Care and Appearance Policy Salishan Leaseholders, Inc.

Overview

As Leaseholders we are fortunate to live in one of the most beautiful spots on earth. The care and appearance of our homes and homesites is important to the overall ambience of this wonderful place. Time and use inevitably creates a need for repair, maintenance and upkeep, and it is incumbent on each of us to keep our properties in a manner that upholds the tenets envisioned when Salishan was developed. This benefits us all by maintaining the livability of our community and also contributes to the value of our homes when time comes to sell them.

Purpose

The purpose of this policy is to provide guidance, authority and a process for the manager, the board of Salishan Leaseholders, Inc. (SLI) and leaseholders to follow in the repair and maintenance, care and appearance of homes and grounds as addressed in the Uniform Lease in the following sections:

- 1. <u>Section 11</u> Repair and Maintenance Lessees shall have the sole obligation to repair, maintain and otherwise preserve the leased premises according to the requirements set forth in this lease and the rules and regulations of Salishan, Inc.
- 2. <u>Section 17</u> Care and Appearance Lessees shall maintain the improvements on the leased premises and the grounds of such premises in a neat and attractive manner, and in particular shall keep the grass and weeds cut, the shrubbery pruned and dead trees, shrubbery and plants removed. Lessees shall keep the exterior of improvements on the leased premises in a good state of repair and appearance.

When there are deficiencies in meeting the standards of Sections 11 and 17, the guidance and process that follow are intended to provide consistency in the actions taken to address them.

Scope of Authority

The Salishan Leaseholders, Inc. (SLI) is governed by the following:

- 1. The Uniform Lease grants the SLI board of directors the authority to assess fines and take legal action for non-compliance with the terms of the Uniform Lease.
- 2. The Bylaws directs the SLI board to conduct the affairs of the organization.

Process

Concerns regarding Repair and Maintenance, Care and Appearance are brought to the attention of the manager from a variety of sources that may include individual Leaseholders, members of the architectural committee, the SLI security staff, and/or visitors to the property.

The manager will investigate and document the reported concerns, determine current ownership status, and make the initial contact with the responsible leaseholder by phone or email. The manager may request assistance from the architectural committee. As circumstances warrant, the manager will ask the responsible leaseholder to rectify the problem, and set a reasonable time limit for that process. If the matter needs to go before the architectural committee, the leaseholder will be expected to make their submission at the next available meeting. If the situation is resolved to SLI's satisfaction, no further action will be required.

If the Uniform Lease or SLI policy violations are caused by a sub-lessee, terms of the Sublease Agreement can be enforced and the sublease terminated. The leaseholder will be responsible for any amounts left unpaid by the sub-lessee and any legal action that SLI might take will be against the leaseholder.

In cases where the manager and/or architectural committee decides the leaseholder is in continuing violation of the Uniform Lease and SLI Policies, the following steps shall be taken:

- 1. The manager will notify the board of directors of the violation;
- 2. The board then has the option to send to Leaseholder an initial written notice that will:
 - a. List the violations that need to be addressed;
 - b. Inform the Leaseholder that they have 30 days to either bring the home/homesite into compliance or to submit an action plan to the board, and that fines may be levied at the end of this period. The action plan shall include a description of the correction, and the expected dates of completion and subsequent SLI inspection;
 - c. Reference Uniform Lease requirements and steps SLI may take; and
 - d. List schedule of future potential fines (See Doc#9 Fee/Fine Schedule).

Non-Compliance

If the first 30-day deadline expires with no satisfactory response to the initial notification, the manager and board will proceed with the following schedule of notices, invoices and graduated fees as listed on Doc#9 - Fee/Fine Schedule:

- Second notice, with invoice for assessed fee/fine and another 30 day deadline.
- Third notice and invoice for assessed fee/fine, with the additional statement of the board's intent to proceed with legal action (e.g. injunctive relief to cease further violation and/or possible lien on property) at the end of 30 days from receipt of notice.
- Proceed with the following (if there is no response and 30 day deadline has expired) in consultation with legal counsel that may include the following:
 - a. Seek injunctive relief in the Lincoln County Circuit Court against continued/further violations;
 - b. Continue to assess fees/fines every month that violations continue.
 - c. Place a lien upon the property if there are unpaid fines; and
 - d. Seek legal costs to enforce the terms of the Lease.

Use of Funds Collected

The SLI Manager will deposit all monies that may be collected from Repair, Maintenance, Care and Appearance assessments in the established Operating fund, and use the monies for payment of costs associated with the following purposes:

- 1. Clearing brush and vegetation from Salishan Drive and adjacent roadways to increase driving visibility provide walking paths for pedestrians and clearance for emergency vehicles.
- 2. Paving and striping roads, rebuilding and replacing roads and roadbeds on Salishan Drive and adjacent roadways to ensure safe passage and increase visibility.
- 3. Clearing and removing vegetation, trimming trees and other landscaping deemed necessary by the Common Area Committee for the improvement of these areas for all Leaseholders.
- 4. Acquiring equipment and tools needed by SLI employees to maintain, repair and care for the appearance of roads and common areas for the benefit of all Leaseholders.

Exceptions

There are no exceptions to the requirement that sections 11 and 17 of the Uniform Lease be followed. The board may modify processes as events necessitate. The board may halt the assessment of the scheduled fees if they deem it necessary or proper, but if progress is stymied by the non-compliance of the leaseholder, the fines shall resume as though no interruption had occurred.

Appendix A: Schedule of Fines

If no compliance after written notice(s) within:	A fine will be assessed in the amount of:
30 days after initial notice 🛛	\$100
30 days, after 2nd notice \Box	\$200
30 days, after 3rd notice 🛛	\$500
Any further 30 day period □	\$1,000 each and every 30 day period

Approved by the SLI Board by e-mail vote on September 1, 2017

Board Chair (signature)_____

Vice Chair (signature)_____

Manager (signature)_____