DRAFT June 2023 CCRs & Duty of Directors

LAKE LIMERICK COUNTRY CLUB



# **HOA** Organization

HOAs are governed by the members and the Board of Directors in accordance with the governing documents, specifically the covenants, articles, and bylaws.

The rules and expectations within the governing documents are for everyone in the community, and adherence is to be respected and upheld by the Board and directors.

# Covenants, Conditions, & Restrictions





The CCRs are among the HOA governing documents.

Provisions of the CCRs are **legal** and to be enforced.



The CC&Rs, or Covenants, Conditions, and Restrictions, on the other hand, define an HOA's rights and obligations to its members and vice versa. It includes property-use restrictions, covenant enforcement, and dispute resolution. It also covers maintenance, dues, and insurance obligations.

Property use restrictions

# CC&R come in **two** forms:

#### **AFFIRMATIVE USE**

```
"Shall"

"Will"

"Must"

"No"

"No more than..." /

"No less than..."
```

Cannot be selective in enforcement. These items are legally binding and recorded with the county.

#### **DISCRETIONARY USE**

"May"
"Can"
"Should"

Discretion and selective enforcement are allowable when reasonably and equally applied.

# CC&R come in **two** forms:

#### **AFFIRMATIVE USE**

"Mobiles and trailers will be permitted in Division V..."

"No docks will be permitted." (Lake Leprechaun)

"No horses, cattle, cows, sheep, rabbits, pigs or other animals, fowl or poultry shall be kept, raised, or permitted..."

Cannot be selective in enforcement. These items are legally binding and recorded with the county.

#### **DISCRETIONARY USE**

"A shed, tent, garage, trailer, or other outbuildings **may** be used as a residence temporally or permanently with the approval of Lake Limerick country club."

"Outside fires **may** be built only as permitted by the governing authorities of Mason County..."

Discretion and selective enforcement are allowable when reasonably and equally applied.

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## **NOTICE**

No matter what kind of language (affirmative or discretionary), to change the CC&Rs requires a vote of the membership. Covenants, Conditions, and Restrictions cannot be changed or amended by the Board or Committees alone.

#### **AFFIRMATIVE USE**

"Shall"

"Will"

"Must"

"No"

#### **DISCRETIONARY USE**

"May"

"Can"

"Should"

Selective enforcement. Basically, an HOA must enforce its rules and covenants with fairness and consistency. You cannot select some instances to enforce a covenant, and other instances to ignore that covenant.



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An association has the duty to enforce the restrictions set forth in its CC&Rs. When it fails to do so, "a homeowner can sue the association for damages and an injunction to compel the association to enforce the provisions of the [CC&Rs]." (Posey v.

Covenants,
Conditions,
&
Restrictions

https://findhoalaw.com > failure-to-...

Failure to Enforce - FindHOALaw

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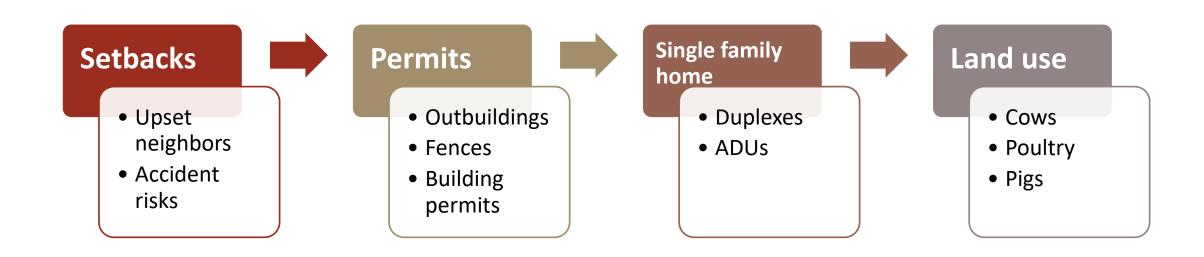
Ignoring and/or arbitrarily enforcing the property restrictions opens us up to litigation.

CCRs are **not** optional. They are required and shared rules that every lot owner consents to.

If the Board and/or committees selectively or capriciously **applies CCR requirements**, then enforcing the whole of the CCRs opens us to **risk** and **litigation**.

Special allowances risk and ruin the HOA.

