March 01, 2008

NORTHWOOD HILLS SECTION C INCLUSION

Following is the text of the letter received on February 26, 2008 from Michael P. Hensley, Attorney At Law, 2446 Caffey Street, STE 1C, Hernando, MS regarding Section C of the Northwood Hills Subdivision.

"February 23, 2008

Northwood Hills Property Owners Association
c/o Mr. Art Gandy
270 Northwood Hills Drive
Hernando, MS 38632

RE: Section "C" Inclusion

Dear Mr. Gandy,

Pursuant to our previous telephone conferences, you have expressed to me that there are questions and concerns amongst the residents regarding Section "C" and its role within the Northwood Hills Property Owners Association.

After reviewing your community's documents on file with the Desoto County Chancery Clerk's office, I have determined that Section "C" does not have supporting documentation that would subject property owners within its bounds to be "members" of the Northwood Hills Property Owners Association.

This was determined by reviewing the Northwood Hills Section "C" Plat found in the Desoto County Chancery Clerk's Docket S, Book 66, Page 49, which was filed by Kimberlin, Inc. on June 16, 1999. Upon review of this document, unlike the other Sections, there were no directives giving notice that lot owners in this section were to be subject to membership of the Association, nor references to other documents stating same.

However, please keep in mind that there are still restrictive covenants for Section "C" filed directly on the aforementioned Plat, and the residents of Section "C" should do their part to adhere to those covenants.

Lastly, seeing that Section "C" and its lot owners are not part of the Northwood Hills Property Owners Association would also mean that they do not enjoy the right to vote on Association matters, they do not enjoy the same rights and easement of enjoyment to the common areas of the other Sections, and they can not be required to pay Association dues.

I hope this is of some help to you and the Association.

Sincerely,

Michael P. Hensley

Note: There still seems to be some questions as to the common areas and who is responsible for them as well as the taxes and back taxes involved. We hope to have a resolution in this matter soon as well.

Very Respectfully,

Board of Directors