Trails at Laurel Woods Homeowners Association

Community Guidelines
Version 1.0

Introduction

In the State of Oregon, Homeowner Associations are required by law for most newly constructed communities. The Trails at Laurel Woods Community is governed by a set of Covenants, Conditions and Restrictions (CCR's or Declaration) and Bylaws which are recorded with the County. These documents, along with the recorded plat map(s) for Trails at Laurel Woods detail the rules and regulations for all residents, while providing information on common property owned by the Association to the benefit of all homeowners.

In an effort to provide additional information and direction for homeowners, the Board of Directors for Trails at Laurel Woods has asked the manager to create this set of community guidelines. The purpose of these guidelines is to focus on the issues and items most commonly affecting individual homeowners. A typical set of CCR's includes a lot of language that has little to do with the HOA's day-to-day operations. This document is meant to focus on the parts that do affect homeowners regularly.

Personal Responsibility

When purchasing a home in Trails at Laurel Woods, each owner agreed to become a member of the Association and abide by all rules and regulations of the community so long as they own their property. While the Board of Directors and any assigned community management firm will attempt to educate and help members of the Association, it is incumbent on each owner to read their governing documents, follow the rules and guidelines as stated and if questions arise, contact the Board of Directors or the relevant community management firm. Just like the laws of the city or the state, ignorance of the rules for this community are the homeowner's personal responsibility.

Homeowner Association 101: Understanding the Association's Role in Trails at Laurel Woods

Homeowner Associations (HOA's) exist for the purpose of interpreting and enforcing the provisions of the CCR's, Bylaws and all other adopted Rules and Regulations. Plainly stated, the HOA governs all the little things in your community that your local government wants taken care of but leaves to the membership of each community.

Each HOA is very much like a City:

- It has a Board that includes a President (like a mayor).
- Board members (like a city council).
- It levies monthly fees to its citizens for services (sort of like taxes)
- and most have a professional management firm who handles the day-to-day functions of the HOA (like a city manager or city staff).
- The Board is also responsible for enforcement of the rules. This is usually done by compliance officers who tour the community randomly and cite folks for violations (think parking or code enforcement in a city).
- The Association also has the right to lien homes for violations and for failing to pay their dues (just like if you don't pay your taxes).

By choosing to serve on the Board of Directors (via annual elections), community members take responsibility for overseeing the annual budget, collection of homeowner dues, compliance with community rules and miscellaneous other duties. This administrative responsibility can absorb a great deal of time and effort, so most communities employ a community management firm to deal with the day-to-day work of the HOA. The board then meets as necessary to discuss policy changes, adopt budgets and conduct elections.

Period of Declarant Control

One of the most misunderstood concepts in HOA management is known as the "period of Declarant Control." Unlike a normal city that grows organically over time, residential HOA communities are usually bult by one company (the developer/builder) who then markets all homes within the community for sale. As part of their responsibilities for developing the property, the developer/builder is responsible for constructing all the lots, homes, roads, utilities, parks etc. for the entire community. As the developer/builder, a set of documents must be created for the community forming the HOA. The creation of the HOA necessitates a "Declarant" who creates these documents, forms the HOA and then provides for the shortfalls associated with funding the HOA until the homeowners can fully manage for themselves. This is the Declarant Period of Control.

For this responsibility, the law provides for the Declarant to remain in total control of the HOA until a period determined by the law (included in your CCR's). During this time, the Declarant appoints their own Board (usually made up of employees) who are responsible for managing the HOA. Until this period is over, the HOA is solely under the control of the Declarant Board. When it is time to "turnover" the Board to owners, the HOA holds a "turnover meeting" where a homeowner board is installed.

Declarant control can be very short (usually in small communities that are completed quickly) or very long. Here are the things you should know about the Declarant Period of Control:

- **The Declarant does not relish the role of being in this position.** It's a necessary evil that costs them money and time. Most Declarants are trying their hardest to build, sell and eliminate the Declarant Period of Control as quickly as possible.

- **Because being the Declarant is not a profitable or exciting position for the developer/builder, they generally prefer to keep things rigidly in line with the governing documents.** For their purposes, marketing the community as a clean, beautiful brand-new community is critical. This means the Declarant tends to apply the rules very conservatively. In a way, each new homeowner (until the community sells out), becomes part of the marketing for the community. Therefore, during the Declarant Period of Control there is a focus on the appearance of the community and very little flexibility.

