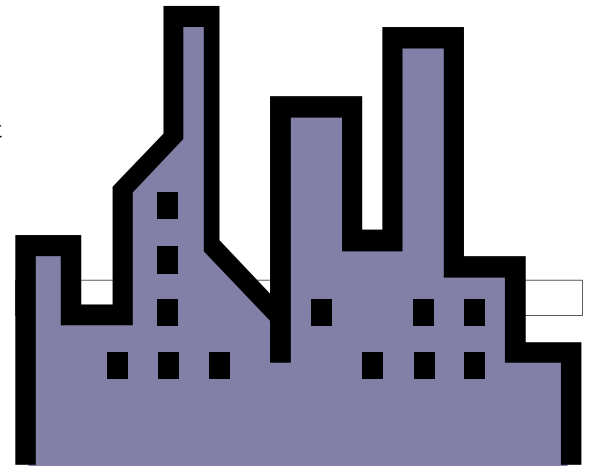


HEISLEY PARK HOA NEWS

FRONT PAGE SUMMARY



Heisley Park Homeowner Association items

Home Owner Association Meeting – The HOA meeting was held on Tuesday May 24, 2011 in the Painesville Riverside School Lecture Room. Residents in attendance had the privilege to see and talk with Mr. Mike Mortell who attended the meeting in person from Chicago. There was a great deal of discussion about the December 31, 2010 Financial Statement and the Financial Statement Ended April 30, 2011.

Some residents expressed their concern about the amount of money that the organization is spending on grass cutting and landscaping of the common areas. But, one of the greatest concerns was about the number of homeowners who haven't/aren't paying their dues. The HOA Board attempted to explain how difficult it is to address the issue of residents who don't pay and/or are in bankruptcy. The fact of the matter is that the HOA is probably last in line to recover any monies owed when a homeowner declares bankruptcy or is foreclosed upon. First in line are bank mortgage loans (1st and 2nd); mechanic liens and then if there is any money left over it may be available and applied to HOA past dues owed. (Highly unlikely was the message!). But, board members indicated that they weren't sitting still. They have established a process to address the situation. That includes notifying the homeowner in a letter from the HOA lawyer that a lien will be placed on the home if the amount is not paid. If that doesn't work, they will determine whether is economically wise to begin foreclosure on the homeowner to get

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In this special issue, we'll look at the HOA meeting; what transpired; and, what is going to transpire. We also have an article about the Painesville water increase which has just been passed.

There were quite a few residents in attendance at the Heisley Park Homeowner's Association Meeting that was held on Tuesday, May 24, 2011. But, given the topic of discussion (voting for new resident board members), it was rather a disappointing turnout from this Editor's perspective.

I found myself wondering why aren't all residents interested in knowing what is going on and having some input into the process of governing our community rather than letting the Chicago developer and his non-resident appointed board control how the homeowner's money is being spent. Perhaps everyone is just too busy. And, maybe they are OK in having no say in the community is governed. That, I believe to be incredible if true since the association spends their annual dues!

As it turned out, there wasn't a vote for new board members at the meeting. It was determined by the existing board that before an election could be held a candidate nominating committee process had to be followed.

Finally, again, with summer weather coming closer every day, more kids will be outside playing. So, let's all be very be careful when driving.

If you have a story or an item or issue of interest to share with us, let us know. You can contact us heisleypark@ameritech.net. If you want to sign up for the newsletter, you can now sign up by sending an e-mail to the Homeowner Association e-mail address (news@heisleyparkhoa.com).

The editor

Heisley Park Homeowner Association Items (Cont'd)

the back fees. The problem is that foreclosure isn't without a cost to the Homeowner's Association. Their first approach is to attempt to get the homeowner to pay the past due amounts.

Mr. Barry Barnett spoke of a pending bill in the Ohio Legislature that asks that HOA associations be placed higher up in the foreclosure process to receive any funds from a forced sale including the banks. However, as expected, banks are not in favor of this bill and are lobbying against it. In fact, State Reps. Kenny Yuko and Brian Williams, Democrats from Richmond Heights and Akron, last year introduced legislation to help associations collect delinquent fees. Last year's House Bill 408 would put condo associations ahead of banks when it comes to collecting money from the court-ordered auction of a foreclosed home. Under this "superlien," associations could collect up to six months of unpaid fees before the primary mortgage-holder gets paid. Currently, this bill, as we understand it, is in committee and unless there is a huge outcry by HOA residents to their representative or the committee chair, the bill will likely die in committee because banks and our elected officials don't really appear to want to deal with it. All HOA homeowners are encouraged to contact their state representative and voice their opinion on last session's bill.

The association is currently owed \$13,024. There are 5 homes with liens; one owner in bankruptcy; and, two owners in foreclosure.

A very significant point was identified by one resident. And, that is there should be a greater amount of information about what the board is doing, including items such as what actions they are taking to collect delinquent fees. (The underlying point was why is it only communicated to residents who attend the meeting once a year?) As a result of the communication question, even Mr. Mortell agreed that improved communications could be and would be provided to residents.

Finally, the topic of board elections came up. It was pointed out that Mr. Mortell's 7 year control of appointing board members was over and that the homeowners could elect the entire board. The caveat is that Mr. Mortell, while he is not a homeowner per se, he does own 184 undeveloped lots in the development. And, since it was pointed out that he created the association's governing document he put in place the capability to vote those lots in an election and any homeowner proxy votes

that he may receive. A resident asked how many homeowners (occupied lots) were in the development. Mr. Barnett responded 310. It was unclear how many of the 310 occupied lots were delinquent in their HOA dues. If a homeowner (occupied lot) is in arrears, they won't be able to vote for the new board members.

