

PROPERTY DAMAGE

Owners will be held liable for any damages caused to commonly owned grounds or structures caused by themselves, their children, their guests, their agents, their tenants, or their animals. Owners will be required to immediately pay for such damages.

Owners will be held liable for all damages to outside structures caused by moving vans, trucks, etc., acting on their behalf.

GOVERNING DOCUMENTS ENFORCEMENT POLICY

The following describes the enforcement procedures that will be followed in response to a violation of the Governing Documents. To guarantee that the Governing Documents are applied fairly and consistently, the Association has set forth this procedural policy of enforcement. It is the policy of the Association not to discriminate among Owners.

Every Owner, Occupant, and Visitor to a Unit must comply with the Governing Documents and shall be subject to sanctions for violations. In addition, each Owner shall be responsible for and may be sanctioned for; all violations of the Governing Documents by the Occupants of or Visitors to their Units, and for any damage to the Common Area that such Occupants or Visitors cause.

1. If you are thought to be in violation of the Governing Documents of the Association, the Management Company will send you a courtesy notice notifying you of the violation, and asking you to correct the problem.
2. If you do not correct the violation promptly, or if you do not otherwise respond to explain the situation, the Management Company will send a second letter or final notice asking again that you correct the violation.
3. If the violation is still not corrected within ten (10) days of the second written notice, you will receive a notice from the Management Company by first class mail and certified mail, stating that an executive session hearing has been scheduled for you with the Board of Directors.
4. For any activity or condition that the Homeowners' Association considers to be a threat to the health or safety of other Residents, the Association may take immediate action to alleviate the health and/or safety concern and then give notice of the violation.
5. After written notice and an opportunity for a hearing in accordance with the Governing Documents, the Board of Directors may:
 - a. Impose reasonable monetary fines. In the event that any Occupant, Guest or Invitee of a Unit violates the Governing Documents and a fine is imposed, the fine may, but need not, first be assessed against the violator; provided, if the fine is not paid by the violator within the time period set by the Board of Directors, the Owner shall pay the fine upon notice from the Board.
 - b. Suspend an Owner's right to vote.

- c. Suspend any Person's right to use any Common Area facilities (A) for any period during which any charge against such Owner's Unit remains delinquent, and (B) for a period not to exceed 30 days for a single violation or for a longer period in the case of any continuing violation provided, nothing herein shall authorize the Board to limit ingress or egress from a Unit.
- d. Charge to and recover from any Owner the costs which the Association incurs in (A) bringing the Owner's Unit into compliance with the Governing Documents and (B) repairing damage to the Common Area or another Owner's Unit resulting from the negligence or misconduct of such Owner of any Occupant or Guest of such Owner's Unit. Pursuant to California Civil Code Section 1367 (b), the Association shall have the right to file a lien against the Owner's Unit to secure its right to recover the costs described in the Governing Documents.

ATTORNEY FEES AND COSTS

In any action to enforce the Governing Documents, if the Association prevails, it shall be entitled to recover all costs, including, without limitation, attorney fees and court costs, reasonably incurred in such action.

FINES AND SUSPENSIONS

In the event the Board of Directors levies a monetary penalty, suspends an Owner's voting rights, or right to use the Common Areas for any violation of the Governing Documents, such discipline shall be determined by the provisions of this section.

Payment of Monetary Penalty -- Owners shall have fifteen (15) DAYS from receipt of Notice from the Association in which to pay any monetary penalty. There is a late charge equal to ten percent (10%) of the penalty, for any penalty not paid within fifteen (15) days after it becomes due. There is an interest charge on any unpaid penalty at a rate of twelve percent (12%) per annum. The Association may commence legal action to collect any unpaid penalty, late charge, and interest from the delinquent Owner with such delinquent Owner liable for all attorney fees and court costs attributable to such collection action.

Suspension of Membership Rights – The Association may suspend the voting rights of an Owner or rights of Residents/Occupants to use the Common Area for violations of the Governing Documents. Occupants of a suspended Owner's Unit are prohibited from using the Recreational Facility as "Guests" of another Owner during the period of suspension.

SCHEDULE OF FINES

The Board of Directors is authorized by the CC&Rs to impose monetary or use penalties for violations of the Hampton Village Homeowners' Association Governing Documents. A copy of the CC&Rs and Operating Rules was provided to you at close of escrow.

A Standard Fine may be imposed after the following action:

1. Issuance of a first notice of violation (Courtesy Notice) with five (5) days to correct a violation.
2. After 5 days, if violation has not been corrected, a second notice (Violation Letter or "Final Notice") of the violation will be issued with five (5) days to correct said violation.
3. At the end of the total ten (10) day period, a letter will be sent scheduling an Executive Session Hearing before the Board of Directors.
4. All three (3) notices will contain:
 - a. The exact nature of the violation, noting the number of the applicable rule violated.
 - b. Options available for the resident to halt further action.
5. For each month a violation remains uncorrected, it will be considered an ADDITIONAL VIOLATION, and the appropriate fine may be levied again.

STANDARD FINES

1. FIRST FINE for any violation \$100.
2. SECOND FINE for same violation within 15 months of first violation \$200.
3. THIRD FINE for same violation within 15 months of first violation \$300.
4. EACH ADDITIONAL FINE for same violation within a 15 month period of the first violation \$400.

ADDITIONAL FINES AND PENALTIES

The Board of Directors, in their sole discretion, may take additional action including fines, penalties or other legal action to gain member compliance with the Governing Documents as circumstances warrant.

If the Board of Directors determines that an infraction is an egregious violation of the Governing Documents, or that a violation threatens the health or safety of Residents or the quiet enjoyment of the Community, they reserve the right to take one or more of the following actions:

- 1) Immediately send the Owner a request to attend a Private Hearing with the Board of Directors.
- 2) Impose an immediate fine not to exceed \$1000.00 per violation.
- 3) Impose additional, ongoing fines of up to \$1000 per week until the violation is remedied to the Board of Directors' satisfaction.