

## INDIAN PALMS COUNTRY CLUB ASSOCIATION RULES AND REGULATIONS

APPROVED 8.3.22

Website – IPCCCA-HOA.com

Rule violations should be promptly reported to the property manager, Personalized Property Management ("PPM"), preferably in writing via e-mail to: [nevans@ppminternet.com](mailto:nevans@ppminternet.com). PPM may also be reached at 760-325-9500. The property manager will work with the Indian Palms Country Club Association ("IPCCA" and/or "Association") Board and Rules and Regulations Committee to resolve issues according to established procedures and policies. Refer to the Association's CC&Rs/Bylaws for details on enforcement procedures. The Association's Rules and Regulations will be strictly enforced.

### **A. General Behavior**

All Owners, residents and guests are expected to comport themselves with respect towards others. Owners are responsible for the conduct of their guests, residents, tenants, invitees, and agents (collectively, "residents and guests"). Abusive behavior, whether in the form of language, bullying, or harassment, shall be considered an actionable offense and will subject the responsible Owner to disciplinary action.

### **B. Sounds, Smells and Lights**

All Owners, residents and guests are prohibited from engaging in or permitting activities that constitute a nuisance by interfering with the rights, comfort, safety, and quiet enjoyment of other Owners and residents. Such prohibited activities include, but are not limited to, loud and disruptive sounds, offensive smells and odors, and intrusive lights (example: flood lights allowed to shine into neighboring homes, which unreasonably emanate beyond an individual residence).

### **C. Noise**

It is unlawful for any person to make, continue, or cause to be made or continued, within the city limits any disturbing excessive or offensive noise or vibration which causes discomfort or annoyance to any reasonable person of normal sensitivity in the area or that is plainly audible at a distance greater than 50 feet from the source point for any purpose. This restriction shall apply at all times during the course of a day.

#### **D. Home Businesses**

Any home business must be conducted within the residence or enclosed garage with the garage door closed. There may be no visible business signage and customers may not visit the property. The Board may prohibit the conduct of any business it deems to be a nuisance that affects the rights, comfort, safety, convenience and quiet enjoyment of other residents.

#### **E. Vehicles and Parking**

1. Overnight street parking (1 a.m. to 6 a.m.) without a special overnight parking permit is prohibited. Vehicles parked in violation of this rule will subject the responsible Owner to disciplinary action, including but not limited to fines, and/or immediate towing at the vehicle Owner's expense.
2. Residents may request an overnight parking permit from PPM for special needs. Special permits will be granted for one week per permit and each residence is limited to 4 special parking permits per calendar year. **Special Permits** must be properly displayed on the vehicle's dashboard to be effective.
3. Residents are not permitted to have more vehicles in the community than the number of vehicles that can be appropriately accommodated by the designed vehicle storage space of their residence (garage and driveway). There will be no parking sideways in driveways at any time so as to block the exit of another car. Note that if the same address is cited more than once, then a \$250 fine can be imposed pursuant to the Association's Enforcement Procedures and Fine Schedule.
4. The maximum speed limit within the community is **20 mph**. Lower speed limits may be posted where appropriate. Owners, residents and guests must comply with Association speed limits.
5. Only licensed drivers are permitted to drive golf carts on IPCCCA streets. Golf carts should pull to the side and allow other vehicles to pass if they are causing traffic to back up. NOTE: For safety reasons, no one without a valid driver's license may drive golf carts on IPCCCA streets, even if a licensed driver is riding in the golf cart.

