

# **Chelsea's Way Owners Association, Inc.**

## **Rules and Regulations**

### **Fine Policy**

Effective Date: July 22, 2025

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This Fine Policy has been adopted by the Board of Directors ("Board") of The Chelsea's Way Owners Association, Inc. ("Association"), to provide a fair, equitable and consistent policy and procedures to ensure compliance with the Declaration of Covenants, Condition and Restrictions ("CC&Rs" or "Declaration"), and By-Laws of the Association, and any and all amendments thereto (all collectively referred to as "governing documents").

This Fine Policy is intended to supplement and not supersede any notice, fine and enforcement remedies contained in the CC&Rs and By-Laws. This Fine Policy shall terminate, override and supersede any and all existing fine policies which may have been adopted by the Association. The Board may amend this Fine Policy at any time without a vote from the Association membership.

The procedures contained within this Fine Policy shall not prohibit the Association from exercising any and all remedies available to it contained within the said CC&Rs, By-Laws or under Tennessee Law.

Violations of any provision of the CC&Rs, By-Laws or other existing Rules and Regulations may, at the Board's discretion, be enforced in accordance with the following procedures:

#### **Notification Steps and Fines**

##### **FIRST NOTIFICATION STEP: Warning Letter**

- The homeowner will be sent a First (1st) Notice, electronically, detailing the violation and action(s) which must be taken to resolve the infraction. The homeowner will be given an opportunity to correct the violation within the specified deadline given in the notice, not to exceed ten (10) calendar days from the date of notice.

##### **SECOND NOTIFICATION STEP: \$25.00 Fine**

- If the violation continues past ten (10) calendar days, or the specified deadline provided in the First (1st) Notice, the homeowner will be sent a Second (2nd)

Notice, electronically, informing them of the amount of the fine for the uncorrected violation and the action(s) which must be taken to resolve the infraction within no less than ten (10) calendar days from the date of notice. The homeowner will be assessed \$25.00 which will be payable within ten (10) calendar days to the Chelsea's Way Owners Association.

**THIRD NOTIFICATION STEP: \$50.00 Fine**

- If the violation continues past ten (10) calendar days, the homeowner will be sent a Third (3rd) Notice, electronically, informing them of the amount of the fine for the uncorrected violation and the action(s) which must be taken to resolve the infraction within no less than ten (10) calendar days from the date of notice. The homeowner will be assessed \$50.00 which will be payable within ten (10) calendar days to the Chelsea's Way Owners Association.

**FOURTH NOTIFICATION STEP: \$100.00 Monthly Fine**

- If the violation continues past ten (10) calendar days, the homeowner will be sent a Fourth (4th) Notice, electronically and via USPS certified letter, informing them of the amount of the monthly fine for the uncorrected violation and the action(s) which must be taken to resolve the infraction within no less than ten (10) calendar days from the date of notice. The homeowner will be assessed \$100.00 per month until the sooner of four (4) months or until resolution of such violation. The fine of \$100.00 per month will be payable within ten (10) calendar days to the Chelsea's Way Owners Association.

**FIFTH NOTIFICATION STEP: Referral to Association attorney**

- If the violation remains unresolved after the aforementioned four (4) months, the homeowner will be sent a Fifth (5th) Notice, electronically and via USPS certified letter, informing them that the violation has been referred to the Association attorney for enforcement.

**Important Notes**

1. After the Fifth (5th) Notice has been sent to the homeowner, the Board or the Property Manager will refer the violating homeowner to the Association's attorney who shall have the benefit of all of the same remedies available within the CC&Rs, By-Laws, at law and in equity to Chelsea's Way Owners Association, for the enforcement of all such violations. Violation of any provision of Rules and Regulations shall be enforceable in the same manner that non-payment of Assessments, Common Expenses and Special Assessments are enforceable in the CC&Rs including lien rights; and the remedies provided to the Association for



other violations of the CC&Rs including late fees and/or interest provided for therein shall likewise be available for the enforcement of violations. The violating homeowner shall be liable for all costs of the enforcement of Rules and Regulations, including reasonable attorney's fees.

