

Crown Valley Estates  
Resolution(s) of the Board

**WHEREAS**, the Board of Directors has reviewed and recommended the adoption of certain policies for approval by the Board; and

**WHEREAS**, the Board deems it appropriate and in the best interest of Crown Valley Estates to adopt policies to address administrative and other duties of the Board and Association and/or supplement current language in the Covenants, Conditions and Restrictions (the "CC&R's"), which language has been presented to the Board as being incomplete and/or inadequate with the needs of the Association to conduct certain business and/or perform certain required duties as they will be instructed or dispatched by the Board of the managing agent.

**NOW, THEREFORE, BE IT: RESOLVED**, that the Board adopts the following:

- Assessment Collection Policy and establishes Henry, Oddo, Austin, Fletcher ("HOAF") as the Association's collection Attorney
- Payment Plan Policy
- Working Capital Contribution
- Records Policy
- Fining Policy

**BE IT FURTHER RESOLVED**, the Board of Directors, by at least a majority vote, on this 3rd day of March, 2017, do approve and adopt the policies herein above referenced and attached which are to become effective immediately after notice is served by written communication to Class A Members. This Resolution may be recorded with the Parker County Clerks notwithstanding, the policies and rules set forth herein do not require this Resolution to be recorded to be enforceable. Furthermore, the Board shall ratify this action on record at the next regularly scheduled meeting of the Board of Directors. Notwithstanding, failure to ratify shall not render this Resolution or the actions taken by the Board void.

By our signature below, at least a majority of the Board of Directors do hereby consent to the adoption of this Resolution and the policies or rules herein stated above and attached. This document may be executed in multiple counterparts and is enforceable five business days from the date noted above to allow ample time for delivery to known Class A members on record.



\_\_\_\_\_  
Mehrdad Moayedi, President / Managing Member on behalf of Declarant

Electronic Signature on file

\_\_\_\_\_  
Brad Biber, Vice President

\_\_\_\_\_  
Laura Wayland, Secretary

Crown Valley Estates  
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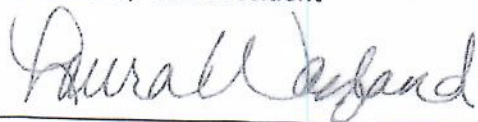
**BE IT FURTHER RESOLVED**, the Board of Directors, by at least a majority vote, on this 3rd day of March, 2017, do approve and adopt the policies herein above referenced and attached which are to become effective immediately after notice is served by written communication to Class A Members. This Resolution may be recorded with the Parker County Clerks notwithstanding, the policies and rules set forth herein do not require this Resolution to be recorded to be enforceable. Furthermore, the Board shall ratify this action on record at the next regularly scheduled meeting of the Board of Directors. Notwithstanding, failure to ratify shall not render this Resolution or the actions taken by the Board void.

By our signature below, at least a majority of the Board of Directors do hereby consent to the adoption of this Resolution and the policies or rules herein stated above and attached. This document may be executed in multiple counterparts and is enforceable five business days from the date noted above to allow ample time for delivery to known Class A members on record.

\_\_\_\_\_  
Mehrdad Moayed, President / Managing Member on behalf of Declarant

Electronic Signature on file

\_\_\_\_\_  
Brad Biber, Vice President



\_\_\_\_\_  
Laura Wayland, Secretary

**CROWN VALLEY ESTATES**  
**(CROWN VALLEY HOA)**  
**POLICY AND PROCEDURES FOR THE COLLECTION OF**  
**ASSESSMENTS AND OTHER CHARGES**

**WHEREAS**, Crown Valley HOA (the "Association") has authority pursuant to the Declaration of Covenants, Conditions & Restrictions for Crown Valley HOA (the "Declaration") to levy assessments against Owners of Lots within Crown Valley located in Parker County, Texas (the "Property"); and

**WHEREAS**, to facilitate the timely collection of assessments and other amounts owed by Owners, and in order to comply with the Declaration and the laws of the State of Texas regarding the collection of unpaid amounts, the Board desires to establish certain procedures for the collection of assessments that remain unpaid beyond the prescribed due dates.

**NOW, THEREFORE, IT IS RESOLVED** that according to the Association's authorities pursuant to but, not limited to the Declaration are established for the collection of assessments owing and to become owing by Owners in the Property and the same are to be known as the "Assessment Collection Policy" ("Policy") for the Association:

1. Generally. The steps and procedures contained in this Policy serve as a general outline of the Association's collection process. The Association or its Managing Agent is not bound to follow these exact procedures in every collection matter except as required by the Declaration and the laws that govern collection of assessments. The procedures below are not intended to constitute a prerequisite or condition precedent to the Association's legal ability to collect unpaid assessments and other amounts except as required by the Declaration or law.

Due Dates. Pursuant to the Declaration, the assessment shall be paid in monthly installments on the first day of each month unless the Board determines a different schedule. The due date and delinquency date for a Special Assessment authorized per the Declaration shall be determined by the Board of Directors. Due dates subject to change in the event the Board exercises its rights to establish a different pay schedule for annual assessments as set forth in the Declaration.

Written Notice of Delinquency. After an Owner becoming delinquent, and prior to referring the account to the Association's legal counsel for collection, the Association will send written notice of the delinquency to the Owner via certified mail (the "Delinquency Notice" or "30-Day Demand Letter"). The Delinquency Notice shall: (i) detail each delinquent amount and the total amount owed; (ii) describe the options the Owner must avoid having the account referred to the Association's legal counsel, including the availability of a payment plan, and (iii) provide the Owner a period of at least thirty (30) days to cure the delinquency before further collection action is taken.