6. Homeowners may not park "Prohibited Vehicles," as defined in Section 7.4.2 of the CC&Rs, (including, but not limited to, motor homes, travel trailers, campers, boats, etc.) and commercial vehicles or trailers in driveways, streets or on maintenance property or any other location where they are visible to the public, unless parked for brief periods for loading, unloading, or deliveries, but in no event longer than twenty-four (24) hours.
7. Vehicles parked in driveways may not extend out onto the street.
8. Inoperative or unlicensed vehicles (including vehicles with invalid registrations) may not be stored in the community except within a completely enclosed garage.
9. Motorcycles, ATVs, and other similar vehicles may not be parked overnight in driveways or other visible areas. They may be operated within the community for ingress and egress only. If driven in the community, the vehicles and operators must be properly licensed under applicable State and DMV regulations; operation of these vehicles must also comply with applicable State and DMV regulations.
10. Repairs or restorations of any motor vehicle, golf cart, boat, trailer or other equipment may only be conducted within an enclosed garage with the door closed.

**F. Common Areas (Streets, Green Belts, Water Features, Sidewalks, Walkways, Paths, Pools, Spas, etc.)**

1. Common Areas are for the use of all residents.
2. Damage to Common Area by an Owner, or their tenant, resident, guest, or pet is the responsibility of the Owner. The Owner will be charged for all costs associated with such damage, including any associated legal fees and expenses. The Board may levy a Special Assessment against such an Owner for these costs pursuant to the Association's CC&Rs and California law.

## **G. Construction and Landscaping Activities**

Except in an emergency, construction and landscaping activities are limited to the following hours, Pacific Standard Time or Pacific Daylight Time, as appropriate:

1. Monday – Friday: 7 a.m. to 6 p.m. (6 a.m. to 6 p.m. April through October)
2. Saturday: 8 a.m. to 6 p.m. (7 a.m. to 6 p.m. April through October)
3. Sunday and Holidays: 9 a.m. to 5 p.m.

## **H. Holiday Decorations**

1. Winter Holiday decorations may be displayed from November 15 through January 15.
2. Other holiday decorations may be displayed for 1 week before and 1 week after the holiday.
3. Holiday decorations are subject to the sound and light restrictions noted in Rules and Regulation Section B (above).
4. Displayed items should be in good repair and in an attractive condition.

## **I. Signs, Banners, Flags, Exterior Decorative Items on Owner's Lots, Common Areas or other Association Areas**

1. Noncommercial signs, posters, flags, or banners may be displayed on an Owner's Lot, except that the Association may prohibit any posting or display that would threaten the public health or safety or if the posting or display would violate a local, state or federal law. The noncommercial sign, poster, flag or banner must be made of paper, cardboard, cloth, plastic or fabric. Noncommercial signs and posters more than 9 square feet and noncommercial flags and banners that are more than 15 square feet are prohibited.
2. Flags may be flown in accordance with standard flag protocol.
3. Contractors may not place signs while performing services for Owners.

4. Size, location and style of real estate signs are subject to Association control.
5. Displayed items must be in good repair.

**J. Cameras/Security Cameras**

Any camera, surveillance camera, security camera, and the like, shall not point directly at a neighbor's front or back yards, any window or door of the neighboring residence or any Association Common Area. Owners, residents and guests are not permitted to infringe on an individual's reasonable expectation of privacy.

**K. Guests, Trade and Service Personnel**

Guests, trade and service personnel must be pre-registered by Owners or registered tenants with Indian Palms Community Association (Master Association) staff at the main gate (Monroe and Country Club). They should initially enter through the main gate and subsequently follow any ingress/egress requests made by IPCA staff.

**L. General Maintenance**

1. Homes in this community must be kept in good overall condition and repair, and maintained in an attractive appearance.
2. Unsightly, unsanitary, or otherwise offensive debris and unused materials (furniture, mattresses, clothing, rugs, appliances, boxes, etc.) are not permitted to be visible from any neighboring property or Association Common Area.
3. Driveways should be kept clean and free of oil and rust stains, and the like.
4. Yards visible to the public must be properly maintained (i.e., lawns mowed/edged, weeds removed, trees pruned, sufficient watering to maintain vegetation).

