

**FINE POLICY AND SCHEDULE OF FINES
HAYDEN LAKES COMMUNITY ASSOCIATION, INC.**

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

WHEREAS Hayden Lakes Community Association, Inc., (hereinafter the “Association”) is a Texas nonprofit corporation and the governing body of Hayden Lakes, Sections 1-11, additions in Harris County, Texas, according to the maps or plats thereof, recorded in the Map Records of Harris County, Texas, under Clerk’s File Nos. 20140383189, 20140383190, 20140383191, 20150035841, 20150035842, 20150008739, 20150362211, 20150387177, 20150469728, 20150420670, and RP-2017-447477, respectively, along with any replats thereto and along with any other real property brought under the Association’s jurisdiction (hereinafter the “Subdivision”); and,

WHEREAS Lots in the Subdivision are subject to the restrictive covenants imposed by the Declaration of Covenants, Conditions and Restrictions for Hayden Lakes, recorded in the Real Property Records of Harris County, Texas, under Clerk’s File No. 20140420909, along with any supplements, annexations, and amendments thereto (hereinafter the “Declaration”); and,

WHEREAS Article VIII, Section A of the Declaration empowers the Association to establish fines for violations of the Association’s governing documents; and,

WHEREAS Article XVII, Section F of the Declaration affirms that the Association may assess fines for violations of the Association’s governing documents; and,

WHEREAS Article VIII, Section E of the Declaration authorizes the Association to perform self-help in the event of breaches of the Declaration’s restrictive covenants; and,

WHEREAS Section 204.010(a)(6) of the Texas Property Code authorizes the Association, by through its Board of Directors, to regulate the use, maintenance, repair, replacement, modification and appearance of the Subdivision; and,

WHEREAS in 2023, the Texas Property Code was amended to include Section 209.0061, which contains certain requirements for property owners’ association fine policies; and,

WHEREAS to assist with the governance of the Association, the Board of Directors deems it necessary and desirable to adopt a uniform schedule of fines and to standardize the policies and procedures related to imposing fines, performing self-help, and enforcing the dedicatory instruments of the Association, to comply with the provisions of Section 209.0061 of the Texas Property Code; and,

WHEREAS this FINE POLICY AND SCHEDULE OF FINES revokes and replaces any previously-recorded fine policies and fine schedules, if any; and,

WHEREAS this Dedicatory Instrument represents Restrictive Covenants as those terms are defined by Texas Property Code §202.001, et seq., and the Association shall have and may exercise discretionary authority with respect to these Restrictive Covenants;

NOW THEREFORE, pursuant to the foregoing and as evidenced by the Certification hereto, the Association hereby adopts, establishes and imposes upon the Subdivision, the following FINE POLICY AND SCHEDULE OF FINES, to replace any and all existing policies, rules, and regulations, of the same subject matter, as follows:

FINE POLICY AND SCHEDULE OF FINES

I. NOTICES AND GENERAL PROVISIONS:

- (a) Each Owner shall be responsible for ensuring that Owner, their family, tenant(s), occupants(s), guest(s) and invitee(s) comply with the provisions of the recorded instruments imposing restrictive covenants, deed restrictions, and/or rules, regulations, and policies on the Subdivision (together, hereinafter the “Governing Documents”). In the event an Owner, family member, tenant, occupant, guest, or invitee, violates any of the provisions of the Governing Documents, the Association may impose a fine as described below upon the Owner, and such fine shall be assessed against the Owner’s Lot.
- (b) Except as outlined herein, before any fine, damage charge or suspension is imposed, the Association shall first provide the Owner the notice required by Section 209.006 of the Texas Property Code, or its successor statute (**hereinafter the “209 Notice”**). The 209 Notice shall:
 - (i) describe the violation or property damage that is the basis for the charge, fine or suspension action and state any amount due the Association by the Owner;
 - (ii) inform the Owner that they are entitled to a reasonable period to cure the violation and avoid the fine or suspension if the violation is of a curable nature and does not pose a threat to public health or safety;
 - (iii) inform the Owner that they may request a hearing under Section 209.007 of the Texas Property Code on or before the 30th day after the date the 209 notice is mailed;
 - (iv) inform the Owner that they 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;
 - (v) specify the date by which the owner must cure the violation if the violation if the violation is of a curable nature and does not pose a threat to public health or safety;

The foregoing does not apply if the Owner has been previously given a 209 Notice and opportunity to exercise their statutory rights under Section 209.006 in the preceding six (6) months for the same violation.

