

Stepping Stone Condominium Association, Inc.

November 21, 2017

TO: Homeowners

FROM: Stepping Stone Condominium Association Board of Directors

SUBJECT: Policies, Procedures, Rules and Regulations

Revisions to key SSCA policies, procedures, rules and regulations and resolutions in conformity with the Association's Declaration and Bylaws are outlined below:

Policy and Procedure for Past Due Accounts

All homeowners have previously received a copy of this document. It has been amended to:

Add the following paragraph under the **Procedure** on page 2 6. **Suspension of Rights and Privileges:**

“Any homeowner who is delinquent for more the ninety (90) days in the payment of any monetary obligation to the Association shall not burden the Association with the financial hardship of providing garbage collection, water, sewer, insurance, lawn care and other incidental services and amenities to himself or a tenant without compensation or payment. Accordingly, such homeowner shall not be permitted to lease his unit until such time as his indebtedness has been paid in full or an impaired credit workout agreement has been entered into with the Association and the homeowner has demonstrated a good faith effort to comply fully with said agreement.”

August 3, 2017

TO: HOMEOWNERS

FROM: Stepping Stone Condominium Association Board of Directors

SUBJECT: **Amended Policies, Procedures, Rules and Regulations**

Revisions to key SSCA policies, procedures, rules and regulations in conformity with the Association's Declaration and Bylaws are outlined below and effective immediately. Please delete the reference to “Outdoor Grilling” and replace it with the following language:

Outdoor Grilling

Only electrical grills are permitted to be used on SSCA Property. SSCA Property includes the common area, all decks, patios and balconies. All other types or forms of grilling equipment, including fire pits, pose fire hazards that jeopardize the safety of residents and SSCA Property. Please remove immediately all gas grills and propane tanks, etc. from SSCA Property. No grilling equipment of any kind may be stored or placed on any common area property. Strict penalties and fines will be imposed.

Stepping Stone Condominium Association, Inc.

April 8, 2016

TO: Homeowners

FROM: Stepping Stone Condominium Association Board of Directors

SUBJECT: **Amended Policies, Procedures, Rules and Regulations**

Revisions to key SSCA policies, procedures, rules and regulations in conformity with the Association's Declaration and Bylaws are outlined below:

General Operating Procedures

All homeowners have previously received a copy of this document. It has been revised to:

Policy and Procedure for Past Due Accounts

All homeowners have previously received a copy of this document. It has been revised to:

- 1) correct the language on page 2 stating when a homeowner's fee is subject to a late charge to conform to the applicable provision of the Declaration. The language now reads "...on or before the 10th day of the month." Instead of "... by 5:00pm".
- 2) add the following provision under the **Procedure** on page 2 "6. **Suspension of Rights and Privileges.** The Association may suspend the rights and privileges of a unit owner when a homeowner is delinquent for more than ninety (90) days in the payment of any "monetary obligation" to the Association. The rights and privileges that may be suspended include the right to vote and use the common elements, the common facilities, and any other property of the Association."

General Operating Procedures

All homeowners have previously received a copy of this document. It has been revised to:

- 1) add on page 8 the words "decks and balconies", add "s" to the word "area" in the first sentence under the heading of **Outdoor (Patio) Grilling**, and delete "(Patio)" in the heading. (Please be advised that the policy on outdoor grilling is under review. The current policy has posed considerable problems with respect to the "quiet enjoyment" and safety of homeowners and residents. Reminder: Alabama Fire Code specifies that charcoal grills and other open-flame cooking devices cannot be used on combustible balconies or within 10 feet of combustible construction unless the building, balcony or deck has an automated sprinkler system.);
- 2) include on page 7 under the heading of **Parking** the following language "Any inoperable, unregistered vehicle or a vehicle without legally required license plates on the property of the Association for a period of seven (7) days will be towed. A notice will be placed on the vehicle during this period."; and
- 3) correct on page 8 under the heading of **Fines and Penalties** the violation/fine fee schedule to conform to the applicable provision of the Declaration and delete the words "**and Penalties**".

