

Rules and Regulations

The Assessment of HPC Provision Violation Fines

Per Article XI REMEDIES FOR DEFAULT of the Condominium Bylaws, a unit owner's failure to comply with the terms of the Condominium Documents consisting of the Master Deed, the Condominium and Association By-laws, or the adopted Rules and Regulations of the Association may be grounds for assessment or fines to be charged by the Association, acting through its duly constituted Board of Directors.

Based on the severity of the violation, the Association may choose to follow a progressive penalty system to levy fines against violations of the Condominium Documents. The most severe violations are those that impact other co-owners or cause alteration to common or limited common campus elements in an unapproved or damaging manner. Some examples of severe violations include not properly carpeting areas as required by the Condominium Documents, altering interior walls without Board approval, making unit modifications that damage the door speaker/buzzer system or building electrical/plumbing systems, and any property changes or use that create a safety hazard.

Without waiving any available right of the Association to seek alternative relief, and in full compliance with the Michigan Condominium Act PA 59 of 1978, the following progressive fine system is available at the discretion of the Association:

1st Notice of Violation: Unit owner shall receive a written notice of the violation and be given a reasonable period of time to correct the violation. The offending co-owner has seven days from the date of the notice to appear before the Board and offer evidence in defense of the alleged violation or to set a new correction period. Once the 1st Notice period as passed without violation resolution fines may be levied starting with the 2nd Notice.

2nd Notice of Violation: Unit owner shall receive written notice of the continued violation and a fine of \$25.00 will be assessed upon the unit owner. Each 30 days thereafter a new \$25.00 fine will be assessed for a 90-day period until the violation is corrected. Maximum fine for 2nd Violation period is \$75.00.

3rd Notice of Violation: Unit owner shall receive written notice of the continued violation and a fine of \$50.00 will be assessed upon the unit owner. Each 30 days thereafter a new \$50.00 fine will be assessed for a 90-day period until the violation is corrected. Maximum fine for 3rd Violation period is \$150.00.

4th Notice of Violation: Unit owner shall receive written notice of the continued violation and a fine of \$100.00 will be assessed upon the unit owner. Each 30 days thereafter a new \$100.00 fine will be assessed until the violation is corrected. There is no maximum fine limit on the 4th Violation period.

If the Association Board determines that a violation of a Condominium Document has occurred the Board shall determine if this is the first or a subsequent violation. If a subsequent, the occurrence will determine which Violation period outlined above will start the relief process. For example, a first violation starts with a 1st Notice of Violation guidelines while a second violation of the same kind will

start with the 2nd Notice of Violation guidelines. The Board shall impose fines following the guidelines of this section. Notice of the imposition of the fine and its amount shall be mailed to the unit owner found to be responsible.

The unit owner found responsible shall remit the amount of the fine to the Treasurer of the Board of Directors within 10 days of the due date cited in the provided notice. Any fine remaining unpaid after that time shall be subject to collection as provided by the terms of the Condominium Bylaws. An unpaid fine also gives the Association the right to escalate to the guidelines of the next Violation Notice without completion of the current Notice period.

If the violation creates a hazard to the integrity of the Harborpointe structure or the safety of the co-owners and the violation is not being corrected in reasonable time based on its severity, the Board of Directors has the right to intercede and remedy the violation as they see fit and bill all resulting charges back to the violation unit owner. Charges are not limited to just violation repair costs but include any resulting legal or collateral repair costs.

Failure to comply with any of the terms of the Master Deed, these Condominium By-laws, the Articles of Incorporation , By-laws or duty adopted Rules and Regulations of the Association shall be grounds for relief, which may include, without limiting the same, a legal action to recover sums due to damages, injunctive relief, and any other remedy which may be appropriate to the nature of the breach. Failure of the Association to enforce any right, provision, covenant, or conditions which may be granted by the Master Deed, these Condominium By-laws, the Articles of Incorporation , By-laws or duty adopted Rules and Regulations of the Association, shall not constitute a waiver of the right of the Association to force such right, provision, covenant or condition in the future.