

# Sun Meadows Subdivision Owners Association, Inc.

## DEED RESTRICTIONS ENFORCEMENT AND FINE POLICY

WHEREAS, the property encumbered by this Deed Restrictions Enforcement and Fine Policy (the "Policy") is that property restricted by the Declaration of Covenants, Conditions and Restrictions (the "Declaration") of SUN MEADOWS SUBDIVISION ("Sun Meadows"), recorded in document number 0743005 of the Official Records, Brazos County, Texas on May 11<sup>th</sup>, 2001, as same may be amended from time to time, and which is subject to the authority of Sun Meadows Owners Association, Inc. (the "Association"); and

WHEREAS, pursuant to the Dedicatory Instruments (as that term is defined in the Texas Property Code) governing Sun Meadows, the Association is vested with the authority to impose reasonable fines against Owners for violations of restrictive covenants contained in the Declaration; and

WHEREAS, pursuant to the Declaration, the Board of Directors (the "Board") of the Association hereby adopts this Policy in an effort to provide homeowners with a better understanding of the process of deed restriction enforcement and fines; and

WHEREAS, reference is hereby made to the Declaration for all purposes, and any and all capitalized terms used herein shall have the meanings set forth in the Declaration, unless otherwise specified in this Policy; and

WHEREAS, in the event of a conflict between the terms of this Policy and any previously adopted regulations and/or policies addressing the enforcement of deed restrictions and fines as set forth herein, this Policy shall control.

NOW, THEREFORE, IT IS RESOLVED, that the following Policy is hereby adopted by the Board:

## ARTICLE I: DEED RESTRICTION ENFORCEMENT

- 1. PURPOSE:** The Board believes that homeowners in Sun Meadows desire a high-quality community that contributes to an increase in the value of their property over time. In this way, homeowners can maximize the enjoyment of their property today and in the future. Without strong, consistent enforcement of the Declaration of Covenants, Conditions and Restrictions, this appreciation cannot be accomplished.
- 2. PRE-FINING PROCEDURE:** Owners will be given a reasonable time to cure violations, unless otherwise specified in the Declaration. The time period given may vary in relation to the difficulty, planning and expense associated with rectifying the violation which shall be determined in the sole discretion of the Board. Additionally, the Board may, in its own

discretion, take into consideration the specific circumstances and the overall effect of the violation on the community when determining the time period to cure such violation, but in no event, shall the Association be responsible or required to consider such factors. If an Owner is unable to correct the violation within the time specified, a written request for an extension must be submitted to the Board, which the Board may approve in their sole discretion.

3. **COURTESY LETTER:** Upon verification of a violation, a Courtesy Letter may be sent to the Owner stating a description of the Deed Restriction Violation and requesting that the Owner cure the violation within a stated time period.
4. **DEMAND LETTER:** Either upon initial verification of a violation, or after the expiration of the time period stated in the Courtesy Letter, if one is sent, a Demand Letter may be sent to the Owner. This letter will be sent postage prepaid, via U.S. Regular mail and certified mail, return receipt requested. Depending on the severity of the violation and/or the history of previous violations on the Owner's property, this may be the first letter sent (rather than a Courtesy Letter) as determined in the sole discretion of the Board. The Demand Letter will state:

- (a) Violation: A description of the deed restriction violation(s), the action required to correct the violation(s), the proposed suspension action, proposed charge or fine and any amount due the Association;
- (b) Right to Request Hearing: Owner may request a hearing before the Board or designated committee, such request to be made in writing on or before the 10th day after the date the Owner receives the notice, and if the hearing is held before a designated committee, there will be a right to appeal the decision of that committee to the Board upon written notice to the Board;
- (c) Timing and Notice of Hearing: If requested, a hearing shall be held not later than the 30th day after the date the Board receives the Owner's written request for a hearing. Notification of the date, time and place of the hearing will be sent not later than the 10th day before the hearing. If a postponement of the hearing is requested by either the Board or the Owner, it must be granted for a period of not more than 10 days, Any additional postponements may be granted by agreement of the parties;
- (d) Hearing not Requested - Timeframe to Cure Violation: If Owner chooses not to request a hearing, the violation must be cured within the timeframe set forth in the Demand Letter. Fines, suspension of right to use common areas, and other remedies available to the Association may be implemented after the expiration of the 30-day timeframe provided to the Owner to request a hearing;
- (e) Active Military Duty: owner may have special rights or relief related to the enforcement action under federal law, including the Service Members Civil Relief Act (50 U.S.C.app.Section 501 et seq.), if the Owner is serving on active military duty;
- (f) Association Remedies: Owner shall be liable for, and the Association may collect reimbursement of reasonable attorney's fees and other

reasonable costs incurred by the Association after the conclusion of a hearing, or, should a hearing not be requested, after the date by which the Owner must request a hearing. Said attorney's fees and costs shall be charged to the Owners Assessment account. Additionally, rights to access common areas may be suspended. In addition to charging fines, the Association reserves its right under any Dedicatory Instrument and under Texas law, to file a lawsuit for damages and injunctive relief, and pursuant to Section 202.004 (c) of the Texas Property Code, a court in such a lawsuit may assess civil penalties of up to \$200.00 per day for each violation of a restrictive covenant; and

(g) Certificate of Non-Compliance: A Certificate of Non-Compliance may be recorded in the real property records should the violation not be cured within the specified time frame.

5. **SUBSEQUENT SIMILAR VIOLATIONS:** If an owner has a violation within 12 months after being sent a Demand Letter for a previous, similar violation, the Board may implement fines for the subsequent violation without sending another Demand Letter to Owner.
6. **CASE-BY-CASE BASIS:** Nothing contained herein, not otherwise required by the Declaration, shall require the Board to take any of the specific actions contained herein. The Board shall have the right, but not the obligation, to evaluate each deed restriction violation on a case-by-case basis as it, in its best judgment, deems reasonable.
7. **MAXIMUM ASSESSMENT AND LIENS:** After \$300 of fines and/or assessments has accumulated, a Lien will be placed on the Lot. Fines will continue to accumulate until the violation is corrected.

## ARTICLE II. FINES

After a Demand Letter (if required) has been sent to the Owner pursuant to the terms set forth above, the Association, acting through the Board, is authorized to impose fines according to the schedule for violations of any provisions of the Dedicatory Instruments governing The Settlement, as set forth below. If the violation is a similar subsequent violation of one that has occurred within the previous twelve (12) months, the fine may accrue as of the first (1st) date after the subsequent violation.

### FINES FOR VIOLATIONS OF THE DEDICATORY INSTRUMENTS

#### NOT AFFECTING THE USE AND ENJOYMENT OF OWNERS

First Violation	\$30.00
Second Violation	\$50.00
Third Violation	\$75.00

### FINES FOR VIOLATIONS OF THE DEDICATORY INSTRUMENTS

### AFFECTING THE USE AND ENJOYMENT OF OWNERS

For violations of the Dedicatory Instruments affecting the use and enjoyment of owners, the Board may set the amount of the fine as it reasonably relates to the violation of the Dedicatory Instruments and the number of owners affected by the violation.

The Association, acting through its Board, is hereby authorized to impose lesser fines or no fine at all for violation of the Dedicatory Instruments of the Association as determined by the Board In its sole discretion. Each day that such violation maintains may be considered to be a new violation.

Fines against an Owner will be assessed against the Owner's lot. The Owner will be responsible for the actions of all residents, tenants, guests and invitees of the Owner and any fines against such residents, tenants, guests and invitees will also be assessed against the Owner's Lot.