

BLUE HERON RIDGE HOMEOWNERS ASSOCIATION
RULES ENFORCEMENT POLICY AND PROCEDURES

WHEREAS, Article VII, Section 7.2 and Article VIII, Section 8.1, grants the Board the power and duty to promulgate such rules and regulations concerning the operation and use of the Plan, Property or Properties.

WHEREAS, for the benefit and protection of the Association and of the individual members, the Board deems it desirable to establish and operate by a uniform procedure to assure an orderly disposition of all cases where there is a question of compliance by a unit owner, his family, his guests or tenants, with the provisions of the Declaration of Covenants, Conditions, and Restrictions for Blue Heron Ridge Plan of Lots P.R.D., Rules and Regulations, and Blue Heron Ridge By-Laws ("Legal Documents"); and

WHEREAS, it is the intent of the Board to establish a uniform procedure to be followed where the Board will respond to complaints and questions of compliance by individuals with the provisions of the Association's Legal Documents;

NOW, THEREFORE BE IT RESOLVED that the following be adopted by the Board as the Rules Enforcement Policy and Procedure of the Blue Heron Ridge Homeowners Association.

The Board must have documentation of the alleged violation. This documentation can be in the form of a letter or note or a completed Rule Violation Form, from any unit owner or a report from an individual Board member or the management representative. This documentation should state essentially the following:

1. The nature of the violation;
2. The date and approximate time of the violation;
3. The approximate location of the violation;
4. The names and unit address of the offending party;
5. The name and unit address of the person reporting the violation;
6. A statement verifying that the person reporting the violation actually observed the violation; and
7. Any other information that may aid the Board in resolving the violation.

The sequence of events in enforcing this policy and procedure is as follows:

To the extent possible, the name of the complaining party will remain anonymous. If, in the opinion of the Board, its authorized agent, or designated committee, the reported violation does not endanger other residents or common elements and can best be cured by a warning, the

Board or its authorized agent shall cause a letter to be sent by regular mail to the offending unit owner describing the alleged violation, and demanding (1) that any such violation cease immediately and (2), if appropriate, the area that was damaged by the violation be restored by the offending unit owner to the satisfaction of the Board or its designated committee. The cost of any restoration is to be borne by the offending party.

If the violating unit owner does not comply with the warning letter, and continues thereafter to violate the Legal Documents, the Board, its authorized agent, or designated committee shall cause to be sent to the offending unit owner by regular mail a written notice of the violation and pending fine, containing essentially the following information:

1. A description of the violation or continuing violation;
2. A demand that the violation immediately cease and that any damage to the property, if applicable, be restored, within a Ten (10) day period;
3. A statement that a fine in the amount of not less than \$25.00 nor more than \$100.00 per day will be imposed on the offending unit owner, such fine will be determined at the discretion of the Executive Board;
4. A statement that if the offending unit owner wishes to appeal the fine, he/she must contact the Executive Board in writing, within Ten (10) days from the date of the notice of violation, appealing the decision to the Executive Board. Any request for an appeal before the Board will stay the imposition of any fine until the case is decided, noting however that if the Board finds the alleged unit owner liable for the infraction charged that any fine imposed will be retroactive to the date of the initial notice of the violation to the unit owner;
5. A warning that, if the violation continues, a fine of not less than Twenty-five Dollars (\$25.00) per day and not more than One Hundred (\$100.00) per day thereafter, will be imposed until the violation has been cured; and
6. A statement that any damage caused by the violation will be assessed against the offending unit owner, and, if incurred at any time during this process or through subsequent litigation, that attorney fees and costs may be assessed against the property owner if the property owner is found in violation of the Legal Documents.

The unit owner charged with the infraction may appeal the determination to the Board or its designated committee by submitting a written appeal describing: (1) all of his or her defenses to the infraction alleged and (2) the reasons why he or she believes his or her actions are or were not a violation of the Legal Documents. The Board or its designated committee will consider the appeal, including contacting any additional witnesses or the complainant to gather additional information if the Board or its designated committee, in its sole discretion, deems it necessary. Following this review, the Board will determine whether or not the actions complained of constituted a violation of the Legal Documents. If the Board finds that the complaint constituted

a violation of the Legal Documents, then the original fine will be reinstated from the date of the original violation.

