MEADOWS AT SHAWNEE HOMEOWNERS ASSOCIATION, INC.

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Website: www.meadowsatshawnee.com

POLICY NUMBER: 2024-001: Effective Date November 20, 2024.

SUBJECT: Enforcement Procedures, with Schedule of Fines, for Violations of the Meadows at Shawnee Homeowners Association's By-Laws and its Declaration of Restrictive Covenants*

1. AUTHORITY:

- a. The Meadows at Shawnee Homeowners Association (HOA) Corporate By-Laws, Article VI "Powers and Duties of the Board," giving the HOA Board of Directors the power to exercise all powers, duties and authority vested in the corporation, not reserved to the membership, in the By-Laws, the Articles of Incorporation, or its Declaration of Restrictive Covenants, including the power to "adopt and publish rules and regulations governing the use of the common properties and facilities, and the personal conduct of the members and their guests, and to establish penalties for infractions" (http://www.meadowsatshawnee.com/bylaws-and-restrictions.html).
- b. The Meadows at Shawnee's Declaration of Restrictive Covenants, Article IV, authorizes enforcement of the covenants and restrictions of any person or persons violating or attempting to violate any covenant or restriction, either to restrain further violation(s) or to recover damages (http://www.meadowsatshawnee.com/bylaws-and-restrictions.html).
- c. Title 25 Property, Common Interests and Ownership of Real Estate; Chapter 81 Delaware Uniform Common Interest Ownership Act; Subchapter III. Management of the Common Interest Community, Section 81-302(a)(11) (https://delcode.delaware.gov/title25/c081/sc03/index.html).
- 2. <u>PURPOSE AND TERMS</u>: This policy document replaces Meadows at Shawnee Memorandum *Enforcement of Declaration of Restrictions*, adopted August 12, 2009, amended August 18, 2010, and further revised on September 14, 2022. This policy clarifies procedures to address violations of the HOA's governing documents, distinguishes between minor and significant violations (e.g., damage to or the destruction of HOA common property), and establishes a revised schedule of fines to be imposed against lot owners for identified violation(s).
- a. The terms "Lots," "property" and "Houses" are interchangeable, as are the terms "Owner(s)" and "Homeowner(s)."

^{*}Replaces the Enforcement Procedures adopted on September 14, 2022, by the Meadows at Shawnee HOA Board of Directors.

b. "Members" and "Owners" are defined as meaning the registered lot owner or owners as named on the title for each of the one hundred eighty-three (183) lots (houses) in the Meadows at Shawnee subdivision.

3. PROCEDURES

a. Violations, Complaints, and Notifications:

- i) A perceived violation(s) of the Corporate By-Laws or its Restrictions may be identified to the HOA's Board of Directors by any member of the Meadows at Shawnee Homeowners Association either in writing, text or verbally.
- ii) Upon receipt of a complaint the HOA Board of Directors will determine whether a violation exists.
- iii) If a violation(s) is determined to exist, the lot owner will be sent a notification letter by First Class Mail that:
- (1) details each violation, and the date by which the violation must be corrected to avoid a daily charge being imposed (see Appendix A)
- (2) shall inform the Lot owner to contact the HOA Board President should they have any questions, and,
- (3) if the violation(s) has not been corrected, or the owner has not contested the alleged violation by the date set in the first letter, a second letter shall be sent informing the owner of the daily fine to be imposed for each identified violation commencing on the day established in the letter.
- (iv) For violations that have been corrected and re-occur either occasionally or on a regular basis, within one-year, no further notice will be sent to the owner. Instead, each shall be regarded as a continuation of the initial violation(s) and fines will be imposed for each repeated occurrence as listed in **Appendix A**.

b. Homeowner's Right to Contest the Alleged Violation(s):

- i) Lot owners wishing to contest a violation cited in the notification letter must inform the Board of Directors by letter or email within ten (10) days of the date of the violation letter of his / her desire to meet with the Board to challenge the alleged violation.
- ii) If a meeting is requested, the President of the Board of Directors shall call a special meeting solely to provide the property owner the opportunity to establish why the alleged violation is not valid.
- iii) Any imposition of fine(s) shall be suspended until a final determination has been made.
- iv) After hearing the lot owner's position, the Board shall decide whether the violation has been determined to be valid. The Board shall either render its decision at the

conclusion of the hearing or take the matter under advisement and render the decision, in writing, within 5 days.

