

ENFORCEMENT POLICY AND SCHEDULE OF FINES
CYPRESS POINT LAKES ASSOCIATION, INC.

Fine Policy & Procedure

It is the goal of the Cypress Point Lakes Association, Inc. (the Association) to make its owners and residents aware of the covenants, conditions, and restrictions (CC&Rs) and rules that govern use of property in Cypress Point Lakes and to provide for an orderly, fair manner in which to enforce these documents. This enforcement policy and schedule of fines will list certain possible violations of the CC&Rs, rules, and regulations and provide for the Board of Director's (the Board's) response to such violations.

Pursuant to Article V, Section 5.2(D) of the CC&Rs, the Association has the power to adopt reasonable rules relating to the use of the common area and all facilities thereon, and the conduct of owners and their tenants and guest with respect to the property and other owners. Pursuant to Article V, Section 5.2(D) of the CC&Rs, the Association has the power to impose fines or take disciplinary action against any owner for failure to pay assessments or for violation of any provision of the condominium documents. This enforcement policy and schedule of fines is adopted by the Association in conformance with the CC&Rs and California Civil Code Section 5850.

It is the policy of the Association to receive information concerning alleged violations from board members, committee members, owners and residents. Reports of violations must be in writing and signed. On receipt of notice of an alleged violation, the Board and/or its committees will investigate the alleged violation within a reasonable time thereafter. If the Board and/or its committee determines that a violation has probably occurred, the Board may take any actions necessary and appropriate to enforce the provisions of the Declaration, Bylaws and rules, including but not limited to the following:

Notice to Correct Violation – A notice setting forth the alleged violation and requesting corrective action within a set period of time may be sent by or at the direction of the Board to the Owner and/or occupants. The notice may contain a description of the condition or occurrence and instructions regarding corrective or preventative action required to address the condition or occurrence.

Notice and Hearing - If the Board of Directors is going to meet to consider or impose discipline or monetary charges upon an Owner, the Board will notify the Owner in writing, by either personal delivery or individual delivery pursuant to Civil Code Section 4040, at least 10 days prior to the meeting. The notification shall contain, at a minimum, the date, time, and place of the meeting, the nature of the alleged violation for which the Owner may be disciplined or nature of the damage for which a monetary charge may be imposed, and a statement that the Owner has a right to attend and may address the Board at the meeting. The Board of Directors of the Association will meet in executive session if requested by the Owner being disciplined.

Hearing Procedure - The hearing will take place at a board meeting at which at least a quorum of the Board is present. The Board, having performed its own investigation, is not required to identify the person or persons who brought the matter to the Board's attention, although the Board may do so if it deems such disclosure in the best interests of the community. If the Owner fails to appear, the Board may nevertheless consider evidence presented to it in connection with its investigation, and determine whether or not a violation has occurred. If the violation is found to have occurred, the Board may determine what disciplinary action to impose, if any. Deliberation of the Board after the hearing need not be undertaken in the presence of the owner or in open session.

Notice of Hearing Results - If the Board imposes discipline on the Owner or imposes a monetary charge for damage to the common area and facilities, the Board shall provide the Owner a written notification of the disciplinary action, by either personal delivery or individual delivery pursuant to Civil Code Section 4040, within 15 days following the action. The disciplinary action or imposition of a monetary charge for damage to the common area shall not be effective against the Owner unless the Board fulfills these requirements.

Continuous Violations - If a violation is continuous in nature (such as an unremedied landscaping or architectural violation), the Board may impose a periodic fine as is described below without further hearing. However, for multiple violations of the same restriction, further hearings are required. Multiple violations of the same restriction may subject the owner to enhanced fines as is described below.

Civil Actions to Compel Compliance - The Board may, at any time it deems such appropriate, file a civil action to obtain compliance with the governing documents; the Board need not fine an owner first. In a court action, the Board may seek either, or both, injunctive relief (that is, a court order requiring an owner to obey the governing documents) and/or recovery of fines, if any.

Violation by Tenant or Lessee – If violations are committed by tenants or guests of the owner, the owner is responsible for those violations. The notice of hearing will be sent to the owner, although the Board may, should it desire, send a copy of the notice to the tenant as well. Notices will be either delivered personally, or mailed to the owner at the property address as well as any other address that the owner has supplied to the Association for the purpose of receipt of notices.

Fine Schedule

Fines for initial violations may be levied in accordance with the following schedule (each of the fines listed shall apply to each occurrence):

OFFENSE	FIRST OFFENSE	
Hazardous Activities		\$200
Prohibited Dumping Placement or abandonment of property on common area or adjacent sidewalk or street, or inappropriate placement in a trash or recycling container, that must then be disposed of by an Association employee, contractor, director or committee member.	Costs to the association for disposal may be added.	\$100
Other violations	Violations of other rules, including but not limited to Vehicle or Parking Restrictions, Architectural Violations, Use Restrictions, Noise and Obnoxious Activity	\$100

Repeated violations of same offense within 12 months of another occurrence: Double the fine for the initial offense.

Continuous Violations: Any fine applicable for a Repeated violation, plus a periodic fine of up to \$25.00 per day.

Note: Fines shall be in addition to any applicable cost of repair or other recoverable reimbursement of costs incurred by the Association. If the violation continues after all steps described above, the Association board may, to the extent authorized in the Governing Documents, take corrective action and Owner shall be responsible for prompt reimbursement of all recoverable fees and costs reasonably incurred in any corrective action.