VILLAGE OF BUCKINGHAM VILLAS

Fine and Covenant Enforcement Policy

Sections II Villas

PROPOSED ADOPTION DATE	10/14/2024
PROPOSED EFFECTIVE DATE	10/14/2024
STATUTORY ALIGNMENT	Indiana HB 1115 / P.L. 155-2026; IC 32-25.5-3-12 and IC 32-25.5-5
FINE PROGRESSION	$50 first fine • $100 second fine • $200 third and later fines • $1,000 maximum per violation episode

1. Purpose and authority

The Board of Directors adopts this policy to promote fair, consistent, documented, and legally compliant enforcement of the recorded covenants and amendments applicable to Village of Buckingham Villas. The policy establishes the violations that may be fined, the amount and timing of fines, the maximum aggregate fine for a single violation episode, and the notice and meeting procedures that must precede assessment.

This policy supplements—not replaces—the governing documents. If this policy conflicts with a recorded covenant, controlling statute, court order, or other applicable law, the controlling authority governs. Nothing in this policy authorizes enforcement of a restriction that has been preempted or limited by state or federal law.

2. Fine schedule

After the Association completes the notice and opportunity-to-meet process in Section 6 and the violation remains uncured, the following schedule applies to each violation episode. No fine may be imposed retroactively.

Enforcement stage	Fine	Aggregate	Timing / condition
Initial compliance notice	$0	$0	Default cure period: 15 calendar days; 30 days for exterior or structural work unless the Board approves another reasonable plan. A shorter period may be used for an urgent safety risk, active property damage, or ongoing nuisance when reasonable.

Enforcement stage	Fine	Aggregate	Timing / condition
First fine	$50	$50	Assessed on the date stated in the pre-fine notice if the violation is not cured.
Second fine	$100	$150	May be assessed no sooner than 15 calendar days after the first fine if still uncured.
Third fine	$200	$350	May be assessed no sooner than 15 calendar days after the second fine if still uncured.
Fourth fine	$200	$550	May be assessed no sooner than 15 calendar days after the prior fine if still uncured.
Fifth fine	$200	$750	May be assessed no sooner than 15 calendar days after the prior fine if still uncured.
Sixth fine	$200	$950	May be assessed no sooner than 15 calendar days after the prior fine if still uncured.
Final capped increment	$50	$1,000	If still uncured after another 15 calendar days. No further fine accrues for this violation episode after the $1,000 cap.

MAXIMUM PER VIOLATION EPISODE: $1,000. The aggregate of all recurring fines for the same violation episode will not exceed $1,000. The final installment is reduced as necessary to remain within that limit. Separate, unrelated violations may be tracked separately only when the notice identifies each violated provision and the facts supporting each charge.

3. Violations subject to fines

A fine may be imposed only for a category listed below and only when the notice cites the specific recorded provision applicable to the owner's lot. Section-specific rules and later amendments control over inconsistent earlier language.

Category	Fineable conduct	Governing-document reference
Architectural approval and unauthorized improvements	Constructing, installing, altering, repainting, or landscaping without required prior written approval; failing to follow approved plans; refusing required removal or restoration.	Architectural-control provisions, including Article VI §34, as applicable.
Residential use, occupancy, and rentals	Nonresidential use, prohibited occupancy, prohibited or unapproved leasing, or failure to provide a requested lease or occupancy information when authorized.	Article VI and the 2021 Rental Amendment for Section II lots, as applicable.

