

# MAGNOLIA RESERVE HOMEOWNERS ASSOCIATION, INC

## Fine Policy

Consistent with the applicable provisions of NCGS § 47-F, the Magnolia Reserve Homeowners Association has promulgated the following fine policy to be applied to violations of the Covenants, Restrictions and Rules and Regulations.

- 1st Violation - Written Notice of Violation (warning)
- 2nd Violation - Written Notice of Violation and subject to a \$25.00 fine
- 3rd Violation - Written Notice of Violation and \$50.00 fine\*
- 4th Violation - Written Notice of Violation and \$75.00 fine\*\*
- 5th Violation - Written Notice of Violation and \$100.00 fine\*\*\*
- Subsequent Violations - Written Notice of Violation and \$100.00 fine

Property owners are entitled to a hearing before an adjudicatory panel appointed by the Board of Directors before a fine is applied to the owner's account. Following the opportunity for a hearing, subsequent violations are subject to the above fine policy without further warning or hearings. Such fines are applied on a per diem basis for each observation of a violation. Architectural (ARC) violations will bypass the 1st Violation notice (warning).

- \*If no fine applied for 2nd violation then the fine will be \$25.00
- \*\*If no fine applied for 2nd violation then the fine will be \$50.00
- \*\*\*If no fine applied for 2nd violation then the fine will be \$75.00

### **An excerpt from NCGS § 47F (North Carolina Planned Community Act)**

#### **§ 47F-3-107.1. Procedures for fines and suspension of planned community privileges or services.**

Unless a specific procedure for the imposition of fines or suspension of planned community privileges or services is provided for in the declaration, a hearing shall be held before the executive board or an adjudicatory panel appointed by the executive board to determine if any lot owner should be fined or if planned community privileges or services should be suspended pursuant to the powers granted to the association in G.S. 47F-3-102(11) and (12). Any adjudicatory panel appointed by the executive board shall be composed of members of the association who are not officers of the association or members of the executive board. The lot owner charged shall be given notice of the charge, opportunity to be heard and to present evidence, and notice of the decision. If it is decided that a fine should be imposed, a fine not to exceed one hundred dollars (\$100.00) may be imposed for the violation and without further hearing, for each day more than five days after the decision that the violation occurs. Such fines shall be assessments secured by liens under G.S. 47F-3-116. If it is decided that a suspension of planned community privileges or services should be imposed, the suspension may be continued without further hearing until the violation or delinquency is cured. The lot owner may appeal the decision of an adjudicatory panel to the full executive board by delivering written notice of appeal to the executive board within 15 days after the date of the decision. The executive board may affirm, vacate, or modify the prior decision of the adjudicatory body. (1997-456, s. 27; 1998-199, s. 1.)