



**Board of Directors Meeting**

**Tuesday, December 5, 2023, at 2:30p.m**

Microsoft Teams meeting

Meeting ID: 270 172 834 572

Passcode: xWrSAs

**Or call in (audio only)**

[+1 323-433-2148](tel:+13234332148), [397958660#](tel:+1397958660) United States, Los Angeles

Phone Conference ID: 397 958 660#

# Agenda

- Establish Board Quorum
- Call Meeting to Order
- Introduction of the Board of Directors
  - Armin “Zach Ipour” Afzalipour, President
  - Arash “Aaron Ipour” Afzalipour, Vice President
  - Sean Corcoran, Secretary
- Introduction of Essex Association Management, L.P. Representatives
  - Cinnamon Anderson, Sr. Community Association Manager
  - Kennedy Middlebrooks, Assistant Community Association Manager
  - Cameron Raphael, Account Manager
- Review & Approve 11/30/2022 Board Meeting Minutes
- Financial Review
  - Review and Approve October 2023 Financials
  - Review and Approve 2024 Proposed Budget
  - An official statement will be sent to all homeowners.
- Community & Board Updates
- Review & Approve Adoption of new policies to comply with State Legislation
  - Amend- Collections/ Payment Plan Policy
  - Amend- Enforcement Policy
  - Adopt Security Measures Policy
- Adjourn
- Q&A



# Review & Approve 11/30/2022 Board Meeting Minutes

**Board of Directors Meeting Minutes  
SOHO Square Homeowners Association, Inc.  
November 30, 2022**

Name	Title	Present
Armin Afzalipour	President	N
Arash Afzalipour	Vice President	Y
Sean Corcoran	Secretary	Y

**Present from Essex Association Management, L.P.:**  
Cinnamon Anderson, Senior Community Association Manager  
Crissy Ketchersid, Assistant Community Association Manager

**Meeting Type and Location:**  
Board of Directors Meeting  
Virtual via Zoom  
November 30, 2022 @ 12:00 pm

**Meeting called to order by Cinnamon Anderson at 12:04 p.m.**

**Verified all present could hear and reply via zoom; Established Board Quorum with two (2) Board Members present.**

**Announcements:**

- Homeowners may submit questions, concerns, or inquiries at any time by submitting web submission located under the "Contact US" tab of the HOA website. Owners may also send an email to the Homeowner Advisory Committee at [advisary@sohosquarehoa.com](mailto:advisary@sohosquarehoa.com).
- All homeowners are strongly encouraged to visit the HOA website [www.sohosquarehoa.com](http://www.sohosquarehoa.com) and register as a homeowner. Please remember to select option to opt-in to receiving email communications from HOA management.
- Due to the extensive topics, there will be no Q&A session, however you may type your question and as time permits, the Board will be notified and may choose to accept questions from the floor. All other questions and comments can be submitted from the "Contact US" tab of the HOA website.
- Meeting presentations will be posted to the website following adjournment of the meeting. Unapproved/ draft meeting minutes are generally posted to the website within 72 hours post meeting.
- Any questions that are submitted via chat and not answered as part of the meeting will be added as an addendum to the meeting minutes.

**Introductions:** Cinnamon Anderson introduced the Board of Directors and Essex Association Representatives.

**Financial Review:**

- Cinnamon Anderson reviewed the September 2022 Balance Sheet & Income Statement Summary explaining any significant variances.

**Board of Directors Meeting Minutes  
SOHO Square Homeowners Association, Inc.  
November 30, 2022**

**Review & Approve Proposed 2023 Budget:**

- Cinnamon Anderson reviewed the 2023 Proposed Budget
  - Approve \$500 Annually, effective January 1, 2023
  - Cinnamon Anderson moved to approve the 2023 Proposed Budget with a \$500 assessment, effective January 1, 2023; Arash Afzalipour motioned to approve; Sean Corcoran seconded the motion. Motion Passed.
  - An official statement will be mailed out to all homeowners.

**With no other business to discuss, Cinnamon Anderson moved to adjourn the meeting. Sean Corcoran motioned to adjourn; Arash Afzalipour seconded the motion; motion carried. Meeting adjourned at 2:13p.m.**

**Questions from Homeowners during meeting:**

- Can the additional funds sitting on the balance sheet in the operating account be used to pay for the fixing of the hot tub with the approval of the Board? No. HOA funds cannot be allocated for POA expenses and vice versa.

\_\_\_\_\_  
Signature of Secretary or Board President

\_\_\_\_\_  
Date

**Minutes Prepared by:** Crissy Ketchersid, Essex Association Management, L.P.,  
On behalf of SOHO Square Homeowner's Association, Inc.

# October 2023 Balance Sheet

<b>Balance Sheet Report</b>			
<b>SOHO Square Homeowners Association, Inc.</b>			
As of October 31, 2023			
	<u>Balance Oct 31, 2023</u>	<u>Balance Sep 30, 2023</u>	<u>Change</u>
<b><u>Assets</u></b>			
<b>Assets</b>			
1010 - CIT Bank Operating Account	105,966.87	114,883.84	(8,916.97)
<b>Total Assets</b>	<b>105,966.87</b>	<b>114,883.84</b>	<b>(8,916.97)</b>
<b>Receivables</b>			
1400 - Accounts Receivable	5,580.36	5,300.36	280.00
<b>Total Receivables</b>	<b>5,580.36</b>	<b>5,300.36</b>	<b>280.00</b>
<b>Total Assets</b>	<b>111,547.23</b>	<b>120,184.20</b>	<b>(8,636.97)</b>
<b><u>Liabilities</u></b>			
<b>Liabilities</b>			
2000 - Accounts Payable	427.32	6,311.01	(5,883.69)
2050 - Prepaid Assessments	3,265.00	3,190.00	75.00
2200 - Notes Payable	21,125.71	21,125.71	0.00
<b>Total Liabilities</b>	<b>24,818.03</b>	<b>30,626.72</b>	<b>(5,808.69)</b>
<b>Total Liabilities</b>	<b>24,818.03</b>	<b>30,626.72</b>	<b>(5,808.69)</b>
<b><u>Owners' Equity</u></b>			
<b>Equity</b>			
3900 - Retained Earnings	59,608.99	59,608.99	0.00
<b>Total Equity</b>	<b>59,608.99</b>	<b>59,608.99</b>	<b>0.00</b>
<b>Total Owners' Equity</b>	<b>59,608.99</b>	<b>59,608.99</b>	<b>0.00</b>
<b>Net Income / (Loss)</b>	<b>27,120.21</b>	<b>29,948.49</b>	<b>(2,828.28)</b>
<b>Total Liabilities and Equity</b>	<b>111,547.23</b>	<b>120,184.20</b>	<b>(8,636.97)</b>

# October 2023 Income Statement Summary

## Income Statement Summary SOHO Square Homeowners Association, Inc.

October 01, 2023 thru October 31, 2023

	Current Period			Year to Date (10 months)			Annual Budget
	Actual	Budget	Variance	Actual	Budget	Variance	
<b>Total Income</b>	<b>886.22</b>	<b>1,648.00</b>	<b>(761.78)</b>	<b>51,851.94</b>	<b>49,720.00</b>	<b>2,131.94</b>	<b>53,015.00</b>
<b>Total Income</b>	<b>886.22</b>	<b>1,648.00</b>	<b>(761.78)</b>	<b>51,851.94</b>	<b>49,720.00</b>	<b>2,131.94</b>	<b>53,015.00</b>
<b>Total Expenses</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>23,280.00</b>
<b>Total General &amp; Administrative</b>	<b>723.22</b>	<b>988.00</b>	<b>(264.78)</b>	<b>3,146.10</b>	<b>6,819.00</b>	<b>(3,672.90)</b>	<b>8,185.00</b>
<b>Total Insurance</b>	<b>2,364.90</b>	<b>583.00</b>	<b>1,781.90</b>	<b>15,120.87</b>	<b>5,833.00</b>	<b>9,287.87</b>	<b>7,000.00</b>
<b>Total Utilities</b>	<b>88.94</b>	<b>125.00</b>	<b>(36.06)</b>	<b>823.82</b>	<b>1,250.00</b>	<b>(426.18)</b>	<b>1,500.00</b>
<b>Total Infrastructure &amp; Maintenance</b>	<b>462.44</b>	<b>167.00</b>	<b>295.44</b>	<b>3,156.16</b>	<b>1,667.00</b>	<b>1,489.16</b>	<b>2,000.00</b>
<b>Total Landscaping</b>	<b>0.00</b>	<b>887.00</b>	<b>(887.00)</b>	<b>811.80</b>	<b>8,875.00</b>	<b>(8,063.20)</b>	<b>10,650.00</b>
<b>Total Irrigation Maintenance</b>	<b>0.00</b>	<b>100.00</b>	<b>(100.00)</b>	<b>1,597.98</b>	<b>400.00</b>	<b>1,197.98</b>	<b>400.00</b>
<b>Total Expense</b>	<b>3,639.50</b>	<b>2,850.00</b>	<b>789.50</b>	<b>24,656.73</b>	<b>24,844.00</b>	<b>(187.27)</b>	<b>53,015.00</b>
<b>Net Income / (Loss)</b>	<b>(2,753.28)</b>	<b>(1,202.00)</b>	<b>(1,551.28)</b>	<b>27,195.21</b>	<b>24,876.00</b>	<b>2,319.21</b>	<b>0.00</b>

