

FINE GUIDELINES AND POLICY

WHEREAS, Tanglewood Estates Property Owners Association, Inc., a Texas nonprofit corporation (the “Association”), through its Board of Directors, has the authority under Section 204.010(a)(6) of the Texas Property Code to regulate the use, maintenance, repair, replacement, modification, and appearance of Tanglewood Estates Addition, Phase 1A, an Addition to the City of Woodway, McLennan County, Texas (the “Subdivision”);

WHEREAS, Section 204.010(a)(21) of the Texas Property Code authorizes a property owners’ association to exercise other powers necessary and proper for the governance and operation of the property owners’ association;

WHEREAS, the Board of Directors is empowered to govern the affairs of the Association pursuant to the Bylaws of the Association;

WHEREAS, the Declaration of Protective Covenants, Conditions and Restrictions (“Declaration”) dated March 3, 2021, recorded on March 11, 2021, as McLennan County Clerk’s Document No. 2021008795 in the Official Public Records of McLennan County, Texas, pertaining to Tanglewood Estates Addition, Phase 1A, an Addition to the City of Woodway, McLennan County, Texas, permit the Board of Directors of the Association, in its sole discretion, to take such action as it deems necessary to enforce the provisions of the Declaration and any rules, regulations and policies made in, under or pursuant to the Declaration;

WHEREAS, the Board of Directors of the Association, hereby adopts this Fine Guidelines and Policy (herein so called) in an effort to provide Owners with a better understanding of the process of enforcement of the Declaration and any rules, regulations and policies made in, under or pursuant to the Declaration;

WHEREAS, the Declaration are in place for the purpose of keeping the development of the Subdivision for the mutual benefit and pleasure of the Owners in the Subdivision, and for the protection of property values of the Subdivision;

WHEREAS, property values in the Subdivision are affected by the appearance of the Subdivision and specifically, violations of the Declaration;

WHEREAS, the Board desires to alleviate violations of the Declaration, as well as the rules, regulations, and policies of the Association, by imposing fines and adopting this Fine Guidelines and Policy in order to help maintain the attractiveness of the Subdivision and thereby support property values of the Subdivision; and

WHEREAS, the Fine Guidelines and Policy incorporates the notice provisions found in Section 209.006 of the Texas Property Code.

NOW THEREFORE, BE IT RESOLVED THAT in consideration of the above factors, the Board of Directors hereby resolves to adopt and publish the following Fine Guidelines and Policy for the Association and the Subdivision:

FINE GUIDELINES AND POLICY

A. Notices and Hearings Regarding Violation.

1. **Initial Notice.** Upon discovery of a violation, a written demand letter to the Owner may, at the Association's option, be sent demanding that the alleged violator cease and desist from an alleged violation which notice shall specify the following:
 - (a) the alleged violation;
 - (b) the action required to abate or cure the violation;
 - (c) that Owner has a reasonable time to cure the violation and avoid a sanction or fine or suspension if the violation is of a curable nature and does not pose a threat to public health or safety;
 - (d) that the Owner may request a hearing under Section 209.007 on or before the 30th day after the date the Initial Notice was mailed to the Owner;
 - (e) that the Owner may have special rights or relief related to the enforcement action under Federal law, including, the Servicemembers Civil Relief Act (50 U.S.C. App. Section 501, et seq.) if the Owner is serving on active military duty; and
 - (f) the date by which the Owner must cure the violation if the violation is of a curable nature and does not pose a threat to public health or safety.

The Association may, in lieu of the Initial Notice, proceed immediately to the Certified Notice contemplated by Paragraph 2, unless the Initial Notice is required to be sent to the Owner by applicable law.

2. **Certified Notice.** If the violation is not cured as provided in Paragraph A.1. above or if the Association deemed it appropriate to proceed without the Initial Notice, the Association shall send a notice to the Owner by certified mail ("Certified Notice") pursuant to Section 209.006(b) of the Texas Property Code, stating the following:
 - (a) the nature of the violation that is the basis for the sanction or fine or suspension and any amount due to the Association from the Owner;
 - (b) the action required to abate or cure the violation;
 - (c) that Owner has a reasonable time to cure the violation and avoid a sanction or fine or suspension if the violation is of a curable nature and does not pose a threat to public health or safety;
 - (d) notice that the Owner has until the date specified in the Certified Notice in which to cure the violation without further sanction or fine;
 - (e) that Owner may request a hearing under Section 209.007 on or before the thirtieth (30th) day after the Certified Notice was mailed to Owner;
 - (f) that the Owner may have special rights or relief related to the enforcement action under Federal law, including, the Servicemembers Civil Relief Act (50 U.S.C. App. Section 501, et seq.) if the Owner is serving on active military duty; and
 - (g) the date by which the Owner must cure the violation if the violation is of a curable nature and does not pose a threat to public health or safety.

The Certified Notice need not be sent to an Owner unless the Certified Notice is required to be sent to Owner by applicable law.

