EAGLE POINT GOLF COMMUNITY HOMEOWNER'S ASSOCIATION Resolution of the Board of Directors

ENFORCEMENT PROCEDURE

RECITALS

A. Eagle Point Golf Community (the "Property") is a planned community located in the Jackson County, Oregon. The planned community was established and is governed by the documents set forth below recorded in the Records of Jackson County, Oregon.

Declaration of Covenants, Conditions, Restrictions and Easements for Eagle Point Golf Course Community ("Declaration 1") recorded July 25, 1995, as Instrument No. 95-20209, and amendments or supplements thereto.

Declaration of Covenants, Conditions, Restrictions, and Easements for Eagle Point Golf Community and Lakeside Park Subdivision ("Declaration 2") recorded April 4, 2000, as Instrument No. 0012919, and amendments or supplements thereto.

Architectural Review Committee Declaration of Residential Guidelines and Contractor Standards for Eagle Point Golf Community and Lakeside Park Subdivision ("ACC Declaration") recorded April 4, 2000, as Instrument No. 0012920, and amendments or supplements thereto.

Declaration of Covenants, Conditions, Restrictions and Easements for Eagle Point Golf Community and Lakeside Park Subdivision ("Declaration 3") recorded November 2, 2000, as Instrument No. 0044545, and amendments or supplements thereto. Declaration 1, 2 and 3 and the ACC Declaration together shall be known as the "Declarations".

Bylaws of Eagle Point Golf Community Homeowners Association (which includes Lakeside Park Subdivision) (the "Bylaws 1") recorded April 4, 2000, as Instrument No. 0013028.

Bylaws of Eagle Point Golf Community Homeowners Association (which includes Lakeside Park Subdivision) (the "Bylaws 2") recorded November 2, 2000, as Instrument No. 0044548. Bylaws 1 and Bylaws 2 together shall be known as the "Bylaws".

- B. Association is Eagle Point Golf Community Homeowner's Association, an Oregon nonprofit corporation (the "Association") formed by Articles of Incorporation filed April 18, 2000, with the office of the Oregon Secretary of State, Corporation Division.
- C. As of January 1, 2002, Eagle Point Golf Community Homeowners Association is a Class II Planned Community and subject to the provisions of the Oregon Planned Community Act, ORS 94.550 to 94.783 (the "Act") as provided in ORS 94.572.
- D. Under Section 3.16 of the Bylaws, the Board of Directors has all of the powers and duties necessary for the administration of the affairs of the Association, except such powers and duties which the Declarations or Bylaws do not allow to be delegated to the Board by the owners.
- E. Under Section 3.17(f) of the Bylaws and ORS 94.630(1)(a), the Board of Directors, on behalf of the Association, may adopt, modify or revoke rules and regulations for the Property governing Page 1-Resolution of Board of Directors of the EPGCHA Adopted February 2, 2010

the conduct of persons and the operation and use of lots, the common areas and any other portion of the Property as it may deem necessary or appropriate in order to assure the peaceful and orderly use and enjoyment of the Property.

- F. Under Section 3.17(i) of the Bylaws, the Board of Directors has authority to enforce rules and regulations adopted under the Bylaws and any duty or function required to be done by the Association or owners set forth in the Declarations.
- G. ORS 94.630(1)(n) provides that the Board of Directors may levy reasonable fines for violations of the Declaration, Bylaws, and rules and regulations of the Association after notice and an opportunity to be heard, if the fine is based on a schedule of fines adopted by a resolution of the Board.
- H. ORS 94.630(1)(m) provides that the Board of Directors has the right to terminate utility services paid for out of assessments and access to recreational and service facilities until the correction of the violation of any provision of the Declaration, Bylaws, or rules and regulations has occurred.
- I. ORS 94.709(5) provides that fees, late charges, fines, and interest imposed pursuant to ORS 94.630(1)(n) are enforceable as assessments.
- J. From time-to-time the Board of Directors receives from owners, or otherwise becomes aware of, complaints regarding alleged nuisances; improper, offensive or unlawful activities or use of the Property; or other alleged violations of the Declaration, Bylaws, or rules and regulations.
- K. For the benefit and protection of the Association and of the individual owners, the Board of Directors deems it necessary and desirable to establish a procedure to ensure that owners receive notice and an opportunity to be heard in cases involving alleged noncompliance by an owner or resident with the provisions of the Declaration, Bylaws or rules and regulations of the Association.
- L. The Board deems it necessary and desirable to adopt, in accordance with ORS 94.630(1)(n), a *Schedule of Fines* to be used by the Board when imposing sanctions for violations of the Declaration, Bylaws, or rules and regulations of the Association.

