

CORPORATE RESOLUTION FOR  
TOWNHOUSE VILLAGES AT RIVER WOODS HOMES ASSOCIATION  
(Effective on March 29, 2011)

WHEREAS, the following Resolution was approved by the Board of Directors of Townhouse Villages at River Woods Homes Association at a regular meeting of the Board of Directors on March 29, 2011.

WHEREAS, the Declarations of Covenants, Conditions, and Restrictions, (as defined in the Declarations of Covenants, Conditions, and Restrictions, hereafter the "Covenants"), allocate responsibility to replace exterior surfaces and the Covenants allocate responsibility to perform maintenance and repairs to the exterior surfaces between the Association and the individual homeowners.

WHEREAS, it has come to the attention of the Board of Directors that individual homeowners have complained of damage to their "Living Units" that was caused by their adjoining neighbors, who have caused the damage due to failure to adequately maintain, repair, or replace damaged or worn building materials on their own Living Units, as required in the Covenants.

Examples of the some of the inadequate maintenance that has occurred is failure of certain homeowners to properly insulate attic spaces and walls; failure to replace siding; failure to adequately maintain Party Walls, (as defined in the Covenants); failure to adequately maintain outdoor decks and deck membranes, and other miscellaneous causes.

WHEREAS, the Board of Directors believes that in cases where damage is caused to a Living Unit by intentional or negligent acts of owners of other Living Units, the Association will not make repairs or assessments to cure such damages. The Board of Directors believes it is in the best interests of the Association that the individual homeowners should pursue their own legal claims against the owners that are causing the damages.

WHEREAS, there has been a long-standing policy of the Association not to make repairs that are caused by intentional or negligent acts of owners of other Living Units.

WHEREAS, the Association has not created a reserve to make repairs for damages that it is not responsible for. It is not in the best interests of the Association to make repairs for damage caused by individual homeowners and levy a special assessment, because the Association should not have to bear the risk of recovering the special assessment from homeowners.

WHEREAS, it is not in the best interests of the Association to increase the assessments for the purpose of funding such repairs, because the Board of Directors believes that a substantial majority of the homeowners would not want their monthly assessments increased for this purpose.

WHEREAS, it is likely that there are other Living Units in the Association that are not adequately maintained by the owners and damage as described herein will likely occur in the future.

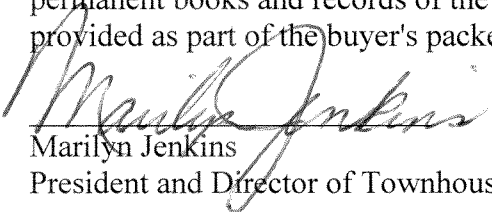
NOW THEREFORE, the following Resolution is adopted:

RESOLVED, that the Association shall continue its past policy of not performing repairs to Living Units for damage that was caused by intentional or negligent acts of neighboring Owners.

FURTHER RESOLVED, that the Association shall continue its past policy of not making special assessments to individual Living Units in order to pay for damages that were caused by intentional or negligent acts of other Owners.

FURTHER RESOLVED, that the Association shall continue its past policy of not increasing the annual assessments for the purpose of establishing a reserve to pay for damage to Living Units that was caused by intentional or negligent acts of Owners.

FURTHER RESOLVED, that a copy of this Resolution shall be made a part of the permanent books and records of the Association, and a copy of this Resolution should be provided as part of the buyer's packet to future buyers at the discretion of management.

  
Marilyn Jenkins

Dated: 3/19/2011

President and Director of Townhouse Villages at River Woods Homes Association

#### CERTIFICATION OF SECRETARY

Kim Gannon, the Co-Secretary/Treasurer of Townhouse Villages at River Woods Homes Association, certifies that the above action was duly taken at a regular Meeting of the Board of Directors of the Corporation on the 29 day of March, 2011.

  
Kim Gannon

Dated: 3/19/2011

Co-Secretary/Treasurer of Townhouse Villages at River Woods Homes Association