Newly Adopted Policies, Procedures, Rules and Regulations (Copies Enclosed)

Stepping Stone Condominium Association, Inc.

- Compliance Procedure
- Rules for Leases for Use by Non Resident Homeowners of Stepping Stone Condominium Association, Inc. and Regulations Governing the Conduct of Lessees and Homeowners
- Board Committee Structure

2016 Budget will be mailed as soon as it is completed.

Additionally, please note that effective immediately, the Board will aggressively pursue levying fines to ensure our policies, procedures, rules and regulations are followed. You were previously informed in the letter you received dated February 23, 2016, that this action would be forthcoming.

Homeowners/residents will be given one (1) week from the date of this memo to correct any existing violations. If violations are not corrected by this date, homeowners will be fined and subject to all available remedies under our governing documents.

If you need copies of documents not enclosed or have questions, please contact us at 256.585.1863. The governing documents, Articles of Incorporation, Declaration and Bylaws, are also posted on our website at www.steppingstonecondominium.net.

Thank you for your cooperation.

January 22, 2008

TO: Homeowners

FROM: SSCA Board of Directors

SUBJECT: SSCA Policies and Procedures

Homeowners:

Please find attached a document addressing key SSCA Policies and Procedures. SSCA polices are backed by the Association's Declaration and Bylaws. This information is provided to assist in areas where the Board has received questions or there appears to be ambiguity on behalf of homeowners. We hope these clarifications will be helpful.

Additionally, please note that effective immediately, the Board will aggressively pursue levying

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finances and penalties to ensure its policies and procedures are followed and that the interests of our homeowners are met.

Homeowners/residents will be given 2 weeks from the date of this memo to correct any existing violations. If violations are not corrected by this date, homeowners will be fined.

If you have questions, please contact the Office Manager at 256-837-0305.

Sincerely,

Barry H. DeBose, President

Stepping Stone Condominium Association, Inc.

Policy and Procedure for Past Due Accounts

The following procedures were adopted by the Board of Directors, effective September 1, 2000. They are supported by the Stepping Stone Condominium Association (SSCA) Declaration and Bylaws and are provided for guidance and clarity surrounding actions that will be taken by the Board relative to past due accounts.

The Association must perform due diligence in its responsibility to Homeowners to ensure that its pecuniary position remains sound for meeting financial obligations. Past due accounts will be dealt with strictly and swiftly. No leniency or special arrangements will be allowed except in the case of extenuating circumstances beyond the control of a Homeowner.

As a reminder, past due balances must be paid in full at least two (2) days prior to the date fixed for the Annual Homeowners' Meeting in order for a Unit Owner to be considered in the requirement for establishing a quorum or for any proposal requiring the person entitled to cast a vote on behalf of the Homeowner's Unit.

Policy Statement

SSCA Bylaws Section 5.08 – Payment of Assessments: It shall be the duty of every Unit Owner to pay his proportionate share of the Common Expenses assessed in the manner herein provided. If any Unit Owner shall fail or refuse to make any such payment when due, the Board of Directors shall have the authority to exercise and enforce any and all rights and remedies as provided for in the Alabama Condominium Ownership Act, the Declaration, Bylaws, or otherwise available at law or in equity, for the collection of all unpaid assessments.

SSCA Bylaws Section 6.01 – Default in Payments: In the event a Unit Owner does not pay any sums, charges or assessments required to be paid to the Association within thirty (30) days from the due date, the Association, acting through its Board of Directors may *foreclose* the lien encumbering the Unit created by non-payment of the required moneys in the same fashion as mortgage liens are foreclosed. The Association shall have the right to bid in the Unit at a foreclosure sale and to acquire, hold, mortgage and convey the same. In lieu of foreclosing, its lien, the Association may, through its Board of Directors, bring suit to recover a money judgment for sums, charges or Assessments required to be paid to the Association without waiving its lien securing the same.

Procedure

Association fees are assessed once annually and when necessary increases or special assessments are made by the Board of Directors and implemented by 30-day notice to all homeowners. New monthly fees and special increases are effective and due as stated in the notice.

