

HOLLY HILL FARMS HOMEOWNERS ASSOCIATION, INC.
COVENANT/REGULATION VIOLATION POLICY

The following will be the policy for addressing violations of the Holly Hill Farms Covenants, Conditions and Restrictions (“CCRs”), Bylaws, or rules and regulations. This policy has been written within the parameters of the CCRs, the Association’s Bylaws, and the North Carolina Planned Community Act. This policy will be used for the enforcement of the CCRs followed for the purpose of protecting the integrity, value and desirability of the lots, and protecting the lot owners and any and all parties having a right, title or interest in the homes in the subdivision. This Violation Policy will become effective when approved by the Association’s Board of Directors.

Any party having any right, title or interest in any lot in Holly Hill Farms (“homeowner”) is required by the laws of the State of North Carolina to abide by the Declaration of Covenants, Conditions and Restrictions, the Bylaws, and the Rules/Regulations. If at any time any party is in violation of the provisions of these documents, the following protocol will be followed by the Board of Directors:

STEP 1 – The homeowner in violation will receive written notice of the violation with a specified period of time to comply. If the homeowner is unable or unwilling to cure the violation within the specified time period, he/she is required to respond in writing within that specified time period to the Board of Directors to either work out a resolution or request a hearing. If the Board does not receive a response from the homeowner, or is unable to reach a mutually-agreeable resolution within the specified period of time, Step 2 will go into effect.

STEP 2 – The Board of Directors (or an adjudicatory panel appointed by the Board) will schedule a hearing, and provide the homeowner with written notice of the nature of the violation, and the date, time and place of the hearing, such notice to be mailed and emailed to the homeowner at least 15 days prior to the hearing. At the hearing the homeowner will have the right to appear and present evidence and witnesses, and the general requirements of due process shall be observed. Based upon the evidence before it, the Board or adjudicatory panel will determine if the homeowner is in violation of the CCRs, Bylaws, or Rules/Regulations. If it is found that the homeowner is in violation, then the Board or adjudicatory panel will determine if the homeowner should be fined or if planned community privileges or services should be suspended pursuant to the powers granted to the Association in N.C.G.S. §47F-3-102(11) and (12), and §47F-3-107.1. Written notice of the final decision of the Board or panel will be mailed to the homeowner. A grace period may or may not be given before the actual imposition of the fine and or suspension to give the homeowner the opportunity to cure the violation. If it is decided that a fine should be imposed, a reasonable fine, up to \$100.00 (or \$100.00 per day for continuing violations) may be imposed without further hearing. Daily fines for continuing violations may not begin to accrue until five days after the hearing. If it is decided a suspension of community privileges or services should be imposed, it may take place without further hearing until the violation or delinquency is cured. Fines shall be assessments secured by the liens under N.C.G.S. §47F-3-116.

STEP 3 - If the homeowner is still in violation after Steps 1 and 2 and no resolution has been reached between the homeowner and the Board, the matter may be turned over to the Association's attorney to commence lien and foreclosure proceedings, and/or a possible civil action seeking a court-ordered injunction. While Step 3 takes place the homeowner will continue to be charged any daily fines imposed from STEP 2. Once the case has been turned over to the attorney the homeowner in violation will be responsible for all attorneys fees as provided in the North Carolina Planned Community Act, in addition to all previous assessments, interest, costs or fines incurred.

This policy was approved by the Board of Directors via email the week of June 26-30, 2023, and is effective immediately.

HOLLY HILL FARMS
HOMEOWNERS ASSOCIATION

By: _____

President

A handwritten signature in cursive script, appearing to read "Bruce Hensley", is written over a horizontal line. The signature is written in black ink and is positioned to the right of the "By:" label.