

The Board of Directors of the High Point Estates Homeowners' Association (the "Board") has adopted a very important governance rule regarding compliance with our Covenants and Rules and Regulations. Our Covenants provide the standards for the preservation and maintenance of the natural beauty of our neighborhood. These standards cover such things as yard maintenance and landscaping, fencing, mail boxes and post lights including the process Residents should follow for lot improvements.

This rule is effective October 1, 2015. Please read this letter in its entirety.

Background

The Board is taking this action as a direct result of numerous communications, requests and complaints of fellow Residents who are concerned about maintenance of properties and the lack of adherence to our Covenants and Rules and Regulations. This directly impacts the standards and quality of the High Point Estates neighborhood and all of our property values.

To provide the Board with an alternative to expensive litigation for enforcement of our Covenants we conducted a legal review of our Bylaws and Covenants, evaluated the Covenants of many other neighborhoods and spent many hours in committee meetings in order to fully understand our options.

Objective

Our goal was to create a mechanism to enforce our Covenants and Rules and Regulations and to continue our founding principles and vision for the neighborhood. Many of you have invested your time, care and capital to help make that vision a reality. We want to protect those investments and encourage future investment. Further, we want to continue to sustain the success of High Point Estates as a desired community.

Conclusion

After careful review and guidance from our legal counsel, it was determined that our Bylaws expressly grant the Board the right to adopt rules, including rules that expressly permit the right to charge fines for violations of the Covenants and the

Rules and Regulations. This new rule will be utilized to enforce our Covenants and the Rules and Regulations by imposing and collecting fines for infractions.

The rule is enclosed below.

For your review, copies of our Bylaws and Covenants can be electronically accessed at www.hpehoa.com and any questions can be directed to info@hpehoa.com.

The HPEHOA Board of Directors has adopted the following rule which shall become effective on October 1, 2015.

“Violations of Declaration and Rules and Regulations. In the event of a violation of the Covenants, conditions, restrictions or the Rules or Regulations of High Point Estates, the Board shall have the right to assess and collect from the violating Owner a fine for such violation, which fine shall not be greater than \$100.00 per day for each day the violation remains outstanding, plus all costs of collection and enforcement, including attorneys’ fees.

For purposes of the foregoing, an Owner of a Lot in High Point Estates shall be responsible for its own compliance with the Declaration of Covenants and the Rules and Regulations and for compliance by the tenants, occupants, guests and invitees of such Owner’s Lot. A violating Owner shall first receive a written notice from the Board detailing the nature or condition of the infraction and a time period to remedy the violation. If corrective action is not commenced within the specified time frame and diligently brought to completion, a second notice will be delivered, at which time the daily fine will commence accruing.

Fines not collected upon demand shall entitle the Board to its remedies in accordance with Section 9.02 of the Declaration.”