# Approve 2024 Budget

**Budget Summary Report**  
SOHO Square Homeowners Association, Inc.  
2024 Proposed Budget

	<b>2024 Budget</b>
<b>Income</b>	
4100 - SFH Assessments	55,000.00
4200 - Late/NSF Fee	750.00
4250 - Collection Fee Charge	450.00
4300 - Misc Income	0.00
4350 - Violation charge	0.00
4410 - Demand Letter Income	0.00
4500 - Interest Income	55.00
4801 - CAP Fees	10,000.00
4831 - Pool Key Revenue	0.00
4901 - Collection Facilitation	0.00
<b>Total Income</b>	<b>66,255.00</b>
<b>Total SOHO Square HOA Income 66,255.00</b>	
<b>Expenses</b>	
6003 - Contingency	23,194.72
<b>Total Expenses</b>	<b>23,194.72</b>
<b>General &amp; Administrative</b>	
5100 - Administrative	420.00
5101 - Postage	500.00
5104 - Printing and Reproduction	250.00
5105 - Website Expense	400.00
5109 - Licenses, Permits, & Fees	100.00
5120 - Collection Facilitation Billed back	0.00
5121 - Property Inspections	0.00
5170 - Bank Fees	50.00
5178 - Legal Fees	5,000.00
5177 - Legal Fees Billed Back	0.00
5181 - Tax Preparation	465.00
5192 - Signs	0.00
<b>Total General &amp; Administrative</b>	<b>7,185.00</b>
<b>Insurance</b>	
5310 - General Liability/Property Ins	9,996.00
<b>Total Insurance</b>	<b>9,996.00</b>
<b>Utilities</b>	
6010 - Electric	1,200.00
6020 - Water/Sewer	0.00
<b>Total Utilities</b>	<b>1,200.00</b>
<b>Infrastructure &amp; Maintenance</b>	
6240 - Amenity Center Maint. & Repairs	0.00
6259 - Fire Riser Room - Townhomes	0.00
6260 - Electrical Repairs & Maintenance	2,000.00
6261 - Grounds Porter	0.00
6290 - Common Area Maintenance/Cleaning	3,500.00
6346 - Dog Stations & Maintenance	6,029.28
<b>Total Infrastructure &amp; Maintenance</b>	<b>11,529.28</b>
<b>Pool</b>	
6310 - Pool Key Expense/Access System	0.00

**Budget Summary Report**  
SOHO Square Homeowners Association, Inc.  
2024 Proposed Budget

	<b>2024 Budget</b>
<b>Pool</b>	
6320 - Pool Contract Maintenance	0.00
6340 - Pool Repairs	0.00
6350 - Pool Furniture and Fixtures	0.00
6360 - Pool Monitoring Service	0.00
<b>Total Pool</b>	<b>0.00</b>
<b>Landscaping</b>	
6400 - Landscaping-Contractual	10,000.00
6402 - Landscaping Non-Contractual	650.00
6410 - Landscape Maint & Repairs	0.00
<b>Total Landscaping</b>	<b>10,650.00</b>
<b>Irrigation Maintenance</b>	
6500 - Irrigation	2,500.00
<b>Total Irrigation Maintenance</b>	<b>2,500.00</b>
<b>Total SOHO Square HOA Expense</b>	<b>66,255.00</b>
<b>Total Association Net Income / (Loss)</b>	<b>0.00</b>

GL Code	Account Description	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	2024 Proposed	
4100	SFH Assessments	39500	0	0	0	0	0	0	0	0	0	0	0	55000	
4200	Late/NSF Fee	52	52	52	52	52	53	52	52	52	52	52	52	750	
4250	Collection Fee Charge	31	32	31	31	31	32	31	31	31	32	31	31	450	
4500	Interest Income	0	0	0	0	2	2	2	2	1	2	2	2	55	
4801	CAP Fees	0	0	0	0	1563	1562	1563	1562	1563	1562	1563	1562	10000	
<b>Total Income</b>														<b>66255</b>	
6003	Contingency	0	0	0	0	0	0	0	0	0	0	0	0	23194.72	
<b>Total Expenses</b>														<b>\$66,255</b>	
5100	Administrative	35	35	35	35	35	35	35	35	35	35	35	35	420	
5101	Postage	18	18	19	0	18	18	18	18	18	19	18	18	500	
5104	Printing and Reproduction	13	12	13	12	13	12	13	12	13	12	13	12	250	
5105	Website Expense	500	0	0	500	0	0	500	0	0	500	0	0	400	
5109	Licenses, Permits, & Fees	0	0	0	0	0	0	0	0	0	5	0	0	100	
5170	Bank Fees	1	1	1	0	1	1	1	1	1	0	1	1	50	
5176	Legal Fees	417	416	417	417	416	417	417	416	417	417	416	417	5000	
5181	Tax Preparation	0	0	0	0	0	0	0	0	0	0	400	0	465	
<b>Total General &amp; Admin</b>														<b>7185</b>	
5310	General Liability\Property Ins	833	833	833	833	833	833	833	833	833	833	833	833	9996	
<b>Total Insurance</b>														<b>\$9,996</b>	
6010	Electric	125	125	125	125	125	125	125	125	125	125	125	125	1200	
<b>Total Utilities</b>														<b>\$1,200</b>	
6290	Common Area Maintenance/Cleaning	167	166	167	167	166	167	167	166	167	167	166	167	3500	
6260	Electrical Repairs & Maintenance													\$2,000	
6261	Grounds Porter													0	
6346	Dog Stations & Maintenance	502.44	502.44	502.44	502.44	502.44	502.44	502.44	502.44	502.44	502.44	502.44	502.44	6029.28	
<b>Total Infrastructure &amp; Maintenance</b>														<b>\$11,529</b>	
6400	Landscaping-Contractual	833	834	833	833	834	833	833	834	833	833	834	833	10000	
6402	Landscaping Non-Contractual	54	54	55	54	54	54	54	54	55	54	54	54	650	
6500	Irrigation	100	0	0	100	0	0	100	0	0	100	0	0	2500	
<b>Total Landscaping</b>														<b>13150</b>	
														<b>Income</b>	<b>66255</b>
														<b>Expenses</b>	<b>\$66,255</b>
														<b>Total Net</b>	<b>\$0</b>

# Community & Board Updates

- Install Pet Stations throughout property
- Pet station service increased from once monthly to weekly
- Various bowling alley repairs. Special Thank you to Mark Laster for your generous contribution and assistance!
- Spa pump leak repaired.
- Spa heating unit repaired 12.4.2023
- Various lights within amenity center replaced
- Mirror in chandelier repaired
- Install new rope lights around walkway outside amenity center
- Replaced/repared various fitness center equipment
- Working with vendors to repair fob smart system and door issues
- New pool cues
- HVAC Repairs to amenity center
- Holiday lighting 360 roofline of amenity center
- Irrigation repairs in dog park areas, around amenity center and throughout property
- Mulch and plant improvements around amenity center
- Discuss implementation of towing policy, tow signage and on-street parking enforcement