**M. Trash and Refuse**

1. Trash containers must be stored where they are not publicly visible.

**Note:** All Owners and/or Occupants shall not allow trash and refuse to be stored within public view, except in proper containers for the purpose of collection by the City’s authorized waste collection service provider on scheduled trash collection days and in compliance with Section 95A of the Municipal Code. (Example: pizza boxes cannot be stacked at the curb.) Owners of the Short-Term Rentals shall provide sufficient trash collection containers and service to meet the demand of the occupants.

2. Digging/Rummaging through trash containers when they are at the curb is prohibited.
3. Trash containers should be placed along the street for collection no more than 12 hours before the scheduled collection time and removed within 12 hours of the collection.
4. After initial construction of a residence, dumpsters for a residence are allowed on the street or driveway for no more than 4 consecutive calendar days. Total days per residence shall not exceed 10 days per calendar year.

**N. Sports Equipment**

Permanent or semi-permanent sports equipment (e.g., basketball hoops, badminton nets, trampolines, etc.) may not be located on the street side of a residence.

**O. Garage sales and vehicle sales events are not permitted.**

**P. Pets**

1. No pets shall be kept for commercial purposes.
2. Only a reasonable number of pets is permitted. The Board has discretion to determine what a “reasonable number of pets” constitutes on a case-by-case basis.
3. Permitted animals are limited to domestic pets – dogs, cats, birds, tropical fish, etc. Farm animals, large reptiles, poultry, pot-bellied pigs, miniature horses/ponies, exotic species, and so on, are not permitted.

4. Dogs should be leashed and under the control of a responsible individual when outside the residence or outside of a completely enclosed area of the Owner's Lot.
5. Unattended pets may not be tied up in front/rear yards or patios at any time.
6. Pets under the control of a responsible individual may be in common area streets, sidewalks, paths, walkways and green belts. They may not be in pool or spa areas. They may not be in other Owners' yards without permission of the Owner. (This would include animals left unattended to wander to neighboring Lots.)
7. Dog waste must be immediately picked up and properly disposed of from any publicly visible area by the person in control of the dog. Waste bags should be disposed of in the dog owner's garbage can. Dog waste bags should not be left on the street, disposed of in other people's yards, or put down surface water drains.
8. The Board may order the permanent removal of any pet that it deems an unreasonable nuisance to others (i.e., continual barking, routinely off leash, menacing behavior) or that the Board deems to be threatening in any way to other residents' safety or right of enjoyment of their property and the Association Common Areas.

**Q. Exterior modifications**

Exterior modifications may be done only after receiving appropriate approvals from the Association's Architectural and Landscaping Committee. Contact PPM with any questions regarding the application submittal and approval process. Owners who make changes in violation of this rule are subject to legal action, stop work orders, reversal orders, fines, and other penalties.

**R. Leasing and Renting**

1. All leasing or renting agreements shall be in writing and shall provide that the terms of such agreements are subject to IPCCA CC&Rs/Bylaws and

Rules. Upon request, a copy of such agreements must be provided to PPM within three (3) business days.

2. Owners shall advise PPM, IPCA, and the Lifestyle Center of the tenants' names and contact information at least one week prior to the effective date of a leasing/rental agreement.
3. All leases or rentals must be in compliance with applicable local ordinances, including licenses for Short-Term Rentals.
4. All Short Term Rentals must comply with CHAPTER 37 OF THE INDIO MUNICIPAL CODE. This includes:
  - a. The Owner and/or Owner's Agent shall use reasonably prudent business practices to ensure the Property used as a Short-Term Rental is used in a manner that complies with all Applicable Laws, Rules and Regulations pertaining to its use and occupancy, and including applicable codes regarding fire, building and safety, and shall further use reasonably prudent business practices to ensure the Occupants of the Short- Term Rental do not create noise in violation of Chapter 95C of the Indio Municipal Code or other disturbances, engage in disorderly conduct, or violate any Applicable law, Rule or Regulation pertaining to the use and occupancy of the subject Short- Term Rental.
  - b. The Owner shall limit overnight occupancy of the Short-Term Rental to a specific number of occupants. Overnight occupancy shall not exceed four (4) persons plus no more than two (2) persons per bedroom within each Short-Term Rental. As used in this Section, "overnight occupancy" shall mean during the hours of 10:00 p.m. through 8:00 a.m. of the following day. The following paragraph from City of Indio Ordinance No. 1766 shall apply: "Bedroom means an area of a Short-Term Rental normally occupied and being heated or cooled by any equipment for human habitation, which consists of four walls to the ceiling, at least one of which is located along an exterior wall with a window, and contains a built-in closet."



