



**Policies, Procedures and Guidelines
for
Covenants, Codes and Restrictions
Enforcement**

Adopted May 21, 2002 by Park at Timberhill Board of Directors

The intent of the CC&R's is to protect the common interest of all Members by helping to preserve optimum property values and enjoyable living and to provide an organization that works on behalf of the community's common interests.

The Recitals and Articles of the Declaration of Covenants Conditions and Restrictions, in conjunction with the Bylaws of the Park at Timberhill Members Association provide the Board of Directors with the jurisdiction and powers to administer to the management of the affairs and financial matters for the Association, including the authority to adopt, modify or revoke Rules and Regulations governing the conduct of persons and the operation and use of the common areas and the lots as it may deem necessary or appropriate in order to preserve the peaceful and orderly use and enjoyment of Park at Timberhill.

The policies, procedures and guidelines adopted here by the Board of Directors are not intended to replace the recorded CC&R's for the Park at Timberhill Owners Association. They are intended to further clarify and define the most commonly referred to items in the existing CC&R's. All attempts have been made to ensure that these policies, procedures and guidelines are not in conflict with the recorded CC&R's. Should any item be in conflict, the recorded CC&R's would prevail.

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Assessment and Compliance Payment Policy

Payment Schedule. The Board of Directors will identify payment schedules for various assessments and fees payable to the Association. The regular maintenance fee/assessment fee is normally payable on a semi-annual basis (January and July), in advance on the first day of the month, and becomes delinquent after the 10th day of the payment due month. If available, the association may provide for invoicing or automatic payments from Member's checking accounts or credit cards.

Late Fees. The Association shall notify Member's in writing when a delinquency occurs. A late fee in the amount of \$25 will be imposed 30 days after the delinquency notice is sent. A late fee in the amount of \$25 will be made for each subsequent month of delinquency. In the event two subsequent payments are delinquent, each separate payment is subject to the late fees outlined above. The late fees apply to any amount due whether it is a partial or total monthly payment.

NSF Fees. The Association will not charge a fee the first time they receive an NSF check from a Member. The Member will be notified about the bad check and asked to replace it with a good check. The Member will have 30 days from the date of notification of the NSF check to make a good payment or late fees will be imposed. The Association will charge a fine in the amount of \$25 the second time a Member presents an NSF check for payment. The Member will have 30 days from the date of notification of the NSF check to make a good payment or late fees in addition to the NSF fee will be imposed.

Lien Filing. The Association reserves the right to file a lien for delinquent funds at such time as the Board of Directors deems appropriate. However, a lien will be filed for all accounts that are 60 days delinquent and have a balance due of \$200 or more. The Member shall pay all costs for preparation, recording and satisfying liens and all costs for handling the processing. The first mortgage holder, if any, may be notified of any lien filing.

Collection/Compliance/Legal Services. In the event the Association refers a delinquent account to its attorney for collection or enforcement of any of the Association's Rules, Resolutions, Policies, Bylaws, or Declaration, the Member will be responsible to pay for the Association's reasonable attorney fees whether or not a lien is filed or a lawsuit is commenced. If a lawsuit is commenced, the Member shall pay the Association's reasonable attorneys fees in connection with that lawsuit, including fees incurred on any appeal. The Board may also authorize the collection of funds by other legal means with collection costs to be paid by the Lot Member.

Association Administrative Fees. The Association will charge, in addition to the above-mentioned charges and fees, the following: charges for filing fees, postage, facsimile charges, mileage and time-related charges of personnel, fees charged by the Managing Agent to collect funds payable to the Association; foreclosure action or deed in lieu of foreclosure, lot Member or vendor bankruptcy, including but not limited to notification, filing and satisfying liens; enforcement of Association's Declaration and Bylaws, rules and policies; litigation (pre-, court and post-); coordinating services and repairs to the Association's common areas that result from the acts of Member's and/or their tenants, guest, contractors, business invitees, etc.; special projects and items that are not part of the routine activities of the Association and/or as provided in the Association's contract with the Managing Agent. The Association also charges a \$25 fee for change in Association records due to name changes and transfer of Membership, completion of forms required by mortgage lenders and other, with the fee(s) typically paid by the new Member.

