

PROCEDURAL RULE REGARDING THE ENFORCEMENT OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR RIVERSIDE PLACE

Whereas the bylaws of Riverside Place Owners' Association provide that the Board of Managers ("the Board") shall have among its powers and duties:

a. To administer and to enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Declaration and the Articles and the Bylaws of the Association, and

b. To establish, make and enforce compliance with such rules as may, be necessary for the operation of all lots within the subdivision; and

Whereas, the Board desires to establish its role with respect to enforcement of the covenants, conditions, and restrictions for Riverside Place as an adjudicative body and to afford the members of the Association due Process, the Board hereby adopts the following procedure:

1. Upon receipt of a written complaint alleging a violation of the covenants, conditions and restrictions, bylaws, or rules or regulations of the Association (hereinafter "covenants") the Board will convene a meeting to determine whether a basis exists for the complaint. If so, a copy of the complaint will be served on the owner, who shall be entitled to a hearing upon request. If no hearing is requested, the board shall promptly render a decision on the complaint.

2. Under emergency circumstances, the Board may act to enforce the covenants without a written complaint or a hearing.

3. A hearing shall be scheduled within 30 days after request and may be conducted by conference call.

4. In the event either the complaining owner or the subject owner is a member of the board, that owner shall be disqualified from acting on the complaint and a substitute will be chosen by the remaining board members, from among the owners, to act on the complaint.

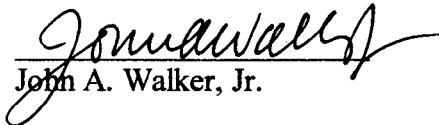
5. The board may act on the complaint, in its discretion, either upon written submissions or by oral presentation. In the event of a hearing, the subject owner may record the proceedings and shall provide a copy of any recording to the board.

6. The board shall render a decision in writing.

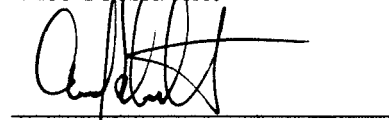
7. In the event a violation is found, the board shall determine the appropriate enforcement remedy.

This rule is hereby unanimously approved by the Board of Managers:

President:


John A. Walker, Jr.

Vice President:


Allan J. Schutt

Secretary-Treasurer:


Randy Glover

Date:

March 31, 2002