

Greene 's Crossing Homeowners Association, Inc.

Memorandum

To: Greene's Crossing Homeowners

From: Greene's Crossing Board of Directors

Re: Enforcing Governing Documents- Fine Policy

March 2020

The Board of Directors of the Greene's Crossing Homeowners Association, Inc. is concerned, along with the rest of the homeowners, with keeping our community a pleasant place to live along with protecting each homeowner's property value. By working together and enforcing the Association's Covenants, Conditions, Restrictions, Bylaws, Articles of Incorporation, Rules and Regulations (hereinafter referred to as "Governing Documents), we can help to protect your property values and reduce operating costs by preventing costly lawsuits against those few that do not wish to comply with the Governing Documents.

To that end, the Board of Directors, under the authority of the North Carolina Planned Community Act, has adopted a fine policy to address violations of the Governing Documents.

The procedural steps for the fine policy are as follows:

- A. Notice of Violation: A letter describing the violation and citing the appropriate Governing Document language will be sent by mail to the homeowner. The letter will explain that the homeowner has (X) days to correct the violation or to contact the Association Manager to arrange for an extension. All extension requests will need to be in writing. Should the violation not be addressed in the timeframe allotted on the notice, and the homeowner has not been granted an extension by the Board of Directors, you will be subject to the next step in the violation process.
- B. Second Notice of Violation: A letter describing the continued violation and citing the appropriate Governing Document language will be sent by mail to the homeowner. The letter will explain that the homeowner has (X) days to correct the violation or to contact the Association Manager to arrange for an extension. All extension requests will need to be in writing. The second notice will include the verbiage from the North Carolina Planned Community Act stating that the Board of Directors has the ability to fine the homeowner up to \$100 per day until the violation has been resolved. Should the violation not be addressed in the timeframe allotted on the notice, and the homeowner has not been granted an extension by the Board of Directors, you will be subject to a fine hearing.
- C. Notice of Fine Hearing: A letter describing the continued violation will be sent to the homeowner. The letter will explain that the homeowner is being given the opportunity

to attend a fine hearing with the Board of Directors, or a panel appointed by the Board of Directors. Should the homeowner attend the fine hearing, they will be given five (5) to ten (10) minutes to present any aggravating or mitigation factors. The homeowner will have a full opportunity to explain why they are not in violation of the Governing Documents and/or an opportunity to request a waiver. After presenting their case, the Board of Directors or the appointed panel will deliberate outside the presence of the homeowner and render a decision. Written notification of the decision will be sent to the homeowner within five (5) business days of the hearing.

Whether or not the homeowner chooses to attend the fine hearing, the Board of Directors, or appointed panel, can begin issuing fines up to \$100 per day until the violation has been remediated.

D. Fines: Any fine assessed will begin to accrue seven (7) days after the hearing is held. The standard fine amounts are as follows, but may be subject to change:

1. \$25 per day for the first thirty (30) days; (this may be increased depending on the severity of the violation); and
2. After the initial thirty (30) day period set forth immediately above, the fine will be increased to \$100 per day.
3. Once the fine amount reaches \$500, a lien will be placed upon the homeowner's property to secure the amounts owed. Please note that the Governing Documents grant the power to the Association to foreclose upon an owner's property for any amounts owed to the Association.

The Board of Directors understands that this may seem like a harsh policy to many of our homeowners, however, this policy will only affect those homeowners who refuse to fulfill their obligations to our community. We do not feel that it is fair to the majority of the homeowners to carry the financial burden and suffer the property value pitfalls that result from those in our community that may refuse to live by the Governing Documents that keep our community a pleasant and safe place to live.

This Fine Policy has been adopted by the Board of Directors on March 10, 2020. The Fine Policy is effective immediately upon adoption.

We appreciate your willingness to help keep a harmonious environment at Greene's Crossing. Should you have questions and/or additional comments, please don't hesitate to contact the Association Manager at 336-288-4944, or via email at monica@lambethmanagement.com.

On behalf of the Board of Directors & Lambeth Management

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Property Manager

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