Appeal Process. Each Member has the right to appeal late fees, NSF fees, Lien Filing, Collation/Compliance/Legal Service charges and procedures to the Board of Directors in writing. The Board reserves the right to repeal any fee, fine, or legal process that has been initiated or authorized.

Architectural Review Committee Procedures and Guidelines

Application for Review. Prior to the commencement of any exterior alteration or addition to an existing structure, or a significant landscape alteration, Members shall submit the plans and an Architectural Review Control Form to the Architectural Review Committee. An example of items requiring Architectural Review are ponds, paint color, roofing material, retaining walls, sheds, fences, pergolas, trees which will mature to a large size and other significant exterior features which would be visible to other members when driving or walking through the community. For additional clarification please refer to the Architectural Review Control Guidelines. If you still question whether your proposed project requires approval, please contact the Management Company or Committee directly for clarification.

The committee has 30 days from the date of receipt to review the application and ask for additional supporting documentation if required. After review, the Committee will provide the Member with a written Approval/Disapproval/Approval with Conditions decision.

Each alteration or addition must be specifically approved even though the intended alteration or addition conforms to the CC&R's and Guidelines, and even when a similar or substantially identical alteration or addition has been previously approved.

The Committee has the authority to Approve/Disapprove the plans, or to require that the plans be resubmitted or redrawn by an appropriate professional contractor and/or with the additional information accurately provided.

Product Specification. The Committee has the authority to specify a product type (example: cedar fencing instead of vinyl) to maintain the uniformity of appearance of the home and lot and/or its improvements.

Appeal. The Member may appeal a decision of the Committee by providing additional information or supporting data. If the Committee's decision remains unchanged, the Member may send a written appeal to the Board of Directors for a review of the decision. Any ruling by the Board of Directors will be considered final.

ARC Charges and Fees. The Committee may request reimbursement from the Member for Architectural Review if the review would require the services of an architect or engineer to best determine the appropriateness of the change to the community. The Committee will advise the Member in advance if their request will incur such charges and fees.

Verbal Requests will not be considered. For the protection of the Member, the Committee and the Board, all requests must be made in writing. A copy of all correspondence, forms and decisions will be kept in the Member's folder.

Periodic Review. The Committee will make inspections of the development on a periodic basis. Any Member found to have altered or added to their home or lot will be sent an Architectural Review Control Form to be completed and submitted to the Committee. The Member must respond within 30 days of receipt of the form. Members who do not respond within the 30 days will be fined \$25 fee regardless of whether the addition/alteration meets the current Guidelines. If after review of the Form, the Committee determines the additional/alteration to be Disapproved, the Committee shall notify the Member of what modification needs to occur to return the addition/alteration to a state that is Approved. The Committee shall provide the Member with a time frame not to exceed three months to make this modification. If the exterior feature is not restored the Association shall impose a fine of \$25 monthly until the required modification is made. Three months after the expiration of the time frame required by the Member to make the alteration, the Association may chose to make the alteration for the Member and bill the Member for the costs incurred.