Category	Fineable conduct	Governing-document reference
Building, lot, driveway, setback, and subdivision standards	Violations of dwelling type/height/size, garage, setback, lot, concrete driveway, subdivision, sidewalk, permitting, or related construction requirements.	Article VI §§1–5, 20–21, 24, 35–36, as applicable.
Owner maintenance and exterior responsibilities	Failure to maintain owner-responsible improvements or exterior elements; failure to correct owner-caused damage; interference with Association maintenance.	Article III and the June 11, 2003 amendment for Section II Villas, as applicable.
Easements, utilities, and drainage	Obstructing easements, altering drainage, or interfering with utilities, stormwater, or sanitary systems.	Article VI §§6–7, 17–19, and 26, as applicable.
Nuisance or offensive activity	Conduct or a condition that constitutes a nuisance or unreasonably interferes with neighboring use and enjoyment.	Article VI §8.
Temporary structures, outbuildings, and sheds	Prohibited temporary structures or outbuildings; an unapproved or nonconforming shed. Section III's *approved compatible garden-shed exception* applies only where stated.	Article VI §9 and applicable architectural provisions.
Vehicles, parking, boats, trailers, campers, and common-area driving	Prohibited parking or storage; unlicensed, unregistered, or disassembled vehicles; prohibited motorized-vehicle use in easements or common areas.	Article VI §§10, 29, and 31.
Signs	A sign prohibited by the governing documents, but only to the extent enforcement is permitted by current state and federal law.	Article VI §11, subject to controlling law.
Antennas, satellite dishes, and solar equipment	Noncompliance with valid placement or approval requirements, only to the extent not preempted by federal or state law.	Article VI §§12 and 15, subject to controlling law.
Trash, rubbish, and containers	Accumulation of rubbish; improper waste storage; containers left outside beyond the permitted collection window; prohibited incinerators.	Article VI §14.
Landscaping and exterior lighting	Unapproved landscaping changes; missing, nonfunctioning, excessive, or nonconforming required exterior or yard lighting.	Article VI §§16, 30, and 32, as applicable.
Common-area use	Violation of adopted common-area rules or prohibited activity that damages or interferes with the common area.	Article VI §§28–29 and other applicable common-area provisions.

Category	Fineable conduct	Governing-document reference
Pets and animals	Exceeding permitted pets; unattended or unrestrained pets; tenant-pet violations where applicable; or related nuisance conduct.	Article VI §33 and the 2021 Rental Amendment for Section II lots, as applicable.

4. Items handled outside this fine schedule

The following are not converted into fines under this policy:

- Regular, special, restoration, or other assessments and collection charges, which remain governed by the recorded documents and any separately adopted collection policy.
- Actual costs to repair owner-caused damage or to perform authorized maintenance or restoration, when chargeable under the governing documents.
- Court costs, attorney fees, interest, and other recoverable amounts, but only when authorized by contract, the governing documents, statute, or court order.
- Conduct protected by applicable federal or Indiana law.
- A restriction that the Association has no legal authority to enforce.

5. Required enforcement procedure

The Association will maintain dated records, photographs or other evidence when reasonably available, copies of all notices, owner responses, meeting records, cure verification, and the fine ledger. Substantial compliance with the following sequence is required before a fine is assessed.

Step	Required action
Confirm authority and facts.	Identify the lot, owner, facts, dates, evidence, applicable section, and exact covenant or rule. Confirm that no later amendment or law supersedes the restriction.
Send a written claim/compliance notice.	State the nature, date, time, and location of the alleged violation; identify involved persons and their role if known; quote or accurately cite the governing provision; state the requested cure and deadline; identify the Association contact and mailing address; explain the owner's right to request a meeting in writing within 10 business days; and state that fines and recoverable litigation costs or attorney fees may follow where authorized.
Honor the meeting right.	If a timely written meeting request is received, follow IC 32-25.5-5 and the governing documents. The Association will participate in good faith and document any agreement or impasse. No fine will be assessed before the meeting process required by law is completed.
Allow a reasonable cure opportunity.	Use the cure period in Section 3 unless the condition reasonably requires different timing. The owner may submit a written cure plan before the deadline. The Board may approve, modify, or reject the plan in writing.

Step	Required action
Send pre-fine notice.	Before assessment, identify the specific violation; the fine amount; the date it will be assessed; and, for a continuing or recurring fine, the calculation method, interval, conditions, and $1,000 maximum. This information may be included in the initial notice if all statutory elements and dates are clear.
Verify and assess.	After the cure deadline, verify whether the violation remains. Record the Board's or authorized decision and post only the fine authorized by the schedule. Send a written account statement or assessment confirmation.
Reinspect and stop accrual when cured.	Fines cease when the Association verifies cure. The owner may submit written proof of cure. The Association should inspect or respond within a reasonable time.

6. Continuing and recurring violations

- A continuing violation advances through the schedule at intervals of no less than 15 calendar days, unless a longer period appears in the notice or an approved cure plan.
- A violation that stops and recurs within 12 months may resume at the next step in the schedule if the new notice identifies the prior incident, the recurring facts, the next fine, and the remaining aggregate cap.
- If the same type of violation recurs after 12 months, it ordinarily begins again with the compliance notice and first-fine stage, unless counsel advises that the facts legally constitute the same continuing violation episode.
- The Board may extend cure time, suspend a fine during diligent corrective work, reduce or waive a fine for documented hardship or other good cause, or resolve a disputed claim. Similar cases should be treated consistently, with the reason recorded.