NOW, THEREFORE, IT IS RESOLVED that:

- I. The *Enforcement Procedure*, including the schedule of fines attached thereto as Exhibit A, set forth below be adopted to provide for the formal, uniform, and systematic procedure for handling complaints and enforcement of the Declaration, Bylaws, and rules and regulations of the Association.
- II. A copy of this Resolution be sent to all owners at their address as shown in the records of the Association.

ENFORCEMENT PROCEDURE

ARTICLE 1 <u>DEFINITIONS</u>

As used in this Enforcement Procedure:

1.1 "Act" means the Oregon Planned Community Act, ORS 94.550 to 994.783.

- 1.2 <u>"Alleged Offender"</u> means the person who committed the violation, who is also a non-owner. This may be a tenant, guest, visitor or occupant of a Lot.
- 1.3 "Alleged Offending Owner" means the owner of the property where the alleged violation occurred. The Alleged Offending Owner and the Alleged Offender may be the same person. If an Alleged Offender does not pay a fine or assessment, the Association may seek that fine or assessment against the Alleged Offending Owner.
- **1.4** "<u>Association</u>" means Eagle Point Golf Community Homeowners Association, an Oregon nonprofit corporation.
- 1.5 "Complaining Owner" means an owner who submits a written complaint to the Board of Directors under Section 2.2 below.
- **1.6** <u>"Presiding Authority"</u> means the Association authority who presides over the hearing, per the Bylaws Section 3.23, either the Covenant Committee, or if there is not one, the Board.
- 1.7 <u>Incorporation by Reference</u>. Except as otherwise provided in this Enforcement Procedure, unless the context clearly requires otherwise, whether or not capitalized:
- (a) Terms defined in the Declaration have the same meaning in this Enforcement Procedure to the extent applicable to an owner or dwelling unit or lot.
- (b) A term used in this Enforcement Procedure that is defined in ORS 94.550 has the meaning set forth in ORS 94.550, unless the term is defined otherwise in the Declaration.

ARTICLE 2 ORIGINATION/ INITIATION OF COMPLAINT

2.1 Board of Directors. A complaint of an alleged violation, including, without limitation, may be initiated by the Board of Directors based on information from the Board of Directors or committee established by the Board of Directors, a management agent, an owner or other source the Board deems reliable. The minutes of the Board meeting shall record the decision of the Board to initiate a complaint under this section and include the information required under Section 2.2(a)(1), (2) and (3) below.

2.2 Owners.

- (a) An owner who desires the Board of Directors to take enforcement action against another owner, including the tenant, guest, visitor or occupant of the Alleged Offending Owner, may submit a complaint to the Board of Directors. The complaint must be in writing and signed by the Complaining Owner and include:
 - (1) The name and address of the Complaining Owner.
- (2) The name and address of the Alleged Offending Owner, and if known the name and address of the Alleged Offender.
- (3) A description of the offending behavior or activity, including the date and Page 3-Resolution of Board of Directors of the EPGCHA Adopted February 2, 2010

approximate time.

hearing.

- (4) Whether or not the Complaining Owner contacted the Alleged Offending Owner, or the Alleged Offender, and if the contact was made:
- (A) The date and approximate time(s) the Complaining Owner contacted the Alleged Offending Owner and/or the Alleged Offender.
- (B) The date and approximate time that the behavior or activity continued thereafter.
- (b) Unless a complaint by an owner is in writing and contains the information required under Subsection (a) of this section, the Board may decline to take enforcement action based on the owner's complaint.
- (c) Upon receipt of a written complaint from a Complaining Owner, in the discretion of the Board, a copy may be provided to the Alleged Offending Owner. If the complaint is against an Alleged Offender, rather than an owner, a copy of the complaint, when the Board deems appropriate, may be also be provided to the Alleged Offender.