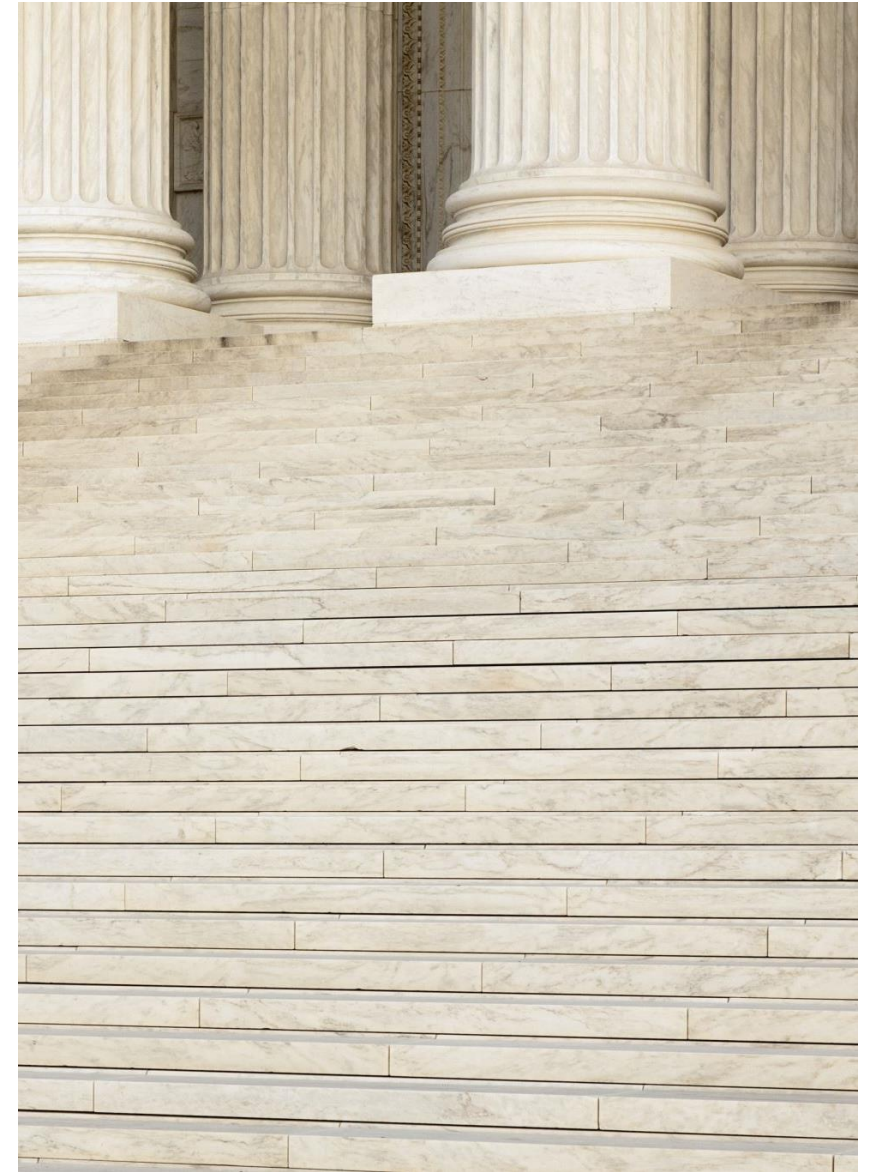




## State Mandated Policy Changes

Adopt or amend certain policies on behalf of the Association to comply with local House Bills and Texas State Legislature passed in September 2021 (often referred to as “SB1588”) and recent legislation passed in 2023.

- Amend- Collections/ Payment Plan Policy
- Amend- Enforcement & Fine Policy
- Adopt Security Measures Policy



# Enforcement and Fine Policy

## COVENANT ENFORCEMENT AND FINE POLICY FOR [ ] HOMEOWNER'S ASSOCIATION, INC.

STATE OF TEXAS §  
COUNTY OF [ ] §

WHEREAS, the Board of Directors ("Board") of [ ] Homeowner's Association, Inc., a Texas non-profit corporation (the "Association"), is empowered to govern the affairs of the Association pursuant to Article [ ] of the Declaration of Covenants, Conditions & Restrictions for [ ], recorded under Instrument Number [ ] of the Official Public Records of [ ] County, Texas ("Declaration"), Article [ ] of the Bylaws of the Association ("Bylaws"), and the Texas Business Organizations Code; and

WHEREAS, the Declaration affects certain parcels or tracts of real property in the City of [ ], [ ] County, State of Texas ("Property"); and

WHEREAS, pursuant to authority set forth in the Declaration and Bylaws, the Association, acting by and through the Board, has the authority to enforce the provisions of the Declaration, the power to promulgate and enforce the provisions of the Declaration, including establishing and imposing reasonable monetary fines or penalties for the violation of the Association's dedicatory instruments, including, but not limited to, the Declaration, the Bylaws, rules and regulations, policies, resolutions, or design/architectural guidelines (collectively, the "Governing Documents"); and

WHEREAS, the Board has authority pursuant to the Declaration and the Bylaws to determine, in its reasonable discretion, the manner in which violations of the Governing Documents are to be remedied; and

WHEREAS, the Board has and does hereby find the need to establish rules, regulations, and procedures for the enforcement of the restrictions contained in the Governing Documents and for the elimination of violations which may be found to exist within the Property.

NOW THEREFORE, IT IS RESOLVED that the following rules, regulations, and procedures relative to the operation of the Association are hereby established for the enforcement of violations of the Governing Documents and for the elimination of such violations found to exist in, on or about the Property (hereinafter referred to as the "Enforcement Policy").

## COVENANT ENFORCEMENT AND FINE POLICY FOR [ ] HOMEOWNER'S ASSOCIATION, INC.

### 1. Establishment of a Violation related to Architectural and/or other Common Violations

a. Failure to Obtain Prior Approval regarding Architectural related violations. Any additions, improvements, modifications, and/or repairs of any kind or nature erected, placed, or altered on any Lot which (i) requires the prior approval of the Architectural Control Committee (the "ACC" or as defined or referred to in the Declaration) and (ii) has not been first approved by the ACC in writing is deemed a "Violation" under this Enforcement Policy for all purposes.

### b. Failure to Abide by the Governing Documents.

(i) Any construction, alteration or modification to any improvement on a Lot which does not in all respects conform to that which has been so approved, or any activity or condition existing or allowed to continue on any Lot that is in direct violation of the Governing Documents is also deemed a "Violation" under this Enforcement Policy for all purposes; and

(ii) Failure to either (i) submit complete plans and specifications showing that the Violation will be remedied, (ii) cease all non-remedial work immediately upon receipt of the Notice of Violation, and/or (iii) remedy the current Violation existing upon the Lot within the number of days specified in the notice(s) provided by the Association shall constitute a continuing Violation and result in further enforcement actions; and

(iii) Additionally, any violation of the Governing Documents or noncompliance of a deed restriction covenant is deemed a "Violation" under this Enforcement Policy for all purposes.

c. Common Violations. Exemplary violations are outlined in Exhibit 1 titled "Common Violations" notwithstanding, this is not an exhaustive list of Violations that are subject to enforcement by the Association.

### 2. Notification.

a. Initial Notice of Violation. Upon verification of the existence of a Violation by the Association or management company representative ("Management") of the Association, the Association may send to the Owner a written notice of the existence of the Violation ("Initial Notice of Violation"). According to Texas Property Code, a minimum of fourteen (14) total days must be provided for the Owner to cure a violation, notwithstanding, the Association may divide the amount of time allotted by sending one or more notices to the non-compliant owner. The Initial Notice of Violation on behalf of the Association shall generally be ten (10) days unless the Association or Management determine that an alternate number of days shall be given and will inform the Owner of the following:

(i) The nature, description, and location of the Violation; and

## COVENANT ENFORCEMENT AND FINE POLICY FOR [ ] HOMEOWNER'S ASSOCIATION, INC.

Policy Page 1

(ii) What needs to be done to cure the Violation and provide notice of the number of days in which the Violation must be cured<sup>1,2</sup> to avoid further enforcement measures.

The Association may issue a First Notice providing fourteen (14) days in which to cure and thereafter, the Association or Management may proceed immediately to the notice set forth in subparagraph (b) below once the Initial Notice of Violation expires, or the Association may divide notices in any manner it deems appropriate so long as not less than fourteen (14) days total is allotted to an Owner to remedy a Violation except in the case of emergencies or threats to the safety, health, and welfare of a person or property.

<sup>1</sup> For purposes of this Enforcement Policy, the term "days" shall mean calendar days.  
<sup>2</sup> The Board may require certain Violations be cured within three (3) days from the date of the letter.

### b. Notice of Violation.

(i) Failure to Obtain Prior Approval regarding Architectural related violations. If the Owner has (i) failed to submit plans and specifications for the offending improvement or modification to the ACC, or the ACC has denied the approval of plans and specifications initially submitted, and/or (ii) the Violation is continuing and the number of days allotted in the Violation Notice provided under subparagraph (a) has expired, then the Association shall send to the Owner a "Notice of Fine Warning and/or Corrective Action" providing Owner a description and/or nature of the violation and a specified number of days to cure. The notice shall contain certain specific information in regard to the violation and depending on the nature of the violation, the steps required to remedy the violation.

