

Providence Gateway Condominium Association
Rule – Fine Schedule, Late Fee, and Interest

1. Purpose

The purpose of this Rule is to establish a uniform, legally compliant schedule and procedure for the imposition and collection of fines, late fees, and interest under the Declaration¹ and applicable law. This Rule replaces and consolidates all prior Association policies or practices concerning the imposition or collection of fines, late fees, or interest. It clarifies and implements the provisions of Declaration §§ 6.2, 6.6, 7.1, 7.2, and 7.3 and the Act, including Utah Code §§ 57-8-8.1 and 57-8-37, to ensure that the assessment and collection of fines, late fees, and interest are consistent, transparent, and equitable to all Owners.

This Rule further provides clear notice to Owners, tenants, and other responsible parties of the amounts, timing, and procedures applicable to violations and delinquent accounts, thereby promoting fairness, due process, and financial stability within the community.

2. Authority

This Rule is adopted pursuant to the authority granted to the Board by: (a) Declaration §§ 6.2, 6.6, 7.1–7.3; and (b) Utah Code § 57-8-8.1. In the event of conflict, the Act shall control, followed by the Declaration, then this Rule.

3. Definitions

A. Act. “Act” means the Utah Condominium Ownership Act, Utah Code § 57-8-1 *et. seq.*, as it may be amended from time to time.

B. Act, Nonprofit. “Nonprofit Act” means the Utah Revised Nonprofit Corporation Act, Utah Code § 16-6a-101 *et. seq.*, as it may be amended from time to time.

C. Association. “Association” means **Providence Gateway Condominium Association**, a Utah nonprofit corporation, or its successor.

D. Articles of Incorporation. “Articles of Incorporation” means the Association’s articles of incorporation or other organizing documents as they may be amended or restated from time to time and as duly filed with the State of Utah.

E. Bylaws. “Bylaws” means the bylaws of the Association as they may be amended or restated from time to time and as duly recorded in the Recorder’s Office of Cache County, Utah.

F. Declaration. “Declaration” means the declaration of covenants, conditions, and restrictions of the Association as they may be amended or restated from time to time and as duly recorded in the Recorder’s Office of Cache County, Utah.

¹ Amended and Restated Declaration of Condominium for Providence Gateway, recorded on February 24, 2022, as Entry No. 1313236 in the Recorder’s Office of Cache County, Utah.

G. Governing Documents. “Governing Documents” means the Declaration, Plat, and Bylaws; the Articles of Incorporation; Resolutions; and Rules.

H. Notice of Fine. “Notice of Fine” means the written notice by which the Association imposes a fine for a Violation, consistent with the requirements of Utah Code § 57-8-37(2)(b), that describes the Violation, identifies the specific provision(s) of the Governing Documents violated, and states the amount of the fine.

I. Notice of Violation. “Notice of Violation” means a written notice of a Violation issued before any fine is imposed, consistent with the requirements of Utah Code § 57-8-37(2)(a), that describes the Violation, identifies the specific provision(s) of the Governing Documents violated, and provides a cure period of not less than 48 hours after the day the notice is given to correct the Violation.

J. Plat. “Plat” means the one or more plat or subdivision map describing the real property within the jurisdiction of the Association as such may be amended or restated from time to time and as duly recorded in the Recorder’s Office of Cache County, Utah.

K. Resolution. “Resolution” means a formal written document of the Association in its capacity as a nonprofit corporation that is duly adopted by the Board or its membership. A Resolution is adopted under the Nonprofit Act and takes precedence over a Rule, but is void to the extent it conflicts with applicable law, the Declaration, the Articles of Incorporation, or the Bylaws.

L. Rule. “Rule” means an Association rule, regulation, policy, procedure, or the like, but not a Resolution unless and only to the extent expressly stated therein, that is duly adopted by the Board for the purpose of the operation, administration, control, or regulation of the Association.

M. Violation. “Violation” means any act, omission, or condition that is not in compliance with one or more provisions of the Governing Documents.

4. Fines

4.1. Schedule of Fines

4.1.1. First Violation

The Association may issue a Notice of Violation for a first Violation. No fine may be imposed unless (a) the Violation continues beyond the cure period stated in the Notice of Violation;² or (b) within one (1) year after the day the Notice of Violation is given, the Owner commits a second Violation of the same provision of the Governing Documents identified in that Notice of Violation.³

² Pursuant to Utah Code § 57-8-37(2)(a)(iv), the cure period must be “a time that is not less than 48 hours after the day on which the management committee gives the unit owner the” Notice of Violation.

³ See Utah Code § 57-8-37(2)(a)(iii).