- c. Any Short-Term Rental located on a parcel or lot that is 14,500 square feet or more in size, may have a gathering of up to and including 40 persons. Such gatherings shall comply with the applicable operational standards and regulations of this Chapter except that no special event permit is required. Any gathering of 25-39 persons at a Short-Term Rental located on a parcel or lot that is less than 14,500 square feet in size or a gathering of 41 persons or more at a Short-Term Rental, requires a special event permit pursuant to the process set forth in Section 159.476, et. seq. or as such other process as set forth in Section 37.021 of the Indio Municipal Code.
- d. The Owner shall not rent a Short-Term Rental to a person that is under the age of twenty-one (21).
- e. Owners shall maintain all Short Term Rental contracts (in electronic or paper form) for a period of three years from the date of occupancy. The exact number of occupants shall be included in the contract as well as all city municipal code requirements regulating occupancy limits, noise, outdoor amplified music prohibition, public nuisance, parking, trash, no commercial activities and other code requirements related to the use and occupancy of the Short-Term Rental.
- f. The Owner shall obtain from the Responsible Person\* an "Informational Form," in the form provided by the City which contains but is not limited to the following: (i) the name, address, telephone number and a copy of the valid government identification of the Responsible Person; (ii) a list of the names of all Occupants of the Short-Term Rental; and (iii) a list of all vehicle information and license plate numbers of the Responsible Person and Occupants and guests. The Permit Administrator is authorized to amend the information required in the Informational Form pursuant to adoption of an administrative regulation as set forth in Section 37.021.

*\*Note: "Responsible Person" means the signatory on the Contract for a Short-Term Rental and/or any person(s) occupying the Short-Term Rental without a Contract and whom is legally responsible for ensuring that all Occupants of the Short-Term Rental comply with all Applicable Laws, Rules and Regulations pertaining to the use and occupancy of the subject Short-Term Rental unit.*

- g. Prior to occupancy of a Short-Term Rental, the Owner or Owner’s agent or representative shall advise of or require the Responsible Person to execute the Informational form and an acknowledgement form, which provides that Responsible Person understands that he or she is legally responsible for compliance by all occupants of the Short-Term Rental and their guests with compliance with all applicable laws, rules and regulations pertaining to the use and occupancy of the Short-Term Rental and that the Responsible Person must be present at the property during the duration of the Short-Term Rental period (“Acknowledgement Form”).

Both the “Informational Form” and the “Acknowledgement Form” shall be maintained by the Owner for a minimum of three years and be made readily available upon request of the City. Owner shall post a copy of the Short-Term Rental Permit, the name and phone number of the Local Contact Person and a notice in the form required by the city of the applicable regulations near the primary entrance inside of the Short-Term Rental.

- h. During the period of a Short-Term Rental, the Owner or Owner’s Agency and/or the Owner’s Local Contact Person shall be available twenty four (24) hours per day, seven (7) days per week to respond to complaints from third parties regarding the condition, operation, or conduct of the occupants of the Short Term Rental, including responding in person at the location of the Short-Term Rental. The Local Contact Person’s response to complaints can be made by telephone, text message or in person, however, in no event shall the response time exceed 15 minutes if responding by telephone or text or 45 minutes if an in-person response is required because of the severity of the complaint.
- i. If the Local Contact Person is contacted directly by the City, the Local Contact Person shall respond within 15 minutes of the City’s telephone call or text message.

