

## Harbour Wood Homeowners Association Covenant Enforcement Policy

# RESOLUTION

### Preface

**The Covenants.** The Declaration of Covenants, Conditions and Restrictions for Harbour Wood property ("the Covenants") were recorded in Snohomish County on April 16 1999. Prior revisions of the Covenants are also on record, but they are superceded by the above mentioned copy, filed as document number 9903160436.

**The Common Plan Purpose.** Harbour Wood is an attractive, pleasant place to live. This adds value to Harbour Wood homes. This enriches the lives of those who live here. Retaining these neighborhood characteristics is important. These neighborhood characteristics are a product of community wide standards put in place at Harbour Wood's inception. These community wide standards are embodied in Harbour Wood's Governing Documents. Harbour Wood's Governing Documents are the Covenants, the Articles of Incorporation, the Bylaws, and the Covenant Enforcement Policy. The Covenants are recorded in the Snohomish County records, making them part of every deed to every Harbour Wood home. The Covenants themselves provide that, by accepting the deed to a Harbour Wood home, you are accepting all the responsibilities the Covenants create.

The Covenants embody a *Common Plan Purpose*. A Common Plan Purpose is a term used to describe what the creators of a development set out to create. Those who developed Harbour Wood set out to create what now exists – an attractive, pleasant neighborhood, of well designed homes and nicely landscaped yards. This neighborhood with clear expectations about each Owner's responsibility to preserve what now exists.

**Means Of Advancing Common Plan Purpose.** The Covenants serve to preserve and advance this Common Plan Purpose. They do so in two ways. They assign to each Owner certain responsibilities meant to preserve and advance the Common Plan Purpose. And they delegate to the Association authority to make decisions and take actions meant to preserve and advance this Common Plan Purpose.

The Covenants make each Owner responsible for complying with specific restrictions found in the Covenants, for getting prior written approval from the Association before doing certain things described in the Covenants, and for following rules and regulations the Board adopts from time to time.

**The Importance Of Voluntary Compliance.** The chief means for preserving and advancing the Common Plan Purpose is for each Owner to voluntarily perform the responsibilities of an Owner. Harbour Wood has achieved its existing neighborhood character largely because individual Owners take seriously the responsibilities which come with ownership of a Harbour Wood home. And the Board believes that the actions of responsible Owners will continue to minimize the need for the Board to create compliance with the Covenants through enforcement action.

**The Need To Create This Policy.** Owners are human, so performing the responsibilities of an Owner will naturally be imperfect on occasion. The reasons may vary. Maybe an Owner forgets or misunderstands what the Covenants require. Maybe a personal crisis causes some

Covenants obligation to go temporarily undone. Or maybe an Owner believes that, regardless of what the Covenants say, no one has the right to say what can or can't be done on his or her property. So sometimes something more than clear expectations is needed to bring an Owner into compliance with the Covenants. This Policy is meant to guide the Board in acting to restore an Owner's compliance with the Covenants.

**The Board's Authority.** The Covenants give the Board broad authority and many tools to use in preserving and advancing the Common Plan Purpose. The Board is authorized to create rules, regulations, procedures and penalties. The Board is authorized to resort to various remedies to restore compliance with the Covenants, including:

- (1) Imposing a fine;
- (2) Curing the violation itself and charging all costs of the cure to the Owner;
- (3) Charging the Owner for all legal fees the Association incurred;
- (4) Assessing the Owner for all fines, costs and fees described above;
- (5) Placing a lien on the Owner's property for all items assessed;
- (6) Bringing a lawsuit to foreclose the lien against the property; and/or
- (7) Bringing a lawsuit to get a court order requiring compliance, as well as a judgment for all damages, attorneys' fees and costs incurred.

**The Purpose This Policy Serves.** This Policy is meant to restore an Owner's compliance with the Covenants through a process that is fair, efficient and effective, so that the Common Plan Purpose is preserved and advanced.

### **Covenants Enforcement Policy**

*It is therefore resolved by the Harbour Wood Homeowners' Association Board (the "Board") that the following Covenants Enforcement Policy (the "Policy") is adopted to govern actions by the Association, the Board, and the Owners regarding the enforcement of the Covenants.*

**Section 1. Authority Reserved To Association And To Each Owner.** This Policy is a general approach. It exists to advance the purpose of restoring compliance with the Covenants. It is not meant to impair the Association's ability to pursue this purpose. The Board retains whatever authority it otherwise has to employ any available means or remedy in pursuit of this purpose. This Policy is also not meant to impair an Owner's ability to bring about compliance with the Covenants by another Owner. This Policy reserves to each Owner the right of an Owner under Article 9 Section 2 of the Covenants to enforce the Covenants directly against another Owner.