8. Account information and owner access

Upon an owner's request, the Association will provide the accrued fine amount for the identified violation. The adopted fine schedule and any later amendment or repeal will be made available for member inspection in person, in writing, by email, or through another electronic method used by the Association.

9. $1,000 cap, collection, and lien review

When unpaid fines for a single violation episode reach the $1,000 maximum, no additional fine will accrue for that episode. The violation may still be addressed through other remedies authorized by the governing documents and law, including a demand for compliance, injunctive relief, damages, authorized restoration or maintenance charges, or a civil judgment.

> **LIEN REFERRAL AT $1,000 — NOT AN AUTOMATIC FILING.** At the $1,000 threshold, the account will be referred to Association counsel for a title, covenant, statutory, and procedural review. A lien may be recorded only if counsel confirms that the particular unpaid obligation is lienable under the recorded governing documents and Indiana law, all notice and grievance requirements have been satisfied, and the Board authorizes the filing. If a fine alone is not lienable, the Association may pursue another lawful remedy, including obtaining and enforcing a judgment.

This limitation is intentional. The supplied covenants expressly describe lien remedies for certain assessments and restoration costs, but they do not clearly state that a covenant fine automatically becomes an assessment lien. Indiana's homeowners-association lien statute should therefore be applied only after legal review of the specific charge and lot.

10. Adoption and amendment

- The proposed schedule must be included with member notice of the Board meeting at which adoption will be considered, in the manner required by the governing documents and IC 32-25.5-3-12.
- Any amendment or repeal requires member notice that includes the proposed revised schedule and identifies the meeting where action will be considered.
- Members retain any statutory right to demand a special meeting concerning amendment of the fine schedule.
- This policy becomes effective only after valid Board adoption and completion of all required notice procedures.

11. Board resolution

The Board of Directors of the Village of Buckingham hereby adopts this Fine and Covenant Enforcement Policy, subject to final review by Association counsel, at a duly noticed meeting held on the date written below.

Adoption date

10/14/2024

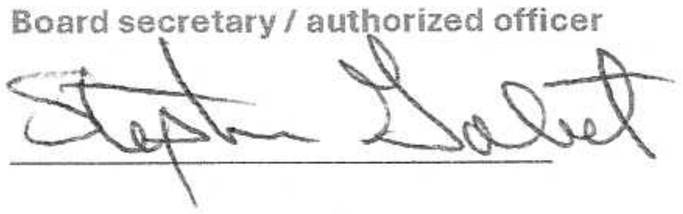
Effective date

10/14

Board president / authorized officer



Board secretary / authorized officer



Appendix A — Pre-fine notice checklist

- ☐ Owner name, property address, lot/section, and date of notice
- ☐ Nature of the alleged violation, with date, time, and location
- ☐ Persons involved and their role, if known and relevant
- ☐ Exact governing-document provision and factual basis
- ☐ Requested cure, cure deadline, and method for reporting cure
- ☐ Right to request a meeting in writing within 10 business days
- ☐ Association contact name and mailing address for the meeting request and cure notice
- ☐ Specific proposed fine, assessment date, recurring interval and calculation, and $1,000 maximum
- ☐ Statement that the Board may impose a fine and may recover court costs and attorney fees where legally authorized
- ☐ How to request the accrued fine balance and inspect the adopted schedule

Appendix B — Documents reviewed and legal references

Governing documents supplied for this draft:

- Section 2 Restrictive Covenants, recorded August 19, 1993
- Section 2 Amendment to Covenants, recorded September 28, 1994

- Section 2 Amendment to Covenants, recorded October 4, 1999
- VOB Villas Section 2 Amendment to Covenants, recorded June 11, 2003
- Village of Buckingham Amendment to Protective Restrictions — Rentals, 2021
- Village of Buckingham Villas — Section III restrictive covenants

Primary Indiana legal references:

- Indiana House Enrolled Act 1115 / Public Law 155-2026 (effective July 1, 2026)
- Indiana Code § 32-25.5-3-12 — homeowners-association fine schedules and notices
- Indiana Code Chapter 32-25.5-5 — homeowners-association grievance resolution
- Indiana Code Chapter 32-28-14 — homeowners-association liens

COUNSEL REVIEW RECOMMENDED. Recorded-document interpretation, statutory compliance, protected-use restrictions, and lien rights are legal questions. The Board should have Indiana association counsel approve the final text before notice, adoption, assessment, or lien filing.