

Neighborhood Inspection Policy

Effective: 03/26/2014

Supersedes: N/A

Purpose

- To clarify expectations for neighborhood inspections on the part of the Board, homeowners, residents, and the management company.
- To guide the conduct of neighborhood inspections by the Board, homeowner volunteers, and the management company.
- To uphold property values and the Association's interest regarding inspections, while respecting homeowner rights and prerogatives.

Note: For purposes of this policy, the term "inspection" shall pertain to the inspection of homeowner units by AHCA for the purpose of identifying possible violations of the Condominium Documents. Inspections of common areas are not included under this policy, except as noted below relating to misuse of common areas by homeowners or residents.

Types of Inspections

Three types of neighborhood inspections shall be conducted by AHCA.

1. **Routine Inspections** for compliance with Bylaws and Neighborhood Policies pertaining to matters of safety, sanitation, lawn mowing, snow removal, and misuse of common areas.
2. A single **Annual Inspection** each year, primarily to ensure compliance with the "properly maintained" provision of Section 6.7 of the AHCA Bylaws.
3. **Ad hoc Inspections** of individual units in response to homeowner complaints regarding violations of the Neighborhood Policies and Bylaws.

Conduct of Routine Inspections

1. Routine Inspections shall be carried out at least twice monthly and shall include all homeowner units.
2. Routine Inspections shall normally be conducted by a representative of the management company. At its discretion, the Board may choose to carry out one or more Routine Inspections itself, or designate the Landscape and Architecture Committee to do so, but this is expected to be the exception, rather than the rule.
3. A Routine Inspection shall identify violations of the following Neighborhood Policies and Bylaws:

- a. Grass in excess of 6" in height.
 - b. Pets not on leash and/or unattended.
 - c. Improper dumping or other misuse of common areas, drains, or streets.
 - d. Garbage and/or recycling bins improperly left outside.
 - e. Debris not properly cleared (note: for this purpose, children's toys shall not be considered to be "debris", unless broken or otherwise posing a hazard or nuisance).
 - f. Sheds or other outbuildings erected that are prohibited by the Bylaws.
 - g. Snow and ice not removed from sidewalks.
 - h. Vehicles parked in streets during a snow event.
 - i. Signs posted, other than property sale signs.
 - j. Sports equipment or other items placed in streets.
4. In addition, a Routine Inspection shall also identify any other condition that, in the good-faith opinion of the inspector, poses a threat to safety or sanitation, whether or not the condition constitutes a violation of the Neighborhood Policies or Bylaws per se.
 5. The management company representative conducting a Routine Inspection shall promptly report a summary of his or her inspection findings to the Board. This summary report shall include:
 - a. The date of the Routine Inspection.
 - b. The number of violations found and the nature of the violations (e.g., lawn mowing, snow removal, safety, sanitation, other).
 - c. Notes detailing any particularly noteworthy violations found, or any significant patterns noted in the violations found.
 - d. Any appropriate recommendations for addressing noteworthy violations or patterns.
 6. Violation letters shall be issued promptly by the management company for all violations identified during a Routine Inspection. The management company representative need not seek Board approval prior to issuing violation letters resulting from a Routine Inspection, but may do so if, in his or her judgment, such review and approval is warranted due to the nature or number of the violations.
 7. The management company shall follow up on all violations, to ensure that homeowner compliance is achieved within an appropriate time frame. The management company representative shall bring to the Board's attention any identified violations that remain uncorrected for 30 days or more.
 8. Fines may be assessed, in accordance with Arbor Hills Neighborhood Policies, for any previously reported violations that are not corrected, or for repeated violations of the same policy or Bylaw provision. Per the Michigan Condominium Act, a hearing will be held before any fine is assessed to a non-compliant homeowner, specifically to verify the existence of the violation over which the fine is contemplated to be issued. The homeowner will be allowed the opportunity to present an appeal to the Arbor Hills Board of Directors (in person or in writing) at the hearing scheduled for this purpose. If the homeowner or the homeowner's legal representative fails to appear or respond in

writing to present the appeal at the scheduled hearing, the homeowner forfeits the right to appeal the alleged violation and penalties will be assessed for the violation unless the Board approves a continuance for the appeal at that meeting.

Conduct of Annual Inspections

1. A single Annual Inspection shall be carried out in September of each calendar year, and shall include all homeowner units.
2. The Annual Inspection shall be carried out by the AHCA Landscape & Architecture Committee and its volunteer members. In the event that the Committee lacks sufficient volunteers to carry out the Annual Inspection, Board members and management company representatives may supplement the Committee.
3. The Board shall publicize the Annual Inspection to all homeowners, beginning in March of each calendar year. The intent of the notification shall be to inform the homeowners that the Annual Inspection will be occurring, and to provide them with specific information regarding the types of items and violations that will be covered by the inspection. It is intended that sufficient information regarding the inspection criteria be provided such that any homeowner who intends to be in compliance will have ample opportunity to take any necessary corrective actions prior to the Annual Inspection itself. In other words, by providing information in advance, it is hoped that the number of violations found during the Annual Inspection will be minimized.
4. Inspectors shall carry out the Annual Inspection from the streets and/or sidewalks adjoining homeowner units. Inspectors shall not enter onto the property of homeowner units in conducting the Annual Inspection.
5. The scope of violations to be identified by the Annual Inspection include the following:
 - a. All items included in the Routine Inspections.
 - b. Changes or modifications to unit exteriors that have not been approved by the Association through the Alteration/Modification process.
 - c. Maintenance problems with the following elements of homeowner units:
 - i. Doors
 - ii. Windows
 - iii. Painting
 - iv. Siding
 - v. Trim
 - vi. Roof
 - vii. Concrete (foundations, driveways, sidewalks, porches)
 - viii. Fences
 - ix. Decks
6. Per AHCA Bylaws Section 6.7, homeowner units are to be kept “properly maintained”. The standard of proper maintenance to be upheld in the Annual Inspection shall be one of moderation, neither exceptionally strict nor exceptionally lax. The intent of the