- j. If the City requests an in-person response, the Local Contact person shall respond in person at the location of the Short-Term Rental within 45 minutes of the City's request.
  - k. In all circumstances, complaints that the Occupants of the Short-Term Rental have created unreasonable or unlawful noise or disturbances in violation of Chapter 95 of the Municipal Code or the provisions of this Chapter or are engaging in disorderly conduct, requires an in-person response by the Local Contact Person.
- 5. Owners shall supply tenants with a copy of the Association's Rules and Regulations. Owners are responsible for their tenants' compliance with applicable Rules and Regulations. Property management and the Board will deal with Owners with regard to any necessary disciplinary and enforcement proceedings. Resulting fines or assessments are the responsibility of the Owner, not the tenant.
- 6. All Short Term Rentals must comply with the following, pursuant to City of Indio Ordinance No. 1766 (effective January 1, 2022). This includes:
  - a. A Short-Term Rental shall comply with the noise standards identified in Chapter 95C of the Municipal Code. Notwithstanding any other provision of the Municipal Code, no radio receiver, musical instrument, phonograph, compact disk player, loudspeaker, karaoke machine, sound amplifier, or any machine, device or equipment (including a cellular phone or other similar device) that produces or reproduces any sound that is audible from the outside of any Short-Term Rental beyond the property line between the hours of 9:00 p.m. to 8:00 a.m. Sunday through Thursday and 10:00 p.m. and 8:00 a.m. Friday and Saturday is permitted. Any machine, device or equipment that amplifies music inside any Short-Term Rental shall not be heard beyond the property line of the Short-Term Rental at any time of day or night.
  - b. Occupants of the Short-Term Rental shall be prohibited from using all outdoor amenities and/or engaging in outdoor games or any outdoor activities that create noise between the hours of 9:00 p.m. to 8:00 a.m. Sunday through Thursday and 10 p.m. and 8 a.m.

Friday and Saturday. A sign stating these restrictions must be clearly visible near any such spa/pool and posted on all interior doors leading to the exterior amenities.

7. Owner(s) must furnish any or all of the following, as specifically requested, to Association Management, within three (3) business days of when such are requested: A copy of the executed lease; the names, addresses, and other contact information of the tenant(s); make, model and license plate number of each of the tenants' vehicles; a copy of each of the tenant's driver's license or other identification; and any other information reasonably required by the Association. These requests may be made electronically or via U.S. Mail; documents and other information may be supplied electronically, hand delivered, or sent via U.S. Mail, so long as the information is received by the Association, within three (3) business days of the request.

#### **S. Fine Schedule**

It is well within the authority of IPCCCA's Board to levy fines for any transgression listed above. Fine amounts shall range from **\$250 to \$2500** at the discretion and consideration of the Board, pursuant to the Fine Schedule.

#### **T. Continuing Fines for Continuing Violations**

The Association's notice of hearing may provide that the Board or Hearing Committee will consider imposition of the fine on a continuing daily, weekly or monthly basis. If such a continuing fine is imposed after notice and hearing, the responsible Owner will be liable for the amount of the fine imposed for each day, week or month, as appropriate, that the violation continues unabated. Owners subject to a continuing fine are responsible for notifying the Association promptly upon bringing their property into compliance so that the Association can confirm that the Owner has cured the violation and otherwise come into compliance and, as a result, halt future recurring fines. Increased Fines for Repeated or Continuing Violations: Fines for continuing or repeated violations may be increased at the discretion of the Board or Hearing Committee, following notice and a hearing, up to \$1,000.00 each. Four or more related or unrelated violations assessed to a single Lot in any 12-month period may result in an additional fine of up to \$500.00 at the

discretion of the Board of Directors or Hearing Committee, following notice and a hearing.