Architectural Review Control Guidelines

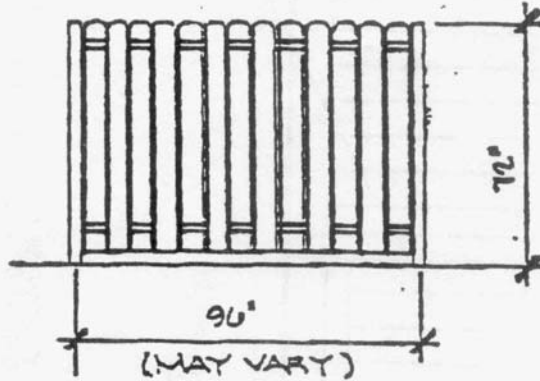
1. **Decks/Gazebos/Pergolas/Trellis** must be approved by the ARC prior to installation. Decks visible to other members when walking or driving by must have lattice skirting.
2. **Driveway, Carport and Sidewalks** are to be exposed aggregate concrete only — no coloring or stamping is allowed without prior ARC approval. Requests for alternate materials will be reviewed by the ARC on an individual basis. Gravel pads are prohibited.
3. **Exterior Colors** for homes, sheds, trim, etc., is to be submitted to the ARC prior to application to ensure the colors are in harmony with the community.
4. **Fencing** must be approved by the ARC prior to installation and shall be cedar only. Fence height to be six (6) foot unless placement is in areas adjacent to paths, which require a maximum height of four (4) foot. All fencing to be of a good-neighbor type as illustrated on Exhibit "A" and "B" Fencing attached. Requests for alternate fencing types will be reviewed and approved by the ARC on an individual basis. Staining the cedar fencing to a color other than clear or natural needs to be approved by the ARC before it is done.
5. **Gutters** are to be installed and maintained on all homes. Pre-painted continuous aluminum or galvanized metal gutters and down spouts are to be connected by underground 3" rigid or corrugated pipe to the curb. Gutters must be of a continuous metal fabrication and be the color of the house or trim.
6. **Play Equipment/Swing Set/Sport Court** plans must be submitted for review prior to installation. Height of the structure cannot exceed height of the home, and shall be allowed in the back yard of the lot and shall not be installed over easement areas. Due to its nature, impact and visibility, the Committee may require review and acceptance by the surrounding homeowners.
7. **Roofing** material on all residences, sheds, etc., shall be black architectural composition roofing material only.
8. **Shutters** shall be painted the house trim color, or other color approved by the ARC Committee.
9. **Walkways and Paths** are to be concrete or brick paved only. Colors for the brick or concrete are to be submitted and approved by the ARC Committee prior to installation. Requests for alternate material paths will be reviewed by the ARC on an individual basis.
10. **Ponds and Water Fountain** plans must be submitted for review prior to installation when installed in an area that is visible to other members when walking or driving by. Plans to include placement on the lot, size, materials, and coloration information.
11. **Storage Sheds** are to have the same visual appearance of the home with respect to siding material, roofing, and house color. All storage sheds are to have placement, size, materials, and dimensions submitted and approved by the ARC Committee prior to installation.
12. **Siding** on all homes shall be lap type siding only. All other types of siding (cedar shingle, T-111, etc) are prohibited, except when used as ornamentation on the gables.
13. **House Numbers** shall be installed on the front side of the home approximately five foot above the ground near the front door or garage, in an area that is well lit and viewable by emergency crews. They are to be 2 1/2 - 3 1/2 inches tall and black or brass in coloration.
14. **Carports** are prohibited.
15. **Landscaping** modifications of a significant nature are to be approved by the ARC prior to installation. Significant installations includes the planting of hedges or trees, which will mature to a significant height that could block neighbor's views, or of a type that would create a maintenance problem for neighbors. Vegetable gardens are to be screened from view by members walking or driving by. Grove owners are required to submit for approval before changing or adding trees, shrubs, grass, or bark in the front yards that are maintained by the Association.
16. **Retaining Walls** in front or rear yards (where viewed by other Members walking or driving by) shall be reviewed and approved by the ARC Committee prior to installation and shall be reviewed for product type, placement, and color.
17. **Satellite Dishes** shall be installed on the side or rear of the structure only, unless such placement interferes with signal reception.
18. **Exterior Rock Ornamentation** on the home shall be submitted to the ARC Committee prior to installation and shall be reviewed for product type, placement and color.

EXHIBIT "A"

TO:

HALLADIN HEIGHTS SUBDIVISION

Covenants, Conditions and Restrictions



Yard Perimeter Fencing

Materials:

1x8 #1 Cedar tight knot uprights, or
1x6 #1 Cedar tight knot uprights
4x4 #1 Cedar posts with 2x4 braces or
4x4 Pressure-treated posts with 2x4 braces
All wood materials can be left natural or owner can apply clear
sealer or cedar tint color sealer

