

Emerald Bay Homeowners Association Grievance Policy and Procedure

The Emerald Bay Homeowners Association ("EBHOA") having determined that it is in the best interest of all concerned to encourage the amicable resolution of disputes ("grievances") among its Homeowners and EBHOA, without the emotional and financial cost of litigation, the Homeowners agree to be bound by the grievance policies and procedures set out hereinafter.

A grievance in the context of EBHOA shall be:

- 1) Any act of malfeasance by a board member, committee member or officer of EBHOA. This may, but shall not be limited to, improper use of EBHOA funds, improper conduct on behalf of EBHOA, and any other act, which brings harm, embarrassment or fault on the Homeowners, or EBHOA.
- 2) A willful and continued violation of any EBHOA covenant or restriction by any Homeowner, his (or her) family, guests or contractors.
- 3) Violations of covenants or restrictions, which may include, but shall not be limited to the following:
 - A. Improper or inadequate care of landscaping on the Homeowner's property;
 - B. Inadequate upkeep of a Homeowner's residency or other structures;
 - C. Detached buildings, storage sheds or other structures, unless approved by the Architectural Committee;
 - D. Addition of fences, unless approved by the Architectural Committee;
 - E. Exposed concrete walls or other structures;
 - F. Use of a Homeowner's residence as a multi-family facility;
 - G. Use of signage other than "For Sale" signs and signs showing the name of the builder while under construction;
 - H. Continued unsightly conditions, including dead trees or shrubs, dead limbs, debris such as grass clippings, weeds or leaves blown into the street, or building materials, trash or garbage;
 - I. Removal of trees greater than 6 inches, without approval by the Architectural Committee;
 - J. Private wells drilled by the Homeowner without written approval of the Association;
 - K. Excavation by the Homeowner without prior approval of the Architectural Committee;
 - L. Installation of a mailbox not authorized by the Architectural Committee;

M. Air conditioning and heating units not shielded (shrubbery) from visibility at the street;

N. Renting or leasing of a Homeowner's residence, other than as may be reasonably necessary to facilitate sale of the home;

O. Installation by the Homeowner of chain link fences;

P. Parking of any vehicle on public or private streets or thoroughfares, or parking of commercial vehicles or equipment, mobile homes, recreational vehicles, golf carts, boats and other watercraft, trailers, stored vehicles, or inoperable vehicles in places other than enclosed garages; provided that construction, service and delivery vehicles shall be exempt from this provision during daylight hours for such period of time as is reasonably necessary to provide service or to make a delivery to a Homeowner's residence or a Common Area of EBHOA;

Q. Raising, breeding, or keeping animals, livestock, or poultry of any kind, except that a reasonable number of dogs, cats, or other usual and common household pets may be permitted;

R. Activity that emits foul or obnoxious odors outside the Homeowner's residence, or creates noises or other conditions which tend to disturb the peace or threaten the safety of the occupants of other residences;

S. Activity which otherwise violates local, state, or federal laws or regulations; however, the Board shall have no obligation to take enforcement action in the event of a violation;

T. Noxious or offensive activity which, in the reasonable determination of the Board, tends to cause embarrassment, discomfort, annoyance, or nuisance to persons using the Common Area or to Homeowners and/or their guests;

U. Outside burning of trash, leaves, debris, or other materials, except during the normal course of constructing a residence;

V. Use or discharge of any radio, loudspeaker, horn, whistle, bell, or other sound, device so as to be audible to occupants of other residences, except alarm devices used exclusively for security purposes;

W. Dumping grass clippings, leaves or other debris, petroleum products, fertilizers, or other potentially hazardous or toxic substances in any drainage ditch, stream, pond, or lake, or elsewhere within EBHOA, except that fertilizers may be applied to landscaping on residences provided that care is taken to minimize runoff;

X. Accumulation of rubbish, trash, or garbage, except between regular garbage pick ups, and then only in approved containers;

Y. Obstruction or rechanneling drainage flows;

Z. Subdivision of a residence into two or more residences;

AA. Use of any residence for operation of a timesharing, fraction-sharing, or similar program;

BB. On-site storage of gasoline, heating, or other fuels, except that a reasonable amount of fuel may be stored on each residence for emergency purposes and operation of lawn mowers and similar tools or equipment, and EBHOA shall be permitted to store fuel for operation of maintenance vehicles, generators, and similar equipment;

CC. Operations of a business, trade, or similar activity, except that a Homeowner may conduct business activities within the residence so long as: (i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the residence; (ii) the business activity conforms to all zoning requirements for Emerald Bay; (iii) the business activity does not involve door-to-door solicitation of residents of Emerald Bay; (iv) the business activity does not, in the Board's reasonable judgment, generate a level of vehicular or pedestrian traffic or a number of vehicles being parked in Emerald Bay, which is noticeably greater than that which is typical of residences in which no business activity is being conducted; and

DD. No antennas, other than small satellite dishes discreetly placed out of view of the road. Radio antennas must have the approval of the Architectural Committee prior to installation.

4) Proposed Grievance Procedure

a. The Homeowner making a complaint (the "Aggrieved Party") should attempt to first informally resolve the grievance with the Homeowner allegedly responsible for a violation (the "Alleged Offending Party or Parties."), to the extent that such attempted informal resolution may be initiated peacefully and without confrontation.

b. If the grievance remains unresolved, Step 1 of the Grievance Procedure shall require that the grievance be reduced to writing by the Aggrieved Party, with the original hand-delivered to the Grievance Committee person responsible for the subdivision within which the Aggrieved Party resides, and a copy kept by the Aggrieved Party, and shall include the following:

- i. The name, address, phone number, and email address of the Aggrieved Party;
- ii. The name, address, phone number and email address of the Alleged Offending Party or Parties;

- iii. The specific nature of the grievance, including the designation of dates, times and number of occurrences;

c. The Grievance Committee person responsible for the subdivision within which the Aggrieved Party resides shall call a meeting of the entire Grievance Committee within fourteen (14) days of the receipt of notice of the grievance.

- i. The Grievance Committee shall determine, within fourteen (14) days of receipt of the notice, whether there is sufficient basis for a formal hearing on the Grievance.

- ii. If the Grievance Committee determines that sufficient evidence exists for a formal hearing on the Grievance, the Grievance Committee shall request a response from the Alleged Offending Party within fourteen (14) days of written request to the Alleged Offending Party.

d. Only if the Grievance Committee from the Alleged Offending Party receives a response within such fourteen-day period, a hearing shall be held within fourteen (14) days of the response of the Alleged Offending Party, which hearing shall include (1) the Grievance Committee; (2) the Aggrieved Party; and (3) the Alleged Offending Party. Within seven (7) days of the conclusion of such hearing, the Grievance Committee shall determine whether or not the Grievance is valid. Upon a determination that such Grievance is valid, the matter shall immediately be forwarded to the EBHOA for determination of such action to be taken against the Alleged Offending Party, which action may include, but shall not be limited to, the initiation of legal proceedings against the Alleged Offending Party, the filing or recording of liens against the property of the Alleged Offending Party, or the determination of fines or other sanctions against the Alleged Offending Party. If the Grievance Committee determines that the Grievance is not valid, the Grievance Committee shall immediately report its determination in writing to the Aggrieved Party and the Alleged Offending Party.

5) The Grievance Committee shall be made up of one committee member from each of the following five subdivisions within the EBHOA:

- i. Emerald Point
- ii. Emerald Bay
- iii. Emerald Lake
- iv. Patten Place
- v. Brooke Stone