

MONET AT DIAMOND CREEK HOMEOWNERS ASSOCIATION

ENFORCEMENT POLICY

1. Owners desiring to initiate enforcement action may submit written complaints to the Board of Directors or the property management company using the Violation Complaint – Witness Statement form. Sitting Board members are permitted to submit verbal reports to the management company. The Board of Directors will then determine if an apparent violation exists, and if so, direct the property management company to send a written notice to the alleged offender.
2. The property management company will send a letter to the Owner stating the alleged violation and date needed to cure said violation.
3. Upon expiration of the requested cure date, if the alleged violation is alleged to continue, a second letter will be sent stating that the failure to abide by the Association Rules and Regulations has imposed a hardship on the Association and the Owner will be asked to attend a hearing of the Board.
4. The Owner will be notified as to the decision rendered by the Board as a result of the hearing. If the Owner is found to be in violation of the Association's documents, the Board will either (a) seek remedy by use of alternative dispute resolution such as mediation or arbitration, (b) levy a Special Assessment, (c) suspend the Owner's voting privileges as a member, (d) enter upon a residence to make the necessary repairs, or perform maintenance which is the responsibility of the Owner, or (e) a combination thereof.
5. It is each Owner's responsibility to inform the Association in writing of the address to be used for the purpose of receiving notice, if it is different from the Owner's address at the Association. Please hand deliver or send by first-class mail any changes in mailing address to the Association's Property Manager. If the Association has not been notified of such a mailing address change from a member for purposes of fulfilling notice requirements, notice shall be deemed to have been given by the Association if mailed to the address of the property owned by such member.
6. In the event that the Board determines that a violation has occurred which causes an emergency situation (i.e., significant damage to person or property has either occurred or is imminent), the Association may, at its option, immediately initiate legal action and/or attempt to cure the violation without notice to the Owner. The Association can specifically assess the Owner for the cost to cure the underlying violation. In these types of emergency situations, the Association shall not be liable for any damage caused in their attempt to cure the underlying violation.

7. These Rules and CC&Rs are enforced by the Board of Directors who may assess fines or other penalties for non-compliance. Such fines are levied only against an Owner, even if the rules violation is committed by his/her tenant, Resident or guest. The fines are collected by including them in the Association monthly bill to the Owner. Non-payment of fines or other penalties will result in the Association exercising any or all of its legal remedies to collect on the debt. Attorneys' fees and costs incurred by the Association in enforcing the Governing Documents against an Owner shall become a charge against the owner in the form of a special assessment.
8. In the event that an Owner corrects a violation prior to the hearing date, and notified the Board of this action, the Board may discontinue the proceedings but is not obligated to do so.
9. A violation is defined as an act in direct conflict with the CC&Rs, Bylaws and/or Rules and Regulations of the Association and Architectural Guidelines of the Association.
10. Should the Board find an owner in violation of the Association's Governing Documents (including, but not limited to, the Declaration, Bylaws, Articles and/or Rules), after reviewing the evidence presented at a hearing, pursuant to the guidelines set forth in the Association's Declaration and Bylaws, the Board may in its discretion levy any or all of the following penalties and sanctions:
 - (i) Monetary fines;
 - (ii) Suspension of an owner's (and/or his guests, residents or tenants) right to use the recreational facilities;
 - (iii) Suspension of an owner's (and/or his guests, residents or tenants) right to park automobiles or other authorized vehicles in the common area unassigned parking spaces or common area private streets;
 - (iv) Suspension of an owner's (and/or his guests), residents or tenants) rights and privileges;
 - (v) Suspension of an owner's right to vote on all Association business;
 - (vi) Removal of any non-conforming structure or improvement;
 - (vii) Special Assessment against an owner for any costs incurred by the Association, including attorneys' fees and costs, with respect to the violation.

FINE SCHEDULE

In General

The Board of Directors may assess fines and/or penalties against an owner after written notice and an opportunity for a hearing has been provided, and the Board has determined that a violation of the Association's Governing Documents (including, but not limited to the Declaration, Bylaws, Articles and/or Rules) has occurred or is occurring due to the actions (or failure to act) of an owner, his/her guest, tenant, lessee, invitee, licensee, resident or other occupant of his/her unit.

All fines, including special assessments representing the attorneys' fees and costs incurred by the Association in enforcing the Governing Documents, shall be a charge against the owner of the unit. Any and all fines shall be billed to the owner's account at the Association.

Definitions

"Subsequent Offense" shall mean and refer to a repeat occurrence of a violation of the Governing Documents that is the same or substantially similar, as decided by the Board, to a violation that the Board had previously determined (through a hearing) was committed by the same homeowner, his/her guests, tenants, lessees, invitees, licensees, residents or other occupants of his/her unit.

"Continuous Offense" shall mean and refer to violations of the Governing Documents which continue uninterrupted and uncorrected after written notice and the opportunity for a hearing has been provided to the owner, and the deadline date set by the Board for correcting the violation has expired.

Schedule of Fines

For each violation of the Governing Documents, monetary fines and penalties shall be assessed against an owner according to the following schedule:

- | | | |
|-------|------------------------|-----------------------|
| (i) | First Offense: | Up to \$100.00 |
| (ii) | Subsequent Offense(s): | Up to \$200.00 |
| (iii) | Continuous Offense(s): | Up to \$20.00 per day |

Attorneys' Fees and Costs

Attorneys' fees and costs incurred by the Association in enforcing the Governing Documents against an owner shall become a charge against the owner in the form of a special assessment.

The Association reserves the right to use any avenue of the legal system to enforce the Governing Documents against an owner, including the collection of any fines imposed against an owner for violating the Governing Documents.

**MONET AT DIAMOND CREEK COMMUNITY ASSOCIATION
VIOLATION COMPLAINT & WITNESS STATEMENT FORM**

PLEASE PRINT OR TYPE. Complete all the information you know. If unknown, please state so. Attach additional sheets if necessary.

INFORMATION CONCERNING RESIDENT WITNESS(ES) TO VIOLATION:

Witness' (1) Name Address Unit No. Phone No.

Witness' (2) Name Address Unit No. Phone No.

INFORMATION CONCERNING VIOLATOR(S):

Violator's (1) Name Address Unit No. Phone No.

Violator's (2) Name Address Unit No. Phone No.

INFORMATION CONCERNING VIOLATION:

Violation Date Time Location

Selection(s) of Declaration, Bylaws or Rules & Regulations which was/were violated

WITNESS' OBSERVATIONS:

Were any photographs taken? Yes No By whom: _____

Attach all photographs to this form or forward to the Association as soon as possible. Include photographer's name and date photographs were taken, and the names of any individuals present.

I HAVE MADE THE ABOVE STATEMENTS BASED ON MY PERSONAL KNOWLEDGE AND NOT UPON WHAT HAS BEEN TOLD TO ME. I WILL COOPERATE WITH THE ASSOCIATION AND ITS ATTORNEYS TO PROVIDE ADDITIONAL STATEMENTS OR AFFIDAVITS, AND IN THE EVENT A HEARING OR TRIAL IS NECESSARY, I WILL APPEAR TO TESTIFY AS A WITNESS.

Signature

Date Signed

Printed Name

Please submit form to: Monet at Diamond Creek Community Association
Board of Directors
c/o Merit Property Management, Inc.
101 Parkshore Dr., Suite 100
Folsom, CA 95630