1. **Monthly fees are due in the first day of the month.** If fees are not received by 5:00 pm on the 10th day of the month, a \$25 late fee will be assessed the account

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due immediately. Payments received by mail after the 10th of the month are assessed a \$25 late fee if postmarked after the 10th of the month.

2. **Special Assessments are due on the first day of the month.** If fees are not received by 5:00 pm on the 10th day of the month, a \$25 late fee will be assessed the account due immediately. Payments received by mail after the 10th of the month are assessed at \$25 late fee if postmarked after the 10th of the month.
3. **Accounts Aged 30 Days.** Accounts are deemed 30 days past due if they have not been paid by 5:00 pm on the month following the missed payment. Action may be taken to attach a lien on the delinquent unit. Further, a \$25 late fee will be assessed for the current month whether or not a payment is made. The account must be current (no past due balance) by the 10th of the following month to avoid an additional \$25 assessment.
4. **Accounts Aged 60 days.** The procedure for “Accounts Aged 30 Days” applies as well as any and all penalties/remedies deemed appropriate by the Board.
5. **Accounts Aged 90 days.** The procedure for “Accounts Aged 30 Days” applies as well as any and all penalties/remedies deemed appropriate by the Board (*including foreclosure*). The account is also reported to the three major credit reporting agencies.

Policy Regarding Leaks, Damages, and Restorations of Interior Personal and Common Area Property

The following procedures are supported by the Stepping Stone Condominium Association (SSCA) Declaration and Bylaws and are provided for guidance and clarity surrounding individual homeowner and the Association’s responsibility for repair of damages sustained to condominium units.

The “Association” is composed of all individual unit owners of the Stepping Stone complex – each owning a pro-rata share of the property’s “Common Area” which is managed by an elected Board of Directors and its committees on behalf of the owners. In the policy set forth in this document, “you” and “your” refers to the individual unit owner to whom this policy is applicable. “Common Area” includes:

- The structure of a building
- Common “shared” plumbing
- Exterior electrical attachments to the building (not within a unit) and grounds
- The interior portion of the building (only up to the unfinished surfaces of the interior perimeter and load bearing walls). This includes the *unfinished surfaces* of each of the following:
 - Ceilings
 - Perimeter walls
 - Load bearing walls
 - Floor

The Association’s basic policy regarding compensation to Unit Owners for repair of damages to the interior of a unit is as follows:

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1. The Association (or its insurance carrier where applicable) will bear the expense of repairs for Common Areas as defined above only if the damage was caused by a Common Area problem. Determination of common area is made by at least one officer of the Board of Directors and may involve one or more third parties at the discretion of the Board.
2. Unit owners are responsible for the cost of any damages (Non-Common or Common) caused by the owner, resident, or guest that jeopardize the safety of the Condominium property.

The following examples are provided for clarification:

- 1. Your unit is damaged by water originating in a neighboring unit and it is discovered that the water is a result of a leaking toilet or pipe that services only the neighboring unit.**

The neighboring unit owner is responsible for the failed pipe or toilet as well as the damages to your unit. Any dispute arising between you and the neighbor must be resolved between the two of you and your insurance companies, if appropriate.

The Association, represented by an officer of the Board of Directors, has the right to inspect repairs to validate restoration of damages to any Common Areas and, if necessary, involve the Association's insurance carrier to ensure the common area is restored at the expense of the responsible owner.

- 2. You sustained water damage to your unit as the result of a leak from your neighbor's unit. It was discovered that the leak stems from a damaged pipe that services more than one unit.**

*The damage is to the "Common Area" and is deemed to be the Association's responsibility. Necessary repairs resulting from the damaged pipe are made at the expense of the Association **to the extent of the Common Area** (specifically, unfinished surfaces of the interior perimeter, and loading walls).*

Damage to personal property or surface finishings (i.e., carpet, hardwood floors, painted and textured ceilings, wall paper, etc.) are not the Association's responsibility. Repair or replacement of personal items, including any surface finishings would be your responsibility. Unit owners will not be reimbursed by the Association for personal property whether it be carpet, stereos, window, etc. – even if damage to personal property arises as a result of a contractor hired by the Association. In this case you may invoke one or more of many remedies including action against the contractor or claim against your insurance.

