

SUNRISE RIDGE HOME OWNER ASSOCIATION

Policy Resolution #2004-00

Rules Enforcement Policy

WHEREAS Article VI of the bylaws grant the Board Of Directors with the power to conduct Association business and to protect community harmony by providing guidelines and a procedure to address conditions that disrupt that harmony.

LET IT BE RESOLVED THAT the following rules enforcement procedure will be followed:

The Board of Directors is authorized to enforce the rules as outlined in the Rules and Regulations.

1. Rules violations are to be reported to the Board of Directors in writing and signed by the complainant. The complaint will be investigated as soon as possible.
2. If the report of a violation is accurate, written notice will be sent to the Owner. The first notice of violation will be regarded as a warning, unless otherwise stipulated in the notice.
3. If the violation is not cleared up within the specified time period allowed in the notice, a second written notice will be sent to the owner. The second notice of the violation will also be regarded as a warning, unless otherwise stipulated in the notice.
4. If the violation is not cleared within the specified time period allowed in the second notice or repeated a second time within 90 days, a fine will be levied against the owner in accordance with the Schedule of fines policy until the violation is cleared.
5. All fines are subject to Collection policy if unpaid.
6. Appeal process for Fines:

Any Owner receiving a fine, who believes no violation has occurred, may submit a written explanation to the Board of Directors (BOD).

Upon the BOD's receipt of written Appeal from Homeowner, the ARC will suspend the assessment of additional fines. Any unpaid fines assessed to this point remain the responsibility of the Homeowner and will continue to accrue interest and late fees, and should be paid.

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JIM FULLER
CLERK CIRCUIT COURT
DUAL COUNTY
RECORDING \$ 29.00
TRUST FUND \$ 4.00

The BOD will review the Appeal and will make a determination regarding the violation in question. The BOD will notify the homeowner and the ARC of their decision regarding the violation within 10 days of receipt of the Appeal.

Should the BOD determine that there is no violation (*for* the Homeowner), written notification will be provided to the homeowner and the ARC, and any fines and fees previously paid will be refunded to the Homeowner.

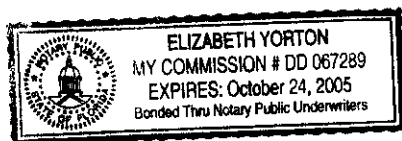
Should the BOD determine that there is a violation (*against* the Homeowner), written notification will be provided to the homeowner and the ARC, and the assessment of fines will be resumed as of the date of notification. The fine will continue until the violation is remedied.

Signed: APRIL 28, 2004

Richard A. Mote
President, Board of Directors
Sunrise Ridge Home Owners Association

Richard A. Mote
Sworn before me this 28th day of
April, 2004 and who is personally known
to me.

Elizabeth A. Yorton



SUNRISE RIDGE HOME OWNER ASSOCIATION

Administrative Resolution # 2004-01

Collection Policy

WHEREAS Article VI of the bylaws grant the Board Of Directors with the power to conduct Association business, and Article III, Section 2 of the Covenants and Restrictions grants the authority to levy assessments against owners. Because the Association's economic well-being relies on the timely payment of assessments and other allowable charges, it is the Board's duty to use its best efforts to collect funds owed to the Association.

LET IT BE RESOLVED THAT the following collection procedures will be followed:

1. **AMOUNTS PAYABLE TO THE ASSOCIATION** include, but are not limited to, regular assessments, special assessments, rules enforcement fees, repairs to common area that are an owner's responsibility, legal fees and other cost associated with collection of funds on behalf of the Association.
2. **PAYMENT SCHEDULE:** The regular assessment is payable January 1st of each calendar year. Fees not received or postmarked by January 30th shall be considered past due.
3. **LATE FEES, NSF & INTEREST CHARGES**
 - A late fee of 10% of the annual assessment will be charged, in addition to interest at the rate of 15% per annum.
 - A late fee of \$15 will be charged monthly on all delinquent Violation fees, in addition to interest at the rate of 15% per annum.
 - A minimum fee of \$25 NSF (or the actual charge incurred of the financial institution) which ever is more, shall be charged to the Homeowner.
4. **ORDER OF CREDITING PAYMENTS:** Payments received shall be first applied to assessments owed, then to late charges, interest, or collection expenses.
5. **PROCESS FOR DELINQUENCY NOTIFICATION;** For all balances that are thirty (30) days past due, the following notification process applies:
 - **FIRST NOTICE:** First notice of past due charges including detail of assessments, late fees, NSF charges, interest and other charges that apply, will be sent by First Class Mail to the owner whose balance is thirty (30) days past due.
 - **SECOND NOTICE:** Second Notice of past due charges including detail if assessments, late fees, NSF charges, interest and other charges that apply, will be sent by First Class Mail to the owner whose balance is sixty (60) days past due.

