

**SKYE HILLS COMMUNITY ASSOCIATION
BOARD OF DIRECTORS RESOLUTION
RE: FINE POLICY AND PROCEDURE**

WHEREAS, on November 20, 2020, 190 Octane FT Partners, L.L.C., a Nevada limited liability company ("Declarant") formed Skye Hills Community Association (the "Association") by causing to be filed the Articles of Incorporation of the Association in the Office of the Nevada Secretary of State;

WHEREAS, the Association was formed to operate, administer, and maintain that certain real property comprising the common-interest community known as Skye Hills Community (the "Community");

WHEREAS, on November 5, 2020, Declarant caused to be recorded the Declaration of Covenants, Conditions, and Restrictions and Reservation of Easements for Skye Hills (the "Declaration") in the Office of the County Recorder, Clark County, Nevada, in Book No. 20201105, as Instrument No. 0002775;

WHEREAS, the Association, through its Board of Directors (the "Board") is responsible for operating, administering, and maintaining the Community in accordance with, among other things, the provisions of the Declaration;

WHEREAS, pursuant to Article 3, Section 3.2 and Article 11, Section 11.1 of the Declaration, the Board is authorized to adopt, implement, and enforce Rules necessary for the efficient governance and operation of the Community;

WHEREAS, the Board has deemed it to be in the best interest of the Association to establish a uniform and systematic procedure for handling homeowner violations and the imposition of penalties for said violations; and

WHEREAS, the Board desires to adopt the following policy pertaining to its fine policy and procedure for violations.

NOW, THEREFORE, BE IT RESOLVED that the Board for the Association hereby adopts the following Fine Policy and Procedure for implementation within the Association. Except as otherwise set forth herein, the capitalized terms have the same meaning as those terms are defined in the Declaration:

1. Owner's Responsibility For Conduct of Others. Consistent with the Association's Declaration, Bylaws, Articles and rules and regulations, which may be amended from time to time ("Governing Documents"), and subject to the limitations imposed by NRS 116.31031(2), the Owner is responsible for the actions and conduct of any occupants of his or her Lot including, but not limited to, family members, tenants or invitees.

2. Community Inspections. On at least a monthly basis or more frequently as determined by the Board, an agent from the Association's community management company shall inspect the Community for violations of the Governing Documents.

3. Courtesy Notice. Upon receipt of a written complaint from an Owner or resident or, after an inspection, or the observation of a member of the Board or Manager, regarding a potential violation of the Governing Documents, the Association's Board, Manager, legal counsel or other authorized agent of the Association (the "Authorized Agent"), acting on behalf of the Board, shall issue a notice (the "Courtesy Notice") to the Owner of the alleged violation. The Courtesy Notice shall be in writing. The Courtesy Notice shall be sent as set forth in NRS 116. In addition, the Courtesy Notice shall:

- a. Specify in detail the alleged violation and the proposed action to cure the alleged violation,
- b. Provide a clear and detailed photograph of the alleged violation, if the alleged violation relates to the physical condition of the Lot or the grounds of the Lot, or an act or failure of which it is possible to obtain a photograph, and
- c. Provide a reasonable opportunity to cure the alleged violation or contest the alleged violation at a hearing.

A copy of the Courtesy Notice may also be mailed to the occupant of the Lot.

4. Formal Notice. If the Owner fails to take corrective action within the time period set forth in the Courtesy Notice, then the Association's Authorized Agent shall issue a formal notice ("Formal Notice") to the Owner of the alleged violation. The Formal Notice shall be in writing. The Formal Notice shall be sent to the Owner as set forth in NRS 116. In addition, the Formal Notice shall:

- a. Specify in detail the alleged violation and the proposed action to cure the alleged violation,
- b. Provide a clear and detailed photograph of the alleged violation, if the alleged violation relates to the physical condition of the Lot or the grounds of the Lot, or an act or failure of which it is possible to obtain a photograph, and
- c. Provide a reasonable opportunity to cure the alleged violation or contest the alleged violation at a hearing, which time period shall not be less than 15 days.

A copy of the Formal Notice may also be mailed to the occupant of the Lot.

5. Notice of Hearing. If the Owner fails to take corrective action, requests a hearing, fails to communicate with the Board, and the alleged violation is not remedied within the time period set forth in the Formal Notice, the Authorized Agent, may serve a "Notice of Hearing" to the Owner of the Lot. In addition, the Association may issue the Notice of Hearing to the tenant or any other person who may be held accountable for the alleged violation. The Notice of Hearing shall be sent to the Owner as set forth in NRS 116. The Notice of Hearing must contain each of the items contained in the Formal Notice. In addition, the Notice of Hearing must contain:

- a. The date, time and location for the hearing on the alleged violations;
- and

- b. The amount of the fine that may be paid by the Owner or tenant for the alleged violation.

