

NOROLA MEADOWS HOMEOWNERS ASSOCIATION

FINANCIAL PENALTIES RESOLUTION

WHEREAS the Norola Meadows Owners Association Board of Directors is empowered by statutory law [ORS 94 630 (1)(n)], and further supported by the Association documents including the Declaration of Covenants, Conditions and Restrictions to assess financial and other penalties against individual members in order to remedy violations by those members, of the By-Laws, the Covenants, Conditions and Restrictions of the Association, and Rules and Regulations,

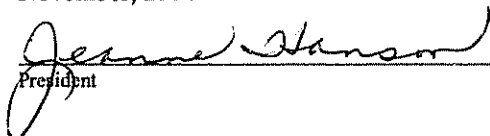
BE IT THEREFORE RESOLVED that the Norola Meadows Owners Association Board of Directors does adopt the following procedures, fine assessments and actions:

1. Upon being notified of a violation, the Board of Directors shall cause a "first" letter of violation to be sent to the owner(s) of the subject property. The notice will inform the homeowner of the violation, and state that they have a specific period of time to correct or abate the violation. Said corrective period shall be a reasonable length of time, based on the nature of the violation and the nature of the corrective action needed. Reasonableness of the time period is at the sole discretion of the Board of Directors.
2. If the owner has neither contacted the association nor corrected the violation within the stated time period, a "second" letter of violation will be mailed to the homeowner, indicating that, if the violation is not corrected within a specific time period, a fine of \$25 per day will be assessed against the homeowner's lot until such time as the violation is corrected.

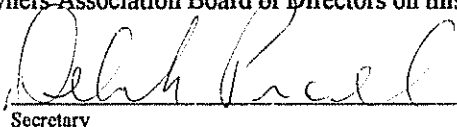
If the violation is of a nature as to occur intermittently, such as a nuisance or offensive activity like excessive noise, a letter of violation will be mailed to the homeowner, indicating that a violation has occurred, that a hearing is scheduled for a specific date, and if the violation occurs again, after the hearing date, a fine of \$100 per occurrence will be assessed against the owner and the property. Upon the occurrence of any further violations, subsequent to the hearing date, the fine will be assessed on a per occurrence basis, without further notification to the homeowner.

3. The notice shall also inform the homeowner that a hearing will be held before the Board of Directors with respect to the violation at the next scheduled Board meeting, if during the corrective period, or at an alternative, mutually agreeable date, and that no fine will be assessed pending the result of that hearing. Said hearing date shall not be less than 5 working days following the mailing of the letter by U.S. Post Office First-Class mail.
4. If the homeowner neither requests an alternative hearing date during the corrective period, attends the Board of Directors meeting, nor corrects the violation within the necessary time period, the fine of \$25 per day will be assessed beginning on the first day after the corrective period ends.
5. If the homeowner requests a hearing before the Board of Directors, that hearing will be held as part of the next regular meeting of the Board of Directors, or at such date as mutually agreed upon. At the hearing, the Board of Directors will hear the testimony of the homeowner, and take the case under advisement. A decision will be rendered either at the Board of Directors meeting, or, if necessary, at a later date not to exceed 10-days after the hearing date. If the Board of Directors decides against the homeowner, the homeowner will be granted a further period of time, not to exceed 50% of the original notice period, in which to correct or permanently abate the violation. If the violation is not corrected within the additional time period, the daily \$25 fine will be assessed from the first day after the additional time period, without further notification to the homeowner.
6. When the accrued amount of the assessed fine exceeds \$500, the homeowner will be so notified, informed that the fines will continue to accrue, and informed that a lien will be placed on the homeowner's lot for payment. The lien will include all appropriate legal fees, costs and recording fees, along with any interest that accrues until the fine is collected. Correction of the violation will not waive accrued fines, fees, costs and interest, which must be paid in full, prior to release of the lien.

This resolution was passed by the Norola Meadows Home Owners Association Board of Directors on this 28th day of November, 2004.



President



Secretary