(ii) Failure to Remedy all Other Violations. If the Owner has failed to remedy the Violation(s) and the number of days allotted in the Violation Notice provided under subparagraph (a) has expired, then the Association shall send to the Owner a "Notice of Fine Warning and/or Corrective Action" providing Owner a description and/or nature of the violation and a specified number of days to cure. The notice shall contain certain specific information in regard to the violation and depending on the nature of the violation, the steps required to remedy the violation, see below for the more common enforcement measures or actions taken. Certain Violations considered to be an emergency or threatens the health, safety, and welfare of a person or property may be escalated by the Association with no notice required.

- Issuance of a Fine Warning and/or Corrective Action followed immediately by a Notice of Fine if the Violation(s) are not remedied within the timeframe allotted.
- Notification that if the Violation described in the Notice of Fine Warning and/or Corrective Action is not corrected or eliminated by the date specified in the notice, the Association or Management may proceed with Fines and/or may initiate Corrective Actions as the Board or Management may deem appropriate or necessary. The Notice shall include the amount of fine to be levied and the number of days the Owner has to remedy; and

**COVENANT ENFORCEMENT AND FINE POLICY  
FOR  
HOMEOWNER'S ASSOCIATION, INC.**

<p><b>ALL FINES ARE LEVIED ON A PER OCCURRENCE BASIS AND ONCE MAXIMUM FINE IS REACHED, THE FINING SEQUENCE STARTS OVER AND MAY BE CONTINUOUS UNTIL THE VIOLATION(S) ARE REMEDIED.</b></p>	
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Fines and the frequency of fines, are to be determined by the Board, may be imposed every day that the Violation continues to exist after the Notice of Fine date. There shall be no limit to the aggregate amount of fines that may be imposed for the same Violation. The Owner may be notified by the Association in writing of the amount of fines accrued to Owner's account. The Board may modify, from time to time, the schedule of fines. The Board reserves the right to adjust these fine amounts based on the severity and/or frequency of the Violation(s).

**Right to a Hearing Before the Board of Directors.** If the Association receives a written request for a hearing on or before the thirtieth (30th) day after the date of the Notice of Violation, the Board shall hold a hearing not later than the thirtieth (30th) day after the date the Association receives the written request for a hearing delivered by Certified Mail. The Association shall notify the Owner of the date, time, and place of the hearing not later than the tenth (10th) day before the date of the hearing. The Board or the Owner may request a postponement and, if requested, a postponement shall be granted for a period of not more than ten (10) days. Additional postponements may only be granted by agreement of the parties. The Owner's presence is not required to hold a hearing under this paragraph. The Association or Owner may make an audio recording of the hearing. Prior to the hearing, proof of proper notice of the hearing shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by an Officer, Director or agent who delivered such notice. The notice requirement shall be satisfied if the Owner appears at the hearing or meeting if hearing is held in executive session. The minutes shall contain a statement of the results of the hearing and the sanction, if any, imposed. For additional hearing procedures, including relevant provisions of the Texas Property Code Section 209.007, which have been amended and, govern the hearing afforded to homeowners following a notice of enforcement action, please refer to the Association's covenant enforcement resolution and hearing before the Board.

**5. Corrective Action (Self-Help).** Notwithstanding the provisions contained in Paragraph 2 hereof, where a Violation of Declaration or duly promulgated rules and regulations or design/architectural guidelines is determined to exist pursuant to any provision of this Enforcement Policy, Management, with the approval of the Board, may undertake to cause the Violation to be corrected, removed or otherwise abated by qualified contractors or service providers if the Association, in its reasonable judgment, determines that such Violation may be readily corrected, removed, or abated without undue expense and without breach of the peace. Where Management is authorized by the Board to initiate any action by qualified contractors or service providers, the following shall apply:

**COVENANT ENFORCEMENT AND FINE POLICY  
FOR  
HOMEOWNER'S ASSOCIATION, INC.**

**Fine Structure.** Unless otherwise provided herein, any single fine imposed pursuant to the provisions of this Enforcement Policy may not exceed \$1,000.00 as determined by the Board and an Initial Fine of not less than \$50.00 may be imposed for failure to remedy or cure the Violation. In the event the Owner fails to respond or comply by remedying or curing the Violation within fourteen (14) days after the Initial Fine, additional fines may be imposed as follows:

Curable Violations	
The fine amounts noted can be any amount up to the maximum amount noted to the right of each column	
<b>VIOLATIONS</b>	
1 <sup>st</sup> Fine	[ ]
2 <sup>nd</sup> Fine	[ ]
3 <sup>rd</sup> Fine	[ ]
<b>ALL OTHER VIOLATIONS</b>	
1 <sup>st</sup> Fine	[ ]
2 <sup>nd</sup> Fine	[ ]
3 <sup>rd</sup> Fine	[ ]
<b>4<sup>th</sup> Fine / Notice penalties for all types of violations may vary as set forth in (b)(ii) above. If Fine is Levied, fine amount shall be set by the Board of Directors, but shall not exceed [ ]. Fines are in addition to other enforcement actions available to the Association at the Board's sole discretion.</b>	
<b>Uncurable Violations and Violations Which Pose a Threat to Health or Safety</b>	
Fine	[ ]
<b>Unapproved ACC Modifications</b>	
The fine amounts noted can be any amount up to the maximum amount noted to the right of each column	
Initial Fine	[ ]
Second Fine	[ ]
Third Fine	[ ]
Fourth Fine	[ ]
Subsequent Fines	[ ]

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- If the Violation continues and the enforcement process has reached or exceeded the Third Fine (3<sup>rd</sup> Fine) stage, the Association shall have the right effective the Fourth Notice (4<sup>th</sup> Notice) forward to continue fines and exercise additional enforcement actions as outlined in Article 6 and elsewhere in the Covenants to include, but not limited to imposing sanctions for Violation, such sanctions may include all remedies available at law and/or in equity and all remedies set forth in this Policy and/or the Covenants of the Association, including any rules, guidelines or standards adopted pursuant to the Covenants, any Policy, or other governing document of the Association.

- The Board or Management may, when deemed necessary or appropriate, initiate Corrective Action in regard to any violation as outlined in this Policy. Should Corrective Actions (aka "Self-Help") be initiated, the Association shall issue a three (3) day notice which shall be posted to the front door of the residence. **No further notice is required, and all costs and fees associated with the abatement of Violation(s) through Corrective Actions shall be levied to the Owner's account for reimbursement to the Association.**

**3. Incurable Violations**

a. (i) In the event the Violation is deemed to be an incurable violation or violation posing a threat to health or safety, the Association is not required by law to provide an opportunity to cure and may impose an immediate fines or Corrective Actions. The following are examples of acts considered incurable: (1) shooting fireworks or discharging a firearm; (2) an act constituting a threat to health or safety; (3) a noise violation that is not ongoing; (4) damaging Association property, including the removal or alteration of landscape; and (5) holding a garage sale or other event prohibited by a dedicatory instrument.

**4. Failure to Remedy and Notice of Fine.** Failure to either (i) submit complete plans and specifications showing that the Violation will be remedied, (ii) cease all non-remedial work immediately upon receipt of the Notice of Violation, and/or (iii) remedy the current Violation existing upon the Lot within the number of days specified in the notice(s) provided by the Association shall constitute a continuing Violation and result in one or more of the following:

- (a) the imposition of violation fines as determined by the Board against the Owner; and/or
- (b) the suspension of the right to enter upon and/or use any recreational facilities within the Common Area(s); and/or
- (c) the pursuit of any other remedy available at law or in equity, under the Governing Documents or this Enforcement Policy including, but without limitation, the recording in the County Clerk's office, of a Notice that the Lot in question is in violation of restrictive covenants or an action for injunctive relief and civil damages.

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a. The Association, through Management, must first provide the Owner with an Initial Notice as provided above which shall be posted to the front door of the residence and shall provide at least three (3) days' notice except in the case of emergencies or matters determined to be a threat to the health, safety and welfare of persons and property. The Notice of Corrective Action shall include the specific Violation(s) the Association intends to remedy along with notice that all costs and fees associated with the Corrective Action taken shall be levied to the Owner's account for reimbursement to the Association. **Entrance onto the property by the Association, its Agent, or any vendor or contractor dispatched by the Association does not constitute trespass.**

b. For purposes of illustration and not limitation, Violations that pose a threat to public health or safety shall include the need for fire, police, or other governmental entities to be onsite, trash, debris and discarded items that can cause harm to public health and safety, chemical spills, oil spills and other toxic waste, or a Violation that can cause serious harm and financial damage to the Association and/or property values. This is not an exhaustive list. Any Violation in which the three day notice requirement is waived shall be at the discretion of the Board of Directors.

c. Any cost incurred in correcting or eliminating a Violation shall be charged to the Owner's account.

d. The Association, the Board, and its agents, contractors or service providers shall not be liable to the Owner or any third party for any damages or costs alleged to arise by virtue of action taken under this Paragraph 5 where the Association, the Board, its agents, contractors, or service providers have acted reasonably and in conformity with this Enforcement Policy.

e. The Association, the Board, and its agents, contractors and service providers shall not be liable to the Owner or any third party for trespassing alleged to arise by virtue of action taken under this Paragraph 4 where the Association, the Board, its agents, contractors and service providers have acted reasonably and in conformity with this Enforcement Policy.