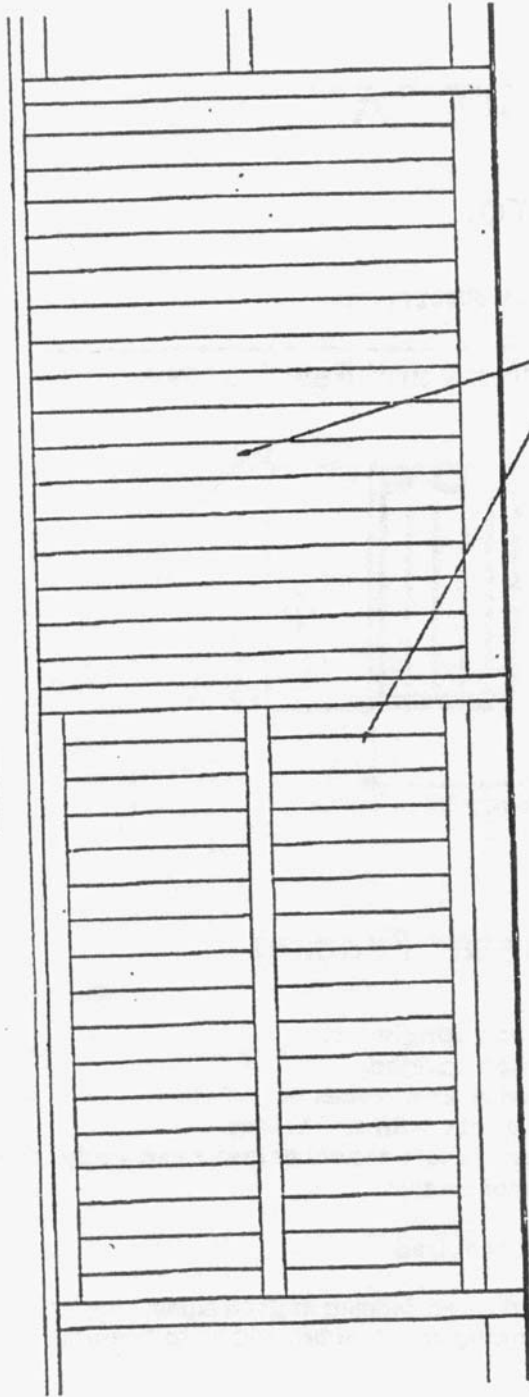
Style:

Beveled top finish not required

Maintenance:

Property owners are to keep fencing in good repair.
Broken or decayed fencing must be brought up to "new"

EXHIBIT "B"



ALTERNATE FACE
EVERY OTHER POST

FENCING

SCALE: 1/2" = 1'-0"

STYLE: "TOTAL PRIVACY" BOTH SIDES

MATERIALS: TIGHT KNOT #1 CEDAR

MAINTENANCE: PROPERTY OWNERS TO
MUST KEEP FENCE IN
GOOD REPAIR. BROKEN
OR DECAYING FENCING
MUST BE REPLACED TO
"AS NEW" CONDITION IN
A TIMELY MANNER.

2 x 4 K.D. FIR
OR CEDAR

1 x 4 P.T. POST BEYOND
@ 8'-0" O.C. IN 12" RND. x 16' FT'G

1 x 6 R/5 CEDAR FENCING
(TIGHTKNOT #1)

2 x 4 K.D. FIR
OR CEDAR

2 x 4 K.D. FIR
OR CEDAR

5'-0"

General Community Policy Guidelines

Trash & Recycling Receptacles. These can be put in the street the day before garbage pickup and must be stored back out of sight in an appropriately screened or enclosed area by the end of garbage pickup day. These receptacles should not be out for more than 48 hours. At all times the cans and bins must be secured from wind, animals, etc. Blowing debris is not permitted.

Landscaping Debris and other materials resulting from landscaping work shall not be dumped onto any street, lot or common areas. The discarded landscaping debris is to be contained and handled under the same controls as general trash containers and removal. Members are responsible for seeing to it that their home and lots are kept clean, free of clutter and debris, and in good order.

Noise is regulated by local governmental agencies. Social functions should be kept inside the home to help minimize the impact of noise on neighbors, especially at night. If noise emanating from any Park at Timberhill lot is disturbing another Member, the complaining neighbor should either contact the offending neighbor directly or contact the local law enforcement agency to file a complaint. Because noise related matters are subjective, it is difficult for the Association to become involved or take a stand, unless the noise related matter creates a problem for the Community at large.