Exception: *In case of an emergency where the unit residence is absent, the Board of Directors will act in your best interest to repair toilets, pipes, etc. that are not "Common Area" elements in order to mitigate damage to your residence and/or the residence of a neighboring unit owner. The homeowner(s) will be billed by the Association for reimbursement. In a non-emergency circumstance that threatens*

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damage to the Common Area of a neighboring unit, 48 hours will be given the absent resident and/or owner prior to the Board of Director's intervention on behalf of the Association.

3. You have a leaking roof.

The damage is to the "Common Area" and is deemed to be the Association's responsibility. Necessary repairs resulting from the damaged roof are made at the expense of the Association to the extent of the Common Area (specifically, unfinished surfaces of the interior perimeter, and loading walls).

Damage to the personal property or surface finishings (i.e., carpet, hardwood floors, painted and textured ceilings, wall paper, etc.) are not the Association's responsibility. Repair or replacement of personal items, including any surface finishings would be your responsibility. Unit owners will not be reimbursed by the Association for personal property whether it be carpet, stereos, window, etc. – even if damage to personal property arises as a result of a contractor hired by the Association. In this case you may invoke one or more of many remedies including action against the contractor or claim against your insurance.

4. You have water or other damage originating within your unity that is not the fault of the "Common Area".

This means the damage is the result of some failure of your property. In this case, the decision to repair or replace personal items is left to your discretion. You still, however, have an obligation to remedy the fault of your property to assure no damage will be made to the Common Area or a neighboring unit. You are responsible for restoration of damages to neighboring unit(s) and the Common Area that were incurred due to acts of your omissions as well as those of your guests. If Board intervention is necessary, you will be required to reimburse the Association. Any insurance disbursement received for restoration of the Common Area should be used for that purpose. The Association is authorized to inspect for verification of restoration.

Damage to the personal property or surface finishings (i.e., carpet, hardwood floors, painted and textured ceilings, wall paper, etc.) are not the Association's responsibility. Repair or replacement of personal items, including any surface finishings would be your responsibility. Unit owners will not be reimbursed by the Association for personal property whether it be carpet, stereos, window, etc. – even if damage to personal property arises as a result of a contractor hired by the Association. In this case you may invoke one or more of many remedies including action against the contractor or claim against your insurance.

It is prudent to delay repairs or other restorations until the cause of damage is determined. For example, if damage is caused by a broken pipe, the pipe should be fixed before other repairs are performed. If damage to a ceiling is caused by leaking, the roof should be fixed before the ceiling is repaired. Further, roof leaks often cause more than one effort to repair.

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Traditionally, the roof is inspected and obvious problems are fixed. If after a rain, a roof leak still exists, another effort is made until the problem is resolved. It should be validated that the roof is indeed fixed before restoration within a unit occurs. Additionally, the Association has the authority to enter the unit to verify reported damages and to verify that the problem has been fixed prior to restoration of Non-Common Areas and Common Areas.

Reporting Damages

Unit owners are responsible for reporting problems that will result in damage to Common Areas or neighboring homeowner units. Unit damages should be reported to the office manager as soon as possible. A written statement describing the nature of the problem and damages along with contact information is sufficient. In the case of an emergency, a phone call to the office manager is acceptable (written documentation will be secured as a follow up.) If the office manager cannot be reached, or if you feel the appropriate action is not being taken to resolve your problem, a member of the Board of Directors should be contacted.

A unit owner acting without the knowledge of the Board of Directors to restore interior or other damage resulting from a Common Area problem is acting outside of the process necessary for the Association to properly, investigate, record, and remedy the Common Area problem. Additionally, the opportunity to involve an insurance carrier on behalf of the Association is thwarted and the homeowner is at risk for being personally responsible for cost of the damages. Hence, no unit owner should act to restore damage to Common Areas without the documented approval by the Board of Directors.

Unit owners are responsible for the cost of any damages (Non-Common or Common) caused by the owner, resident, or guest that jeopardizes the safety of Condominium property. Unreported damages of this nature are subject to fines and penalties.