A copy of the Notice of Hearing may also be mailed to the occupant of the Lot. In addition, the Notice of Hearing shall advise the Owner or tenant that the Owner or tenant:

- i. Has the right to attend all portions of the hearing, except the deliberations of the Board,
- ii. Has the right to counsel, and should the Owner choose to exercise that right, the Owner or tenant must notify the management company in order to provide time for the Board to engage its own legal counsel, if determined by the Board,
- iii. Has the right to present any and all evidence, witnesses and/or information that may be relevant to address the alleged violation,
- iv. May present information relating to any conflict of interest of any member of the hearing panel,
- v. Impose sanctions as set forth in Paragraph 7 below.

6. Matters Exempt From Courtesy and Formal Notices. Subject to any regulations adopted by the Commission, if the nature of the alleged violation is such that, in the sole discretion of the Board, it poses an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the Owners or residents of the Community, then, subject to the limitations imposed by NRS 116.31031(2), the Association may immediately send a Notice of Hearing, as set forth in this Section, without first sending the Courtesy Notice required by Section 3, or the Formal Notice required by Section 4, above. Violations that may pose an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the Owners or residents of the Community include, but are not limited to, the following:

- a. Misuse of Amenities;
- b. Damage to Association Property and Common Elements;
- c. Offensive/Aggressive Behavior/Bullying/Harassment;
- d. Dogs off leash or not under control, aggressive/vicious animals, or
- e. Short Term Rental or Vacation Rentals.

7. Time For Hearing. The Board or its duly appointed designee may reasonably limit the time an Owner is allowed to present evidence.

8. Possible Sanctions. Any hearing at which the Board is considering a violation of the Governing Documents including, without limitation, the failure to pay an assessment, shall be conducted

in an executive session of the Board, unless the person who may be sanctioned for the alleged violation requests in writing that the hearing be conducted by the Board at an open meeting of the Board. See NRS 116.31085(3) (c) and (4). Subject to any regulations adopted by the Commission and the limitations imposed by NRS 116.31031(2), if the Board concludes, after Notice and Hearing, that an Owner, tenant or the invitee or family member of an Owner or tenant has violated a provision of the Governing Documents, then the Board may impose one or all of the following sanctions:

- a. Fines, consistent with NRS 116 and this Resolution as follows:
 - i. A fine of not more than \$100.00 per violation, or a total amount of \$1,000.00, per hearing, against each Owner or tenant or invitee of the Owner or tenant, if the conduct does not pose an immediate threat of causing a substantial adverse effect on the health, safety or welfare of the Owners or residents of the Community. See NRS 116.31031(1).
 - ii. A fine commensurate with the severity of the violation and in accordance with the Association's Governing Documents, if the conduct poses an immediate threat of causing a substantial adverse effect on the health, safety or welfare of the Owners or residents of the Community.
- b. Suspend the Owners, tenants, or invitees of the Owner(s) or tenant(s) right to use the Common Elements during the term of the violation and for a period of not more than 30 days if the violation is remedied;
- c. Suspend the Owner's right to vote on any matters affecting the Community;
- d. Issue a declaration that the Owner is not in good standing;
- e. Seek declaratory and injunctive relief against the Owner, tenant or the invitee or family member of the Owner or tenant of the Lot;
- f. Consistent with Nevada law, impose special assessments for the actual damage to any part of the Community, or if any Common Expense is caused by the willful misconduct or gross negligence of any Owner, tenant or invitee of an Owner or tenant, the Association may assess that expense exclusively against the Owner and his or her Lot even if the Association maintains insurance with respect to that damage or Common Expense; and
- g. Any other legal or equitable remedies available to the Association for said violations.

9. Hearing Result Letter. Within fifteen (15) days after the hearing, the Board shall issue a letter to the Owner or tenant outlining the hearing results, including any penalties imposed by the Board. The Hearing Result Letter shall be sent by regular and certified mail to the Owner at the address of the Lot, and any different or additional address, including an email address, provided in writing by the Owner for notice. A copy of the Hearing Result Letter may also be mailed to the occupants of the Lot.

10. Fines for Continuing Violations. A violation shall be deemed a continuing violation if a fine is imposed pursuant to Section 7 above and the violation: (A) is not cured within 14 days after issuance of the hearing result letter, or within any longer period that may be established by the Board, or (B) reoccurs after the 14 day time period or within any longer period that may be established by the Board. Thereafter, the Board may impose additional fines in an amount that does not exceed the amount of the original fine and does not exceed \$100.00 per violation for every seven (7) day period that the Owner remains in non-compliance, if the underlying violation does not pose an immediate threat of causing a substantial adverse effect on the health, safety or welfare of the Owners or residents of the Community. However, if, subject to any regulations adopted by the Commission, the underlying violation poses an immediate threat of causing a substantial adverse effect on the health, safety or welfare of the Owners or Residents of the Community then the amount of the fine, per violation, shall not exceed the amount of the original fine and shall be commensurate with the severity of the violation, as set forth in the hearing result letter.