Flags and Decorations. Holiday decorations may be displayed one-month prior and one month past the designated holiday as a general rule. Some flags and decorations may be considered inappropriate for the Community. If the Association receives strong negative comments the Member displaying the items will be contacted and requested to remove them from community viewing. The flag of the United States of America is not considered a holiday or decoration flag.

Garden Implements, tools, children's outdoor toys, etc are to be placed out of sight when not in use.

RV's, ATV's, Boats, Trailers, Work Vehicles, are not to be stored on a street for more than 48 hours.

Structures are to be kept in good repair at all times. This includes painting and repairing buildings, maintaining roofs, fences, decks and concrete surfaces.

Soil stabilization and drainage control must be maintained. Members are responsible for using silt barriers, maintaining appropriate grades (i.e.: maintaining contour of slope, retaining walls that confine and control fill so that it does not encroach onto neighboring property, cuts that do not undermine adjoining land) and providing proper drainage and plant life to minimize soil erosion and to control water run-off.

Rain Gutters may not be directed to neighboring property or common areas. If a problem does impact a neighbor's property, it is that impacted neighbor's duty to resolve the dispute directly with the responsible Member. If erosion, slope, drainage, or fill impacts a common area, street, or drain, the Association may become involved up to and including involving governmental agencies and/or legal proceedings.

Storm Drains shall be kept free from accumulated dirt, gravel, and debris; this may necessitate the use of bio-bags or other appropriate material if Member is doing landscaping, construction, etc.

Outdoor Deliveries, such as bark dust, soil, sand, gravel, plants, fencing, and building materials are to be used promptly after delivery in Member's driveway. All materials must be used or out of site within 14 days from delivery. At all times the material must be secured from wind, animals, etc. Member is responsible for any cleanup required by the material delivery. No material may be left in the street overnight.

Signs must not be erected or maintained on any residential lot, except signs that have been pre-approved by the Architectural Review Committee, or which are temporary in nature (i.e. Real Estate, political and garage sale signs). Political signs may be placed in member's own yard sixty (60) days prior to an official election, but must be removed within three (3) days after the election. Real Estate signs can be located on a lot that is for sale, in the middle of the front yard on the lot line. Maximum size of the approved sign is 18" x 24" and must be suspended or attached from an approved signpost. Signs must be removed within five days of closing of the sale. Rental signs may be posted on the Member's lot where the rental is located, must conform to the real estate sign requirements, and be removed within five days of closing the rental. Garage sale signs are to be removed at the end of the sale. With the exception of Neighborhood Watch, Home Security, Pet Safety and Block Home Signs, no signage is to be placed in residence windows.

Directional and Informational Signs. Approved builder and real estate signs, open house signs, and/or directions signs may be placed at the Park at Timberhill Drive and West Hills Road community entrances, and on the Member's lot. Open House signs may be displayed during the actual hours of the open house only. Garage Sale signs, personal signs, announcements, and other display materials must be removed at the end of the function. Commercial signs are not permitted in the community.

Sign Rule Exceptions and Removal. Requests for exceptions to the Sign Rules may be submitted in writing to the Association for review and consideration on a case-by-case basis. The Association reserves the right to remove unauthorized signs without notice and/or require the Member to remove the sign.

Landscaping. Each Member is responsible for maintaining their landscaping to high community standards. This includes controlling weeds; pruning shrubs and trees; removing dead and/or diseased plants and trees; fertilizing, watering, mowing and controlling lawns; installing and maintaining appropriate ground cover, such as garden mulch or bark-dust; maintaining the lot's auxiliary yard structures and features; and planning ahead to assure that ongoing maintenance is continued, even if Member will be gone for a period of time. Members will not be permitted to plant any vegetation in the Common Areas without written approval by the Landscape Committee. Major landscape feature changes such as trees and substantial garden beds that are visible to other Members when walking or driving by shall receive approval first by the Architectural Review Committee to assure conformity with the community and to also ensure that the trees shall not hamper the view of neighboring members.