The association's process required that a nominating committee be created to identify and document nominating and election details. The committee will be chaired by Brian Lepa (Beechwood Lane). Other members on the committee include: Patrick Mullin (Deerwood); Sherre Hankinson (N. Ashwood Lane); Brian Bennett (Birchwood Lane); and, Ray Sternot (Birchwood Lane). They will put together information on the how and when the voting will be for the new board members. It is expected that the nominating committee will have a month to come up with the process so that the actual election could take place in August.

Stay tuned for the notification to all homeowners about the election process. But, we expect that each eligible homeowner in good standing and Mr. Mortell will get up to a maximum of 5 votes per ballot to vote for the five (5) candidates of their choice.

Resident Committees – There was also some discussion at the meeting about the resident committees. Mr. Lepa indicated that at the meeting after the new board elections there will be a committee member sign-up and appointment of committee chairs.

You can still sign up for the proposed committees directly by going to the www.HeisleyParkHOA.com website. Hopefully, they will take off soon after the new board is elected because as I've said before, if we want to be draft or change any existing board guidelines, then we must have active committees that can come up with suitable changes.

You can send your comments about the current rules created by the developer controlled board to the resident board members (Pat Mullin and Scott Lepa) and continue to ask them directly as to the status of committees.

*“HOA Annual
Meeting Held*

*“HOA Resident
Committees*

City of Painesville Items

Painesville Water Bills to Increase – After several work sessions and several council meetings, the Painesville City Council has voted to raise water rates by a flat rate increase of \$8 or \$9 per month for the average homeowner (water customer) with businesses having a larger fee per month. The charge will be based on a water meter size. The flat rate will allow the city to raise the \$1.2 million dollars for water infrastructure line replacement but in a way that may residents felt wasn't the fairest approach. Members of council didn't want to over burden business and commercial accounts with enormous fees for fear of driving them out of town or out of business using a usage based fee increase. And, while they felt that they approached the flat fee solution fairly, that view wasn't shared by many residents who were in attendance at both work sessions and council meetings, especially when it came to the charges for resident (R1) homeowners. Residents will be charged more per household (dwelling unit) than most apartment dwellers. Many residents understood the need to raise rates to replace the aging lines. But, they were just concerned that the method of spreading the costs across all residents in the city (home owners/apartment dwellers) wasn't done fairly. There was one apparent pragmatic councilman in this writer's opinion, Paul Hach, that originally proposed a combination approach of a smaller flat rate and a usage element increase. But, in the end, his logic and pragmatic approach lost out to the pressure of needing to do something now and the majority on council, with input from the administration, felt that the flat rate was the only way to proceed (raise the \$1.2 million within the first year).

So, the newly passed ordinance **will not be based on usage** but a flat fee per account based on meter size. The legislation does recognize that if a homeowner has a main water account and a second sprinkler account that only the main account will be assessed the flat fee.

Windmill Estates Approval - Approval of Preliminary Flat for Windmill Estates Subdivision as approved unanimously by city council. The subdivision will consist of 144 single family homes in the \$190-200,000 price range. The subdivision will have a connection to Heisley Park at Cherrywood and also one on the extension of Elizabeth which will interconnect to Shamrock Boulevard (currently the road to nowhere – but that is changing see below).

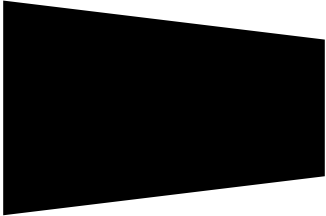
Shamrock Boulevard Bridge - Currently Shamrock Boulevard just to the east of Heisley Park (aka, the road to nowhere) will be extended north over the railroad tracks and will connect to the Heisley Pointe Shopping area (near SAMS Club). The plans for the bridge are in the works and the railroad is reviewing them for possible changes. But, City Manager Rita McMahon indicated that the bridge work should be completed by years end if all goes well. At last, we will have another way to exit the development when these proposed roads get established within the next 6 to 8 months.

“Painesville Water Rates Increase”

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OUR PURPOSE

The original purpose of this newsletter was to address some issues that impacted residents of Birchwood Lane here in Heisley Park. That initial concern was to see what can and should be done for homeowners whose sump pumps run constantly; whose sump pumps have failed; and, whose basements have flooded. It was also our goal that by creating this newsletter to communicate information about our community to other homeowners who may benefit from our concerns and efforts. With the water issue being addressed, our purpose has been expanded to include our joining forces with the Home Owner Association board to allow the newsletter to prosper as a communication tool for the community. We intend to work cooperatively with the City and the builder so that we can continue to improve the community that we live in and ensure that we do not negatively impact home values within the development further given the state of the real estate market. In doing so we also want to ensure that any future costs incurred by the city and taxes to support the community are well spent. We hope to see all of you attend the Painesville City Council meetings held the 1st and 3rd Mondays of the month to remain informed about what is happening in our city and community. As this publication is now part of the HOA it will be our goal to work in cooperation with the HOA board members and encourage them to take action where action is necessary on behalf of the homeowners and to communicate to homeowners what the HOA is doing on their behalf.

SIGN UP FOR AN E-COPY OF NEWSLETTER

Sign up for copies the newsletter by sending an e-mail to: news@heisleyparkhoa.com. We encourage all readers to share this newsletter with residents within the community. You can also view previous issues on the HOA website.

SUBMIT ARTICLES

Articles may be submitted at any time for consideration. Please e-mail articles in a word document and include your name, address, contact number so that if we have questions about the article we can contact you. Articles should be of interest to the homeowners here in Heisley Park or Painesville Residents in general. Thanks. The Editor

NOTIFICATION: ASSOCIATED WITH THE HEISLEY PARK HOMEOWNER'S ASSOCIATION AS IT'S OFFICIAL NEWSLETTER.