3. **Board Hearing.** In accordance with Section 209.006(b)(2)(B) of the Texas Property Code, the Certified Notice shall inform the Owner that such Owner may request a hearing under Section 209.007 before the Board of Directors on or before the thirtieth (30th) day after the date the Certified Notice was mailed to the Owner.
4. **Hearing.** If a hearing is requested, it shall be held before the Board of Directors in executive session, and the alleged violator shall be given a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the result of the hearing.
5. **Enforcement:** The foregoing notices are not intended to be conditions precedent or prerequisites to the Association's ability to pursue a remedy for a violation, including self-help.

B. Violation Policy and Penalties. Any violation of any of the Declaration, rules, regulations, policies or Bylaws of the Association by an Owner shall result in the following actions, fines and remedies.

1. **First Fine:** After an Owner has received a Certified Notice if such notice was required by applicable law and such Owner has not corrected the violation by the date specified in the Certified Notice, notice will be sent to the Owner advising such Owner that a First Fine (herein so called) has been assessed to such Owner's account and that such Owner has fifteen (15) days or such other reasonable period of time within which to cure the violation in order to avoid further fines. The First Fine will be determined based on the Schedule of Fines attached hereto as **Exhibit A**. If the applicable violation is not identified on the Schedule of Fines attached hereto, the First Fine shall be a reasonable amount, but no less than \$50.00. The First Fine shall be due and payable within the period of time specified in the notice of the assessment of the First Fine to the Owner.
2. **Second Fine:** If the violation has not been cured within the period of time specified in the notice of the First Fine, including payment of the First Fine, notice will be sent to the Owner advising such Owner that, in addition to the assessment of the First Fine to the Owner's account, a Second Fine (herein so called) in the amount of 150% of the First Fine has been assessed and giving the Owner fifteen (15) days or such other reasonable period of time within which to cure the violation in order to avoid further fines. The Second Fine shall be due and payable within the period of time specified in the notice of the assessment of the Second Fine to Owner.
3. **Third Fine:** If the violation has still not been cured within the period of time specified in the notice of the assessment of the Second Fine, including payment of the First Fine and Second Fine, notice will be sent to the Owner advising Owner that, in addition to the assessment of the First Fine and the Second Fine to the Owner's account, a Third Fine (herein so called) in the amount of 200% of the First Fine has been assessed and giving the Owner fifteen (15) days or such other reasonable period of time within which to cure the violation in order to avoid further action by the Association. If the Owner does not respond to the notice of the assessment of the Third Fine within the period of time set forth in such notice by curing the violation and paying to the Association the First Fine, Second Fine and Third Fine, the matter will be turned over to the Association's attorney for legal action.

4. **Non-Exclusive Remedies:** The imposition of the monetary penalties and fines provided herein shall not be construed to be an exclusive remedy and shall be in addition to all other rights and remedies to which the Association may otherwise be entitled, including, without limitation, the filing of an affidavit of non-compliance in the Official Public Records of McLennan County, Texas, and/or the initiation of legal proceedings seeking injunctive relief and/or damages, attorney's fees, costs of court and all other remedies, at law or in equity, to which the Association may be entitled. The Association may delegate its responsibilities under this Fine Guidelines and Policy to a management company or other third party.

C. **Violation by Others.** A violation by a resident, tenant, guest, builder or agent of Owner shall be treated as a violation of the Owner. All monetary penalties shall be billed to and assessed against the Owner.

D. **Defined Terms.** The definitions contained within the Association's dedicatory instruments are incorporated herein by reference, including, (a) the Bylaws of the Association, and (b) the Declaration.

E. **Effectiveness.** This Fine Guidelines and Policy is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

IT WITNESS WHEREOF, the undersigned, being all of the members of the Board of Directors of the Association, do hereby adopt this Fine Guidelines and Policy to be effective as of, although necessarily on, March 16, 2021, at a duly called open meeting of the Board of Directors of the Association.

DIRECTORS:



David Mercer



Aaron McMillan



Weldon E. Ratliff, Jr.

EXHIBIT A

Schedule of Fines

Architectural Violation (Pool, Outdoor Improvements, Satellite Dish, etc.)	\$100.00*
Landscape/Maintenance Violation (Mowing, Weeds, General Maintenance)	\$50.00
Park and Trail Rules Violation	\$25.00
General Maintenance Violation (Trash, Garbage, Dumping, etc.)	\$50.00
Parking/Vehicles Violation (including Inoperable Vehicles/Leaks/Expired Tags)	\$25.00/day
Fence/Wall Maintenance Violation (Repair, Replace, Staining, etc.)	\$50.00
Flag/Signage Violation	\$25.00
Business Use Violation	\$100.00*
Portable and Basketball Goals Violation (Compliance Form not on file)	\$25.00

*After seven (7) days, additional \$15.00 per day until violation ceases.