by the Association, including, but not limited to the cost of consultants, architects, engineers, Association Managing Agent, legal costs, notices, collections, managing a resolution to a problem and cost for contract work, materials, equipment rental, materials removal and disposal, towing and storage, vehicle mileage, office service and supplies, as well as other similar items and costs related to managing and correcting a violation or causing a problem to be cured.
2. Collection of fines and reimbursement for costs are governed by the Association's Assessment and Compliance Payment Policy, Declaration, Bylaws and policies of the Association.
3. Legal action typically leads to the matter being referred to the Association's attorney and resulting in correspondence, filing liens and notices, collections, filing court actions, and pursuing other legal rights and remedies available to the Association.
4. Repeat violations by the same Lot Owner, regardless of single or multiple locations and time, are subject to:
 - A. Immediate fines without advance notice
 - B. Administrative charges
 - C. Commencement of the compliance procedures at this step of the process
5. Lot owners making requests of the Association, involving additional expenses for administrative and other services, must reimburse the Association for those costs. The Association cannot foresee every request that may be made by Lot Owners and/or their representative; each item will have to be evaluated at the time as to related costs.
6. Under special circumstances the Association may issue permits for time extensions and schedule variations.
7. Removal, storage and disposal of equipment, materials and debris are the responsibility of the lot owner.
8. Lot Owners are responsible for informing contractors and/or renters of the Association's rules to help minimize problems and reduce the chances for fines and other actions by the Association to seek compliance. The Lot Owner may want to have language in their contracts and rental agreements that allow for passing along fines and other charges.

9. Notification is based on all seven days of the week for making corrections and does not exclude weekends, holidays, absence or unavailability of the Lot Owner or their representative.
10. The integrity of the Association's CC&Rs assumes even handed compliance with the rules. Variations in applying the rules and policies does not necessarily establish a precedent.
11. There can be some extenuating circumstances where it would be reasonable for a Lot Owner to request a variation in time frames or activities that are covered by the CC&Rs. Communications in a timely manner with the appropriate Association representative is very important. Do not ignore the rules and then expect to have consideration given to variations after the fact.

ATTEST:

August 9, 2000
Date

August 9, 2000

Jane Reeves Deru - President
Board of Directors

Lorna V. Moiley - Secretary