ARTICLE 3 COMPLAINT PROCESS

- 3.1 <u>Preliminary Investigation</u>. Upon initiation of a complaint by the Board of Directors under Section 2.1 above or receipt of a written complaint by a Complaining Owner under Section 2.2 above, the Board, or a person authorized by the Board, may conduct a preliminary investigation to confirm the nature and existence of the allegations contained in the complaint.
- 3.2 <u>Determination of Violation</u>. After review of a complaint initiated by a Complaining Owner under Section 2.2 above, if the Board of Directors determines that there appears to be a violation or probable violation of the Declaration, Bylaws or rules and regulations and determines that it is in the best interest of the Association and owner to proceed further with the complaint, the provisions of this article govern.
- 3.3 <u>Notice of Violation</u>. When the Board determines that there is a violation or probable violation of the Declaration, Bylaws or rules and regulations by an owner or the guest, tenant, visitor or occupant of an owner, the Board shall give the Alleged Offending Owner, and, if there is one, the Alleged Offender, written notice of the alleged violation as provided in this section.
- (a) <u>Required Notice of Violation and Right to Hearing</u>. The notice given under this section must:
 - (1) Describe the alleged violation.
 - (2) Unless the notice sets the date, time and place for a hearing:
 - (A) State that the Alleged Offending Owner has the right to request a
- (B) Specify the procedure to request a hearing, including: Page 4-Resolution of Board of Directors of the EPGCHA Adopted February 2, 2010

- (i) The name and address of the person to whom the written request for hearing must be delivered.
- (ii) The period during which the request for hearing must be received in accordance with Section 3.4 below.
- (b) <u>Additional Notice Provisions</u>. The notice required under this section may provide or specify any or all of the following:
 - (1) The action required to abate the violation.
- (2) Subject to Subsection (d) of this section, the time period, if any, during which the violation may be abated without further sanctions.
 - (3) Any of the actions specified in Articles 5 or 6 below.
- (4) A statement advising the Alleged Offending Owner that if the alleged violation is not abated by the specified compliance deadline, fines will be automatically assessed beginning on the compliance deadline date pursuant to the *Schedule of Fines* adopted by the Board of Directors.
 - (5) The sanction that may be imposed.
- (6) Such other information the Board deems appropriate under the circumstances.
- (c) <u>Delivery of Notice; Copies</u>. Subject to Subsection (d) of this section, a notice given under this section must be mailed or delivered to the Alleged Offending Owner, and, for a complaint by a Complaining Owner under Section 2.2 above, to the Complaining Owner, at the address of the owners as shown on the records of the Association. If the violation is by a non-owner Alleged Offender, when the Board deems appropriate, a copy of the notice may also be given to the Alleged Offender.

3.4 Right to Request a Hearing. Except as provided in Article 6 below:

(a) Right to a Hearing.

- (1) An Alleged Offending Owner is entitled to notice and the opportunity for a hearing. An Alleged Offender is also entitled to notice and the opportunity for a hearing. Unless a hearing is specified in the notice given under Section 3.3 above, the Alleged Offending Owner and/or the Alleged Offender may request a hearing according to the procedure prescribed by the Board in the notice given under Section 3.3 above.
- (2) An Alleged Offending Owner and/ or Alleged Offender who is given a notice of a right to request a hearing under this section must request a hearing, in writing, within fifteen (15) calendar days after receipt of the notice.
- (b) <u>Notice of Hearing</u>. Subject to Section 3.3(b) above, an Alleged Offending Owner shall be given not less than fifteen business days notice in writing of the date, time and place of the hearing. Delivery and copies of the notice shall be provided as prescribed in Section 3.3(c) above. Page 5-Resolution of Board of Directors of the EPGCHA Adopted February 2, 2010

3.5 <u>Informal Action</u>. Nothing in this article precludes the President, a designated Board member or other person authorized by the Board from first attempting to resolve the matter either by an informal meeting with, telephone call to, or a letter to the Alleged Offending Owner. For a complaint by a Complaining Owner under Section 2.2 above, the President, designated Board member or person authorized by the Board shall report to the Complaining Owner any action taken. The report must be documented in the appropriate records of the Association.

ARTICLE 4 HEARING PROCEDURE

- **4.1** General Requirements. A hearing under this article is a proceeding that must be conducted at a board meeting held in accordance with the requirements of the Act and the Declaration and Bylaws. The hearing may be the sole agenda item or included with other items.
- **4.2** <u>Complaints Initiated by the Board</u>. Hearings conducted pursuant to a complaint initiated by the Board under Section 2.1 above are governed by this section.
- (a) <u>Appearances at the Hearing</u>. If a hearing has been set by the Board, but the Alleged Offending Owner fails to appear within fifteen (15) minutes of the time set for the hearing, the Presiding Authority may, at its sole discretion:
- (1) Conduct the hearing without the presence of the Alleged Offending Owner and/or the Alleged Offender, if there is one;
 - (2) Allow the Alleged Offending Owner additional time that day to appear;
 - (3) Reset the hearing to another date and time; or
 - (4) Take action as provided in Article 5 below.
- (b) <u>Conduct of Hearing</u>. If the Presiding Authority conducts a hearing under this section, the Alleged Offending Owner and/or the Alleged Offender, if present, may present evidence and witnesses at the hearing. The Presiding Authority may limit testimony and evidence as it determines is reasonable.
- (c) <u>Determination and Action by the Presiding Authority</u>. Determinations and actions by the Presiding Authority shall be pursuant to Articles 5 and 6 below.
- **4.3** <u>Complaints Initiated by an Owner.</u> Hearings conducted pursuant to a complaint initiated by an owner under Section 2.2 above are governed by this section.
- (a) <u>Appearances at the Hearing</u>. All parties, including the Alleged Offending Owner, the Alleged Offender, only if they requested the hearing, and Complaining Owner, are required to appear at the hearing.
- (a) <u>Procedure if Complaining Owner Fails to Appear</u>. If the Complaining Owner fails to appear at the hearing within fifteen (15) minutes of the time set for the hearing, the presiding authority shall dismiss the Complaint, unless the Presiding Authority determines at that time that there is just cause to:

- (1) Allow the Complaining Owner additional time that day to appear; or
- (2) Reset the hearing to another date and time.
- (b) <u>Procedure if Alleged Offending Owner Fails to Appear</u>. If the Complaining Owner appears at the hearing, but the Alleged Offending Owner and/or the Alleged Offender fails to appear within fifteen (15) minutes of the time set for the hearing, the Presiding Authority shall conduct the hearing and proceed to hear from the Complaining Owner in accordance with Articles 5 and 6 below, unless the Presiding Authority determines at that time that there is just cause to:
- (1) Allow the Alleged Offending Owner and/or Alleged Offender additional time that day to appear; or
 - (2) Reset the hearing to another date and time.
- (c) <u>Dismissal</u>. In the case of dismissal, the Board shall notify the Complaining Owner, the Alleged Offending Owner and the Alleged Offender, in writing, that the complaint has been dismissed. Any further or later complaint, in writing, by the same Complaining Owner relating to a new incident of the same, or substantially the same, conduct or alleged violation shall be treated as a first complaint.

(d) Conduct of Hearing.

- (1) <u>Testimony from Parties</u>. If the Presiding Authority conducts a hearing under this section, the Presiding Authority shall proceed to hear from the Complaining Owner and from the Alleged Offending Owner, if present, and the Alleged Offender, if present and part of the complaint.
- (2) <u>Evidence and Witnesses</u>. The Complaining Owner, the Alleged Offending Owner and Alleged Offender may present evidence and witnesses at the hearing. The Presiding Authority may limit testimony and evidence as it determines is reasonable.

ARTICLE 5 ACTION BY THE PRESIDING AUTHORITY

5.1 Determination.

- (a) After conclusion of the hearing, the Presiding Authority shall make a determination of what action, if any, is appropriate under the circumstances.
- (b) Deliberations by the Presiding Authority shall be in an open meeting in accordance with ORS 94.640, unless otherwise permitted under ORS 94.640 as it may be amended from time to time.
- (c) The Presiding Authority shall either render its decision at the conclusion of the hearing or take the matter under advisement and render the decision at a later meeting.
- (d) All decisions of the Presiding Authority must be in writing. The Board shall provide the Alleged Offending Owner and, if there is one, the Alleged Offender, a copy of the decision within seven (7) calendar days of the determination.
- **5.2** Action by the Presiding Authority may include, without limitation, one or more of the following:

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- (a) Imposition of one-time or continuing fines pursuant to the *Schedule of Fines* set forth in attached **Exhibit A** until the Alleged Offender and/or Offending Owner takes corrective action satisfactory to the Presiding Authority.
- (b) Recommendation to the Board to initiate a lawsuit against the Offending Owner, and Alleged Offender.
- (c) Abatement by the Association and assessment of the cost therefore to the Alleged Offender and/or the Offending Owner.
- (d) Any action that the Architectural Review/Modification Committee is authorized to take under the Declaration, Bylaws or rules and regulations.
 - (e) Termination.
- (f) Any other action specifically provided for under the Act, the Declaration, Bylaws, rules and regulations or resolution adopted by the Board of Directors.

ARTICLE 6 APPEAL TO BOARD

- 6.1 <u>Procedure.</u> If the decision is rendered by the Board, the appeals procedure in this Article is void. Only if the Covenant Committee makes a decision, may the Alleged Offending Owner and/or the Alleged Offender appeal to the Board. The Appeal must be made in writing and received by the manager, President, or Secretary within 10 days of the original hearing date.
- **6.2 Board Decision.** The Board will notify the Alleged Offending Owner and/or the Alleged Offender in writing whether it accepts or rejects the appeal. If the Board accepts the appeal, the Board will hold another hearing, following the hearing guidelines above, regarding the matter. If the Board rejects the appeal, the decision of the Presiding Authority stands.