**6. Referral to Legal Counsel.** Where a Violation is determined to exist by the Board pursuant to any of the provisions of this Enforcement Policy and where the Board deems it to be in the best interests of the Association, the Board may, at any time and without prior notice to the Owner under the Enforcement Policy, refer the Violation to legal counsel for purposes of seeking to correct or otherwise abate the Violation, including an action for injunctive relief and/or civil damages against the Owner, or any other legal or equitable remedy that may be available to the Association.

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**7. Notices.**

a. Any notice required by this Enforcement Policy to be given, sent, delivered, or received in writing will be deemed to have been given, sent, delivered, or received, as the case may be, upon the earlier to occur of the following:

- (i) When the notice is delivered by electronic mail, the notice is deemed delivered and received when the sender "sends" the electronic mail and receives a confirmation or report acknowledging the time and date it was delivered. It is an Owner's duty and responsibility to keep an updated electronic mail address registered with the Association.
- (ii) The Notice of Corrective Action shall be sent to the Owner by posting such Notice of Corrective Action on the door of the residence and, if the Association deems it necessary, by electronic communication.

b. Where the Lot is occupied by a tenant or where the interests of an Owner have been handled by a representative or agent of such Owner, any notice or communication from the Association or Management pursuant to this Enforcement Policy will be deemed full and effective for all purposes if given to the Owner at the address on record with the Association. The Association may, as a courtesy, also provide notice to the tenant or a representative known to have the right or official capacity to receive such notices on behalf of the Owner.

**8. Cure of Violation During Enforcement.** An Owner may correct or eliminate a Violation at any time during the pendency of any procedure prescribed by this Enforcement Policy. Upon verification by the Association that the Violation has been corrected or eliminated, and any fines imposed by the Board has been paid, the Violation will be deemed to no longer exist, and the Notice of Violation shall be voided or closed except as hereinafter provided. Owners are herein advised by the Association of the consequences of the future Violation of the same provision of the Governing Documents as set forth in the following paragraph. The Owner will remain liable for all fines levied under this Enforcement Policy, which fines, if not paid upon written demand thereof by the Association, may be referred to the Association's legal counsel for collection. The Board, however, in its sole and absolute discretion, reserves the right to suspend or waive some or all of the fines imposed. The suspension or waiver of fines shall not constitute a waiver of the right to sanction Violations of the same or other provisions and rules by any person.

**9. Repeated Violation of the Same Provision of the Governing Documents.** Whenever an Owner, who has previously cured or eliminated a Violation after receipt of an Initial/Courtesy Notice, commits a separate Violation of a similar provision of the Governing Documents within six (6) months from the date of the Notice of Violation, the Association shall reinstate the Violation, including the fines previously imposed related to such Violation that were waived by the Board, and pursue the procedures set forth herein as if the Violation had never been cured or eliminated. For purposes of illustration only, in the event the Owner cured the Violation after having received an Initial/Courtesy Notice, the second Violation of the same provision shall prompt the Association to

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send a Notice of Violation. Similarly, in the event the Owner cured the Violation after having received a Notice of Violation, the second Violation shall prompt the Association to send a Notice of Fine as provided hereunder. In the event an Owner cured the Violation after having received a Notice of Fine, the second Violation shall prompt the Association to commence the levying of violation fines without further notice to the Owner. In the event of a repeated Violation, the Board shall be authorized to double the fine amount.

**10. Payment of Violation Fines.** Payment of the violation fine amount does not imply or constitute a waiver of enforcement or the granting of a variance for the Violation. All Violations must be corrected and brought into compliance with the Governing Documents. If there is a subsequent Violation of a similar rule, the fine amount will be imposed pursuant to the Fine Structure provision. Failure to pay fines may result in a lien on the Owner's Property. The Owner shall be responsible for any fines and enforcement costs assessed on the Property. If applicable, it is the Owner's responsibility to pursue reimbursement of the fines from the tenant(s).

**11. Authority of Management To Act.** The Board hereby authorizes and empowers Management to do all such things and perform all such acts as are necessary to implement and effectuate the purposes of the Enforcement Policy and compliance with Texas Property Code Section 209.0051(h), including the levying of violation fines, without further action by the Board.

**12. Binding Effect.** The terms and conditions of this Enforcement Policy, as may be amended from time to time by the Board, shall bind all Owners including their heirs, successors, transferees or assigns, and all Lots as defined in the Declaration, and the Property shall hereafter be held, occupied, transferred, and conveyed subject to the terms and conditions of this Enforcement Policy, as amended by the Board.

**13. Definitions.** The definitions contained in the Association's Governing Documents are hereby incorporated herein by reference.

This Enforcement Policy is hereby adopted by resolution of the Board and replaces and supersedes, in all respects, all prior policies and resolutions with respect to the enforcement of Violations by the Association, and shall remain in force and effect until revoked, modified, or amended by the Board.

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**COVENANT ENFORCEMENT AND FINE POLICY  
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[ ] HOMEOWNER'S ASSOCIATION, INC.**

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\* This is not an exhaustive list of violations.

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IN WITNESS WHEREOF, the Board has caused this Enforcement Policy to be executed by its duly authorized representative as of the \_\_\_\_ day of \_\_\_\_\_, 2023.

[ ] HOMEOWNERS ASSOCIATION, INC.  
a Texas non-profit corporation

By: \_\_\_\_\_  
Its: Board President

**EXHIBIT 1**

**Common Violations\***

Holiday Decorations (if not removed within time allotted)
Property used for storage (boats, vehicles, trailers, ATV, RVs, oversized work trucks, and any other oversized vehicle, etc.)
Trash cans, trash bags and recycling left in public view on days other than designated city trash pick-up days
Trash, debris, bulk trash or items or refuse on property
Unapproved signs in yards or on property, including commercial/vendor signs
Home maintenance/repairs that do not conform with other homes in the subdivision (ex: rotting wood/siding, broken, missing or dilapidated fence pickets/fences, fence staining, sagging gutters, damaged garage door, replacing broken light fixtures, etc.)
Exterior painting needed (ex: house, front door, siding)
Failing to maintain lawn, including irrigation equipment, remove weeds from flower beds and tree wells, trim bushes, etc.
Littering in Common Areas
Modification, and/or addition made to Property without prior approval from the ACC
Failing to keep pet on a leash when outside the confines of the home or fenced yard and failure to pick up after your pet in your own yard, in a neighboring yard, in a common area or any other area within or upon community property, including exterior portions of the community outside screening or retaining walls
Vehicle violations, include, but are not limited to, any vehicle without a current (or missing) license plates or inspection sticker, wrecked (undrivable), dismantled in any way or discarded is considered inoperable
Vehicle parking violations
Unapproved roof repairs or replacement
Recreational equipment
Livestock or poultry kept on property
Violations of the leasing or occupancy related rules

# Collection and Payment Plan Policy

| HOMEOWNER'S ASSOCIATION, INC.

## Policy Regarding the Collection and Payment of Assessments and Other Charges and Fees

WHEREAS, the Board of Directors ("Board") of [ ] Homeowner's Association, Inc., a Texas non-profit association ("Association"), is empowered to govern the affairs of the Association pursuant to [Article XI] of the Declaration of Covenants, Conditions and Restrictions for [ ], recorded under Instrument Number [ ] of the Official Public Records of [ ] County, Texas ("Declaration"), [Article ] of the Bylaws of the Association ("Bylaws"), and the Texas Business Organizations Code; and

WHEREAS, the Board, on behalf of the Association, has determined that there is a need to adopt or amend a specific collection policy ("Policy") on the collection and payment of assessments<sup>1</sup> and other charges and fees owed to the Association pursuant to the Declaration; and

WHEREAS, it is the intent that this Policy shall rescind, amend, and restate all prior policies adopted by the Association governing the collection of assessments, shall be applicable to all Members<sup>2</sup> of the Association, and shall remain in effect until otherwise rescinded, modified, or amended by the Board pursuant to the governing documents.

