

NORTHWOOD POINTE MAINTENANCE ASSOCIATION

ENFORCEMENT POLICY

1. Any action or conduct that is an alleged violation of the Restrictions or Rules and Regulations of the Maintenance Association will be processed according to the procedure outlined herein.

2. Notice shall be sent to the homeowner advising the nature of the violation and time limit to rectify the violation.

3. Should the homeowner fail to cure the violation, the Board of Director's shall have the right, after affording the respondent an opportunity for an appropriate hearing as hereinafter provided, and upon an affirmative vote of a majority of all Directors on the Board, to take any one or more of the following actions.

(a) Levy a Special Assessment as provided in the CC&Rs, which can include a requirement that the resident reimburse the Maintenance Association for reasonable costs incurred, as result of the infraction, and a fine, as listed on the attached fine schedule;

(b) Suspend or condition the right of the respondent and persons claiming through the respondent to use any recreational facilities the Maintenance Association owns, operates or maintains;

(c) Suspend said respondent's voting privileges as a Member, as provided in the CC&Rs;

(d) Enter upon the respondent's Lot, Condominium or Common Area to correct the violation of the Restrictions, as further provided in the CC&Rs; and

(e) Record a notice of noncompliance encumbering the respondent's Lot, Condominium or Common Area.

4. Any such suspension shall be for a period of not more than thirty (30) days for any non-continuing infraction. In the case of a continuing infraction (including nonpayment of any assessment after the same becomes delinquent), suspension may be imposed for so long as the violation continues. Suspension of Membership privileges does not relieve the respondent's obligation to pay all assessments levied by the Maintenance Association or to otherwise comply with the Restrictions.

5. In accordance with Bylaw Section 12.2, "Unless a written request for a hearing signed by or on behalf of the person named as respondent in the accompanying Complaint is delivered or mailed to the Board of Directors within fifteen (15) days after the respondent receives Notice of the Complaint, the Board of Directors may proceed upon the Complaint without a hearing, and respondent will have waived their right to a hearing. The

request for a hearing may be made by delivering (as evidenced by a dated receipt signed by the Maintenance Association's agent) or mailing (by certified mail, return receipt requested) the enclosed form entitled "Notice of Defense" (attached hereto as Addendum "B") to the Board of Directors at:

Northwood Pointe Maintenance Association
c/o Keystone Pacific Property Management
16845 Von Karman, Suite 200
Irvine, CA 92606

6. Notice of Hearing. The Board shall serve a notice of hearing, as provided herein, on all parties at least ten (10) days prior to the hearing. If a hearing is requested by the respondent, the Board or Hearing Committee shall conduct the hearing no sooner than thirty (30) days after the Complaint is mailed or delivered to the respondent as provided in Section 12.2 of the Bylaws. The notice to the respondent must be in substantially the following form but may include other information:

"You are hereby notified that a hearing will be held before the Board of Directors of Northwood Pointe Maintenance Association ("Maintenance Association"), or a Hearing Committee appointed by the Board of Directors for the purpose of conducting such hearings. The hearing will be held at _____, on _____, _____, at _____m., upon the charges made in the Complaint served upon you. You may be present at the hearing, may but need not be represented by counsel, may present any relevant evidence, and you will be given full opportunity to examine all witnesses testifying against you. You are entitled to request the attendance of witnesses and the inspection, and production of books, documents or other items by applying to the Board of Directors at least two (2) business days prior to the hearing date."

7. The hearing shall be held before the Board in executive session affording the homeowner a reasonable opportunity to be heard. No action against the respondent arising from the alleged violation shall take effect sooner than five (5) days after the hearing.

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FINE SCHEDULE

The following is the system of fines which shall be imposed upon Members should a violation be sanctioned at a duly called Hearing.

- (a) Levy a monetary penalty in the amount of \$50.00 for the first violation;
- (b) An additional \$100.00 for the second violation;
- (c) An additional \$150.00 for the third violation;
- (d) A maximum of an additional \$200.00 for the fourth violation and additional \$200.00 for each violation thereafter.

As used in this Fine Schedule, the term violations means (1) a period of a continuing infraction, not in excess of 30 days, and (2) each separate, repeat infraction. For example, if an infraction continues for 45 days, the person committing the infraction can be fined \$50 for the first 30 days and \$100 for the next fifteen days, for a total of \$150. As another example, a person violates the CC&Rs once in April then commits the same violation in May. The person can be fined \$50.00 for the violation in April and \$100.00 for the violation in May, for a total of \$150.00. The following is the system of fines which shall be imposed upon Members should a violation be sanctioned at a duly called Hearing.