

POINTE WOODWORTH HOMEOWNERS ASSOCIATION
PROCEDURES AND PENALTIES RE: VIOLATIONS OF COVENANTS AND ASSOCIATION RULES

These procedures and penalties are established pursuant to Section 10.21 of Article X of the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Pointe Woodworth (aDeclaration@), as approved by the Association on _____, 2005, and are incorporated into the Declaration by this reference.

Nothing contained in these procedures and penalties shall amend, modify, or alter the existing provisions of the Declaration, or in any way change any specific procedures stated in any section of Article X. These procedures and penalties merely supplement and make uniform the means to enforce the rules and regulations of the Association.

COMPLAINTS

Complaints of violations of Pointe Woodworth Rules and Regulations, including the Permitted and Prohibited Uses in Article X of the Declaration, should be made in writing (including electronic transmission) to the Rules and Enforcement Committee, any Board Member, or the management company. The complaint shall be referred to the Rules and Enforcement Committee for investigation. Complaints will not be taken over the telephone and only those received in writing will be given attention.

NOTICE

In all cases of homeowner non-compliance, the management company, with direction from the Rules and Enforcement Committee and Board, will issue an initial letter to the homeowner stating the violation, in accordance with Section 15.11. The Article and Section of CC&R=s will be referenced in the letter.

Except in an emergency, if after 30 days no corrective action is taken, a 2nd notice will be sent warning the home owner of the penalties for non-compliance and given another 30 days.

If again no corrective action is taken within the time period specified in the notice, penalties will accrue and a 3rd notice will be sent. The homeowner will be given 10 days to comply or the Board may take all necessary actions to correct the violation. Any costs incurred by the Board shall be charged to the homeowner and be deemed an additional assessment pursuant to Article VI of the Declaration.

PENALTIES

1. An initial fine of \$50.00 per incident will be charged to the homeowner after the time period specified in the 2nd notice.
2. Additional fines of \$50.00 per month, per violation, until the violation(s) cease, will be charged to the homeowner.
3. Any fine not paid within 30 days shall be a charge and continuing lien upon the homeowner=s lot as an additional assessment pursuant to Article VI of the Declaration. All fines upward of 30 days accrue 12% interest per annum.
4. Failure to pay fines or penalties will also result in suspension of the homeowner=s voting rights in the Association.

APPEAL PROCESS

Homeowners who wish to appeal a fine may do so by providing written notice to the Board of their intent to appeal, together with actual payment of the fine. Failure to pay the assessed fine will result in a waiver of the right to appeal. If the appealing party is successful, fine monies previously deposited shall be returned to him/her or otherwise credited to his/her account. Said notice of appeal shall be filed within thirty (30) days following imposition of the fine, and the appeal presented to the Board at the next regularly scheduled meeting of the Board.