

Oyster Bay II Community Property Owners Association

Declaration of Covenants and Restrictions Rules and Regulations Enforcement Process

Purpose: the purpose of these Rules and Regulations are to define the steps to be taken when a member, a member's successors or assigns ("Member"), a residential building or lot is in violation of the OBII Community POA ("POA") Declaration of Covenants and Restrictions ("C&R"), as amended from time to time, pursuant to the Code of Virginia Property Owners' Association Act, as amended, VA Code §§ 55.1-1807 and 55.1-1819. Such Compliance Process shall be overseen by the Oyster Bay II Community Architectural Committee ("Architectural Committee"), and determination of violations, and the remedies available to the Association shall be determined by the Board of Directors.

Scope: These Rules and Regulations concern all violations for Members of the OBII Property Owners Association, as well as for all residential buildings and lots within the Oyster Bay Community, Section II.

Caveat: The Architectural Committee should make an attempt to work with Members in violation in the event that a personal issue or financial hardship is preventing the correction of a violation. However, such a personal issue or financial hardship does not permit the Architectural Committee to except a Member, residential building, or lot from the requirements of this Compliance Process or of the C&R. Ultimately, based upon purchase of lot or construction of a residential building upon a lot within the Community, these Rules and Regulations and C&Rs apply to all land within the Community without exception.

Process for Violations. Violations shall follow the process set forth below:

An alleged violation of the C&Rs may be brought to the attention of the POA Board of Directors, or to the Architectural Committee directly. If brought to the attention of the POA Board of Directors, such alleged violation shall be referred to the Architectural Committee. The Architectural Committee may also take notice of an alleged violation on its own initiative.

Once an alleged violation is brought to the attention of the Architectural Committee, the Committee is to determine whether a violation exists.

Issuance of Violation Notice. After determination that a violation exists, the Architectural Committee shall advise the Member of the violation by first class mail, certified mail, at the Member's address appearing on the books of the POA, and by leaving a copy of the Violation Notice affixed to the entrance to the land or residential building. Failure of the Member to pick up certified mail or failure on the part of such Member to notify the Assembly of a changed address or change in ownership of the land or building shall be no excuse or defense.

Contents of Violation Notice. The Violation Notice shall state the specific violation alleged, the provision of the C&Rs that has been violated, and the specific time period within which the violation must be corrected without further enforcement action being taken by the Architectural Committee. The time period provided shall be determined by the Architectural Committee based

upon a reasonable assessment of the amount of time that may be necessary to correct the violation. The Violation Notice shall further advise that the failure to correct the violation within the time period allowed shall result in the scheduling of a Due Process Enforcement Hearing at which various penalties or charges may be imposed if a violation is found to exist, as well as interest, attorney fees and costs.

Notice of Due Process Hearing. If after issuance of the Violation Notice, the Member fails to comply with the required action, the Architectural Committee shall inform the Board of Directors. The Board of Directors shall then proceed with a Notice of Hearing. Notice of a Hearing, including the actions that may be taken at the hearing, shall be mailed by certified mail, return receipt requested, to the Member at least 14 days prior to the hearing.

Conduct of Due Process Hearing. At the Due Process Hearing, the Member shall have the opportunity to be heard and represented by counsel at such proceeding, and the right of due process in the conduct of that hearing. Due process at the hearing shall include allowing the Member to present any relevant evidence, including witnesses, to examine and cross examine witnesses, and to be represented by counsel. It is not required for the Member to be in attendance at the hearing, and the Due Process Hearing may take place even in the absence of the Member or counsel so long as the Notice of Hearing was mailed at least 14 days prior to the hearing date. Due to the unique nature of the POA and OBII Community, hearings may take place in person, telephonically, video teleconference (such as Skype or similar), or a combination thereof.

A hearing shall require a quorum of Board of Directors members. A determination as to the violation, the steps that must be taken to cure the violation, and the penalties to be assessed (including interest, attorneys fees and costs) shall be made by a simple majority of the Board of Directors that attend the hearing either immediately after the hearing. The Board of Directors may also determine to proceed with correction of the violation, and, pursuant to C&R F. (4), may cause such condition to be remedied at the POA's expense, and thereafter shall bill the owner for any expenses incurred in correcting the situation.

Result of Due Process Hearing. Within seven days of the hearing, the hearing result shall be mailed by certified mail, return receipt requested, to the Member. Such hearing result may include assessment of daily penalties, interest, and attorney fees and costs. In addition, the hearing result may inform the Member that the POA will be correcting the violation at the POA's expense, and will include the costs of such expense as part of the penalty to be assessed. Said expenses, if unpaid by the Member for a period of thirty (30) days after mailing the result of the hearing, shall incur the same penalties and interest as stipulated in Article XII, Section 4 of the By-Laws of the Association.

Lien Upon Lot. If, after a period of one-hundred-and-eighty (180) days the penalties, charges expenses, attorney fees, costs, and interest remain unpaid, the Association may place a lien upon the lot involved which is recorded in county land records along with the deed to the subject property. Such lien is valid for a statutory period of three years.

Enforcement of Lien. At any time after the perfection of the lien upon a lot, the Association may sell the lot at public sale, subject to prior liens. The association shall have the power both to

sell and convey the lot and shall be deemed the Member or lot owner's statutory agent for the purpose of transferring title to the lot. The Association shall follow the procedures set forth in VA Code §§ 55.1-1833(I).

Other remedies. In addition to any other remedy set forth in these Rules and Regulations, and as set forth in the C&R, a Member's lack of compliance with these Rules and Regulations, the C&R, or the Property Owners' Association Act shall also, or in alternative, or both, be grounds for an action to recover sums due, for damages or injunctive relief, or for any other remedy available at law or in equity, maintainable by the Association or by its Board of Directors, including costs, interest, and attorney fees. An action for injunctive relief, in addition to the violation process set forth in these Rules and Regulations, may particularly be applicable in circumstances where the violation is not capable of being remedied by the Association, either due to expense, or health or safety concerns which require immediate action. Nothing set forth in these Rules and Regulations prevent the Association or the Board of Directors to file suit in law or equity immediately in appropriate circumstances, so long as the action taken complies with the Property Owners Association Act.

Approved by the Oyster Bay II Community Board of Directors October 21, 2019