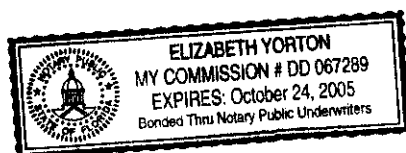
- 10 DAY DEMAND: 10 Day Demand for Payment including detail of assessments, late fees, NSF charges, interest and other charges that apply, will be sent by First Class Mail to the owner whose balance is seventy five (75) days past due. This notice will recite intent to turn the matter over to an attorney for collection enforcement if balance is not paid within 10 days. Attorney actions include but not limited to filing a lien against the owner's property, a personal judgment against the owner and property foreclosure.
6. LEGAL SERVICES: If a delinquent account is referred to an attorney for collection, the owner shall be charged the Association's reasonable attorney fees and collection cost.
7. OTHER CHARGES: The Association may charge the owner for;
- Fees charged to collect funds payable to the Association
 - Owner bankruptcy
 - Foreclosure action or deed in lieu of foreclosure
 - Notification, filing and satisfying liens
 - Enforcement of the Association's Rules, Bylaws, Declaration or Policies
 - Cost of litigation
 - Repairs to the Association's common areas that result from the act of owners, their tenants or guest.

Signed: April 28, 2004

Richard A. Mote
President, Board of Directors
Sunrise Ridge Home Owners Association

Richard A. Mote
Sworn before me this 28th day of
April, 2004 and who is personally known
to me.

Elizabeth A. Yorton



SUNRISE RIDGE HOME OWNERS ASSOCIATION

Policy Resolution # 2004-02

Schedule of Fines

WHEREAS Article VI of the Bylaws grant the board of directors the power to conduct Association business and, to protect community harmony by providing guidelines and a procedure to address conditions that disrupt that harmony.

LET IT BE RESOLVED THAT the following Schedule of Fines will be followed:

1. The Board of Directors (BOD) is authorized to enforce timely assessment payments from owners, compliance with rules and regulations and other polices enacted in accordance with the governing documents by assessing monetary penalties against owners, their guest, family and renters who are in violation.

2. Fines for specific violations

- **Architectural Changes performed without prior ARC approval:**

One-time fine of \$25.00- \$250.00, based on the severity. The ARC may also request that modifications constructed without approval be removed as per Covenants & Restrictions Article XII, General Provisions.

- **Architectural: (Structural & Landscaping Cosmetics or Maintenance Violations)**
(Review Article XI, in covenants, conditions and restrictions)

Fine: \$50, plus \$1 per day per violation

ASSESSED: Beginning on the 61st day after the date of the **first** BOD written warning notice, and continuing daily until the violation is rectified, and is re-inspected and approved by the ARC.

SUPENSION: Daily fines will be suspended when:

- a) The BOD receives a written Appeal from the Homeowner. (See item 4 below)
OR
- b) The ARC receives a written request to re-inspect the violation(s) after corrective action has been taken.

RESUMPTION: Daily fines will resume when:

- a) The BOD decides **Against** the Homeowner in an Appeal. (See item 4 below)
OR
- b) A violation fails an ARC re-inspection.

TERMINATION: Daily fines will permanently stop when:

- a) The BOD decides **for** the Homeowner in the Appeal (See item 4 below)
OR
- b) The ARC re-inspects the violation and issues a written approval to the Homeowner.

- **Excessive Noise:**

Fine: \$10 per occurrence

ASSESSED: For each repeat violation occurring after one written warning from the BOD.