**U. Collection of Fines**

The Board may collect unpaid fines through Small Claims Court actions or other available means. Note that if fines remain unpaid, interest and/or penalty charges may accrue.

## INDIAN PALMS COUNTRY CLUB ASSOCIATION

### Enforcement Procedures/Fine Schedule

A. In the event of an alleged violation of the Association's CC&Rs, Bylaws or Rules and Regulations ("Governing Documents") by an owner or an owner's family member, guest, invitee, agent, or tenant, the Board of Directors or a Hearing Committee appointed by the Board will generally follow the enforcement procedures outlined below. However, when the circumstances warrant, the Board may take more immediate action, such as noticing a hearing without first sending a violation letter, or initiating an action in the Superior Court, to secure an owner's compliance with the Governing Documents.

B. Violation Letters. The Association may first send a courtesy violation letter to the owner. This letter shall advise the owner of the nature of the violation and the specific section(s) of the Governing Documents violated. The letter shall provide a deadline (typically 15 to 30 days, depending on the nature of the violation) by which the owner must cure the alleged violation, and shall inform such owner that a failure to comply by the deadline may result in fines, other penalties, or other legal action as necessitated by the circumstances and nature of the violation. The Association may send a second, or third violation letter to the owner, before proceeding with a Notice of Hearing.

C. Notice of Hearing. If the Violation Letter does not result in compliance by the stated deadline, a Notice of Hearing may be sent to the owner advising the owner that a hearing before the Board of Directors, or a Hearing Committee, will be held in connection with the violation. **In its discretion, the Board may immediately send a Notice of Hearing to an owner, without first sending an initial violation letter.** The Notice of Hearing shall be mailed at least ten (10) days before the hearing and will advise the owner of:

- The date, time and place of the hearing;
- The nature of the dispute/violation, with references to provisions of the Governing Documents that have been violated;
- The necessary corrective action;

- The disciplinary measure or measures that may be imposed, including, without limitation, the potential for the imposition of a fine on a continuing daily, weekly or monthly basis;
- The owner's right to attend the hearing and address the Board or Hearing Committee;
- The owner's right to present oral and written evidence and to confront and cross-examine adverse witnesses; and
- The owner's right to have counsel present.
- The owner's right to request the inspection and production of documents or other items by applying to the Association in writing at least two (2) days before the hearing date.

D. Hearings. Hearings will be conducted in executive, or closed, session. The owner shall have an opportunity to present his or her case for a maximum of 15 minutes. The Board or Hearing Committee shall then take the matter under submission and notify the owner in writing of the Board's or Hearing Committee's determination, and the reasons for any disciplinary measures imposed, within fifteen (15) days. Any disciplinary action may take effect no sooner than five (5) days after the hearing.

E. Disciplinary Actions. The Board or Hearing Committee may take one or more of the following actions, in addition to any others provided for by the Governing Documents, California law and/or as necessitated by the facts and circumstances of the particular matter:

1. Levy a fine or fines, in accordance with the Fine Schedule. Continuing violations, such as, without limitation, an ongoing noise violation, may result in consecutive daily, weekly or monthly fines for as long as the violation continues.

2. Suspend the owner's voting rights and rights to use the recreational facilities. Any suspension of an owner's rights as a member shall be for the period during which any Assessment owed by the owner remains unpaid and delinquent, or for so long as any other type of violation continues.

3. Levy a Special Assessment. Levy a Special Assessment to reimburse the Association for expenses incurred if maintenance, repair or replacement of any Maintenance Property or Common Area is necessitated by the

willful or negligent act of an owner or an owner's guest, family member, tenant or invitee.

4. Removal of Vehicles. The Association may cause the removal of any vehicle that is parked or maintained in the community in violation of the Governing Documents.