NOW, THEREFORE BE IT RESOLVED THAT, the following Policy on the collection and payment of assessments and other charges and fees owed by the Members pursuant to the Declaration is hereby adopted by the Board:

**Due Date for Assessment** – Assessments are billed annually and due in full on the [1<sup>st</sup> day of January] of each year ("Due Date").

**Delinquency Date for Assessment** – Any assessment not paid by [5:00 p.m., on the 30<sup>th</sup> day] of the aforementioned month(s) in the "Due Date for Assessment" shall be delinquent ("Delinquency Date").

**Late Charges, Handling Fees, and Interest** – Any assessment, fine, or charge not paid by the Delinquency Date shall result in the imposition of a late charge. In addition to an administrative charge (if applicable), a late charge of not less than \$25.00 may be imposed each month in which an account reflects an unpaid assessment balance until paid in full. The late interest charge shall be in the amount of eighteen percent (18%) per annum or as dictated by the CCR'S.

<sup>1</sup> The term "assessments" may include, as authorized by the Declaration, special assessments, specific assessments, individual assessments, initiation assessments, yard assessments, capital improvement assessments, and other sums assessed against any Lot. The Board may establish alternate payment schedules for certain assessments.

<sup>2</sup> The terms "Members" and "Owners" are used interchangeably in this Policy.

**Returned Check Fees** – A fee of not less than \$25.00 may be levied by the Association for any check returned to the Association marked "not sufficient funds" or the equivalent. Such amount shall be in addition to any charges made by the bank due to the dishonored check. Notwithstanding this provision, the Association may elect to pursue additional remedies at any time in accordance with applicable law. In addition, if two (2) or more of a Member's checks are returned unpaid by the bank within any 12-month period, the Association may require that all of the Member's future payments, for a period of one (1) year, be made by certified check or money order.

**Lock Boxes** – The Association may establish a lock box for receipt of all payments from Owners. PAYMENTS MADE TO A LOCK BOX ARE DEPOSITED IN THE ASSOCIATION'S BANK ACCOUNT WITHOUT REGARD TO COMMUNICATIONS OR OTHER NOTICES ENCLOSED WITH OR STATED ON THE PAYMENT. ANY NOTICE OR COMMUNICATION (INCLUDING, WITHOUT LIMITATION, A DISPUTE OF THE DEBT) ENCLOSED WITH OR STATED ON THE PAYMENT TO THE LOCKBOX WILL BE INEFFECTIVE AND NOT BINDING ON THE ASSOCIATION. ANY DISPUTE OF AN ASSESSMENT OR RELATED CHARGE, ANY PROPOSED TENDER OF AN AMOUNT OF LESS THAN PAYMENT OF THE ENTIRE AMOUNT CLAIMED TO BE DUE BY THE ASSOCIATION INTENDED TO SATISFY THE OWNER'S DEBT IN FULL, OR ANY CHANGE IN THE IDENTITY, STATUS OR ADDRESS OF AN OWNER, TO BE VALID, MUST BE IN WRITING, AND SENT TO THE ASSOCIATION'S MANAGING AGENT AT THE ADDRESS SET FORTH IN THE MOST RECENTLY FILED MANAGEMENT CERTIFICATE. THE ACT OF CASHING A CHECK RECEIVED FROM AN OWNER BY THE ASSOCIATION DOES NOT CONSTITUTE AN ACCEPTANCE OF THAT AMOUNT AS PAID IN FULL, WHETHER OR NOT THE OWNER HAS NOTATED THAT SUCH AMOUNT MAKES THE ACCOUNT "PAID IN FULL". THE ASSOCIATION RESERVES THE RIGHT TO ACCEPT PARTIAL PAYMENTS AND WILL NOTIFY THE OWNER OF ANY ADDITIONAL AMOUNTS OWED ALONG WITH A DUE DATE FOR THE REMAINDER OF THAT BALANCE.

**Ownership Records** – All collection notices and communications will be directed to those persons shown by the records of the Association as being the Owner or a Lot for which assessments are due and will be sent to the most recent address of such Owner solely as reflected by the records of the Association. Any notice or communication directed to a person at an address, in both cases reflected by the records of the Association as being the Owner and address for a given Lot, will be valid and effective for all purposes pursuant to the Declaration and this Policy until such time as there is actual receipt by the Association of written notification from the Owner of any change in the identity or status of such Owner or its address or both. It is the responsibility of the Owner to update the Association with regards to any address, telephone number, or e-mail address changes.

**Notification of Owner's Representative** – Where the interests of an Owner in a Lot have been handled by a representative or agent of such Owner or where an Owner has otherwise acted so as to put the Association on notice that its interests in a Lot have been and are being handled by a representative or agent, any notice or communication from the Association pursuant to this Policy will be deemed full and effective for all purposes if given to such representative or agent.

## MAILINGS AND ACTION STEPS

The Association shall take the following actions to collect any assessment, fine, or charge not paid by the Delinquency Date, unless otherwise directed by the Board. Collectively, these actions shall be referred to herein as the "Collection Steps":

**Reminder Statement of Account** – A "Reminder Statement of Account" or notice of delinquency will be mailed after any assessment becomes delinquent. The Reminder Statement of Account must be provided by first class mail to the Owner's last known mailing address or by email, if an email was provided.

**Association Demand Letter** – An Association Demand Letter will be mailed no earlier than 30 days after Reminder Statement of Account is mailed. The Association Demand Letter shall: (i) be sent via Certified Mail and First-Class U.S. Mail; (ii) specify each delinquent amount and the total amount of the payment required to make the account current; (iii) provide a period of at least 45 days to bring the account current; and (iv) provide information relative to the availability of a payment plan.

**Attorney Demand Letter** – If no payment is received, an Attorney Demand Letter will be mailed no earlier than 30 days after the Association Demand Letter is sent.

**Notice of Assessment Lien or Unpaid Lien** – If no payment is further received, a Second Attorney Demand Letter will be mailed and a Notice of Assessment Lien or similarly titled instrument will be filed with the office of the county clerk, no earlier than 30 days after the initial Attorney Demand Letter is sent.

The Notice of Lien may not be filed until at least 90 days after the date of the Association Demand Letter is sent to the Owner.

## Inferior Lien Notice of Default and Opportunity to Cure

If there is subordinate Deed of Trust lien on the property of the Owner, then counsel will also:

- provide written notice of the total amount of the delinquency giving rise to the foreclosure to any other holder of a lien of record on the property whose lien is inferior or subordinate to the Association's lien and is evidenced by a deed of trust; and
- provide the recipient of the notice an opportunity to cure the delinquency before the 61st day after the date the recipient receives the notice.

**Foreclosure Proceedings** – Foreclosure proceedings will be initiated as approved by the Board. In the event the Member fails to cure the delinquency, the Board may direct legal counsel to pursue foreclosure of the lien. In any foreclosure proceedings, the Member shall be required to pay the costs and expenses of such proceedings, including reasonable attorney's fees.

**Expedited Foreclosure Pursuant to Rules 735 & 736 of the Texas Rules of Civil Procedure.** The Board may decide to foreclose its lien by exercising its power of sale granted by the Declaration. In such event, counsel may commence expedited foreclosure lawsuit under Rules 735 and 736 of the Texas Rules of Civil Procedure.

**Judicial Foreclosure.** The Association may file suit for judicial foreclosure of the assessment lien, which suit may also seek a personal money judgment.

**Lawsuit for Money Judgment** – The Association may file suit for a money judgment in any court of competent jurisdiction.

**Bankruptcy** – Upon notification of a petition in bankruptcy, the Association may refer the account to legal counsel.

**Remedies Not Exclusive** – All rights and remedies provided in this Policy are cumulative and not exclusive of any other rights or remedies that may be available to the Association, whether provided by law, equity, the Association's governing documents or otherwise.

**Ownership Records** – All collection notices and communications will be directed to those persons shown by the records of the Association as being the Owner of a Lot for which assessments are due and will be sent to the most recent address of such Owner solely as reflected by the records of the Association. Any notice or communication directed to a person at an address, in both cases reflected by the records of the Association as being the Owner and address for a given Lot, will be valid and effective for all purposes until such time as there is actual receipt by the Association of written notification of any change in the identity or status of such Owner or its address or both. It is the responsibility of the Owner to update the Association with regards to any address, telephone number, or e-mail address changes.

**Delegation of Collection Procedures** – From time to time, the Association may delegate some or all of the collection procedures, as the Board in its sole discretion deems appropriate, to Management, an attorney, or a debt collector.