- (c) The standard policy for notifying owners of a violation in advance of levying a fine may be as follows:

- a. courtesy Notice,
- b. 209 Notice,

however, the Board, in its sole discretion, may send more or less notices, and give more or less time to comply with the Governing Documents, depending on the violation history of the Owner, the severity of the violation and its impact on the Subdivision.

- (d) **The following schedule of fines are guidelines for standard fines only.** The Board of Directors reserves the right to levy lesser or greater fines, provide additional warnings or fewer warnings before fines are assessed, and provide more or less time for compliance, depending on the violation history of the Owner, the severity of the violation at issue, and its impact on the Subdivision, in the sole discretion of the Board, so long as such discretion is exercised on a uniform basis among the same violations.

- (e) A majority of the Board of Directors hereby votes to approve and agree that the Association's managing agent, as designated on the Association's Property Owners Association Management Certificate, shall have, and be delegated, the non-exclusive authority to initiate and continue the levying of fines in accordance with this FINE POLICY AND SCHEDULE OF FINES, in the regular course of the agent's management duties.

II. DEED RESTRICTION VIOLATION HEARINGS:

- (a) If, within the requisite thirty (30) day period from the date the 209 Notice is mailed, the Owner makes a written request for a hearing before the Board, the following applies:

- (i) The Board shall hold a hearing within 30 days after the date the Board receives the written request. The Association will notify the Owner of the date, time and place of the hearing 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. Either party may make an audio recording of the hearing.

- (ii) Not later than 10 days before the Association holds the hearing, the Association shall provide the Owner with a packet containing all documents, photographs, and communications relating to the matter that the Association intends to introduce at the hearing. The packet can be provided by mail, hand delivery, or by email if the owner has communicated with the Association via email to coordinate the hearing or has registered an email address with the Association. If the Association does not provide the packet, the Owner is entitled to an automatic 15 day postponement of the hearing if they desire.

- (iii) During the hearing, a member of the Board or the Association's designated representative shall first present the Association's case against the Owner. The Owner

or the Owner's designated representative is entitled to present the Owner's information and issues relevant to the appeal or dispute.

(iv) Following the hearing, the Board may deliberate and will render a written decision to the Owner within a reasonable number of days from the hearing date.

(v) The notice and hearing provisions of I and II of this Policy, do not apply if the Association files a suit seeking a temporary restraining order or temporary injunctive relief or files a suit that includes foreclosure as a cause of action.

III. SCHEDULE OF FINES:

(a) CURABLE VIOLATIONS:

If a violation continues from day-to-day without intervening activity by the Owner responsible for the violation, standard fines will be levied upon the expiration of the 209 Letter and then every thirty (30) days if the violation continues, and the Fine Schedule may be as follows:

FIRST FINE: \$75.00; and if violation is not cured within thirty (30) days, then,

SECOND FINE: \$150.00.

ADDITIONAL FINES IF THE VIOLATION CONTINUES WITHOUT CURE, OR FOR THE SAME OR SUBSTANTIALLY SIMILAR VIOLATION WITHIN SIX (6) MONTHS OF THE 209 LETTER, ARE SUBJECT TO CONTINUING FINES OF UP TO \$200.00 PER EVERY THIRTY (30) DAYS, AND/OR TURNOVER TO THE ATTORNEY FOR LEGAL ACTION.

(i) General Improvement Maintenance Issues:

Examples of this type of violation and Rules hereby adopted herein, include, but are not limited to: failure to keep all improvements on the Lot that are the responsibility of the Owner in a clean, neat, and well-maintained condition; failure to keep paint from becoming faded, cracked, flaked, or damaged; failure to remove mildew/mold from the exterior of a residence or stains from a driveway; failure to keep fences in a state of good repair; failure to replace broken, damaged, or missing shingles; failure to repair or replace broken glass, doors, shutters, or other exterior fixtures.