- **During the Declarant Period, all shortfalls of the HOA are paid by the Declarant.** The budget you received at closing begins accruing expenses with the sale of the first home. Imagine if the first owner had to pay all the bills of the HOA until a second owner moved in and they took half the expense. No one would every buy a home! The Declarant is how those expenses get paid.

For more information on the Declarant Period of Control, please call or email the manager.

Role of the Community Manager

The community manager is hired by the Board of Directors to manage the day-to-day affairs of the Association. Without a community manager, the functions of billing, banking, paying bills, managing contractors, completing capital improvements, complying with state and local laws, architectural review and compliance would fall to the individual members of the Board. Most associations employ either a management company or an individual community manager. The homeowners pay for this service monthly via their annual budget.

The role of the community manager is to carry out the direction of the Board of Directors and to apply the governing documents of the community in a manner consistent with the Board's wishes. A common misconception is that the community manager "works" for the individual owners. This is not accurate. The community manager works on behalf of the Board of Directors, whoever they may be at the time. When a new Board of Directors is elected, or appointed, the manager then works for that Board until they either quit or are terminated.

Contrary to popular belief, the community manager's job is NOT to keep all homeowners happy. The job includes several functions like compliance, delinquency and architectural review that will conflict with the wishes of certain homeowners. A knowledgeable community manager knows that some people will like them, some people will hate them and if they are doing their job correctly, most people will tolerate them. As a homeowner, if you can't have whatever you want (because the rules don't allow that) then what you want from your community manager is this:

- Fair and timely enforcement of the governing documents for all owners.
- Clear communication conveyed as quickly as possible.
- Accurate accounting for the Association and individual account holder funds.
- Solid management of contract workers (like landscapers, porter services etc.).

Common misconceptions about the manager:

- A manager does not receive compensation for the # of compliance violations they find. Rolling Rock makes nothing from enforcing compliance. It's simply part of the job.
- Rolling Rock does NOT charge for architectural review applications. Some managers do, we do not. Again, there is no incentive, other than doing our job well, for us to require an architectural review.
- Community managers are not on a power trip. People who do this job would love nothing more than to never talk to you or send you a letter about a compliance issue ever again. For good or bad, that's simply the job. It's not personal and there is no joy in it other than doing what we are being compensated to do.
- Community management firms of any size are always managing multiple communities, sometimes hundreds of them. This is a service industry and some level of volume is necessary to be profitable. The contract for your association includes a set number of hours that are dedicated monthly. An effective manager is constantly seeking efficiencies and systems that best use the assigned contractual time. Understand, your community manager is not a full time onsite position.

Glossary of Important Terms for Homeowners to Know:

1. **Budget:** Every HOA has expenses for the management of the community and the maintenance of common areas. These expenses often include landscaping, preparation of required documents, utilities, et. al. These budgets are set annually by the Board of Directors.

2. **Budget Reserve:** By law, most communities require a Reserve Study to determine the cost of replacement and repair of all commonly owned items by the HOA. This study covers 30 years and must be updated annually. The results of this study determine the amount of money each homeowner is responsible for contributing to the HOA to pay for those items over time. Think of it as a big savings account used for things listed in the study.

3. **Common Areas/ Common Items:** Nearly all HOA's collectively own property or items (think play structures, parks, water quality facilities) that must be accounted for and maintained.

4. **Architectural Review Committee (ARC):** The ARC is a Board appointed committee (often just the Board themselves) charged with reviewing and setting conditions for approval of changes to the exterior of homes and yards located in the community.

5. **Architectural Review Application (ARC AP):** The document and process each homeowner must follow to receive approval of exterior changes to their home by the HOA.

6. **Compliance:** The word used to reference enforcement of the community docs either by the Board of Directors or by the Association Management Firm as an extension of the Board.

7. **HOA Dues:** Once a budget and reserve are determined, the cost of the association is divided over the membership and billed to each homeowner. Billing can be monthly, quarterly or annually and dues must be paid by the due date or the homeowner is subject to late fees, penalties and potentially legal expenses associated with the cost of recovery.

8. **Housing Type or Variety:** Many communities in the State of Oregon include different housing options within the same community. For instance, Single family detached homes, single family attached homes, alley-accessible homes etc. may be in the same community, but these housing types require different levels of HOA management and expenses, especially for exterior maintenance. This often leads to different sets of dues for different sets of community members.

9. **Community Manager/Management Firm:** The day-to-day administration of an HOA is time consuming and complicated. Many associations choose (some associations are required) to hire a professional manager. These companies often manage all billing, compliance, ARC Applications and annual budgeting at the Board's direction.

