

**CROWN VALLEY HIGHLAND ASSOCIATION  
ADOPTION OF OPERATING RULE**

**MONETARY PENALTIES POLICY  
For Noncompliance with Architectural Rules**

Proposed: June 13, 2018  
Mailed to Membership June 19, 2018  
Adopted: August 8, 2018 meeting  
Effective: September 1, 2018

Compliance with the Association’s Covenants, Conditions and Restrictions (CC&Rs) is critical to the well-being of the community and to the enhancement of the property values of our homes. Every homeowner agreed to comply with the CC&Rs when the homeowner bought property in the Association. Unfortunately, not every homeowner has abided by his or her obligation. This failure of homeowners to abide by the CC&Rs has cost the community time, money and goodwill. As a result, the Board of Directors believes it is in the best interest of the Association to institute a policy that will encourage homeowners to comply with the Architectural Rules as stated in the CC&Rs and in the Architectural and Landscaping Control Guidelines. The monetary policies set forth below shall remain in effect until such time as they may be changed, modified, or amended by a duly adopted resolution of the Board of Directors. This Operating Rule is made pursuant to Part 5, Chapter 3, Article 5 of the California Civil Code.

**I. Imposition of Penalties**

**A. Failure to Submit Application for Home Improvement or Architectural Remodel**

A homeowner who fails to submit an Application for Home Improvement or Architectural Remodel prior to commencing any changes, modifications, or alterations to the exterior of the homeowner’s house (including, but not limited to, construction of any kind, painting, replacement of roof, addition of solar panels, replacement of doors or windows, replacement of driveways and walkways, installation or replacement of a wall, fence, patio cover, pool, spa, or any other structure, planting of trees or shrubs that at maturity will exceed the height of the roof line of the house or landscape that exceeds side and rear yard setbacks, etc.) shall pay a penalty of Two Hundred Fifty Dollars (\$250) to the Association.

**B. Commencement of Project Prior to Written Approval**

A homeowner who submits an Application to the Association but begins a project prior to receiving written approval from the Association shall pay a penalty of Five Hundred Dollars (\$500) to the Association.

**C. Failure to Abide by Conditions of Application Approval**

A homeowner who fails to abide by the conditions of an approved Application by making changes or modifications to an approved application with respect to the exterior of a house (including, but not limited to, changing the footprint, square footage, roof height, window or door placement, paint color, roof or fence materials, placement or size of patio cover, pool or

spa, or type, size or location of trees and shrubs, etc.) without prior written notification to and approval of the Association, shall pay a penalty of Seven Hundred Fifty Dollars (\$750) to the Association.

**D. Failure to Comply with Association Notice**

After receiving written notification from the Association of a violation of the Association's architecture and landscaping rules, a homeowner who fails to submit the requested documentation to the Association within fifteen (15) days of the date of the notice, shall pay a penalty of Seven Hundred Fifty Dollars (\$750) to the Association.

The penalties set forth in this Section I are cumulative and shall be in addition to any Architectural Application fees required by the Association and/or any legal fees and costs set forth in Section III below.

**II. Payment of Penalties**

The Association shall notify the homeowner of the penalty assessed within fifteen (15) days of its decision and the date the penalty is due which shall be thirty (30) days from the date of the penalty notice.

**III. Legal Costs**

In the event the Association's legal counsel is required to take action to ensure compliance with the CC&Rs due to a violation of Section I above, the noncomplying homeowner shall pay the actual costs incurred by the Association in such matter including, without limitation, reasonable attorneys fees.

**IV. Association Rights**

Nothing set forth in this Monetary Penalties Policy limits or otherwise affects the Association's right to proceed in any lawful manner to collect any sums owed the Association. Nothing set forth in this Monetary Penalties Policy limits or affects the Association's right to enforce the provisions of its governing documents by other means, with or without first seeking to impose a monetary penalty. The Association may demand that an owner participate in Internal Dispute Resolution or Alternative Dispute Resolution, or may bring legal action in Superior Court for the purpose of enforcement.