(ii) Landscaping Issues:

Examples of this type of violation and Rules hereby adopted herein, include, but are not limited to: failure to water lawns and beds and all landscaping as needed; failure to maintain and replace the landscaping; failure to remove and replace dead vegetation and trees; failure to maintain any additional landscaping elements that are installed by the Owner; failure to mow; failure to remove weeds.

(iii) **Parking, Inoperable and Commercial Vehicles and Similar Items:**

Examples of this type of violation and Rules hereby adopted herein, include, but are not limited to: the unauthorized parking, keeping, or storing of a vehicle in any manner that is prohibited by the Governing Documents; the keeping on a Lot of a junked motor vehicle; parking, keeping, or storing any non-motorized vehicle, boat, trailer, maritime craft, recreational vehicle, camper, hovercraft,, aircraft, machinery, or equipment of any kind except inside a garage completely out of public view; parking, keeping, or storing any vehicles displaying commercial signs or advertising.

(iv) **Trash and Debris:**

Examples of this type of violation and Rules hereby adopted herein, include, but are not limited to: failure to screen garbage cans, trash bags, trash and debris from public view on non-trash pickup days; failing to remove trash, debris, materials, junk or other similar items from a Lot; maintaining excessive clutter of items on the Lot.

(v) **Nuisance and Miscellaneous Item:**

Examples of this type of violation and Rules hereby adopted herein, include, but are not limited to: maintain a window air conditioning unit, except on the rear of a garage and screened from public view; maintaining a prohibited or nuisance animal; maintaining unapproved decorative appurtenance(s) or an unauthorized sign, flag or advertisement, as set forth in the Declaration and other Governing Documents of the Association; allowing or maintaining any condition that causes or results in foul or obnoxious odors, excessive noise, or any other condition that disturbs the peace, quiet, comfort, or serenity of Lot Owners.

(vi) **Business Use:**

Examples of this type of violation and Rules hereby adopted herein, include, but are not limited to: utilizing a Lot for a business, manufacturing, professional, or commercial activity, except as specifically authorized by the Declaration.

(vii) **Residential Use Violations:**

Examples of this type of violation and Rules hereby adopted herein, include, but are not limited to: Utilizing the residence or Lot for more than one single family residential unit; leasing individual rooms in a residence; leasing separate portions of a Lot; leasing specific Lot amenities or improvements individually and/or without leasing the entire Lot.

(b) **UNCURABLE VIOLATIONS:**

If the violation consists of a single occurrence or separate occurrences, but is not a continuous action or a condition capable of being remedied by affirmative action, the fine may be levied immediately upon the sending of a 209 Notice. For each instance of the same or substantially

similar violation within six (6) months of the 209 Letter, additional fines may be levied. The Fine Schedule for Uncurable Violations may be as follows:

FIRST FINE:	\$150.00
SECOND FINE:	\$300.00

ADDITIONAL FINES FOR THE SAME OR A SUBSTANTIALLY SIMILAR VIOLATION WITHIN SIX (6) MONTHS OF THE 209 NOTICE ARE SUBJECT TO CONTINUING FINES OF \$500.00 PER OCCURRENCE, AND/OR TURNOVER TO THE ATTORNEY FOR LEGAL ACTION.

Examples of this type of violation and Rules hereby adopted herein, include, but are not limited to: dumping or burning of trash, rubbish or garbage on a Lot or Common Area; noise violations that are not ongoing; animals escaping a Lot and threatening residents; violations that threaten the health and safety of the residents, property damage.

This fine schedule also applies to violation of Common Property and Common Facility Rules, which include, but are not limited to: any Common Area rules, regulations, or policies; any amenity rules, regulations, or policies. In addition, these fines may be levied for damage(s) caused to Common Area, Common Facilities, amenities, and any other Association-owned personal and real property, along with the cost of repair or replacement of the damaged property.

(c) **ARCHITECTURAL VIOLATIONS:**

The Fine Schedule for unauthorized/unapproved construction, addition, modification, or alteration of a Lot or any improvements thereon (levied upon each notice, may be as follows:

FIRST NOTICE:	\$75.00, IMMEDIATE CEASE AND DESIST
SECOND NOTICE:	\$100.00, IMMEDIATE CEASE AND DESIST

ADDITIONAL NOTICES ARE SUBJECT TO CONTINUING FINES OF \$200.00 PER NOTICE, AND/OR TURNOVER TO THE ATTORNEY FOR LEGAL ACTION.

