

Martin's Point Homeowners' Association, Inc.
Policy Resolution – Covenant Enforcement Procedures

WHEREAS, the Board of Directors has the powers and duties necessary for the administration of the affairs of the association and the enforcement of the covenants, conditions, restrictions, easements, charges and liens, and recognizes the need to establish procedures for enforcement of said covenants, conditions, restrictions, easements, charges and liens;

NOW THEREFORE, BE IT RESOLVED THAT the Board of Directors hereby adopts the following enforcement procedures:

- 1) Covenants, conditions, restrictions, easements, charges and liens shall be enforced by Seaside Management or by any agency designated by the Board, hereafter referred to as the enforcing agency.
- 2) Owners shall be responsible for the acts and omissions of their Tenants, guests and contractors.
- 3) The enforcing agency will attempt to resolve alleged violations informally, without the imposition of penalties. Further, the enforcing agency will observe the alleged violation for a period of seven (7) days prior to taking any action, to determine if it self-corrects.
- 4) If the enforcing agency continues to observe the alleged violation after seven (7) days, they will call the property owner. If necessary, they will continue their attempt to first reach the property owner by phone for 2-3 days. If after three days they are unsuccessful they will then notify the property owner via email, or certified mail if there is no email address on file. The correspondence will contain the following: the alleged violation(s), citing specific language from the governing documents that describe *only* the alleged violation(s), the action(s) needed to remedy the alleged violation(s), a request to cure within fourteen (14) days of the date of the correspondence, and a request to notify the originator of the correspondence, immediately, if they believe the notification was sent in error.
- 5) If the enforcing agency continues to observe the alleged violation after fourteen (14) days of the date of the *initial* correspondence, they will notify the property owner a second time using certified mail. The correspondence will contain the same information as in Paragraph 4. Further, they will inform the property owner that should the alleged violation not be corrected within fourteen (14) days of the date of the correspondence the Board of Directors using their right under the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF MARTIN'S POINT will hold a hearing to determine if the property owner should be fined or if planned community privileges or services should be suspended pursuant to the powers granted to the association in G.S. 47F-3-102(11) and (12).
- 6) If the enforcing agency continues to observe the alleged violation after fourteen (14) days of the date of the *second* correspondence, they will notify the Board and the property owner charged shall be given fourteen (14) days notice of the hearing via certified mail, opportunity to be heard and to present evidence, and notice of the board's decision. Following the hearing the Board may impose reasonable fines and may suspend privileges or services provided by the Association (except rights of access to lots, postal building, and dumpsters) for reasonable periods for violations of the covenants, conditions and regulations of the Association. A fine will be imposed for each violation and without further hearing, for each day more than five days after the hearing, unless there is a decision that there is no violation. If the lot owner fails to cure the violation, fails to attend the hearing and did not previously request a postponement, they will automatically be liable for a fine for each day after the date of the hearing. This will be explained in the hearing notice.
- 7) Penalties for violations may include one or more of the following: (a) Denial of use of the Common Areas for up to thirty (30) days, as provided for in Article Six, Section 3(a) of the Declaration and Article III, Section 7 of the By-laws. (b) Monetary fines in an amount not to exceed one hundred dollars (\$100) for the violation and without further hearing, for each day more than five days after the hearing decision that the violation occurs. (c) Removal or other disposition of offending property if it is on any of the Common Areas at the expense and risk of the Owner of that property, who, after reasonable notification has failed to remove same, shall be deemed to consent to such removal or other disposition. In case of emergency, such removal or other disposition may be done without notification to the Owner.
- 8) Fines imposed shall be due and payable within thirty (30) days following the date of imposition of the fine. Unpaid penalties and interest thereon may be added to the next annual assessment for the property owned or inhabited by the violator, and collected and recovered in the same manner as is provided in the Declaration and in the By-laws, as amended from time to time. Such fines shall be assessments secured by liens under G.S. 47F-3-116.

Martin's Point Homeowners' Association, Inc.
Covenant Enforcement Protocol

- 1) Property management agency will designate one or two of its employees to be responsible for managing the covenant enforcement process. This/these employee(s) will maintain a log/spreadsheet, conduct inspections, send notices and inform the board of non compliers (received two notices and have failed to remedy alleged violation).
- 2) Inspections of Martin's Point will take place at least weekly for violations, and to determine if previously observed violations have been corrected (with or without notice). Inspections will be conducted more frequently if a property owner has been fined for failure to correct a violation to determine if and when their violation has been corrected.
- 3) A log will be maintained with photos, if necessary, dates, names, addresses, alleged violations, notices and responses by property owners. It will be updated continuously with information about inspection results and property owner correspondence and calls.
- 4) The board will be notified if a property owner fails to correct the alleged violation(s) within ten days after their second notice. Property owners will be sent a notice to appear before the board at the next scheduled meeting or at another arranged time if:
 - a) The agenda for the next scheduled board meeting won't allow for the hearing(s);
 - b) The date of the next scheduled meeting won't allow the agency to provide the property owner with at least 14 days written notice of the scheduled hearing;
 - c) The property owner informs the property manager that they are unavailable to attend the next scheduled board meeting.

Unless the board decides otherwise (i.e., due to extenuating circumstances), one postponement will be granted when a property owner is unavailable to attend their scheduled hearing. When written notice is provided to the property owner about the postponement a new hearing date will be included and they will be informed that no additional postponements will be granted.

- 5) A property owner who is out of town for an extended period will be given a date for a hearing at the first scheduled board meeting after their scheduled return date or at another arranged time based on #4a-c.
- 6) If before their hearing a property owner corrects the alleged violation(s) their hearing will be cancelled and they will be so notified.
- 7) If an alleged violation has not been corrected and the property owner fails to show up for a scheduled hearing for which they have not sought a postponement, the board will decide on the amount of a fine to impose for each day the violation persists after the property owner has been granted an additional 5 days to remedy the violation. The property owner will be notified by certified mail of the amount of the fine and how they can avoid it.
- 8) After a hearing the board will set the daily amount of a fine unless a property owner gives a plausible reason why the alleged violation does not meet the terms defined by the covenant, condition or regulation on which the alleged violation is based. The property owner will be notified by certified mail and given 5 additional days to correct the violation.
- 9) If within 30 days of correction the violation is again observed, the property owner will be notified by certified mail of a new hearing date (at the next scheduled board meeting or at another arranged time based on #4a-c), and asked to again correct the violation. If they fail to do so after 5 days they will again be subject to a fine in the amount set by the board and the property owner will be so notified.