

Resolution of the Board of Directors
of
Eagle Ridge [Spokane] Homeowners Association
A Washington Non-Profit Corporation

FEBRUARY 9, 2005

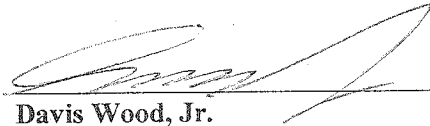
The following resolution was unanimously adopted by the Board of Directors of **EAGLE RIDGE [SPOKANE] HOMEOWNERS ASSOCIATION**, a Washington non-profit corporation (herein the "Association"), on February 9, 2005:

RESOLVED, the Board of Directors have adopted a Fine Enforcement Program for the Association to be effective April 1, 2005, as follows:

1. An Owner will be notified in writing by the Association or its Authorized Agent of a violation and requested to correct the violation within seven (7) days from the date the notice is given. (Section 8.10 of Declaration)
2. If the violation is not remedied by the prescribed date, a second written notice will be given to the Owner requesting compliance within seven (7) additional days from the date the second notice is given. If the violation is not corrected within the second seven (7) days, a fine of \$50.00 will be assessed and charged to the offending Owner's account.
3. If the violation should continue for another fourteen (14) days after the first fine is assessed, a second fine of \$150.00 will be assessed and charged to the offending Owner's account without further notice.
4. At any time after the amount of all fines assessed totals \$200.00, a lien in the amount of the fine, including interest as set forth in the Declaration, and legal fees and costs, and any additional fines that may be assessed may, in the sole discretion of the Association, be recorded against the Owner's lot. A copy of the recorded lien will be provided to the Owner.
5. Thereafter, a \$300.00 fine will be assessed each succeeding thirty (30) days until the violation is corrected.
6. Further occurrences of the same violation within twelve (12) months of the date the first notice is given shall be considered to be the same event, and the fine enforcement process described above shall be deemed on-going from the point the previous violation was corrected (e.g., a violation corrected pursuant to notice that is thereafter within

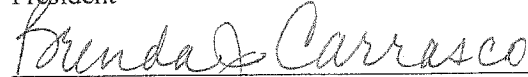
twelve (12) months repeated shall be considered to be an on-going violation as if it had not previously been corrected).

7. The determination of an Owner's satisfactory correction of a noticed violation shall be within the sole and exclusive judgment of the Association.
8. The Association may elect to foreclose the lien as provided by the Declaration at any time within its discretion, and the Owner against whom the lien is foreclosed shall, in addition to the amount of the lien and all such further fines that may be assessed during the course of such action, be liable to the Association for all reasonable legal fees and costs incurred in such foreclosure action. The election by the Association to foreclose such lien shall be in addition to any and all other remedies available to the Association as provided in the Declaration, and as may be provided for at law or in equity under the laws of the State of Washington.



Davis Wood, Jr.

President



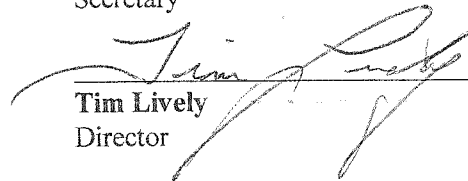
Brenda J. Carrasco

Vice-President/Treasurer



Lori Henriksen

Secretary



Tim Lively

Director