ARTICLE 7 SPECIFIC AND REPEAT VIOLATIONS

- 7.1 <u>Certain Types of Violations Exempt from Cure and Abatement Period.</u> The Board, in its discretion, may, by resolution, designate certain types of violations as exempt from a cure and abatement period and provide that the violations are not entitled to a cure and abatement period.
- 7.2 Repeat Violations. Owners who repeat the violation within thirty (30) days of the previous violation are not entitled to a cure and abatement period or the right to a hearing. For such violations, the Board shall give notice of the violation in the manner specified in Section 3.3 above.

ARTICLE 8 IMMEDIATE LEGAL ACTION

Notwithstanding any other provision in Article 2 through Article 5 above, the Board may take immediate legal action, as it deems reasonably necessary to enjoin conduct that it determines is in violation of the Declaration, Bylaws, rules and regulations or applicable state or federal law.

ARTICLE 9 WAIVER OF DECLARANT RIGHTS

The Declarant waives his/her/its rights as a Class B member in regard to any enforcement proceeding under this Resolution. Declarant agrees it does not need notice of each proceeding, and will not overrule the Presiding Authority or Board's decision or action in relation to the proceeding.

Dated this 2 nd day of FERRUARY, 2010.

ATTEST:

President, Board of Directors
Eagle Point Golf Community
Homeowners Association,
an Oregon nonprofit corporation

Secretary, Board of Directors
Eagle Point Golf Community
Homeowners Association,
an Oregon nonprofit corporation

EXHIBIT "A" SCHEDULE OF FINES

Eagle Point Golf Community Homeowners Association Adopted February 2, 2010

Landscaping and Property Maintenance

General Landscape & Property Maintenance. Examples include browning lawn, weeds, exposed irrigation lines, fence maintenance
Original Landscape Installation. Homeowners must landscape the lot (front and back) within six months of occupancy\$150.00 per week
Landscape Restoration. New homeowners must restore the existing landscape to the Community Wide Standard within three months if property is below standard upon the purchase
Vacant lots must be mowed to Eagle Point City standards\$150.00 per week
Property Modifications
Beginning a landscape project or home improvement without the required ARC or Modification Committee approval
Failure to discontinue an unauthorized project or remove unauthorized improvements\$150.00 per week
Parking, Vehicle & Equipment Storage
Parking, Vehicle & Equipment Storage RVs, Fifth Wheels, Campers, Coaches or Motor homes parked over 24 hours, or more than 72 hours in one month, on property or adjacent street\$50.00 per day
RVs, Fifth Wheels, Campers, Coaches or Motor homes parked over 24 hours, or more
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EXHIBIT "A" SCHEDULE OF FINES

Eagle Point Golf Community Homeowners Association

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Miscellaneous Violations (con't)

Dumping (of any kind) on a vacant lot	\$150.00 per occurrence
Trash cans left out past pick-up date or stored where they are property	
Unauthorized signs	\$150.00 per week
Holiday lights/decorations displayed after "normal" holiday pe	riods\$150.00 per week
Conducting non-compliant business out of one's home	\$150.00 per week
Occupancy and rental violations	\$150.00 per week

COMPLIANCE TIMEFRAMES

1st Warning: Site Review Courtesy Notification (SRCN) is considered 1st warning

2nd Warning: 10 days from date of SRCN *

To Sanction: 15 days from date of 2nd Warning (pursuant to by-laws)

* Exceptions

- 1. Landscape maintenance issues (ie: browning lawn, weeds): 14 days from SRCN
- 2. Landscape installation issues:
 - Original Installation: 6 months. If no visible activity at 90 days, mail SRCN explaining required timeframe. If no visible activity with only 60 days remaining, mail 2nd Warning. If after 30 days since mailing 2nd Warning still no visible activity, and ARC has not received plans to approve, move to sanction.
 - New Homeowner To Restore Yard: 3 months. If no visible activity at 60 days mail SRCN explaining required timeframe. If no visible activity with only 45 days remaining, mail 2nd Warning. If after 30 days since mailing 2nd Warning still no visible activity to restore to CWS, move to sanction.
- 3, RV/Coach, fifth-wheel trailer, truck camper, utility trailer, boat, etc. temporarily parked in driveway or adjacent street for over 24-hours, 3 days to move from date of SRNC. No action, move to sanction.
- 4. Unapproved Garage sale: a phone call to request immediate closure of sale. Mail SRNC as follow-up to phone call. If open next day or another occurrence, move to sanction.