- inspection shall be to identify significant maintenance problems that materially affect the property values of the community, not to identify all possible minor problems. Violations are expected to be the exception, rather than the rule. Aesthetic choices in decoration or landscaping that constitute neither a maintenance problem nor a violation of the Alteration/Modification process shall not be grounds for a violation.
7. Following the Annual Inspection, the Landscape & Architecture Committee shall promptly produce a detailed report of findings for the Board. This report shall include:
 - a. The date(s) of the Annual Inspection.
 - b. The names of the inspectors.
 - c. Details of all violations identified, including photographs, diagrams, and/or detailed descriptions. It is intended that all violation reports include sufficient detail and documentation to unambiguously identify the problem(s) to be remediated and (if possible) provide guidance on appropriate remediation steps.
 8. The Board shall promptly review the findings of the Annual Inspection and direct the management company to issue violation letters as appropriate.
 9. The Board, Landscape & Architecture Committee, and management company shall follow up on reported violations to ensure compliance on an appropriate time frame. It is expected that a follow-up inspection shall be conducted approximately 30 days after the Annual Inspection, to include only those units for which violations were identified in the Annual Inspection. The purpose of the follow-up inspection shall be to determine compliance status of the previously-identified violations. New violations shall be identified only if these are of an egregious nature or have developed since the Annual Inspection.
 10. Fines may be assessed, in accordance with Arbor Hills Neighborhood Policies, for any previously reported violations that are not corrected, or for repeated violations of the same policy or Bylaw provision. Per the Michigan Condominium Act, a hearing will be held before any fine is assessed to a non-compliant homeowner, specifically to verify the existence of the violation over which the fine is contemplated to be issued. The homeowner will be allowed the opportunity to present an appeal to the Arbor Hills Board of Directors (in person or in writing) at the hearing scheduled for this purpose. If the homeowner or the homeowner's legal representative fails to appear or respond in writing to present the appeal at the scheduled hearing, the homeowner forfeits the right to appeal the alleged violation and penalties will be assessed for the violation unless the Board approves a continuance for the appeal at that meeting.
 11. For violations requiring major projects or expenditures for remediation (such as a roof replacement), the Board shall exercise its discretion in providing modified time frames and other consideration to homeowners who make a good-faith effort to come into compliance.

Conduct of Ad Hoc Inspections

1. When a complaint is received from a homeowner or resident, regarding a violation of the Neighborhood Policies or Bylaws at a homeowner unit, the Board shall promptly investigate the complaint to verify whether or not a violation is occurring. At its discretion, the Board may ask the Landscape & Architecture Committee to carry out this verification on its behalf.
2. If the reported violation is verified, the Board shall direct the management company to issue a violation letter to the relevant homeowner.
3. The management company shall follow up on all such violations to ensure compliance within an appropriate time frame, and shall bring to the Board's attention any such violations that remain uncorrected for 30 days or more.
4. Fines may be assessed, in accordance with Arbor Hills Neighborhood Policies, for any previously reported violations that are not corrected, or for repeated violations of the same policy or Bylaw provision. Per the Michigan Condominium Act, a hearing will be held before any fine is assessed to a non-compliant homeowner, specifically to verify the existence of the violation over which the fine is contemplated to be issued. The homeowner will be allowed the opportunity to present an appeal to the Arbor Hills Board of Directors (in person or in writing) at the hearing scheduled for this purpose. If the homeowner or the homeowner's legal representative fails to appear or respond in writing to present the appeal at the scheduled hearing, the homeowner forfeits the right to appeal the alleged violation and penalties will be assessed for the violation unless the Board approves a continuance for the appeal at that meeting.

Policy on Violation Letters

1. All violation letters issued by or on behalf of AHCA shall be professional, respectful, and non-threatening in tone. Letters providing first-time notification of each particular violation shall be in the form of a "friendly reminder" regarding the relevant Neighborhood Policy or Bylaw. Further communications required for a particular violation, due to homeowner refusal to cooperate in addressing the problem, may be more frank in discussing penalties for non-compliance, provided that a professional and respectful tone is maintained throughout. All violation letters shall inform the affected homeowner of their right to appeal the alleged violation per the Michigan Condominium Act and AHCA policies.
2. The Board shall review and approve the text or template of any violation letter used by the management company, prior to its first use with AHCA. Once approved, a given letter template may be used by the management company without further prior approval from the Board, provided the text is not changed significantly.
3. The Board reserves the right to direct the management company to modify its standard letters for use with AHCA, or to direct that particular letter text be used.