Examples of this type of violation and Rules hereby adopted herein, include, but are not limited to: initiating construction on a Lot without first applying for and obtaining advance written approval from the Architectural Review Committee; modifying a Lot without first applying for and obtaining advance written approval from the Architectural Review Committee; modifying an improvement on a Lot without first applying for and obtaining advance written approval from the Architectural Review Committee; modification or addition of improvements without first applying for and obtaining advance written approval from the Architectural Review Committee; deviating from the plans and specifications approved by the Architectural Review Committee.

ALL EXTERIOR MODIFICATIONS, ADDITIONS, AND IMPROVEMENTS, REQUIRE THE ADVANCED WRITTEN APPROVAL OF THE

ARCHITECTURAL REVIEW COMMITTEE, EXCEPT AS SPECIFICALLY OUTLINED IN THE GOVERNING DOCUMENTS.

IV. Self Help:

- (a) Prior to the initiation of self-help actions, the Owner is entitled to one ten (10) day notice to cure the violation. Such notice shall include a warning that if Owner does not cure the violation, the Association may perform self-help, and that in such event all costs of self-help shall be charged to the Owner. All costs of the self-help shall be charged to the Lot upon which the work is performed, and an additional charge up to one hundred dollars (\$100) shall also be applied for each instance of self-help.
- (b) Self-help actions involve the Association entering a Lot to perform required maintenance that the Owner has refused to perform and may include (but is not limited to) landscape maintenance such as mowing, weeding, edging, and trimming; removal of trash, garbage and rubbish; minor repairs/maintenance; pest control or removal; removal of unauthorized signage; or, other things to place the Lot in compliance with the Declaration.
- (c) In the event an Owner refuses service when the Association contractor arrives for the self-help action, and the maintenance has not yet been performed by the Owner, the Owner will be charged a trip fee sufficient to cover the costs associated with the refused self-help action, along with an administrative fee of up to one hundred dollars (\$100.00).

V. ENFORCEMENT:

As more specifically provided in the Declaration, if a violation continues without resolution, the Association shall have the right to undertake any action authorized by the Declaration and/or applicable law, including, but not limited to:

- (a) Initiating a lawsuit against the violating Lot Owner for injunctive relief, along with a judgment for costs, attorney's fees and expenses, fines, statutory penalties, and any other charges.
- (b) Seeking immediate temporary injunctive relief to require an Owner cease violating the Declaration and/or Governing Documents while a lawsuit is pending.
- (c) An Owner's right to use any common area, recreational facility or any other Association property shall be suspended upon sending the appropriate statutory notice under Section 209.006 of the Texas Property Code.
- (d) Levying and collecting fines as provided for hereinabove.
- (e) All violations, enforcement actions, levies, charges, assessments, fines and other matters relevant to this policy may be indicated on any Resale Certificate or Estoppel Certificate, or any other request for information by a potential purchaser, or seller of a Lot as provided by Chapter 207 of the Texas Property Code.

- (f) In the event a Resale Certificate is not requested by a purchaser, any sale of a Lot shall not affect the enforceability, collectability or lien status of any enforcement matter, levy or charge on the Lot, or as to the new or prior Lot Owner.

CERTIFICATION

"I, the undersigned, being a Director of Hayden Lakes Community Association, Inc., hereby certify that the foregoing was adopted by the Association's Board of Directors, by the vote of at least a majority of the Board of Directors, at a duly called open meeting of the Board of Directors, properly noticed to the membership, at which a quorum of the Board was present."

By: Jackie Schultz, Director.

Print Name: Jackie Schultz Date: 9/11/2024

STATE OF TEXAS §

§

COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on the day personally appeared the person whose name is subscribed to the foregoing document and being by me first duly sworn, declared that they are the person who signed the foregoing document in their representative capacity and that the statements contained therein are true and correct.

Given under my hand and seal of office this the _____ day of _____, 2024.

Notary Public, State of Texas