Trails at Laurel Woods
Community Guidelines

The following guidelines pertain to the governing documents for your community. The goal of these guidelines is to provide you with insight on how the rules of the Association will be enforced and what you can do to avoid running afoul of these rules.

Compliance

The Board of Directors is responsible for ensuring that all rules and regulations contained in the governing documents of the Association are enforced. Occasionally, a Board of Directors will take this responsibility on themselves, but most of the time a community management firm is assigned this role by the Board.

Per the contract signed for management by the Board of Directors, the Manager will routinely tour the community looking for violations of the CCR's. These tours are typically scheduled randomly but must be done according to the minimum number assigned in the contract.

Homeowners should allow the management firm to complete their compliance tour and issue citations without incident or confrontation. **PLEASE DO NOT CONFRONT OR INTERACT WITH THE COMPLIANCE OFFICER WHEN ON SITE.** If a homeowner disagrees with a citation, contact information is listed on the citation to discuss further with the manager or to make an appeal to the Board of Directors.

Animals

No animals are allowed in common areas unless leashed or contained within a cage, under the control of the person responsible for the animal. Owners are responsible for any waste matter left by the animal, removing, containing and disposing of all waste at their own cost and effort. The Board may at any time require the removal of any animal which it finds is disturbing other owners unreasonably and may exercise this authority for specific animals even if other animals in the household are permitted to remain. No dog houses, kennels, dog runs or other pet type housing are permitted outside of any home without the prior written approval of the ARC.

- No owner may keep any animal that unreasonably interferes with the Board or its designees right to enter on any portion of the property on behalf of the Association.
- Excessive noise emanating from or caused by any animal, including barking, crying, whimpering, howling, or any other vocalization is prohibited. The Board of Directors at its sole discretion my require noise monitoring, noise abatement measures and/or removal of an animal at the owner's expense for noise violations.
- No animal may be chained or left unattended on any portion of the exterior of a home or lot for any period without ARC Approval.

Enforcement of Noise Complaints Against Animals

- Upon receiving a complaint regarding pet noise, the manager will send an initial letter to the owner of the pet question. The letter will state that a pet on the premises has received a complaint for noise and that for a period of up to six months, the manager will randomly utilize both audio and video equipment to ensure the pet in question is complying with the noise requirements for pets.

- For every instance where a pet is found in violation of this process through video and/or audio evidence, the owner will be progressively fined in accordance with the fine and fee schedule for the Association.
- After a third violation for pet noise, the manager will make recommendation to the Board to have the offending pet removed from the property and to assess the cost of doing so to the homeowner.

PLEASE, if you have a pet who even occasionally barks or makes noise, confine them to inside the home with short visits or walks outside. No one wants to take a beloved member of the family away from anyone, but the peaceful, quiet enjoyment of the neighborhood is paramount.

Architectural Review

Prior to commencing any changes to the exterior of a home or property in the community, homeowners must submit an Architectural Review Application (ARC AP) to the Architectural Review Committee (ARC) of the Association. The application must be filled out completely with pictures, diagrams, drawings or any supporting documentation included for consideration. Once the Application is deemed "complete" by the ARC, the Committee will either

- **"Approve"**
- **"Approve with Conditions" or**
- **"Deny" the application.**

All ARC Applications will be considered by the Committee within the time allotted by the CCR's. These common items require ARC Approval prior to commencing work:

- Construction, staining and sealing of all fences.
- Exterior painting of any kind, including application of the same color.
- Major yard construction or changes (check with the ARC for details).
- Seal, replacement, or addition of any exterior hard surface or hardscape including concrete, asphalt, tile, compacted rock/compacted soil.
- Roof replacement.
- Major siding repair or replacement.
- Addition of any outbuilding, shed, pavilion, arbor pergola, gazebo, or structure, temporary or permanent.
- Replacement or addition of windows, doors, shutters, corbels or other previously approved part of the home.
- Any change of grade or potential change in grade resulting in drainage changes.

This list is NOT exhaustive, these are the most common items for ARC Review. When in doubt, check with the HOA BEFORE starting your project. Failure to do so will result in an order to halt construction, progressive fines and retroactive application for approval.

The Board of Directors may require a processing fee for each ARC submittal to cover the labor and material cost of processing but Rolling Rock Community Management does not require ARC processing charges at this time.

Basketball Hoops and Sporting Equipment

No basketball hoop or sporting equipment may be installed or used on any property without prior ARC Approval. Temporary basketball hoops and sporting equipment must be stored and screened from view when not in use. Basketball hoops and sporting equipment left on public streets or private access drives for rear loaded homes and townhomes may be removed by the HOA without notice at the owner's expense.