Grove residents, whose front yard maintenance is provided by the Association, are requested not to make any changes to the front yard landscaping without prior approval of the Architectural Control Committee, since these changes may impact the charges that the Association must pay for the maintenance of the features. Small annuals or plantings that Grove residents choose to make in their front yards are made at the Members risk. The Association's landscape contractor cannot guarantee that their crews will not damage the feature during regular maintenance. This applies also to pots and statues. Grove Members are responsible for their rear and side yard maintenance.

Domestic Household Pets. Pet owner Members are responsible for knowing and obeying local leash laws regarding their pet, and for cleaning up after their pets. Some animals (i.e. dogs) are required to be restrained with a leash, tether or other physical control device any time they are on public property. On private property, some animals are required to be restrained in a manner that physically prevents the animal from leaving that property. Pets are not permitted to be a nuisance to neighbors and the community. The city and county also have noise ordinances relating to animal noise. Owners of barking dogs are responsible for keeping their pets from disturbing the surrounding neighbors.

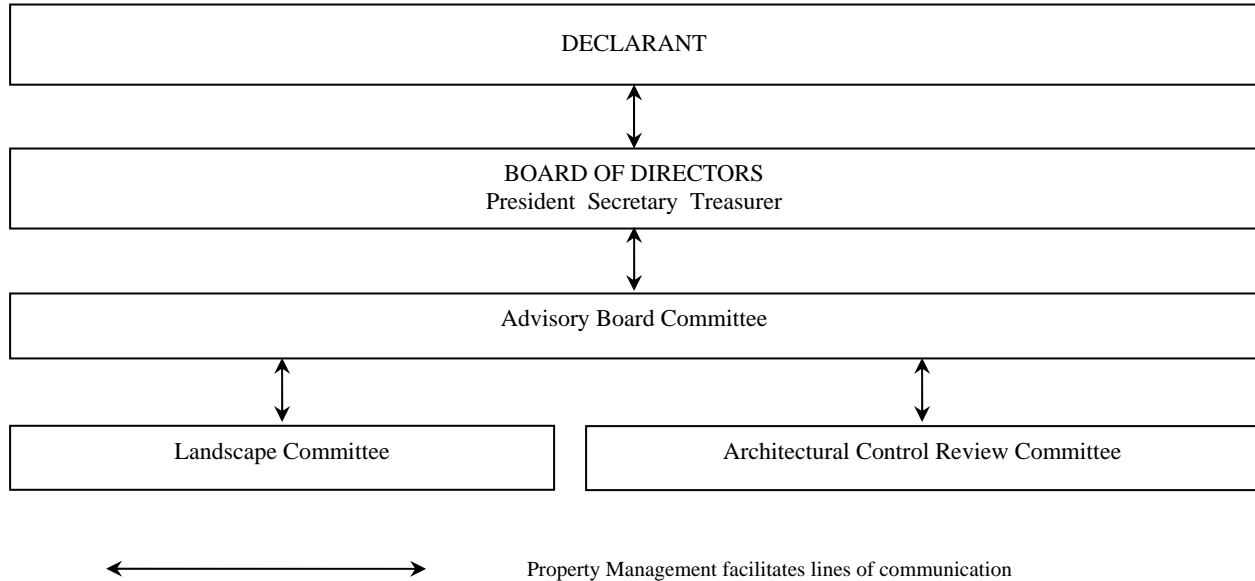
Compliance Violation Remedies and Formal Enforcement Procedures

Direct Resolution. Any Member who believes that a neighboring Member is in violation of any of the Park at Timberhill policies, guidelines or CC&R's is encouraged to first approach the neighbor about the matter while it is occurring or shortly thereafter. Most violations are believed to be unintentional and can be easily resolved in this fashion.

