

**RESOLUTION OF THE CREEKSIDE VILLAGE
HOMEOWNERS ASSOCIATION**

ENFORCEMENT POLICY

WHEREAS, Creekside Village Homeowners Association, (the "Association") is a Texas Corporation, duly organized under the laws of the State of Texas; and

WHEREAS, all Members of the Association are subject to the Declaration of Covenants, Conditions for Creekside Village (the "Declaration"); and

WHEREAS, the Board of Directors (the "Board"), pursuant to the First Amendment of the Declaration of Covenants, Conditions and Restrictions for Creekside Village (the "First Amendment"), dated December 5, 2003, is authorized and empowered to promulgate a comprehensive Enforcement Policy (the "Policy") with respect to any future violations of the Declaration and the First Amendment (collectively, the "Creekside Village Declaration"); and.

NOW THEREFORE, BE IT RESOLVED that the following Policy shall become effective on the date of this Resolution:

1. Article 1 – Notices

- A. When a violation of the Declaration is reported to the Community Manager, the Community Manager will notify the Board of the alleged violation. Should the Board deem it necessary to proceed with enforcement action it will notify the Community Manager to take the following steps as delineated below in Article 1, subparagraphs B, C, and D and Article 2 as required.
- B. Upon notification from the Board to commence enforcement action, the Community Manager will send a letter to the homeowner in question notifying them of the violation and requesting the homeowner's cooperation in promptly correcting the violation. The first notice letter will be in the nature of a reminder as to the requirements of the Creekside Village Declaration, and will urge the homeowner to communicate with the Community Manager immediately so that the matter can be remedied by mutual agreement.
- C. If cooperation is not forthcoming in a reasonable time and should the Board, in its discretion, deem it necessary to continue pursuing the matter, then the Community Manager will send a second notice letter (the "Second Notice Letter") which will set an appropriate time, to be based on the nature of the violation and the time needed to correct it, within which the homeowner must correct the violation. The homeowner will again be urged to communicate immediately with the Community Manager in order that the matter can be remedied by mutual agreement so that further enforcement action will not be necessary.

- D. If the violation has not been corrected within the time limit set out in the Second Notice Letter, and the Board deems it necessary, a third letter notice will be sent to the homeowner by certified mail, return receipt requested, and first class U.S. mail setting a deadline for compliance within 10 days of the date of the letter (the "Third Notice Letter").

Article 2 – Due Process Proceedings under Chapter 209 of the Texas Property Code.

If the violation of the Creekside Village Declaration has not been resolved after communication between the homeowner in violation and the Community Manager, with the Board's approval, and following the various notices described in Article 1 B and C, above, then a series of steps may occur:

- A. The Third Notice Letter, as described in Article 1(D) above, will describe the violation that is the basis of the enforcement action and advise the homeowner of his or her right to request a hearing before the Board. The letter shall also advise the homeowner that if the violation continues to exist after a date certain, any attorney's fees and costs incurred by the Association in enforcing the Creekside Village Declaration shall be charged to the homeowner's account. The purpose of the hearing will be to permit the homeowner to show cause why the Board should not find the homeowner in violation of the Creekside Village Declaration or to otherwise seek to resolve the matter. The homeowner will have 30 days after receipt of the Third Notice Letter to request such a hearing. A homeowner must submit a written request for hearing to the Community Manager within such 30 day period.
- B. If no hearing is requested by the homeowner, then the Board, at the expiration of the 30-day period, may take action as described in subparagraph C, below. If a hearing is requested, then the Board will set a date and place for the hearing within 30 days. The Board will give the homeowner at least 10 days written notice of the date and place of the hearing, and issue its decision on the dispute within 5 days after the hearing. If the Board's decision is in favor of the homeowner, then there is no violation of the Creekside Village Declaration and the matter is closed. If the Board rejects the position of the homeowner, the violation is upheld, and the Board may then take action as described in subparagraph C below.
- C. If the homeowner does not request a hearing within the 30 day period, or, having requested a hearing, fails to show cause why he or she is not in violation of the Creekside Village Declaration, the Board may then take action to enforce compliance with the Creekside Village Declaration. These actions may include, but are not limited to:
- a. The imposition of fines, which shall be commensurate with the violation, but in no event shall any single fine be in excess of \$250. Continuing violations may be subject to additional fines at the discretion of the Board.

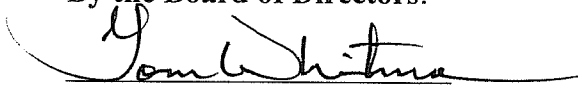
- b. The suspension of use of the common areas.
- c. The institution of litigation to obtain the homeowners compliance with the Creekside Village Declaration.
- d. The charging to the homeowner's account of attorneys' fees incurred by the association to correct the violation.
- e. Correcting the violation through self-help to the extent the same is allowed in accordance with the Article VII of the Creekside Village Declaration, and charging the cost of the remedial work to the homeowner's assessment account also as specified in Article VII of the Creekside Village Declaration.

3. Article 3 – Miscellaneous

In the event of a conflict between the Policy and the Creekside Village Declaration, then the terms of the Creekside Village Declaration shall control. The failure by the Association or any homeowner to enforce any covenant or restriction contained in the Creekside Village Declaration shall in no event be deemed a waiver of the right to do so thereafter. Depending on the nature of the violation, the Board shall have the option to proceed directly to the notice letter described in Article 1, (D) above. Notwithstanding any provision contained herein to the contrary, and as provided in Section 209.006 (b) (2) (A) of the Texas Property Code, a homeowner does not have the right to request a hearing or an opportunity to cure the violation prior to the sanctions being imposed, if the homeowner was given notice and a reasonable opportunity to cure a similar violation within the preceding 6 months. In addition, the notice and hearing provisions contained herein, and in Section 209.006 and Section 209.007 of the Texas Property Code, do not apply if the Association files suit seeking a temporary restraining order or temporary injunctive relief or files a suit that includes foreclosure as a cause of action.

SIGNED THIS 13th day of October, 2004

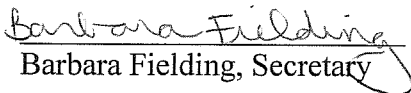
By the Board of Directors:



Tom Whitman, President



Anwar Tafique, Treasurer



Barbara Fielding, Secretary