

RIVERCREST RESIDENTIAL OWNERS' ASSOCIATION, INC.

ADMINISTRATIVE RESOLUTION ADOPTING PROCEDURE FOR ENFORCEMENT OF THE DECLARATION, BY-LAWS, AND RULES AND REGULATIONS OF THE ASSOCIATION

WHEREAS, Section 3.1 of the Declaration of Covenants, Conditions, and Restrictions and Reservation of Easements for Rivercrest Residential Owners' Association ("Declaration") provides that the purpose of the Association, which acts through its Board of Directors, is to provide for the administration, governance, maintenance, management and upkeep of the Property;

WHEREAS, Article 7(A)(1) of the By-Laws of the Association ("By-Laws") empowers the Board to enforce the rules and regulations it promulgates regarding the administration, interpretation, and enforcement of the Restrictions contained in the Declaration, including without limitation establishing penalties or fines for infractions thereof;

WHEREAS, Article 7(A)(3) of the By-Laws provides that the Board may suspend the voting rights of a Member for their infraction of the rules and regulations promulgated by the Board to govern the maintenance, repair, replacement, modification and appearance of the Residential Common Elements;

WHEREAS, Section 9.2.2 of the Declaration empowers the Association to levy the costs it incurs in exercising any of its rights with respect to any Default of the Constituent Documents (Declaration, By-Laws, Articles of Incorporation, Rules and Regulations, Plats, any management

agreement between the Association and its managing agent, and any other documents used to create or govern the Property) as an Individual Assessment against an Owner in Default;

WHEREAS, Ohio Revised Code 5312.11 empowers the board of directors of a homeowners' association to levy individual lot assessments against a member for: reasonable enforcement assessments or fines for violating the declaration, by-laws, or rules and regulations of the association, including the expenses the board incurs in collecting them; and costs of maintenance, repair, or replacement incurred by the association due to the willful or negligent act of an owner or occupant of a lot or their family, tenants, guests, or invitees, including but not limited to attorney's fees, court costs, and other expenses;

WHEREAS, the Board of Directors desires to adopt administrative Rules and Regulations governing the enforcement of the Declaration, By-Laws, and Rules and Regulations in accordance with its authority as set forth above;

NOW, THEREFORE, the Board of Directors hereby adopts the following administrative resolution with respect to the enforcement of violations of the Declaration, By-Laws, and or Rules and Regulations:

Requirements for residents' use and behavior within the Property are set forth in the Declaration, specifically but not exclusively in Sections 5, 6, and 7 thereof, and the Rules and Regulations promulgated by the Board. The Declaration can only be amended by a vote of seventy-five percent (75%) of the Lot Owners, but the Rules and Regulations may be amended from time to time by the Board of Directors.

1. Identifying a Violation ("Default") and/or Damage

The Association's managing agent ("Management Company") will make occasional inspections of the Property, as frequently as the Board deems necessary, in an effort to identify violations of the Constituent Documents and/or any property damage caused through the willful or negligent act of an Owner or

Occupant or their family, tenants, guests, or invitees. The Declaration refers to violations of the Constituent Documents as a "Default."

Additionally, any resident wishing to make a complaint of a Default or property damage by another Rivercrest Resident must do so via email or standard mail to the Management Company using the complaint form attached to this Resolution. Additional forms may be obtained from the Management Company. Residents who lodge complaints by telephone will be directed to complete the complaint form and direct it to the Management Company, or no further action will be taken on the complaint.

The Board will review the Management Company's inspection report and the Board and/or the Management Company will to review a resident's complaint.

2. Addressing a Default

If the Board of Directors determines that a Default occurred or exists, then the Association, acting through its Board of Directors, the Management Company, or its legal counsel, will mail the Owner, with a copy to any Owner's tenant who is in Default, a First Notice informing them of the Default.

If the Owner in Default or their tenant in Default fails to cure or correct the Default as directed in the First Notice (or in the event of a Default that cannot by its nature be cured, has a second similar offense), then the Association will mail the Owner, with a copy to any Owner's tenant who is in Default, a Second Notice, which may contain warnings of imminent enforcement assessments and further legal action.

