

HIDDEN COVE

Fine and Rules Enforcement Declaration/Document

Adopted: July 26, 2017

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1. INTRODUCTION

- 1.1 Unless expressly defined herein, capitalized terms shall have the meaning set forth in the Restrictive Covenants of the Hidden Cove Subdivision (the “Declaration”) and the By-Laws of the Hidden Cove Owners Association (the “Bylaws”) and the Building Regulations of the Hidden Cove Owners Association (the “Building Regulations”).
- 1.2 These Rules are adopted by the Association’s Board of Trustees in accordance with the Utah Community Association Act, Utah Code § 57-8a-101 et seq. (the “Act”), and the Declaration.
- 1.3 All further restrictions, rights, and covenants contained in the Declaration and the Governing Documents are incorporated as part of these Rules and are subject to the enforcement policies set forth in these Rules.

2. PURPOSE OF RULES

- 2.1 The purpose of these Rules is to enforce the governing documents, which enhance and preserve the value of the individual Lots and the Subdivision as a whole by preserving and maintaining an overall clean, safe, well-maintained, attractive and otherwise desirable environment for the Hidden Cove Subdivision and the Association members.

3. PERSONS TO WHOM THESE RULES APPLY

- 3.1 These Rules apply to all Owners, occupants, Mortgagees, purchasers at foreclosure sales, and any other person who may enter the Subdivision at any time.
- 3.2 Every person to whom these Rules apply is personally responsible for any violation of these Rules. The Owner of any Lot is jointly and severally responsible for any violation of these Rules with any person occupying that Owner’s Lot and any guests of, or persons associated with, any persons occupying that Owner’s Lot. An Owner's responsibility under this section is not limited if, for any reason, the Owner is not aware of the person(s) occupying or visiting the Owner’s Lot. For any violations of these rules or the Governing Documents, related to a particular Lot or its Owners or occupants, or any persons associated with the Owner or the guest of an occupant of that Lot, the Board of Trustees may seek to enforce these Rules against:
 - 3.2.1 Any Non-Owner, occupant, tenant, guest, or invitee, or other person violating the Rules or Governing Documents;
 - 3.2.2 The Owner of the Lot only, or
 - 3.2.3 The Owner and any persons violating the Rules.

4. ENFORCEMENT OF RULES AND TERMS OF GOVERNING DOCUMENTS

- 4.1 The Board of Trustees may enforce any violation of the Declaration, Plat, Bylaws, Building Regulations, Articles of Incorporation, CC&Rs, or these Rules or other Rules (collectively, the “Governing Documents”) through any reasonable and lawful action, any action provided for in any section of these Rules, and any enforcement mechanism provided for in the Governing Documents.
- 4.2 Each and every type of violation of each and every provision of the Governing Documents and the Act is hereby made specifically subject to and punishable by the specific fines provided for in these Rules.
- 4.3 Any violation or continuing violation of these Rules or the Governing Documents may result in any one or more of the following actions as deemed appropriate and reasonable by the Board of Trustees, or as otherwise required or allowed by the Governing Documents or the Act:
 - 4.3.1 Give a warning.
 - 4.3.2 Issue a fine (pursuant to the schedule and requirements below).
 - 4.3.3 Record a lien.
 - 4.3.4 Institute legal action for damages, injunction, etc.
 - 4.3.5 Take any other appropriate action, including, but not limited to, any action provided for in the Governing Documents or these Rules.
- 4.4 If any two sections in these Rules or the Governing Documents apply to the same incident or matter, any prescribed penalties, fees, fines, or remedies may be in addition to one another, per the reasonable determination of the Board of Trustees.
- 4.5 Owners in violation of these Rules or the Governing Documents will be assessed and must pay all reasonable legal fees, collection costs, lien fees, management fees, processing fees, and all other costs incurred by the Association related to enforcement.
- 4.6 Enforcement Action Other Than Fines.
 - 4.6.1 Upon notice of an enforcement action other than a fine, the Owner may request a hearing under the same procedure provided below for fines. If a hearing is requested, the rules and procedures for a hearing on a fine shall be followed, except that the enforcement action shall not be stayed.

