

**HEATHERWOOD HOMEOWNERS' ASSOCIATION,
INCORPORATED**

EXHIBIT "G"
ARCHITECTURAL GUIDELINES
VIOLATIONS AND INSPECTIONS

ADOPTED 5-15-08

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EXHIBIT “G”

HEATHERWOOD HOMEOWNERS’ ASSOCIATION, INCORPORATED

ARCHITECTURAL GUIDELINES

VIOLATIONS AND INSPECTIONS

To the extent now or hereinafter permitted by the laws of the State of New Jersey, the Board of Trustees shall have the power to levy fines against any owners for violations of any rules or regulations of the Association or for any covenants or restrictions contained in the Declaration or Bylaws. Exhibit G pertains to the fines associated with violations that are in non-compliance with Exhibit F – Architectural Guidelines.

1. Violations

- a. Complaints regarding potential violations of Architectural Guidelines as reported by a homeowner will be forwarded to the management company and be processed by the management company only if submitted in writing and signed.
- b. In cooperation with the Architectural Review Board (ARB), the management company will investigate the potential violation and will report its findings to the Board of Trustees (BOT).
- c. The BOT will determine the appropriate disposition of the matter after proof that a violation has been established.
- d. In all cases, the name of the complainant shall be kept confidential by the management company and not disclosed to the BOT, ARB, or any other entity or individual.
- e. Residents in violation of Architectural Guidelines may be fined according to the fine schedule below. All fines received will be maintained as a separate line item in the budget and will be used for the beautification of Heatherwood. All fines must be paid prior to closing on the sale of the residence.

2. Definitions of Violations

ARB Application Not Required – All additions, changes, modifications, and alterations that do not require ARB approval, are generally easily rectified, and are considered minor violations.

ARB Application Required, but not Filed – All additions, changes, modifications, and alterations that require ARB approval, but an application was not filed.

Minor Violation – A minor violation is defined as a violation that is easily rectified with little expense, is non-structural, non-masonry, and not permanent.

Major Violation – A major violation is defined as a violation that is structural and/or masonry and is not easily rectified by the homeowner. Major expense will be incurred if the violation is rectified.

3. Fine Schedule

ARB Application Not Required, but Change a Violation – After receiving notice by mail from the management company and the violation is not rectified within 30 days, a \$100 fine per month will be levied, up to a maximum of \$1,000, until the violation is corrected. Failure to pay fines will result in a lien filed on the resident's home. Failure to correct the violation after fines are paid may result in legal action.

ARB Application Required, but not Filed – Failure to file an ARB application prior to commencement of work will result in an immediate fine of \$25. Repeat violations will incur escalated fines of \$50, \$75, and \$100.

Minor Violation – After receiving notice by mail from the management company and the violation is not rectified within 30 days, a \$100 fine per month will be levied, up to a maximum of \$1,000, until the violation is corrected. Failure to pay fines will result in a lien filed on the resident's home. Failure to correct the violation after fines are paid may result in legal action.

Major Violation – After receiving notice by mail from the management company and the violation is not rectified within 30 days, a \$500 fine per month will be levied, up to a maximum of \$1,500, until the violation is corrected. Failure to pay fines will result in a lien filed on the resident's home. Failure to correct the violation after fines are paid may result in legal action.

4. Appeal Process

Each homeowner has the freedom and right to appeal any decision.

Exhibit E - Rules and Regulations

- a. New or Desired Change: A new rule or desired change is presented to the BOT who will consider bringing the suggestion up for discussion and vote by BOT (2/3 vote) with the exception of those items that are a Protective Covenant which will be presented to the membership for a vote.
- b. Interpretation of Rules and Regulations: The case is presented to the BOT. If the homeowner is not satisfied with the BOT's decision, the resident may request an ADR hearing.

Exhibit F - Architectural Guidelines

- a. New or Desired Change: The homeowner presents the request to the BOT. The BOT can decide to present the requested change to the membership for a vote. Suggested recommendations for change will be presented to the homeowners once a year.
- b. Interpretation of Guidelines: After an ARB decision, the homeowner presents the case to the BOT. The BOT makes a decision and, if the homeowner is not satisfied with the BOT's decision, the homeowner can request an ADR hearing. If the BOT or ADR Committee agrees with the homeowner, a change in the guidelines will be presented to the membership for a vote.

5. Inspections

a. Annual Inspections

In an effort to ensure that homeowners are in compliance with the Architectural Guidelines, the ARB will conduct one inspection per year in the spring. ARB members shall wear vests labeled ARB for identification purposes. The process is as follows:

1. The ARB reviews and updates a Master Improvement Inventory Sheet and follows up with the management company to ensure that all improvements have an approved application on file.
2. The ARB reports any violation to the management company.
3. The management company follows up with the homeowner for any application not on file and/or any violations until resolution.

b. Approved Application Inspections

Once a homeowner submits an Improvement Application and it is approved, the ARB inspects the improvement to ensure compliance. In case of non-compliance, the ARB reports finding to the management company who in turn resolves the issue with the homeowner.

c. Easement To Inspect

In accordance with the Declaration of Covenants, Article X, Section 4, there is hereby created an easement in favor of the Association for ingress and egress on any Lot to inspect such property for (a) alleged violations of the Governing Documents, and (b) compliance with architectural standards and/or approved

plans for alterations and improvements, provided such inspection is performed during reasonable hours.

6. **Amendments**

Amendments to Exhibit G – Architectural Guidelines –Violations and Inspections can be made by a two-thirds (2/3) vote of the Board of Trustees following a hearing for which due notice (fifteen days prior to the meeting) has been provided to all members. All such amendments shall be placed in the Book of Resolutions, recorded and shall be binding upon all members, except when expressly provided otherwise in such rule. Refer to Article VI –Section 1E and Article VIII – Section 12 and Article XV – Section 1.