4.1.2. Second Violation

The Association may impose a fine of \$50.00 by issuing a first Notice of Fine if (a) the first Violation continues beyond the cure period stated in the Notice of Violation;⁴ or (b) within one (1) year after the day the Notice of Violation is given, the Owner commits a second Violation of the same provision of the Governing Documents identified in the Notice of Violation.⁵

4.1.3. Third Violation

The Association may impose a fine of \$100.00 by issuing a second Notice of Fine if: (a) the same Violation continues for ten (10) days or longer after the day the first Notice of Fine is given;⁶ or (b) within one (1) year after the day the first Notice of Fine is given, the Owner commits a third Violation of the same provision of the Governing Documents identified in the first Notice of Fine.⁷

4.1.4. Fourth or Subsequent Violation

The Association may impose a fine of \$150.00 by issuing each additional Notice of Fine if (a) the same Violation continues for ten (10) days or longer after the day the immediately preceding Notice of Fine is given;⁸ or (b) within one (1) year after the day the immediately preceding Notice of Fine is given, the Owner commits another Violation of the same provision of the Governing Documents identified in that Notice of Fine.⁹

4.2. Assessment of Fines

The Association shall impose and collect fines in accordance with the notice, cure, and hearing procedures set forth in Utah Code § 57-8-37, this Rule, and the recorded Declaration.

Upon the Association's issuance of a Notice of Fine, the fine amount is deemed an Individual Assessment under Declaration § 6.6 (and within § 6.2's covenant to pay), and shall be deemed assessed against the Lot and its Owner(s) and, to the extent permitted by law, directly on any tenant or other person identified in the Notice of Fine as responsible for the Violation; however, lien rights shall attach only to the Lot and its Owner(s).

Each fine assessed under this Rule, including lien rights, shall be collected and enforced in the same manner as other Assessments under Declaration §§ 7.1–7.3 and Article VII generally.

⁴ See Utah Code § 57-8-37(2)(b)(ii).

⁵ See Utah Code § 57-8-37(2)(b)(i).

⁶ See Utah Code § 57-8-37(2)(c)(ii).

⁷ See Utah Code § 57-8-37(2)(c)(i).

⁸ See Utah Code § 57-8-37(2)(c)(ii).

⁹ See Utah Code § 57-8-37(2)(c)(i).

5. Late Fee

Pursuant to Declaration §§ 7.1 and 7.2, any Assessment—including any Individual Assessment, fine, or other charge authorized under the Governing Documents—not received within ten (10) days after its due date shall be deemed delinquent.

Upon delinquency, the Association may impose one Late Fee equal to the greater of \$50.00 or 10% of the unpaid amount.¹⁰

Only one Late Fee may be imposed for each delinquent Assessment, and no recurring or monthly late fees shall accrue for the same delinquency.

This Rule supersedes any inconsistent default late-fee provision in § 7.2 to the extent necessary to comply with applicable law.

The Late Fee shall constitute an Individual Assessment under Declaration § 6.6, shall be secured by the Association's lien under § 7.3, and shall be collected and enforced in the same manner as other Assessments under Declaration §§ 7.1 through 7.3 and Article VII generally.

6. Interest on Delinquent Amounts

Pursuant to Declaration § 7.2 and Utah Code § 57-8-8.1(4)(b), all unpaid Assessments and unpaid Late Fees—together with collection costs, attorney fees, or other authorized charges—that remain delinquent for more than thirty (30) days accrue simple interest at 1.5% per month (18% per annum).

No interest accrues on previously accrued interest or on any amount for which interest is prohibited by applicable law.

This Rule supersedes any conflicting interest provision in Declaration § 7.2 to the extent necessary to conform to Utah Code § 57-8-8.1(4)(b). Accrued interest constitutes part of the Assessment lien and shall be collected and enforced in the same manner as other Assessments under Declaration §§ 7.1 through 7.3 and Article VII generally.

7. Terms

All capitalized terms used in this Rule and not expressly defined herein shall have the meanings given to them in the Declaration, as amended from time to time.

¹⁰ See Utah Code § 57-8-8.1(4)(b)(i).

8. Adoption

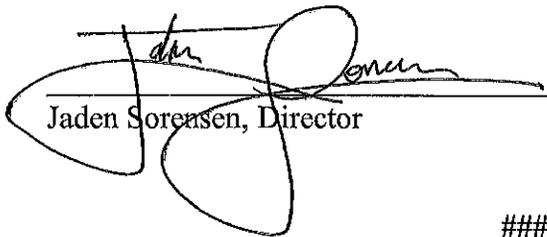
This Rule was duly adopted by the Board of Providence Gateway Condominium Association in accordance with Utah Code §§ 57-8-8.1(4) and 16-6a-813. This Rule is effective as of the date the last director below signed this written consent.



David Jarrett, Director

Date: 10-27-25

Date: _____



Jaden Sorensen, Director

Date: 10-27-25

END OF RULE