Management Company Intervention. Should a Member feel uncomfortable in utilizing Direct Resolution with a fellow Member, they should contact the Property Management Company about the situation. Depending upon the severity of the situation, the Management Company may request a written complaint, which can be in the form of e-mail. The Management Company will then initiate contact with the offending Member, notifying them of the problem, offering assistance and information to help resolve the situation and attempt resolution of the situation while keeping the reporting Member's identity confidential. A phone or e-mail contact will be made first. If the situation remains unresolved, the situation will be brought to the attention of the Association and more formal contact by letter from the Association will be made. Should the situation remain unresolved after this contact, the Association may choose to assess fines. Unless specifically addressed elsewhere in the CC&R's or the Rules and Regulations, the following will apply:

1. At initial contact the Member will be given notice of the problem and fourteen (14) days to correct the situation.
2. If the problem has not been corrected by the fifteenth day a fine of \$25 will be applied.
3. If the problem has not been corrected within 30 days, an additional fine of \$25 will be applied, and will repeat every thirty days until the situation is corrected.
4. After 60 days, the Association may correct the violation, but is not obligated to do so. If the Association corrects the situation, the Lot Member is responsible for reimbursing all the costs to the Association. There is a minimum \$100 charge by the Association for correcting a matter.
5. After 90 days, the Association may refer the matter to the Association's attorney for legal action. This typically results in further correspondence, filing liens and notices, collections, filing court actions, and pursuing other legal rights and remedies available to the Association. The offending Member will be charged these additional costs incurred by the Association to have the matter resolved.
6. Repeat Violators. Each repeat violation by the same Member shall be fined without further notice when the violation occurs and will not have the fourteen (14) day grace period that first time violators are given. The same subsequent procedures will follow until the matter is resolved.
7. Appeal. If the Member does not agree with the issue as stated in the Violation Notice, the Member may file a written appeal, along with supporting documentation, as to why the Member feels they are an exception to the stated Rule and submit the appeal to the Association. The Committee handling the situation will first review the appeal. If the Member is not satisfied with the outcome of this Appeal, they may then submit an Appeal to the Board of Directors who shall make a final decision.

Board of Directors, Entities, and Committee Functions



Declarant: Has final say on all items for the HOA until 80% of the lots in the final phase of the community have been sold and conveyed to new Members.

Board of Directors: Serves at the request of the Declarant. Declarant has appointed the persons filling these positions.

Advisory Board Committee: Recommends administrative procedures, rules, resolutions, and annual budget to the Board of Directors. Some of the other Committee information flows through the Advisory Board as it relates to the annual budget. The balance flows directly through to the Board of Directors. The Board of Directors appoints these positions. When the Declarant has ceased to exist for the community, the Advisory Board Committee Members often become the new Board of Directors. In larger communities, there may still be a need for the Advisory Board to exist — insuring that the Board of Directors has a representation of the community it serves. The scope of areas for review may be modified accordingly.

Landscape Committee: Reviews common area landscaping. Makes recommendations for modifications and changes. May work at selecting bids from various landscape contractors. Identifies specific annual budget requirements and needs. The Board of Directors appoints these positions.

Architectural Review Control Committee: Reviews requests from Members on exterior feature changes and recommends approval or disapproval. Reviews the community on a periodic basis to ascertain that no violations exist. The Board of Directors appoints these positions.

Property Management Company: Hired by the Board of Directors, this firm will handle the billing and collection of assessments for the Association. They will prepare payments for Association expenses; work with the committees and the Board on formulating and implementing annual budgets. They handle questions and complaints from the Members of the Association. They review the work performed by all subcontractors within the community to insure the work is completed in an acceptable fashion. They schedule and hire contractors for the maintenance of the community. They attend committee meetings as required, and facilitate the communication between the committees and the Board.

**MEMORANDUM OF ACTION OF
BOARD OF DIRECTORS OF THE
PARK AT TIMBERHILL OWNERS ASSOCIATION**

THIS MEMORANDUM, executed by all of the directors of the Park at Timberhill Owners Association, records their action taken by unanimous consent without the holding of a formal meeting to be effective May 21, 2002.

RESOLVED that the Policies, Procedures and Guidelines for Covenants, Codes and Restrictions Enforcement attached hereto are adopted for this Association.

Scott Houck, President

Joel Martin, Secretary

Chuck Hammagren, Treasurer