

UNANIMOUS WRITTEN CONSENT OF DIRECTORS OF
GRAND LAKE ESTATES PROPERTY OWNERS ASSOCIATION

We, the below-named, as members of the Board of Directors of Grand Lake Estates Property Owners Association, a non-profit corporation organized under the Texas Non-Profit Corporation Act, being members of such Board as presently constituted, do by this writing, consent to take the following actions and adopt the following resolutions:

SEE RESOLUTIONS ATTACHED HERETO.

We direct that this consent be filed with the minutes of the proceedings of the Board of Directors of the Association.

This consent is executed pursuant to Article 1396 - 9.10 of the Non-Profit Corporation Act and Article X of the Bylaws of this Association which authorize the taking of action by the Board of Directors by unanimous written consent without a meeting and the waiver of notice of such.

This written consent may be executed in one or more parts, all of which together will constitute the same instrument.

Dated as of MARCH 19th, 2009.

BY: [Signature]
BY: **APPROVED** [Signature]

BY: **APPROVED** [Signature]

RESOLUTION OF BOARD OF DIRECTORS
OF GRAND LAKE ESTATES PROPERTY OWNERS ASSOCIATION
RE: DEED RESTRICTION VIOLATION POLICY
ADOPTED March 19, 2009

WHEREAS, the Association is in need of a Deed Restriction Violation Policy for the enforcement of and clarification of the applicable Declaration of Covenants, Conditions and Restrictions to achieve uniformity in enforcement policy; therefore, it is

RESOLVED, that the attached and incorporated Deed Restriction Violation Policy for the enforcement of the Declaration of Covenants, Conditions and Restrictions is ADOPTED.

DEED RESTRICTION VIOLATION POLICY
As Amended March 19, 2009
GRAND LAKE ESTATES PROPERTY OWNERS ASSOCIATION

The Association will follow the procedures outlined below in the enforcement of deed restriction violations, unless in their absolute discretion a variance from this procedure is approved by the Board or by an Officer of the Board.

1. After notice of a violation of the Declaration of Covenants, Conditions and Restrictions ("Declaration"), except for delinquent payment of assessments which is covered by another Board Policy, the Association, or its management company, shall send out a first notice letter to the homeowner, giving a reasonable time to cure the violation. No notice is needed if the violation is such that a temporary restraining order must be sought.
2. If the homeowner fails to cure the deed restriction violation timely, then the Association, or its management company, shall send out a 30 day notice letter complying with all of the requirements of the Texas Property Code ("TPC") for such notice found in Section 209.006.
3. The 30 day notice letter shall contain the Fine Schedule for Deed Restriction Violations which will be levied only after compliance with the TPC, Section 209.006 and Section 8.10 of the Declaration. Fines are authorized by the Declaration, Section 8.09 & 8.10, and by the TPC, Section 204.010
4. The Fine Schedule for Deed Restriction Violations is attached and incorporated into this Resolution and may be amended from time-to-time by the Board of Directors in their complete discretion.
5. If the homeowner fails to cure the deed restriction violation timely, then the Association may turn over this deed restriction violation matter to its attorneys for further action. If possible, photos of the violation and copies of all communications to or with the owner will be sent to the attorneys as well.
6. The Association's attorneys are instructed to send an initial demand letter to the owner to cure the deed restriction violation and pay the Association's attorneys' fees and expenses associated with turning the matter over to the attorneys.
7. If the homeowner fails to cure the deed restriction violation timely and fails to pay the fines, attorneys' fees and expenses incurred, the Association's attorneys are instructed to file suit seeking an injunction to enforce the deed restriction violated and the Association's full civil damages and remedies including its attorneys' fees and expenses. This shall be considered a standing instruction to the Association's attorney without the need for any additional written authorization to proceed.

8. If owner cures the violation but does not pay fines, attorneys' fees and expenses, the Association's attorneys are instructed to seek full payment or suit may be filed or continued.
9. For payment plan purposes, the Association's attorneys are instructed that:
 - a. When a homeowner owes \$1,000.00 or less, the balance has to be paid within 12 months; or,
 - b. When a homeowner owes more than \$1,000.00, the balance must be paid over a period of time not to exceed 24 months.
10. The Board has the discretion to alter the above time tables and instructions if there are extenuating circumstances to do so. The Association's attorneys are instructed to make all reasonable efforts to contact and to discuss the deed restriction violation with the owner.

FINES FOR DEED RESTRICTION VIOLATIONS

As Set on March 19, 2009

GRAND LAKE ESTATES PROPERTY OWNERS ASSOCIATION

For each separate deed restriction violation, the offending homeowner(s) may be fined up to \$100 per violation for every 30 days that the violation(s) exists until cured to the satisfaction of the POA.