

**NORTHBAY PROPERTY OWNERS ASSOCIATION
PROCEDURES OF NOTICE AND ENFORCEMENT OF COVENANTS
ADOPTED BY THE BOARD OF DIRECTORS MARCH 15, 2004**

In view of the continuing covenant violations within Northbay Subdivision the Board establishes the following guidelines:

The Board's authority is set forth under provisions of Sections 4.01, 4.02, 4.04, and other related sections within the Declaration of Covenants, Conditions and Restrictions for Northbay.

1. The Board will establish a Covenant Committee, and appoint a Board member to chair said committee. The committee will be made up of three to five current paid in full residents of Northbay who have been approved by the Board of Directors. The members of the committee will serve at the will of the Board of Directors. The Covenant Committee shall monitor Northbay Subdivision on a monthly basis; prepare a listing which details each noted violation, giving the address and description of the specific violation; and provide a written copy of the listed violations to both the Board and to the managing agents. At the next available regular meeting of the Board of Directors, the Chairman of the Covenant Committee will present the listing of violations, and the Board will determine if a violation in fact exists, based upon the Covenant Committee's description of the various violations, and other evidence as may be submitted.
2. If it is determined that a violation exists, the Board will direct that the managing agents prepare and mail to the covenant violator a first letter of notice. A copy of each letter of notification shall be mailed to both the President of the Association and Chairman of the Covenant Committee.

Individual complaints of covenant violations will be referred to the Covenant Committee, and thereafter handled in the same manner as a violation noted by the Covenant Committee during its monthly monitoring.

3. If, after a notification of violation has been mailed to the property owner, and that owner has not responded to the notification within 30 days, then the Covenant Committee shall recheck the property to determine if the covenant violation has been corrected by the violating property owner. If they have not corrected the violation, then the managing agents will mail to the violating property owner a final notice letter, advising that covenant enforcement through formal proceedings will be instituted 15 days subsequent to receipt of this letter, if the violation is not corrected.

4. If violations continue past the 15 day time limit given in the final notice letter, the continuing violation will be reported to the Board by a member of the Covenant Committee, and the Board will determine the next course of action, up to and including directing the managing agents to institute enforcement proceedings, as authorized under the covenants (See Sections 13.06 and 14.01) in a court of competent jurisdiction.

These rules and procedures shall become effective upon the date of adoption and shall remain in full force and effect unless modified or amended by the Board of Directors. A copy hereof shall be retained as a part of the official minutes of and record of this Board.

Approved and adopted this, the 9th Day of March 2004.

Board of Directors
Northbay Property Owners Association

By: Robert C. Williams
President

By: Greg Copeland
Secretary