The violation shall be deemed fully cured, and no longer a continuing violation, when the violation does not reoccur within a six (6) month period after issuance of the hearing results letter. There is no cap or limit on the cumulative amount of the fines imposed for a continuing violation. Any additional fine for a continuing violation may be imposed without notice and an opportunity to be heard. See NRS 116.31031(7). It should be noted that there is no cumulative cap on the amount of the fines that may be imposed for a continuing violation. See NRS 116.31031(7).

11. Notice of Correction. It is the Owner's responsibility to notify the Board in writing, to the Manager, when the violation has been corrected.

12. Costs Incurred in Civil Actions. Any past due fine may include any costs incurred by the Association during a civil action to enforce payment of the past due fine. See NRS 116.31031(11).

13. Collection Costs and Interest. Fines are subject to collection costs per NRS 116. No interest may be charged on fines but the property may be liened for fines. See NRS 116.3116.

14. Recordation of Lien for Unpaid Fines. The Association may record a lien against an Owner's Lot for any unpaid fines and related costs. The process for collecting unpaid fines that are subject to lien and foreclosure will be treated as any unpaid assessments, as set forth in the Association's Delinquent Assessment Policy and Procedure. If the violation giving rise to the fines is of such a nature as to pose an imminent threat of causing a substantial adverse effect on the health, safety or welfare of the Owners or residents in the Association, then in addition to recording a lien against the Lot, the Association may initiate foreclosure proceedings against the Lot. See NRS 116.31162(6)(a).

15. Compliance Committee. The Board may appoint a compliance committee ("Compliance Committee"), of not less than three (3) members, to give notice of violations, conduct hearings on violations and to impose fines and other sanctions pursuant to this policy.

16. Appeal Process. If the hearing is held before the Compliance Committee appointed by the Board, then the Owner may appeal the outcome of the hearing to the Board. Any such appeal must be in writing and received by the Manager not more than fifteen (15) days after issuance of the hearing result letter. If the violations process is handled by the Board, without the involvement of the Compliance Committee, then no appeal may be taken.

17. Cumulative Remedies. The remedies and penalties set forth herein are cumulative in nature and do not prevent the Association from taking all necessary legal action to enforce any violations of the Association's Governing Documents by declaratory and injunctive relief. Thus, the Association reserves the right to avail itself of any other remedy permitted by law and the Association's Governing Documents to collect assessments and related costs and charges, including but not limited to bringing an action in Small Claims, Justice or District Court or initiating arbitration proceedings through the Nevada Real Estate Division. See NRS 38.310, et seq. Such remedies may be taken in addition to or in lieu of any action already taken, and commencement of one remedy shall not prevent the Association from electing, at a later date, to pursue another remedy.

18. Notice to Association. Owners and tenants should respond in writing or make payments to the address as directed by the Association or its designated collection agent. If no address is given, responses and petitions should be mailed to the management company:

Board of Directors
Skye Hills Community Association
c/o Olympia Management Services
11411 Southern Highlands Parkway, Suite 100
Las Vegas, NV 89141

19. Summary of Collection Fees and Costs. The collection fees and costs of the Association or its designated collection agent are attached hereto as Exhibit "A".

20. Conflicts. In the event the procedures set forth herein may be, at any time, inconsistent with provision of the Governing Documents or Nevada law, the Governing Documents and Nevada law shall control.

21. Severability. If any of these procedures should be ruled invalid or improper, the validity and enforceability of the remaining procedures shall be unaffected and the procedure held to be invalid shall be reformed so as to give it the manifest intent for which it was drafted.

DATED this 10th day of November 2021.

SKYE HILLS COMMUNITY ASSOCIATION

By: 

Chris Armstrong

Its: President

By: 

Bobby Williamson

Its: Secretary

By: 

Rick Rexius

Its: Treasurer

EXHIBIT "A"
COLLECTION FEES AND COSTS

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LEACH KERN GRUCHOW ANDERSON SONG
2022 LIEN/FORECLOSURE FEE SCHEDULE**