**Section 2. Maintaining Awareness.** To lower the chance that an Owner will violate a Covenant through ignorance or inadvertence, the Board may take actions to periodically remind all Owners of the responsibilities which the Covenants assign to each Owner.

**Section 3. Identifying A Possible Violation.** A possible violation of the Covenants may be identified by a periodic drive through inspection done to monitor compliance, by Board or Property Management company investigation, by an Owner's written complaint, or by other reasonably reliable means.

**Section 4. Monitoring Compliance.** The property management company will periodically monitor Covenants compliance by drive through inspections. A drive through inspection will be done at least twice a month, and any violations will be recorded.

**Section 5. Written Complaint.** A person may bring a possible violation to the Board or Property Management's attention through a written complaint. The complaint must identify the property,

describe the violation and include a reference to the specific Covenant, rule or regulation being violated. The person who submitted the written complaint shall be notified in writing if the existence of the violation described cannot be independently verified. A person who receives written notification that the existence of the violation described cannot be independently verified is nonetheless free to pursue enforcement directly against the alleged violator through exercising an owner's rights under Article 9 Section 2 of the Covenants.

**Section 6. Compliance Request.** A written Compliance Request will be sent to the Owner of the home identified in violation above. There will be three types of compliance requests.

1. **Request for voluntary compliance:** The homeowner must respond within 15 days by either correcting the violation, or appealing in writing to the Board.
2. **Second Warning:** If the homeowner has not resolved the complaint, and the Board has not received a written appeal; a second request for voluntary compliance will be sent prior to a fine being imposed, The owner will have 15 days to correct the condition, but appeals need not be accepted by the Board.
3. **Notification of non-compliance and fine being imposed:** as described below in section 7, sent certified mail.

**Section 7. "Three Strikes" Approach.** Three violations of the same restriction within twelve months of the first violation will result in a \$250.00 fine. That fine is imposed at the time the third Compliance Request – (i.e. "strike three") – is sent. That fine applies for the first thirty days after the date the fine is imposed. Continued presence of the violation on the day following the thirtieth day will result in an additional \$100.00 fine. Daily fines of \$100.00 each day will continue to accrue until the violation is cured.

**Section 8. Issuing A Stop Work Order.** The Board or Architectural Control Committee may issue a Stop Work Order to any person engaged in an Unauthorized Activity. An Unauthorized Activity is any activity which requires the prior written approval of the Board or Architectural Control Committee, but has not received such prior written approval. A Stop Work Order will:

- (1) Identify the property's address;
- (2) Describe the Unauthorized Activity;
- (3) Identify the specific prior approval requirement being violated;
- (4) Require the immediate cessation of the Unauthorized Activity;
- (5) State that this serves as a determination that the violation is occurring;
- (6) State that failure to immediately comply with the terms of the Stop Work Order will cause an initial \$250.00 fine to be imposed and that, for each day thereafter in which noncompliance with the Stop Work Order takes place, a separate \$250.00 fine will be imposed.

**Section 9. Paying Fine Does Not "Cure" A Violation.** Paying a fine does not relieve a person from responsibility to cure a violation.

**Section 10. Dues Payments.** Payment of Association dues is a requirement of the Covenants; failure to pay dues or other assessments on time will be treated as a Covenant violation, with penalties as described above.

**Section 11. Voluntary Compliance Agreement.** The Board may reach a Voluntary Compliance Agreement with an Owner in which the Owner admits the violation exists, agrees to take specific actions to cure the violation within a specific time frame acceptable to the Board, and agrees that failure to perform the specified actions within the specified time frame will entitle the Board to impose a fine or fines in a specified amount.

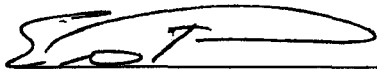
**Section 12. Board's Limited Discretion To Waive Fines.** A fine or fines imposed under this Policy may be partly or entirely waived by the Board upon its determination that special

circumstances exist in the particular instance to warrant the granting of such a waiver. The granting of such a waiver does not create any precedent for future waivers, to either the offending Owner or other Owners.


**Section 13. Protection Of Board Members.** Article 9 Section 4 of the Covenants provides that persons exercising authority of the Board or a Committee are not liable for action or inaction done in good faith. Board, Association, or Committee action under this Policy shall not create any liability of the Board, Association, or the Committee or any employee or member of the Board, Association, or the Committee.

**Section 14. Effective Date.** The Covenants Enforcement Policy set forth in this Resolution shall take effect on November 1 2004.

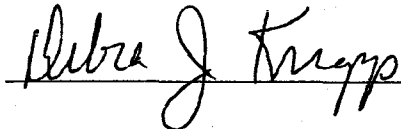
Approved by the Harbour Wood HOA Board this 30<sup>th</sup> day of September, 2004.



Todd Wallin, President



Jim Boemler, Vice President



Debbie Knapp, Secretary