Camping, Squatting or Unauthorized Use of HOA Common Areas

Camping, squatting, sleeping or living on any part of the HOA Common Area, including parking spaces, clubhouses, parks and other venues is strictly prohibited. Individuals engaging in this type of activity will be subject to law enforcement intervention and/or removal by the HOA through all legal means.

Common Areas

Unless otherwise stated, the commonly held property of the HOA is for the exclusive use of the homeowners, their guests and tenants. These "tracts" of land and/or structures are maintained by the Association and need to remain functional and in good repair. Any cost associated with damage or neglect by a homeowner, their guests and/or tenants will be the sole responsibility of the homeowner.

Fences

The Board of Directors would like to emphasize the following:

- No fence may be constructed, modified, repaired or stained without the approval of the ARC. Failure to gain approval for these changes may be very costly.
- All fences constructed MUST use a stain pre-approved by the ARC or the fence is subject to repair or removal at the owner's cost.

Landscaping and Yard Maintenance

All landscaping in the community, including common areas, front yards and backyards, must be installed and maintained in accordance with the CCR's. This includes but is not limited to keeping all landscaping watered, pruned, and mowed regularly. All yards will be kept weed-free and properly fertilized. Installed irrigation must be properly maintained and leak-free.

Parking & RV Storage, Vehicles in Disrepair

- NO RV, boat or vehicle may serve as a temporary or permanent domicile anywhere in the community.
- RVs, Boats and other recreational vehicles may only be stored onsite with prior ARC approval which must include screening from public view accepted solely at the ARC's discretion.
- No RV, boat or other recreational vehicle may be parked in the community for a period greater than 24 continuous hours and may not be on-street for any reason other than the temporary loading/unloading of provisions.
- Vehicles of any kind in violation of these rules or the rules set forth in the CCR's may be towed at the owner's expense provided a 24 hour-notice of removal has been visibly affixed to the vehicle. **This rule covers private AND public streets WHERE THE LAW ALLOWS.** The

Board of Directors is responsible for checking with applicable state and local municipalities for guidance.

Rubbish, Trash, Recycling and Storage

Trash, recycling and yard debris bins must be always screened from view except for scheduled pickup date. Bins may be rolled to the street 12 hours prior to pick up and must be screened from view again no more than 12 hours after pickup. The most common forms of "screening" include storage in the owner's garage, behind an ARC approved fence or an ARC approved vegetative barrier. Rear-loaded homes and townhomes must screen bins from view from both the street and the private/public drive.

All storage must be fully contained and screened from view. All structures utilized for storage must receive ARC approval prior to installation. All mulch bins and devices must remain screened from view at all times.

Satellite Dishes and Solar Panels

Federal Communications Commission and State of Oregon rules expressly allow the placement of certain satellite communication devices and solar devices on residential properties. However, the Association may reasonably require screening and placement of these items in a manner that minimizes their visual impact on the community. Please submit any proposed use of either device to the ARC for placement approval.

Street and Backyard Trees

City/County regulations related to street trees are complex and differ depending on the type and size of the tree. To avoid responsibility for improperly limbing, replacing or removing any tree located on your property, please submit all major tree related maintenance to the ARC for approval.

Tenants and Leasing

Homeowners may lease their home under the following conditions:

- Written Rental Agreements Required. There is a written rental or lease agreement provided to the Association, which includes but is not limited to the following:

  1. The tenant will be subject to all provisions of the Declaration, Bylaws, and Rules and Regulations.
  2. Failure to comply with any provision of the Declaration, Bylaws, and Rules and Regulations will constitute a default under the lease agreement.
  3. The term of the lease may not be less than 30 unless the CCR's explicitly allow less.
  4. Tenant must be provided all governing documents.
  5. Tenant must provide the first and last names of all individuals subject to the lease agreement and any addition to the list must be submitted to the Association by the homeowner.

The homeowner is responsible for any violation of the governing documents by the tenant and is subject to fines and action from the Association if the issue is not abated in the given period provided in the citation notice.

Tenants may use all common areas of the Association in accordance with the governing documents, but tenants are not afforded any voting rights and all communication with the Association or the Board of

Directors must come directly from the homeowner. **The manager WILL NOT interface with your tenants, that is the sole responsibility of the homeowner.**

Vibrations, Noises and Odors

No owner may allow or create unreasonable vibration, noise or odor to emanate from their home or property. No owner may make, amplify or broadcast sounds that are unreasonably disruptive to other owners or constitutes a nuisance as defined by the Board of Directors. No owner may allow any condition, chemical, putrefaction, fermentation or other condition that might create a noxious or unpleasant odor to emanate from any part of their property as defined by the Board of directors.