1. <u>NRS 116.31162(4) sixty (60) day Payment Plan/Fee Disclosure Letter</u>	\$150.00
2. <u>Attorney Demand Letter</u> (provided on LKG letterhead)	\$150.00
3. <u>Notice of Delinquent Assessment Lien</u> (preparation and recordation of lien and all statutorily required mailings)	\$325.00 ^{††}
<ul style="list-style-type: none"> • <u>Release of Notice of Delinquent Assessment Lien</u> (upon payment of all amounts owed by HO) – [includes contact from owner to pay lien without dispute, preparation of document, obtaining appropriate signature from client, recordation of document, and providing recorded copies to client and HO] 	\$30.00
4. <u>Intent to Notice of Default Letter</u>	\$90.00
5. <u>Notice of Default</u> (preparation and recordation of NOD and all statutorily required mailings)	\$400.00
<ul style="list-style-type: none"> • Trustee's Sale Guarantee (at actual cost charged by title company – the cost is based on the amount of the lien) 	At actual cost charged by title company
<ul style="list-style-type: none"> • <u>Rescission of NOD</u> (upon payment of all amounts owed by HO) – [includes contact from owner to pay lien without dispute, preparation of document, obtaining appropriate signature from client, recordation of document, and providing recorded copies to client and HO] 	\$30.00
6. <u>Intent to Notice of Sale Letter</u>	\$90.00

** Each line item amount is the fee for that task. Pursuant to NAC 116.470(3), actual costs incurred in performing each line item task are in addition to the fee for each task.

^{††} Violation Lien(s) may be filed in accordance with NRS Chapter 116.

7. <u>Foreclosure Sale</u> – includes: <ul style="list-style-type: none"> • Notice of Sale • Publication & Posting Costs • Conduct Sale • Transfer Deed 	At fee rates provided in NAC 116.470, including subsections (e)-(i), (s)-(t).
8. <u>Payoff Demand(s)/Escrow Demand (s)</u>	\$165.00
9. <u>Expediting Fee</u> (Payoff requested within 3 days)	\$100.00
10. <u>Repayment Agreement(s)</u> – Between Owner(s) and Association <ul style="list-style-type: none"> • Set-up Fee • Payment Plan Breach Letter 	\$30.00 \$25.00
11. <u>Mailing Fee Per Piece</u> – Intent to Lien Letter, Demand Letter, Notice of Delinquent Assessment Lien, Notice of Default	\$2.00 per piece
12. <u>Insufficient Funds Fee</u> (NAC 116.470(2)(p))	\$20.00 + third party costs (NAC 116.470(3))
13. <u>Paralegal Services performed @ Hourly Rate</u> (NAC 116.470(4)(b))	\$145.00-\$185.00
14. <u>All other attorney services performed @ Hourly Rate</u> (NAC 116.470(4)(b))	Partner \$325.00 - \$350.00 Associates \$185.00-\$325.00
15. <u>Copy/Facsimile Charges</u>	\$.20/page
16. <u>Postage Charges</u>	At cost of postage
17. <u>Certified Mail Charges</u>	At cost of certified mailer
18. <u>Recording Fees</u>	At cost charged by Recorder's Office
19. <u>Other Third Party Costs</u>	At cost charged by third party

LEACH KERN GRUCHOW ANDERSON SONG
2022 BANKRUPTCY FEE SCHEDULE**

1. <u>Bankruptcy Package Preparation and Monitoring</u>	\$100.00 Flat Fee
2. <u>File Evaluation/Recommendation</u> This can be utilized in conjunction with any of the following items or not at all	\$195.00 Flat Fee
3. <u>Proof of Claim</u> Includes coordination with manager to obtain updated account history and prepare and file Proof of Claim	\$175.00 Flat Fee
4. <u>Demand Letter Regarding Payment of Post-Petition Payments</u> Includes coordination with manager to obtain updated account history and prepare and deliver demand letter	\$215.00 Flat Fee
5. Motion for Relief From Stay	\$500.00 Flat Fee + Court Filing Fees (Filing fees are currently \$181.00 and are subject to change)
6. Bankruptcy Letter to Lender(s) (in case of Property Surrender to Lender(s) and/or Lender(s) Motion for Relief From Stay Granted)	\$175.00 Flat Fee
7. Filing of pleadings other than Motion to Terminate Stay (i.e., Opposition, Reply, Objection to Plan Confirmation, etc.), Court appearances and Board meeting appearances at professional's hourly rate	At hourly rate set forth below
8. Paralegal Services performed @ Hourly Rate	\$145.00-\$185.00/hour
9. All other attorney services performed @ Hourly Rate	Partner \$325.00 - \$350.00 Associates \$185.00-\$325.00
10. Copy/Facsimile Charges	\$.20/page
11. Postage Charges	At cost of postage
12. Certified Mailing Charges	At cost of certified mailer
13. Recording Fees	At cost charged by Recorder's Office
14. Pacer Charges	At cost charged by CM/ECF
15. Other Third Party Costs	At cost charged by third party

** Each line item amount is the fee for that task. Pursuant to NAC 116.470(3), actual costs incurred in performing each line item task are in addition to the fee for each task.