#### SUSPENSION OF PRIVILEGES

If applicable, the Association Demand Letter shall inform the Member that if the delinquency is not cured or the Member fails to deliver a timely written request for a hearing with the Board to discuss and verify facts and attempt to resolve the matter, the Association may suspend the Member's common area/amenity use privileges. The Board may suspend the Member's right to use the recreational facilities within the common areas and/or suspend any other services provided by the Association. This includes, but is not limited to, the Member's right to use, as applicable, the community swimming pool, the amenity/community center, and pavilion area as well as the Member's right to participate in Association-sponsored events.

#### PAYMENT APPLICATION POLICY

Except as otherwise provided for and authorized by law, any payment received by the Association from a Member whose account reflects an unpaid balance shall be applied to the outstanding balance in the following order:

1. Any delinquent Assessment;
2. Any current Assessment;
3. Cost of collection, including attorney's fees and any other charges that could serve as the basis for foreclosure;
4. Any attorney's fees which were not incurred to collect assessments;
5. Violations fines; and
6. Any other amount owed the Association.

#### PAYMENT PLANS

It is the intention of the Association to work with Members who have a legitimate reason and/or hardship interfering with their ability to satisfy their obligation to pay assessments to the Association, without penalizing those Members who make their payments on time. Therefore, in an effort to assist these Members in the payment of their assessments to the Association, a Member shall have the right to enter into a Payment Plan Agreement:

1. Assessments that become due during the term of the Payment Plan Agreement must also be included and be paid as part of the payment plan.
2. The Payment Plan Agreement must include the total debt to the Association including late fees, interest, fines, collection costs, and the costs incurred by the Association to prepare the Payment Plan Agreement. Additional costs associated with administering the Payment Plan Agreement and interest on the unpaid balance on the Member's account will be added to the Member's accrue during the term of the Payment Plan Agreement. During the term of the Payment Plan Agreement, late charges shall accrue but shall be suspended and not added to the Member's account.
3. There shall be no waiver of any charges on the Member's account.
4. To be eligible for the payment plan, the Member must not have defaulted on a prior Payment Plan Agreement within the two (2) year period preceding the request for a payment plan.
5. The Payment Plan Agreement must contain a schedule setting forth the date each payment is required to be made under the Payment Plan Agreement ("Schedule Due Date"), as well as the amount of each payment, and all payments must be received on or before the Scheduled Due Date.
6. The minimum payment schedule term is three (3) months and the maximum payment schedule term is Eighteen (18) months with equal payments.
7. Any Payment Plan Agreement approved after the foreclosure sale proceedings have been commenced may include delivery of a percentage, as determined by the Association, of the outstanding balance payable in certified funds.
8. All violations, per the Declaration, must be resolved by the Member must be corrected per the Association prior to engaging in a payment plan.

Should the Member default or otherwise violate their Payment Plan Agreement:

1. The Association's Collection Steps shall be reinstated at the point of interruption when the Payment Plan Agreement was entered into by both parties.
2. All suspended and accrued late fees shall be reinstated to the Member's account.
3. The Member's unpaid balance shall become immediately due and payable.

Any payments received after the breach of an approved Payment Plan Agreement shall be applied as set forth in the Declaration.

#### FEE WAIVER REQUEST

It is the intention of the Board to work with Members who have a legitimate reason for making a late payment, but not to the detriment of Members who make their payments on time. The Board recognizes that extenuating circumstances may prevent a Member from paying assessments before they become delinquent. Therefore, the Board may grant a waiver to the payment of portion of the fees owed due to delinquent assessments (i.e., late fees or charges, collection fees, or interest charges) owed by a Member subject to the following limitations:

1. Requests for waivers shall not be granted for any assessment, out of pocket collection costs to the Association, i.e., demand letters, attorney fees, other collection expense, etc.
2. Requests for waivers shall not be granted to any Member who has previously received such a waiver within the past 24 months.
3. Requests for waivers shall not be granted to any Member who has defaulted on a previously approved Payment Plan Agreement.
4. All approved waivers will be subject to the Member's unpaid balance being received within five (5) business days of the date the waiver approval was communicated to the Member. If a Member is unable to pay the unpaid balance within this time-period, the waiver will be denied but the Member will be allowed the opportunity to request a payment plan, if eligible under the terms of this Policy.
5. Late fees or other waived charges shall not be removed from the Members account until the Member's final payment has been received and cleared.

#### PARTIAL OR CONDITIONED PAYMENT

The Association may refuse to accept partial payments (i.e., less than the full amount due and payable) and payments to which the payor attaches conditions or directions contrary to the Board's policy for applying payments. The Association's endorsement and deposit of a payment does not constitute acceptance. Instead, acceptance by the Association occurs when the Association posts the payment to the Owner's account. If the Association does not accept the payment at that time, it will promptly return or refund the payment to the payer. A payment that is not returned or refunded to the payer within thirty (30) days after being deposited by the Association may be deemed accepted as to payment, but not as to words of limitation or instruction accompanying the payment. The acceptance by the Association of partial payment of delinquent assessments does not waive the Association's right to pursue or continue pursuing its remedies for payment in full of all outstanding obligations.

**DEFINITIONS**

Capitalized terms used but not defined in this Policy shall have the meaning subscribed to such terms in the Declaration.

**CONFLICT**

Notwithstanding the foregoing, no term or provision contained herein shall amend the Declaration. In the case of any conflict between this Policy and the Declaration, the Declaration shall control.

**INDEPENDENT JUDGMENT**

Notwithstanding the contents of this details Policy, the officers, directors, managing agent or community manager, and attorney of the Association may exercise their independent, collective, and respective judgment in applying this Policy.

**VERIFICATION OF INDEBTEDNESS AND COMPLIANCE WITH THE SOLDIERS' AND SAILORS' CIVIL RELIEF ACT**

For so long as the collection of assessments may be subject to the requirements of the Fair Debt Collection Practices Act ("FDCPA"), all communications from Management and legal counsel will include such required notices as are prescribed by the FDCPA, the Soldiers and Sailors Relief Act ("SCRA"), and the Texas Property Code. Furthermore, where an Owner requests verification of the indebtedness, Management will, upon notification of the Owner's request, supply such verification before any further collection action is taken with respect to such Owner. The exercise of the collection rights of the Association regarding assessments will in all ways comply with the FDCPA, the SCRA, and the Texas Property Code, to the extent such acts may apply.

**Severability and Legal Interpretation**. In the event that any provision herein shall be determined by a court with jurisdiction to be invalid or unenforceable in any respect, such determination shall not affect the validity or enforceability of any other provision, and this Policy shall be enforced as if such provision did not exist. Furthermore, in the event that any provision of this Policy is deemed by a court with jurisdiction to be ambiguous or in contradiction with any law, this Policy and any such provision shall be interpreted in a manner that complies with an interpretation that is consistent with the law. In the event any provision of this Policy conflicts with the Declaration, the Declaration controls.

**IT IS FURTHER RESOLVED** that this Policy replaces and supersedes, in all respects, all prior policies and resolutions addressing the collection of assessments by the Association, and is effective upon its filing with the office of the county clerk, and shall remain in force and effect until revoked, modified, or amended by the Board.

**IN WITNESS WHEREOF**, the Board has caused this Policy to be effective and executed by its duly authorized representative as of the \_\_\_\_ of \_\_\_\_\_, 20\_\_.

[ \_\_\_\_\_ ] Homeowner's Association, Inc., a Texas non-profit corporation

Name: \_\_\_\_\_

Title: \_\_\_\_\_, Board President

The undersigned, being the duly appointed and authorized Secretary of [ \_\_\_\_\_ ] (the "Association"), a Texas nonprofit corporation, do hereby certify that this Collections and Payment Plan Policy was amended by the Board of Directors by at least majority vote on the \_\_\_\_ day of \_\_\_\_\_, 2023, and are in full force and effect.

By: \_\_\_\_\_

Title: \_\_\_\_\_, Board Secretary



# Adopt Security Measures Policy

[ ]  
HOMEOWNER'S ASSOCIATION, INC.