4.7 FINES.

- 4.7.1 The Board of Trustees is hereby authorized to issue fines for a violation of the Governing Documents.
- 4.7.2 A fine may be assessed for each type of violation of each and every specific provision, prohibition, and requirement of these Rules or the Governing Documents.
- 4.7.3 The fine for each individual violation of these Rules or the Governing Documents shall be in the specific amount that is provided for in this section 4.7-Fines.
 - 4.7.3.1 First Violation. The Association shall give a written warning to the Owner by certified first class mail (with return receipt requested) and email, which shall: (1) notify the Owner of the violation by describing the violation, and stating the provision of the Governing Documents that was violated; and (2) inform the Owner that a fine may be imposed if a second similar violation occurs within one year of the date of the warning, or if a continuing violation is not cured and/or planned resolution with the Board of Trustees not agreed upon within five (5) business days after the day of the receipt of the warning.
 - 4.7.3.2 Second Violation. Upon a second violation of the same type after a warning in any one-year time period, or after a continuing uncorrected violation after the initial five (5) day warning period, a fine of \$50.00 may be imposed on the Owner. No warning is required before the imposition of a fine after the second violation within a one-year period, or for a continuing fine not cured more than five (5) business days from the initial warning.
 - 4.7.3.3 Third Violation. Upon a third violation of the same type within a one-year period, or ten (10) days after the imposition of the first fine for a continuing violation, a fine of \$200.00 may be imposed on the Owner. No warning is required before the imposition of any fine after a third violation within a one-year period or when a continuing violation is uncorrected for ten (10) days after the assessment of the first fine.
 - 4.7.3.4 Fourth and Subsequent Violations. Upon a fourth violation of the same kind within a one-year period after imposition of the previous fine, or each continuing violation which continues at least ten (10)

days after the imposition of the previous fine, a fine of \$500.00 may be imposed on the Owner.

4.7.3.5 All fines described herein are Assessments as described in the Declaration and Governing Documents, and, therefore, shall accrue interest and late fees at the same rate and in the same manner as an unpaid Assessment.

4.7.4 An Owner who is assessed a fine may request an informal hearing to protest or dispute the fine within thirty (30) days from the date the fine is assessed. Unless otherwise required by law, such hearing shall be conducted in accordance with the provisions set forth below.

4.7.5 If a hearing is requested, no interest or late fees shall accrue related to the fine until after the hearing has been conducted and a final decision has been rendered by the Association.

4.7.6 All requests for hearing shall be in writing and shall be mailed, delivered or emailed to the Board of Trustees or Counsel.

4.7.7 The hearing must occur within thirty (30) days after the Owner delivers a written request for hearing and the Owner shall have notice of the hearing at least fourteen (14) days before the date of the hearing.

4.7.8 Any hearing as a result of such a request shall be governed by the following rules:

4.7.8.1 The Owner must appear at the time and place designated by the Board of Trustees for the hearing. The appearance may be by electronic communication. All individuals attending on behalf of the Owner may also attend by electronic communication.

4.7.8.2 At the hearing, the Owner contesting the fine shall be entitled to a reasonable amount of time to present evidence to challenge the alleged occurrence of the violation or present other information as the Owner believes is pertinent or appropriate for the Board of Trustees' consideration. The Owner may invite other Owners or persons to present evidence or information related to the alleged occurrence of the violation.

4.7.8.3 The Board of Trustees may establish and announce at or before the hearing any other reasonable rules regarding the hearing.

4.7.8.4 Within thirty (30) days of the hearing, the Board of Trustees shall issue and mail or email to the Owner a written decision regarding the dispute.

- 4.7.8.5 The Board of Trustees' decision shall be final, subject only to the Owner's right to challenge the decision in a court of competent jurisdiction within the time prescribed by law.
- 4.7.8.6 The Board of Trustees may rely on any reasonable information and evidence in determining if a violation of the Rules has occurred, both initially and after a hearing.
- 4.7.8.7 A fine assessed pursuant to this section, which remains unpaid after the Board of Trustees' decision, or after the time for requesting a hearing has expired without a hearing being requested, may be collected as an unpaid Assessment, as set forth in the Governing Documents and these Rules.

4.8 REPORTING OF NON COMPLIANCE

- 4.8.1 Reporting of perceived non compliance can be done by using the non-compliance form on our website: www.hiddencovepc.com. The more information provided with this submission, the easier it will be to communicate with the parties involved and enforce this fine schedule.