Insurance

Each homeowner should maintain sufficient insurance to cover personal items, plumbing, and electrical work within the unit in the case of circumstances that result in damages caused by failure of the Unity Owner's property.

General Operating Procedures

Access to Units (Keys)

In accordance with SSCA Declaration/Bylaws, all homeowners should ensure that a key to their unit has been provided to the Association's Office Manager for purpose of accessing a unit in case of an emergency, etc. If no key is provided, a unit will be accessed by any means deemed necessary and at the expense of the owner.

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Pets (See Attachment 1 – Schedule “A” #13 – SSCA Bylaws)

Homeowners are responsible for obtaining prior approval from the Board of Directors regarding pets that will be residing in a unit. *Pet feces must be properly disposed of and not left on sidewalks, in the flower beds, or under bushes. Strict fines and penalties will be levied for violations.*

Trash (See Attachment 1 – Schedule “A” #8 – SSCA Bylaws)

Trash, garbage or waste may not be placed around or outside of the dumpsters. The dumpsters are emptied by a lift on the garbage disposal truck. The driver will not pick up items that are not placed in the dumpster.

Dumpsters are for household garbage only. Appliances, old furniture, carpet, etc. may not be placed at the dumpster (they will not be picked up). The SSCA Office Manager can be contacted for assistance in disposing these items.

Signs (See Attachment 1 – Schedule “A” #10 – SSCA Bylaws)

“For Sale”, “For Rent”, “Garage Sale” signs, or any window displays or advertising on SSCA property is prohibited.

Parking

All Non-SSCA-Residents are required to park in a space that is not numbered or marked “Reserved”. Residents may not park in another Unit Owner’s designated reserve space without approval from the Unit Owner. Residents or their guests may not “stack park” behind a vehicle that is parked in a lined space or where there are no painted lines that indicate parking spaces.

Parking violations will be taken seriously. Vehicles will be towed and the home owner will be fined. Residents who experience issues associated with a parking violation may follow the guidance at Attachment 2 to have a vehicle towed or contact the Office Manager.

New Homeowners

Each new Homeowner will be provided a “Homeowners Package” which includes:

- Cover sheet with Parking Space Assignment and key items concerning condominium ownership
- SSCA Bylaws and Declaration

Homeowners are expected to review the New Homeowner’s Package and become familiarized with the SSCA Bylaws and Declaration.

Outside (Patio) Grilling

Grilling outside of a Unit in the patios area is prohibited. This poses a fire hazard which jeopardizes the safety of Condominium property. *Strict penalties and fines will be imposed.*

Satellite Discs

Satellite discs are prohibited.

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Leasing (Section 16.04, SSCA Declaration)

Any lease or rental agreement for a Unit must be in writing in a form that is reasonable and satisfactory to the Board and shall provide that the tenant and all occupants of the Unit shall be subject to and comply with the SSCA Bylaws, rules and regulations. The Board has the authority to terminate leases or bring proceedings in its own name or in the name of the Unit Owner to evict the tenant in the event of default by the tenant in the performance of the lease. A copy of every lease proposed for a unit must be furnished to the Board at least 10 days prior to its execution.

Fines and Penalties

SSCA will impose strict fines and penalties on *homeowners* for violations of the Association rules and regulations including those addressed in Attachment 1 of this document. The table below depicts general areas where fines and penalties will be imposed.

Violation	Fine	Penalty
Property damage caused by Owner, Resident or Guest that jeopardizes the safety of other condominium residents.	\$250.00	
Failure to report property damage caused by Owner, Resident or Guest that jeopardizes the safety of other condominium residents.		\$150.00
Pets (failure to obtain prior approval)	\$75.00	
Pets (improper disposal of feces)	\$25.00	
Garbage (improper use of dumpster area – i.e.: large articles placed at or around the dumpster)	\$50.00	
Parking	\$25.00	
Signs (“For Sale”, etc.)	\$50.00	
Leasing (failure to provide proposed lease agreement to SSCA Board)	\$150.00	
Leasing (failure to provide notification of new tenant occupancy)		\$50.00