2. In accordance with the CC&Rs, Article IV, Section 17, **Enforcement:**

The Association, acting through the Board, shall have the power to enforce the provisions of this Declaration, any Supplemental Declaration, and the Governing Documents and shall take such action as the Board deems necessary or desirable to cause such compliance by each Owner by any one or more of the following means:

(a) By commencing and maintaining actions and suits to restrain and enjoin any breach or threatened breach of the provisions of this Declaration, any Supplemental Declaration or the Governing Documents, by mandatory injunction or otherwise;

(b) By commencing and maintaining actions and suits to recover damages for breach of any of the provisions of this Declaration, any Supplemental Declaration, or the Governing Documents and for all expenses incurred in connection therewith, including reasonable attorney's fees;

(c) By levying and collecting reasonable and uniformly applied fines and penalties established for breach of this Declaration, any Supplemental Declaration, or the Governing Documents;

(d) By taking such action as reasonably necessary to bring a Lot and any Improvements thereon into compliance with this Declaration, any Supplemental Declaration, or the Governing Documents, the costs of which shall be at the Owner's sole expense;

(e) By suspending the right to vote.

(f) By exercising any remedy for nonpayment of Assessments as provided herein. The Association shall have a lien on any Lot and any Improvement thereon to secure payment of the amounts described in this Paragraph, and such lien may be enforced in the same manner and with the same priority as that of a lien for Assessments as provided herein. The Association, by contract or other agreement, may enforce county and city

ordinances, if applicable, and local governments may enforce their ordinances within the Development Property.

3. In accordance with the CC&Rs, Article VII, Section 14, **Enforcement: Liens and Personal Obligation:**

In order to secure payment of Assessments, fines, or other duly levied charges assessed against any Lot within the Development Property pursuant to this Declaration as same become due, there shall arise a continuing lien and equitable charge ("Assessment Lien") in favor of the Association for all such sums, together with court costs, reasonable attorney's fees, late charges, any other collection costs, and interest thereon as provided herein (collectively, "Non-compliance Damages").

If any Assessment, fine, or other duly levied charge remains unpaid for sixty (60) days from the original due date, the Association may, as the Board shall determine, institute suit to collect Noncompliance Damages, foreclose its Assessment Lien, or both.

4. In accordance with the CC&Rs, Article VII, Section 5, **Delinquent Payment:**

All fines not paid within ten (10) calendar days will incur a ten percent (10%) late fee for unpaid balances added to the homeowner's account.

**Continuing Violations**

Any violation which is resolved but reoccurs at any time within sixty (60) calendar days from the date of resolution, shall be considered a continuation of the previous violation and will be enforced in accordance with the relevant next step of the Fine Policy.

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Adopted this 22nd day of July, 2025, by the undersigned, Michael Januskevicius, President of Chelsea's Way Owners Association, Inc., who acknowledges and affirms that a meeting of the Board of Directors was held on July 19, 2025, where a quorum of Directors were present and a motion was made, seconded and passed to adopt these Rules and Regulations.

**[Signature page to follow]**

CHELSEAS'S WAY OWNERS  
ASSOCIATION, INC.

*Michael Januskevicius*

By: Michael Januskevicius  
Its: President

STATE OF TENNESSEE  
COUNTY OF ROBERTSON

Before me, a Notary Public in and for the State and County aforesaid, personally appeared Michael Januskevicius with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon his oath, acknowledged himself to be the President of Chelsea's Way Owners Association, Inc., and that he as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the Association by himself as such President.

Witness my hand and official seal at Cross Plains, Robertson County, Tennessee  
this 22<sup>nd</sup> day of July, 2025.

My Commission Expires:

My Commission Expires  
August 18, 2026



*Micheal Christopher Bryant*  
Notary Public