If, after receiving the First Notice and Second Notice, the Owner in Default or their tenant in Default fails to cure or correct the Default (or in the event of a Default that cannot by its nature be cured, has another similar offense) as required in the Notices, then the Association shall send an Enforcement Assessment Notice, which shall contain:

- a. A description of the Default;
- b. The amount of the proposed Enforcement Assessment to be levied against the Owner as an Individual Assessment pursuant to Section 4.3 of the Declaration, which may include an enforcement assessment (fine) for the Default and all expenses incurred by the Association in addressing and/or remedying the Default ("Individual Assessment") (hereafter, Enforcement Assessment and Individual Assessment collectively referred to as "Assessments");

- c. A statement that the Owner has a right to a hearing before the Board of Directors to contest the proposed Assessments, provided they request the hearing no later than the tenth (10th) day after receiving the Notice; and
- d. A reasonable date by which the Owner must cure the Default to avoid the proposed Assessments.

3. Addressing Property Damage / Charge for Damages

If the Association or any of its agents or contractors identifies property damage caused by the willful or negligent act of an Owner or Occupant or their family, tenants, guests, or invitees, then the Association, acting through its Board of Directors, the Management Company, or its legal counsel, will mail the Owner, with a copy to any Owner's tenant who is in Default, a Charge for Damages Notice, which shall contain:

- a. A description of the damage;
- b. The amount of the proposed Charge of Damages to be levied against the Owner as an Individual Assessment pursuant to Section 4.3 of the Declaration; and
- c. A statement that the Owner has a right to a hearing before the Board of Directors to contest the proposed Individual Assessment, provided they request the hearing no later than the tenth (10th) day after receiving the Notice.

4. Owner's Failure to Request a Hearing

If the Owner fails to request a hearing by delivering written notice to the Board or the Managing Agent no later than the tenth day after receiving the Notice, then the right to a hearing will be considered waived, and the Board may immediately impose the proposed Assessments outlined in the Notice.

5. Hearing Procedures

If the Owner requests a hearing, the Board will not levy the proposed Assessments before holding a hearing. At least seven (7) days prior to the

hearing, the Association will provide the Owner with a written notice of the date, time, and location of the hearing.

The hearing shall be held before the Board. The Board shall have up to thirty (30) days after the hearing to decide whether to impose the proposed Assessments or waive them. Upon making such decision, the Board shall deliver a written notice of its decision to the Owner.

6. Enforcement Assessments

Enforcement Assessments that are levied pursuant to a Default are fines and are thus itemized separately from the charges, expenses, and costs the Association may levy as reimbursement for such incurrences. There is a \$100.00 Enforcement Assessment levied for each Default.

7. Failure to pay Assessments

Assessments levied pursuant to this Resolution shall be due from the Owner and shall be payable to the Association as required by the Assessment Notice or, if a hearing was held, by the written decision of the Board sent pursuant to the hearing.

If the Owner fails to pay the Assessment within thirty (30) days from the date the Owner receives the Assessment Notice or the written decision of the Board sent pursuant to the hearing, the Association may file a lien upon the Lot, as provided in Section 4.6 of the Declaration.

The Board may take an action to collect an unpaid Assessments levied pursuant to this Administrative Resolution, including, but not limited to, foreclosing upon the lien in the same fashion as collecting delinquent General and Special Assessments. All attorney fees related to the filing of the lien and collection of Assessments will be the responsibility of the Owner.

8. Owner's Failure to Cure Default / Self Help / Legal Remedies

If the Owner in Default fails to cure or correct a Default as directed in any Notice, the Association shall have the right, in accordance with Section 9.1 of the Declaration, to enter upon the Owner's Lot and do anything necessary to abate, remedy, extinguish, remove, or repair the Default. This right is in addition to the right to levy the aforementioned Assessments. However, the Association may not engage in this self-help remedy to alter or remove items of construction until judicial proceedings have been had. All expenses incurred by the Association in engaging in such self-help proceedings shall be added to the aforementioned Assessments levied upon the Owner pursuant to Section 9.2.2 of the Declaration.

The Association, through the Board of Directors, further has the authority to file a lawsuit against the Owner seeking a Court order that the Default behavior cease and desist or that the Default be rectified. Under Ohio Revised Code 5312.13, the costs and attorneys' fees involved in bringing an action to enforce the terms of the Constituent Documents will be charged against the Owner as an Individual Assessment and will be collectible as the same.

9. **Emergency or Fact Warrant Immediate Action in the Discretion of the Board**

In the event that the Default constitutes an emergency or the facts surrounding the Default, in the discretion of the Board, call for immediate action, the Board can immediately levy an Enforcement Assessment or take legal action against a Defaulting Owner.

NOW, THEREFORE, be it resolved that at least a majority of the Board Members have voted in favor of the preceding Administrative Resolution.

Adopted this 10th day of September, 2018.

Board Approved _____

A large, stylized handwritten signature in blue ink, written over a horizontal line. The signature is cursive and appears to be a single name.