

October 1,2007

Dear South Fork Estate's Homeowner and HO A Member,

The purpose of this letter is to advise you of the "New Fine Schedules" referenced in our letter of September 1,2007.

Pursuant to the members request at our last annual meeting, the Board of Directors has established these schedules to enforce the provisions of the Association Bylaws and CC&R's.

RCW 64.38.020(11) is the Washington State statute that authorizes a homeowners association to "levy reasonable fines" for violations of association bylaws and regulations. Additionally the Board has had these fine schedules reviewed by the HOA's attorney.

Following are the New Fine Schedules:

The first fine schedule is for not completing construction work on a project within six (6) months of the date of commencement of construction. Please see the CC&R's for the complete article regarding this matter.

The following Fine Schedule is in reference to Article Nine, Section Nineteen, of the "Declaration of Protective Covenants, Conditions, Easements & Restrictions for South Fork Estates"; Completion of Construction Projects

Fines Schedule:

At the end of the six month period following commencement of construction:

- 1) **Written Notice of Non-Compliance**, including information regarding fines and other remedies if the project is not completed in 30 days or Board Waiver obtained. The member has 21 days to arrange a hearing with the HOA Board of Directors to request a waiver or extension of time.
- 2) **\$350 fine**, 30 days after written notice is sent
- 3) **\$150 fine** each 30 day period thereafter until the project is completed or a waiver/extension from the Board is obtained by the member

General Fines Schedule

The following general fines schedule shall apply to any violation or non-compliance to the "**Declaration of Protective Covenants, Conditions, and Easements & Restrictions for South Fork Estates**", **Section # 43 Enforcement**, except for any specific fine(s) as noted in individual articles or sections thereof.

General Fines Schedule:

1st Written Notice of Non-Compliance, including information regarding fines. The member has 10 days to arrange a hearing with the HO A Board of Directors to request a waiver of the fine or an extension of time.

2nd \$25 Fine @ 15 days after written notice

3rd \$50 Fine @ 45 days after written notice

4th \$150 Fine @ 75 days after written & Board will consider Lien or other action against the member.

Our goal as a homeowner's association is to keep our neighborhood a safe, nice and beautiful place to live. Please remember that we signed and agreed to the CC&R's when becoming homeowner's in South Fork Estates. We as the board are not here to be the police. It is our hope that we will not have to send reminders to people or enforce any fines. However, we will be taking firm action when needed.

Please revisit the CC&R's that we have posted on our website if you have any questions, and e-mail us for any questions or clarifications you may need. We appreciate your ideas and feedback.

Sincerely,

South Fork Estates Homeowner's Association