c. Resolution:

- i) The Board's decision shall be presented to the lot owner in writing by First Class Certified Mail.
- ii) If, after the meeting, the Board determines that no violation exists, no further action on the part of the lot owner will be required.
- iii) If, after meeting with the owner, the Board determines a violation(s) does exist, a letter will be sent informing the owner of the Board's decision and shall establish a new date by which the homeowner must correct the violation and come into compliance.
- iv) On the tenth (10th) day, or any other date established by the Board, the Board shall inspect the property to ensure satisfactory compliance.
- v) If a fine(s) is to be imposed the frequency and the effective date of each violation charge(s) and the total amount due shall be included in the Board's written response and sent to the owner at their last known address.
- vi) Fines shall be billed at the end of each month due and payable upon receipt. After 10 days, late charges will be applied.

4. <u>CHARGES FOR VIOLATION(S) OF THE BY-LAWS OR THE DECLARATION OF RESTRICTIONS:</u>

a. See Schedule of Fines and Charges at Appendix A

b. Assessed Charges and Legal Issues

- i) Any fines imposed, and charges applied by the Board shall be invoiced and sent to the lot owner at their last known address. They will be immediately due and payable to include any accrued interest, legal fees or other expenses that may be incurred by the Association in seeking compliance with violations.
- ii) Additionally, all charges shall include the full replacement cost or repair of damage to HOA common areas or property caused by the lot owner.
- iii) All unpaid charges shall be subject to collections in accordance with the Bylaws or the Declaration of Restrictions, and any applicable state law.
- iv) Failure to pay all charges within thirty (30) days of the due date may result in a lien being placed against the lot/property.

APPROVED by the Meadows at Shawnee HOA Board of Directors on **November 20**, **2024**.

/s/ Thomas J. Chilton

Thomas J. Chilton

President

Meadows at Shawnee Homeowners Association, Inc.

APPENDIX A

Schedule of Fines and Charges for Non-Compliance or Violations of the Corporate Governing Documents: the HOA By-Laws and Declaration of Restrictive Covenants

For any non-compliance or violation(s) of the Meadows at Shawnee's By-Laws or its Declaration of Restrictive Covenants, as identified by the HOA Board of Directors, continuing to exist after the initial period of time allotted to correct it, and if the property owner has not requested a hearing, or if, after a requested hearing the violation(s) continues to occurred, the following fines will be imposed:

- 1. For violations determined to be of a **minor** nature, i.e., those that can easily be corrected, the following schedule of fines shall apply:
 - \$5.00 per day shall be imposed for each identified violation
 - **\$10.00 per day** shall be imposed for each occurrence if the identified violation continues after the initial date specified following the imposition of the initial \$5.00 fine(s) per violation.
 - For reoccurring violations as described in paragraph 3.a, (iv) on page 2, homeowners will receive no further notice. Each instance shall be regarded as a continuation of the initial violation(s) and fines will be reimposed at \$10.00 per day for each repeated violation(s)
- 2. For violations determined to be of a **significant** nature, e.g., damage to or the destruction of HOA common areas, encroachment on HOA property, or continued disregard of HOA By-Laws or its Declaration of Restrictions, the following schedule of fines shall apply:
 - \$50.00 shall be imposed beginning on the date specified in the notification letter
 - \$25.00 shall be imposed for the second week following the specified date
 - \$25.00 shall be imposed for the third week following the specified date
 - \$50.00 shall be imposed for fourth week following the specified date
 - \$150.00 shall be imposed beginning the fifth week and each week thereafter following the specified date until violation is corrected.

Any administrative actions related to management tasks for late or non-payment of the annual assessment, fines for violations associated with the By-Laws or the Declaration of Restrictions, legal fees, filing fees, and or court fees will have a separate processing charge of \$10.00 applied for each required action.

Failure to pay the invoiced charges within thirty (30) days of the due date may result in a lien being placed against the property.

An interest rate of 6.0% per annum shall be added to all unpaid balance(s) from the initial date fines were imposed.

END