F. Right to Appeal from Hearing Committee Decision. If a disciplinary measure is imposed on an owner by the Hearing Committee, the owner may appeal the decision to the Board of Directors. The Board shall hear the appeal in executive session and make a determination whether to affirm, reverse or modify the decision of the Hearing Committee. The notice of appeal must be submitted in writing or via e-mail to the management company within thirty (30) days of the date of the letter advising the owner of the disciplinary measure. The Board shall act on the appeal within thirty (30) days of receipt of the notice of appeal.

FINE SCHEDULE

Reasonable fines for first-time violations shall be levied in accordance with the following schedule:

Hazardous Activities in Violation of any Governing Documents (Risk or Harm to Person or Property)	\$250.00
Maintenance of any "Prohibited Vehicle" as defined in the CC&Rs, e.g., RVs, commercial vehicles, vehicles with more than two axles. (See CC&Rs, Sec. 7.4.2.)	\$500.00
Unauthorized Improvements to Property	\$250.00
Construction that does not conform to plans submitted to and approved by the Architectural Committee	\$500.00
Failure to Maintain Landscaping	\$250.00
Failure to Maintain Residence in Good Condition and Repair	\$500.00



Use of Lot or Residence for Commercial Purposes in violation of Section 7.1 of the CC&Rs	\$500.00
Violation of Short Term Rental rules	See below
Allowing a dog off leash	\$100.00
Failure to pick up after pet	\$100.00
Any Violation Not Specifically Mentioned	Up to \$500.00

Continuing Fines for Continuing Violations: The Association's notice of hearing may provide that the Board or Hearing Committee will consider imposition of the fine on a continuing daily, weekly or monthly basis. If such a continuing fine is imposed after notice and hearing, the responsible owner will be liable for the amount of the fine imposed for each day, week or month, as appropriate, that the violation continues unabated. Owners subject to a continuing fine are responsible for notifying the Association promptly upon bringing their property into compliance so that the Association can confirm that the owner has cured the violation and otherwise come into compliance and halt future recurring fines.

Increased Fines for Repeated or Continuing Violations: Fines for continuing or repeated violations may be increased at the discretion of the Board or Hearing Committee, following notice and a hearing, up to \$1,000.00 each. Four or more related or unrelated violations assessed to a single Lot in any 12-month period may result in an additional fine of up to \$500.00 at the discretion of the Board of Directors or Hearing Committee, following notice and a hearing.

Collection of Fines: The Board may collect unpaid fines through Small Claims Court actions or other available means.

To address the problems resulting from short term and transient rentals, including “bad behavior” and violations of the IPCCCA Rules & Regulations and CC&Rs, the following fine policy is in force:

1. Any Owner leasing his/her Lot who violates (or whose tenants violate) the Association's Rules and Regulations governing rentals or other Governing

Documents (in relation to the leasing of the Lot) is to be fined the separate sum of \$1,000 for a first offense, following proper notification, hearing, and due process, as required by law.

2. Any Owner leasing his/her Lot who violates (or whose tenants violate) the Association's Rules and Regulations governing rentals or other Governing Documents (in relation to the leasing of the Lot) is to be fined the separate sum of \$3,000 for a second offense, following proper notification, hearing, and due process, as required by law.

3. Any Owner leasing his/her Lot who violates (or whose tenants violate) the Association's Rules and Regulations governing rentals or other Governing Documents (in relation to the leasing of the Lot) is to be fined the separate sum of \$5,000 for a third offense, following proper notification, hearing, and due process, as required by law.

4. Each subsequent offense that violates the Association's Rules and Regulations governing rentals or other Governing Documents (in relation to the leasing of the Lot) will be fined \$5,000, following proper notification, hearing, and due process, as required by law.

5. Said offenses and violations will cumulate from year to year, for up to five (5) years. (For example, a violation in May 2021 would be a first offense, and the same violation in May 2022 would be a second offense. However, if the second offense were not until June 2026, the second offense would be considered as if it were again a first offense, as the history would be reset after the passage of at least five (5) years from the date of the prior offense.) The Board may collect unpaid fines through Small Claims Court actions or other available legal avenues and collection agency services.