If any fines imposed by the Board under this policy and procedure are not paid within thirty (30) days of the initial assessment or the violation otherwise continues, the matter may be referred by the Board to legal counsel for the Association for appropriate legal action. If the matter is referred to legal counsel, all reasonable attorney fees, interest and costs incurred shall be assessed and collected against the offending unit owner. If at any time, a unit owner or violator fails to pay any sums due to the Association for any reason, then those sums due will accrue a Twenty-five Dollar (\$25.00) per month late charge on the outstanding balance until said sums are paid in full.

This policy and procedure is applicable to any violation of the Legal Documents which does not currently specify a fine and/or a method of collecting fines by the Blue Heron Ridge Homeowners Association Executive board. If a section of the Legal Documents does specify a fine and/or a method of collecting the fine, then the amount of the fine and/or the procedure set forth therein will be followed.

All fines are to be paid to the Blue Heron Ridge Homeowners Association at their business mailing address.

Sections 2.4 (a) and (c) of the Declarations further provide:

- (a) Any dispute concerning the use and enjoyment of the Open Space, the implementation and interpretation of the within Protective Covenants and Restrictions, the By-Laws of the Association and the Rules and Regulations as currently existing or as may be promulgated, from time to time, by the Association, as and when created, and any levy and imposition of any annual and/or special assessment between any Owner and/or Occupant and the Developer and/or Association, as and when created, shall be submitted to binding arbitration before the Developer and/or Board of Directors, as and when created;
- (c) Any other disputes between any Owner(s), Occupant(s) and the Developer and/or Association, as an when created, regardless of the subject matter or amount in controversy, shall be submitted to binding and non-appealable arbitration and shall be heard by the American Arbitration Association of Pittsburgh, Pennsylvania or its successor. The award of such arbitration shall be final and non-appealable and such award may be filed of record in the Prothonotary's Office of Allegheny County and such award, as and when filed, shall have the same force and effect as a final judgment. Each party to such arbitration proceeding agrees to waive its or his right of appeal from such award. Each party further agrees to be responsible for and shall pay upon such submission, one-half (1/2) of the applicable fee for such arbitration, which is then assessed and charged by the American Arbitration Association of Pittsburgh, or its successors. If the Owner(s) or occupant(s) shall fail to timely pay such fee(s) to the American Arbitration Association, the Developer and/or Association, as and when created, may assess against the Owner

or Occupant all such arbitration fees as so applicable to such arbitration proceeding. Nothing herein, however, shall limit the right of the Developer and the Association, as and when created, to file from time to time any lien against an owner for non-payment of any assessment(s) and/or special assessment(s).

Adopted by the Blue Heron Ridge Homeowners Association Executive Board this 17th day of June, 2009.

**BLUE HERON RIDGE HOMEOWNERS ASSOCIATION
ASSESSMENT COLLECTION RULES AND REGULATIONS**

The following shall be the assessment collection rules and regulations of the Blue Heron Ridge Homeowners Association. These supersede any and all prior rules and regulations regarding this subject matter.

1. All payments of assessments, fees, charges, fines, liens, etc., shall be by check or money order made payable to Blue Heron Ridge Homeowners Association.
2. The Owner's share of the budgeted common expenses, general operating reserves, reserves for replacement and reserves for contingencies, shall be due on a monthly basis.
3. Each Owner shall pay as his/her respective monthly assessment, one-twelfth (1/12th) of his/her share of the estimated annual budget or an owner may prepay for the year.
4. All monthly installments of the annual assessment are due on or before the first (1st) day of each month.
5. Assessments received after the tenth (10th) day of the month in which they are due are considered delinquent.
6. Upon becoming delinquent, on the eleventh (11th) day of the month in which the assessment was due and unpaid, a \$5.00 late charge will be assessed to the account.
7. A notice shall be sent to the delinquent Owner reminding him/her of the delinquent payment and that a \$5.00 late payment charge has been assessed to his/her account.
8. When an account reaches sixty (60) days delinquent, the Owner will be notified by certified mail that his/her account must be brought current in ten (10) days or legal action may be initiated. All costs associated with the collection action, including reasonable attorney fees, will be a cost to the delinquent owner.
9. All fees and charges due to the Association will be placed as a lien on the property.
10. Once an Owner becomes delinquent for two or more months in the payment of his/her monthly maintenance fee, the Executive board may cause to be suspended the Owner's and/or his/her tenant's right to use the common areas at the Association.