# If we undermine the CCRs, we risk...

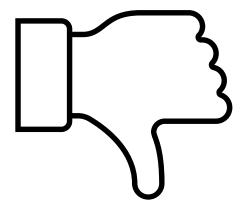


[Just a few examples]

### LAKE LIMERICK COUNTRY CLUB COMMITTEE MEMBER APPLICATION

| My address is:  |  |   |  |
|---|--|---|--|
| My telephone nu   | mber is:   |   |  |
| My e-mail address                                       | s is:  |   |  |
| I would like to be                                      | a member of the _  |   | Committee.   |
| Guidelines, and<br>meetings and pe<br>constructive, pos | other Rules of La<br>rform committee-re<br>sitive, helpful way.  | ke Limerick Country elated work on a regul.  I have read, unde  | Club: to attend committee<br>ar basis: and to do so in a   |
| nature:   |  | Date:   |  |
| e Committee vote  | d on whether or no   | t to accept this applica  | ant as a member of its   |
|   |  |   |  |
|   | My telephone num My e-mail address I would like to be I promise to uph Guidelines, and meetings and pe constructive, pos Committee Guide gnature:  +++++++++++++++++++++++++++++++++++ | My telephone number is:  My e-mail address is:  I would like to be a member of the  I promise to uphold the Declaration Guidelines, and other Rules of La meetings and perform committee-reconstructive, positive, helpful way Committee Guidelines of Lake Lime gnature: | My telephone number is:  My e-mail address is:  I would like to be a member of the  I promise to uphold the Declarations, Articles of Incorpo Guidelines, and other Rules of Lake Limerick Country meetings and perform committee-related work on a regul constructive, positive, helpful way. I have read, under Committee Guidelines of Lake Limerick Country Club.  I promise to uphold the Declarations, Articles of Incorpo Guidelines, and other Rules of Lake Limerick Country Country meetings and perform committee-related work on a regul constructive, positive, helpful way. I have read, under Committee Guidelines of Lake Limerick Country Club.  I promise to uphold the Declarations, Articles of Incorpo Guidelines, and other Rules of Lake Limerick Country in the read, under Committee Guidelines of Lake Limerick Country Club.  The results of the Committee voted on whether or not to accept this application of the results o |

All committee members actively consent to upholding covenants



# Selective Enforcement of CCRs is against our Governing documents



Committees may suggest selective enforcement for non-governing elements of their review process.

Examples: How much a fine might be. Maximum speed for boats on the lake.



Committees **cannot** change the regulations outlined **in the CCRs**.

The procedures stated in CCRs are **non-negotiable**.

Examples: Septic tanks must be installed. LLCC shall establish boat speeds.



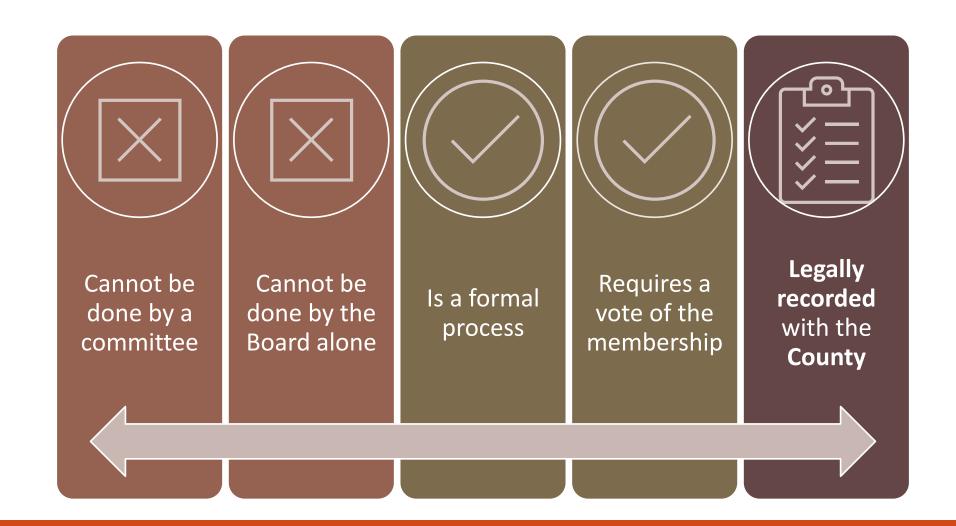
Board of Directors may propose and accept changes to *non-governing* elements of their review process.



The Board of Directors cannot change the regulations outlined in the CCRs.

The procedures stated in CCRs are **non-negotiable**.

# Changing CCRs...



## Other risks

Proposing /enabling selective enforcement is a cause for removal of "member in good standing" status.



Members "not in good standing" may not serve on the board or committees.