Seclusion Bay Homeowners Association

July 17, 2009

Seclusion Bay fine structure for CC&R infractions

In order to allow positive enforcement of CC&R violations, the Executive Board has prepared the following fine structure to be applied when, at the discretion of the Board, it is deemed necessary to enforce the Seclusion Bay CC&R's. This fine structure is based, in part, on similar fine policies currently in effect in other Southport communities.

Long-term violations (Landscaping, fences, decks, etc)

First Notice - A notice will be mailed to the lot owner stating which section of the CC & R's is in non-compliance, and notice of possible future fines. The lot owner will be given 30 days to correct. The lot owner must inform the property management firm in writing when the correction is complete, which will then be confirmed by a board member or the property management firm. A fine of \$100 will be levied immediately for any improvement made without prior approval.

Second Notice - If correction was not completed, the lot owner will be assessed a \$75.00 fine, and given 14 more days to correct. The lot owner must inform the management firm, in writing, when the correction is complete, which will then be confirmed by a board member or the management firm.

Third and Final Written Notice - If correction was not completed, the lot owner will be assessed an additional \$75.00 fine and a \$75.00 fine every week thereafter until violation is corrected. The lot owner must inform the management firm, in writing, when the correction is complete, which will then be confirmed by a board member or the management firm.

Short-term violations (Weekly)

Transient or Short-term violations are violations which, due to their nature, can be corrected quickly (within a few days). Examples may include tools, or materials stored in a front yard or satellite dishes or sheds installed without approval. Violations of this type will be enforced over the course of a seven-day period, instead of a 30-day period. Notices and fines will be sent in accordance to the seven day period, instead of a 30 day period.

Daily violations (Daily)

Daily violations are violations which, due to their nature, can be corrected immediately. Examples may include excessive vehicles parked in a driveway, trash in sight other than on pickup days, noise, or other nuisances. These violations will be subject to daily fines of \$75.00. Homeowners will receive only one written notice for such violations - fines will accrue daily thereafter.

Multiple Infractions over time

This fine structure is based upon each separate violation - for example, landscaping and parking are separate violations. However, only having one shrub when four are required is considered only one landscaping violation. Violations of the same type may be considered cumulative. For example, if a notice is sent out in June for a parking infraction (boat in the driveway), and the exact infraction occurs again in September, the lot owner will be sent a second notice that will include a \$75 fine. If this exact infraction were to occur later in October, the lot owner would be sent a third notice that would include another \$75 fine, etc.....

All fines become enforceable liens on the property, and additional fees for bookkeeping and legal costs may be added as they accumulate.