Policy Resolution # 2004-02

Schedule of Fines

SUPENSION: N/A for 'per occurrence' violations. Homeowner may Appeal (See item 4 below)

RESUMPTION: N/A for 'per occurrence' violations.

- **Parking: i.e. No parked vehicles on residential lots or street if not operable and has current license tag. (Review Article XI, in covenants, conditions and restrictions)**

Fine: \$20, plus \$1 per day per violation

ASSESSED: Beginning on the 61st day after the date of the **first** BOD written warning notice, and continuing daily until the violation is rectified, and is re-inspected and approved by the ARC.

SUPENSION: Daily fines will be suspended when:

- c) The BOD receives a written Appeal from the Homeowner. (See item 4 below)
OR
- d) The ARC receives a written request to re-inspect the violation(s) after corrective action has been taken.

RESUMPTION: Daily fines will resume when:

- c) The BOD decides **Against** the Homeowner in an Appeal. (See item 4 below)
OR
- d) A violation fails an ARC re-inspection.

TERMINATION: Daily fines will permanently stop when:

- a) The BOD decides **for** the Homeowner in the Appeal (See item 4 below)
OR
- b) The ARC re-inspects the violation and issues a written approval to the Homeowner.

- **Trash, Recyclables or Yard waste Curbside before 5pm on eve of Schedule Pick-up Day or left out pass 8am the day after a schedule pick-up.**

Fine: \$5 per occurrence

ASSESSED: For each repeat violation occurring after one written warning from the BOD.

SUPENSION: N/A for 'per occurrence' violations. Homeowner may Appeal. (See item 4 below)

RESUMPTION: N/A for 'per occurrence' violations.

- **Pets: i.e. No commercial use, No breeding or more than 2 Domestic animals (without approval from BOD) (Review Article XI, in covenants, conditions and restrictions)**

Fine: \$25 per occurrence

ASSESSED: For each repeat violation occurring after one written warning from the BOD.

SUPENSION: N/A for 'per occurrence' violations. Homeowner may Appeal. (See item 4 below)

RESUMPTION: N/A for 'per occurrence' violations.

- **Occupancy & Leasing: i.e. No business or commercial building be erected on any residential lot and No business may be conducted on any part thereof. (Review Article XI, in covenants, conditions and restrictions)**

Fine: \$250 per occurrence

ASSESSED: For each repeat violation occurring after one written warning from the BOD.

Policy Resolution # 2004-02

Schedule of Fines

SUSPENSION: N/A for 'per occurrence' violations. Homeowner may Appeal. (See item 4 below)

RESUMPTION: N/A for 'per occurrence' violations.

3. Billing and Payment of Fines

- All fines will be billed monthly and are due and payable within 7 days of invoice date.
- Interest Charges: See Collection Policy # 2004-01
- Late Payments: See Collection Policy # 2004-01
- NSF Checks: See Collection Policy # 2004-01
- Collection Policy: See Collection Policy # 2004-01

4. Appeal Process for Fines

Any Owner receiving a fine, who believes no violation has occurred, may submit a written explanation to the Board of Directors.

Upon the BOD's receipt of a written Appeal from the Homeowner, the BOD will suspend the assessment of additional 'daily fines' for the Architectural violation in the Appeal.

Fines classified as 'per occurrence' fines are not subject to suspension and repeat violations will result in additional fines if a like violation is under appeal.

All unpaid 'daily' and 'per occurrence' fines that have been assessed prior to the date of the Homeowners written appeal, remain the responsibility of the Homeowner and will continue to accrue interest and late fees unless paid in full.

The BOD will review the Appeal and will make a determination regarding the violation in question. The BOD will notify the Homeowner of their decision within 15 days of receipt of the Appeal.

Should the BOD determine that there is no violation (*for* the Homeowner), written notification will be provided to the Homeowner, and all fines and fees previously paid, for this violation will be refunded to the Homeowner.

Should the BOD determine that there is a violation (*against* the Homeowner), written notification will be provided to the Homeowner and the assessment of fines will resume as of the date of notification. The fines will continue to be assessed until the violation is remedied.

Signed: APRIL 28, 2004

Richard A. Mote
President, Board of Directors
Sunrise Ridge Home Owners Association

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