***Vibration, noise or odors related to initial unit construction, remodeling, maintenance and repair or ARC approved projects are exempt from this requirement so long as they only occur during approved construction hours and are confined to completion of the approved project.*

Fines and Fees

If a violation of the governing documents for the community occurs, notice will be made by the Board of Directors (either directly or via the Community Management firm) to the homeowner electronically or through the US Mail. In the event of multiple violations, each violation is considered separately by the Board of Directors.

Fine Matrix:

First Notice	Homeowner has thirty (30) days to abate the issue.	No Fine or Fee.
Second Notice	Homeowner has fifteen (15) days to abate the issue	$100 Fine assessed to homeowner, $10 per day until issue is abated.
Third Notice	Homeowner has fifteen (15) days to abate the issue	$200 Fine assessed to homeowner, $20 per day until issue is abated.
Final Notice	If the homeowner has not abated the issue to the satisfaction of the Board of Directors within sixty (60) days	$500 Fine assessed to the homeowner. $50 per day until issue is abated. Board of Directors (per the CCR's) may utilize their "Right to Enter" and abate the issue AT THE COST OF THE HOMEOWNER.

The Board of Directors may at their discretion approve tabling or dismissing a fine if the homeowner is making a good faith effort to abate the violation or if a condition exists that is preventing the violation from being abated.

Frequently Asked Questions

Q: I received a notice for a violation and I don't understand why I am in trouble when I see other violations throughout the community?

A. Receiving a violation of the governing documents can be an unsettling experience. Some people feel anger, others are embarrassed. While these are natural reactions, they are not necessary. An initial violation simply asks you to rectify the issue. It doesn't go on the homeowner's permanent record, nor does it signify you are a bad neighbor. There are a lot of different rules! We all make mistakes. If you left your garbage can out and received a violation, don't get angry or feel any shame, just roll it back to the garage or behind the fence.

Q. I feel like I am being singled out by the Board and/or the management company with these violations. Why isn't everyone else receiving the same treatment?

A. The goal of the Board of Directors and by extension the management company is to apply all rules and regulations fairly and evenly throughout the community. Other homeowners are receiving violations as well, but their violations are dealt with on an individual basis, just like yours. On occasion, violations may be missed or the violation was not occurring when the compliance tour was completed. As a member of the Association, you may always report a violation to the Board or the Management Company as well.

Q. Why does the Association fine homeowners for repeat violations of the governing documents? That seems a little harsh.

A. It is very rare for the Association to issue a fine. 90% of the time violations are issued and abated in the first 30 days. Occasionally, a homeowner will choose to ignore or challenge a violation without utilizing the appeal process. For these situations, progressive fines and removal of the violation at the homeowner's expense are necessary, last resort tools.

Q. I hate all the rules and regulations. I want the freedom to do with my home as I please! How do we get rid of the HOA?

A. In the state of Oregon, eliminating an HOA requires 100% approval of all members of the HOA and even then, under ORS Chapter 94 (the Planned Community Act), the HOA becomes an "unincorporated HOA" with the Board serving at the time of incorporation responsible for the unincorporated HOA in perpetuity until it is restated. Basically, you can't "get rid" of the HOA. The State of Oregon wants these in place and nearly every new development since 2002 in Oregon is required to have one.

While we understand its frustrating to own a home and not be able to simply do whatever you wish with your property, you agreed to be a part of this HOA when you purchased the home. It was disclosed at the closing of your home and it's a reality. Let's work together to make the best of it!

Q. Personally, I love the HOA. It gives me the opportunity to anonymously report my neighbors for every violation I see. I mean, "I don't want to be that person but…"

A. As a member of the community, you have a right to report all violations you see and the manager will do their level best to protect your anonymity. Having said that, your neighbors are not stupid. You should feel free to make complaints, but please take a moment to consider your own home (are you 100% in compliance?) and your place in the community. While nobody wants to be the person who is always violating the rules, nobody should want to be the community informant either. Live and let live as much as possible and make the complaints you lodge count.

Q. I am confused by the CCR's, these Community Guidelines and/or other governing documents of the HOA. What should I do:

The first place to seek answers is from the Management Company. If you are unsure of anything, call them at 503-330-2405 or email info@rollingrockcm.com for support.