## Security Measures Policy

WHEREAS, the Board of Directors (the "Board") of [ ] Homeowner's Association, Inc., (the "Association") wishes to adopt reasonable guidelines to establish a Security Measures Policy for the Association; and

WHEREAS, the Board wishes to adopt these reasonable guidelines in compliance with Section 202.023 of the Texas Property Code ("Section 202.023") regarding Owner rights to building or installing certain security measures on such Owner's Lot ("Security Measures"); and

WHEREAS, the Board intends to file these guidelines in the real property records of each county in which the subdivision is located, in compliance with Section 202.006 of the Texas Property Code; and

NOW, THEREFORE, IT IS RESOLVED that the following guidelines for Security Measures are established by the Board:

An Owner may build or install on such Owner's Lot, after receiving prior written consent of the Architectural Review Committee, certain camera, video, or fencing for Security Measures ~~provided that such Security Measures:~~

1. Do not require placement or installation of a security camera by an Owner on any property other than the Lot owned by such Owner. Cameras and video equipment may not be installed to capture film or video of a neighboring Lot or into a neighboring window of a residence; and
2. Any security fencing installed by an Owner on its Lot must obtain prior written consent from the Architectural Control Committee prior to installation and must comply with the Design Guidelines and/or Rules and Restrictions then adopted by the Architectural Reviewer or Architectural Control Committee of the Association and otherwise comply with the requirements and restrictions set forth in the Declaration.
3. The front yard area with respect to a residential Lot shall mean the area between the front façade of the residence on such Lot and the public street or right-of-way in front of such Lot. No Owner shall ever fence in or over a sidewalk, walking path, pedestrian, or other right-of-way. Violation of this rule will result in the Owner being reported to local code enforcement, a written notice of violation issued and the highest monetary fine the Association is able to levy shall result for a breach of this rule.
4. Any security fencing installed on an Owner's Lot as a security measure under Section 202.023 of the Texas Property Code as amended shall abide as follows:
  1. Shall be no higher than six (6) feet; and

- II. To the extent that located within the front yard area of an Owner's Lot, must be open and constructed of ornamental metal or wrought iron materials that allow the front façade of the residence to remain visible from the street through such fencing and be of a design approved by the Architectural Review Committee (the "ARC"). Fencing may not include screening of any kind, including live screening. A violation of this rule shall result in the maximum monetary fine(s) allowed and a request for removal of the screening and/or fence; and
- III. No chain link, razor wire, electrified or barbed wire or other fencing not approved in writing by the ARC shall be allowed; and
- IV. Such fencing shall otherwise follow all governmental requirements, including permit requirements. The ARC has the right to require Owner to provide a copy of the City's permit prior to reviewing and/or rendering a decision and

The Board of Directors shall have the authority to amend this Policy without consent or joinder of the Members to meet requirements of the Texas Property Code or any State Legislative Measures set forth. No rescission of this Policy shall be allowed so long as provisions for security cameras and fencing remains actively enforceable through the Texas Property Code and/or by State Legislative Policy.

The Board may amend this policy to supplement and add new language or to amend existing language as necessary to ensure compliance with all local and state ordinances, laws, and rules or to clarify any ambiguity, should such occur regarding what is allowed or will be disallowed. In the event of a conflict or should any ambiguity as to the meaning and intent of any portion of this Policy occur, be it known to all Members that any portion of this Policy coming into question as to meaning or intent, SHALL BE DECIDED IN FAVOR OF THE ASSOCIATION, ITS BOARD OF DIRECTORS, AND THE ARC.

[Signature Page to Follow]

IT IS FURTHER RESOLVED, that this Policy replaces and supersedes, in all respects, all prior policies and resolutions addressing the Security Measure Policy by the Association, and is effective upon its filing with the office of the county clerk, and shall remain in force and effect until revoked, modified, or amended by the Board.

IN WITNESS WHEREOF, the Board has caused this Policy to be executed by its duly authorized representative as of the \_\_\_\_ of \_\_\_\_\_, 20\_\_.

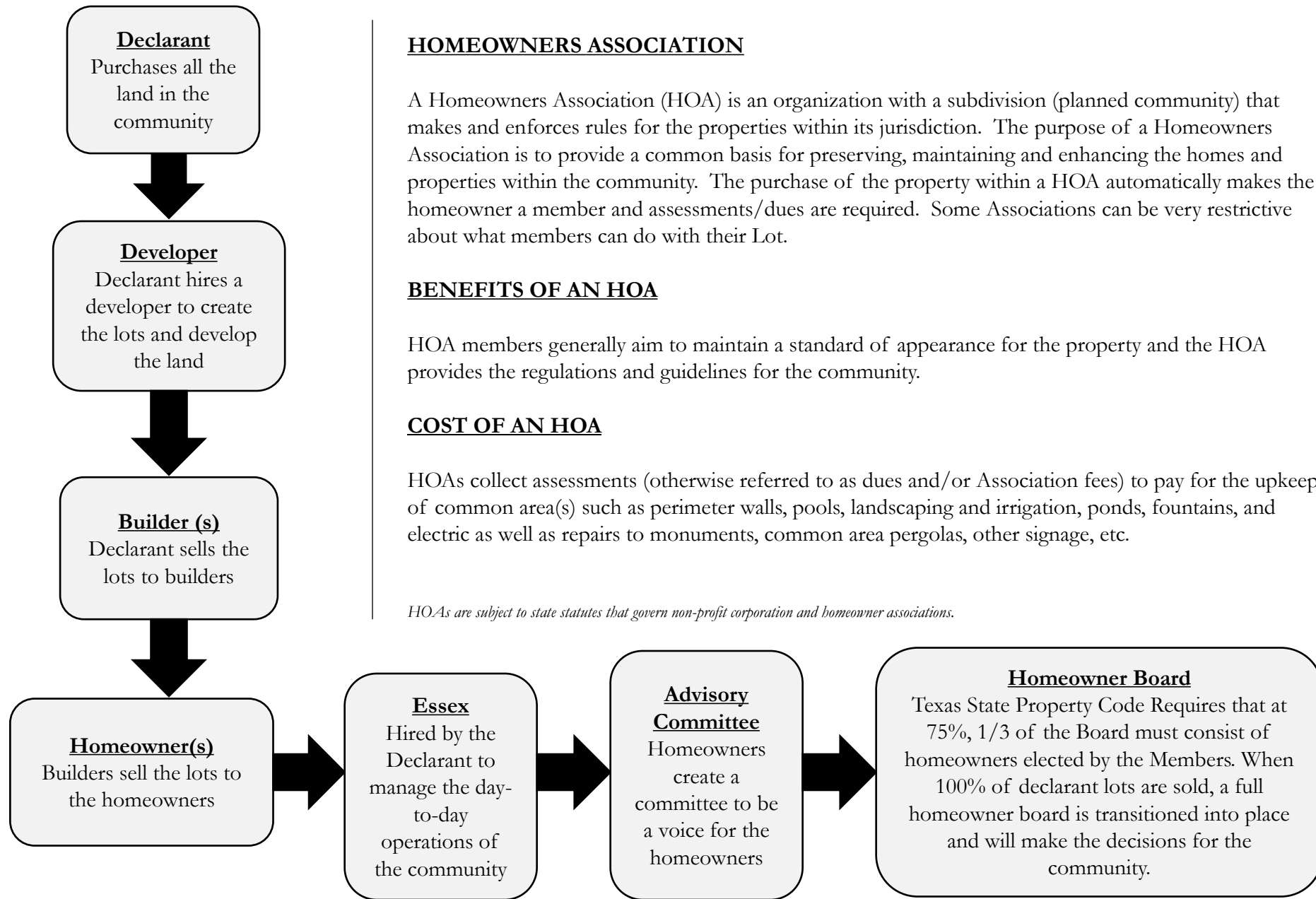
[ ] Homeowner's Association, Inc., a Texas non-profit corporation

Name: \_\_\_\_\_

Title [ ] Board President

The undersigned, being the duly appointed and authorized Secretary of [ ] (the "Association"), a Texas nonprofit corporation, do hereby certify that this Security Measure Policy was adopted by the Board of Directors by at least majority of the Board on the [ ] day of [ ] 20\_\_, and are in full force and effect.

By: \_\_\_\_\_  
[ ] Board Secretary



**HOMEOWNERS ASSOCIATION**

A Homeowners Association (HOA) is an organization with a subdivision (planned community) that makes and enforces rules for the properties within its jurisdiction. The purpose of a Homeowners Association is to provide a common basis for preserving, maintaining and enhancing the homes and properties within the community. The purchase of the property within a HOA automatically makes the homeowner a member and assessments/dues are required. Some Associations can be very restrictive about what members can do with their Lot.

**BENEFITS OF AN HOA**

HOA members generally aim to maintain a standard of appearance for the property and the HOA provides the regulations and guidelines for the community.

**COST OF AN HOA**

HOAs collect assessments (otherwise referred to as dues and/or Association fees) to pay for the upkeep of common area(s) such as perimeter walls, pools, landscaping and irrigation, ponds, fountains, and electric as well as repairs to monuments, common area pergolas, other signage, etc.

*HOAs are subject to state statutes that govern non-profit corporation and homeowner associations.*



**MEETING ADJOURNED**



**Limited to 2 minutes per person. Only questions pertaining to the agenda**

