

ASHLEY FARMS HOMEOWNER'S ASSOCIATION
RULES ENFORCEMENT POLICY

WHEREAS, Article VIII, Section 1 of the Declaration of Easements, Covenants and Building and Use Restrictions for Ashley Farms Subdivision Nos. 1, 2, 3, 4 and 5 (the "Declaration") provides that the Association shall have the right to enforce "all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration"; and

WHEREAS, Article VII, Section 24 of the Declaration provides that the Declarant shall have the right to publish reasonable rules and regulations consistent with the Declaration and that it may delegate its rule making authority to the Association; and

WHEREAS, the Declarant believes that it is in the best interest of the members of the Association to adopt rules related to the enforcement of the provisions of the Declaration; and

THEREFORE, BE IT RESOLVED that the Association adopt the following Rule:

Section 1. Procedures. Upon any such violation of the Declaration, or rules adopted by the Declarant or Board (a "Violation") being alleged by the Board, the following procedures will be followed.

(a) Notice. Notice of the Violation, including the provision violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the Owner on notice as to the Violation, shall be sent by first class mail, postage prepaid, or personally delivered to the representative of said Owner at the property address or other address which an Owner has furnished to the Association.

(b) Opportunity to Defend. The offending Owner shall have an opportunity to appear before the Board and offer evidence in defense of the alleged Violation. The appearance before the Board shall be at its next scheduled meeting but in no event shall the Owner be required

to appear less than ten (10) days from the date of the Notice. In lieu of an appearance in person, an Owner may submit his defense in writing prior to the Board meeting.

(c) Default. Failure to respond to the Notice of Violation constitutes a default.

(d) Hearing and Decision. Upon appearance by the Owner before the Board and presentation of evidence of defense, or, in the event of the Owner's default, the Board shall, by majority vote of a quorum of the Board, decide whether a Violation has occurred. The Board's decision is final.

Section 2. Amounts. Upon Violation of and after default of the offending Owner or upon the decision of the Board as recited in Section 1 above, the following fines shall be levied:

(a) First Violation. A Fifty (\$50.00) Dollar fine shall be levied for the first violation.

(b) Second Violation. A One Hundred (\$100.00) Dollar fine shall be levied for the second Violation.

(c) Third Violation and Subsequent. A Two Hundred Fifty (\$250.00) Dollar fine shall be levied for the third and subsequent Violations.

For purposes of this Section 2, a repeat violation means the Violation of any provision of the Declaration, or rules, and is not intended to be limited to a Violation of the provision previously violated.

In addition to the fines prescribed above, the Board may also assess to the Owner its actual and reasonable legal fees incurred with respect to any enforcement action taken concerning the Violation.

This resolution is made as of January 25, 2001.

DECLARANT:

Ashley Farms Associates, L.L.C.

By: The Slavik Company, *member*

By: *Eric A. Gold*
Eric Gold
vice president
~~Member~~

And By: TVU Developers, L.L.C., *member*

By: *Bart Bauer*
Bart Bauer

Member

ASSOCIATION:

Ashley Farm Homeowners Association

By: *Eric A. Gold*
Eric Gold, Director

And By: *Bart Bauer*
Bart Bauer, Director

And By: *Jeffrey Supowit*
Jeffrey Supowit, Director