2. Payment Plans. Section 209.0062 of the Texas Property Code requires that the Association adopt reasonable guidelines to establish an alternate payment schedule by which an owner may make partial payments for delinquent amounts owed to the Association in certain circumstances. The Board has adopted and recorded a policy which governs payment plans, and the Association will follow the policies and procedures contained therein.

3. Interest. In the event any assessment, or any portion thereof, is not paid in full by the Delinquency Date, interest on unpaid assessments at the rate stipulated in the Declaration may be assessed to an Owners account from the Delinquency Date until paid. Such interest, as and when it accrues hereunder, is secured by the Assessment Lien described in the Declaration, and will be subject to recovery in the manner provided herein for assessments. The Board may, in its sole discretion, waive the collection interest; provided, however, that the waiver of interest shall not constitute a waiver of the Board's right to collect any interest or any other charges in the future.

4. Late Charges. In the event any assessment, or any portion thereof, is not paid in full by the Delinquency Date, late charges in an amount up to \$25.00 shall be assessed against the Owner's account each month and every month until the assessment is paid in full. Such late charge, as and when levied, is secured by the Assessment Lien described in the Declaration, and will be subject to recovery in the manner provided herein for assessments. The Board may, in its sole discretion, waive the collection of any late charge; provided, however, that the waiver of any late charge shall not constitute a waiver of the Board's right to collect any or late charges or any other charges in the future.

5. Collection Fees. In the event any assessment or any portion thereof, is not paid in full by the Delinquency Date, collection fees in an amount of not less than \$15.00 shall be assessed against the Owner's account each month and every month until the assessment is paid in full. Collection fees are charges by the managing agent for the collection of delinquent accounts and may not be waived by the Board without the consent of the managing agent. Such collection fee, as and when levied, is secured by the Assessment Lien described in the Declaration, and will be subject to recovery in the manner provided herein for assessments.

6. Handling Charges and Return Check Fees. In order to recoup for the Association, the costs incurred because of the additional administrative expenses association with collecting delinquent assessments, collection of the following fees and charges are part of this Policy:

a. Any handling charges, administrative fees, collection costs, postage or other expenses incurred by the Association in connection with the collection of any assessment or related amount owing beyond the Delinquency Date for such assessment will become due and owing by the Delinquent Owner and shall be assessed to the Owner's account. The Association may grant a waiver of any provision herein upon petition in writing by a property Owner showing a personal hardship. Such relief granted a property Owner shall be appropriately documented in the files with the person representing the Association granting the relief and the conditions of the relief. In addition, the Association is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Association shall determine appropriate under the circumstances. The Association reserves the right to consider each petition or makes its determination regarding referral to an attorney or a third party

collection service on a case by case basis. A charge equal to the amount levied upon the Association by any bank or financial institution will become due and payable for any check tendered to the Association which is dishonored by the drawee of such check for any reason, the charge being in addition to any other fee or charge which the Association is entitled to recover from an Owner in connection with collection of assessments owing with respect to such Owner's Lot.

b. Any fee or charge becoming due and payable pursuant to this Policy will be added to the amount then outstanding and is collectible to the same extent and in the same manner as the assessment, the delinquency of which gave rise to the incurrence of such charge, fee, or expense.

8. Collection Agencies. In the event an account has not been paid in full following thirty (30) days from the date Delinquency Notice was mailed to the Owner, the Association's agent may refer the account to a collection agency for collection, including reporting delinquent account to any credit bureau or other agency providing credit histories to authorized entities. All costs incurred by the Association for using the services of a collection agency, or administering the referral and handling of the account to a collection agency, are deemed costs of collection of the Association. Such costs of collection, when incurred by the Association and added to an Owner's account, are secured by the Assessment Lien described in the Declaration, and will be subject to recovery in the manner provided herein for assessments.

9. Application of Funds Received. All monies received by the Association will be applied to the Owner's delinquency in the following order of priority:

- a. First, to any delinquent assessment;
- b. Second, to any current assessment;
- c. Next, to any attorney's fees or third party collection costs incurred by the Association associated solely with assessments or any other charge that could provide the basis for foreclosure;
- d. Next, to any attorney's fees incurred by the Association that are not subject to Subsection 9 (c) above;
- e. Next, to any fines assessed by the Association; and
- f. Last, to any other amount owed to the Association.

If the Owner is in default under a payment plan entered into with the Association at the time the Association receives a payment from the Owner, the Association is not required to apply

the payment in the order of priority specified herein, except that a fine assessed by the Association may not be given priority over any other amount owed to the Association.

10. 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.

0. 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 interest 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.

1. Remedies and Legal Actions. If an Owner fails to cure the delinquency within the thirty (30) day period stated in the Delinquency Notice (as provided for above), the Association may, at its discretion and when it chooses, refer the delinquency to legal counsel for the Association. Any attorney's fees and related charges incurred by virtue of legal action taken will become part of the Owner's assessment obligation and may be collected as such as provided herein. Upon direction of the Board or the Association's agent, legal counsel for the Association may pursue any and all available legal remedies with regard to the delinquencies referred to it including, but not limited to, the following:

a. Notice Letter. As the initial correspondence to a delinquent Owner, counsel will send a notice letter (the "Notice Letter") to the Owner advising the Owner of the Association's claim for all outstanding assessments and related charges, adding to the charges the attorney's fees and costs incurred for counsel's services.

b. Notice of Lien. If an Owner fails to cure the delinquency indicated in the Notice Letter, upon being requested to do so by the Board and/or Management, counsel may prepare and record in the Official Public Records of the applicable County or Counties, a written notice of assessment lien (referred to as the "Notice of Lien") against the Lot. A copy of the Notice of Lien will be sent to the Owner, together with an additional demand for payment in full of all amounts then outstanding.

c. Foreclosure. If the Owner fails to cure the delinquency, the Board may direct legal counsel to pursue foreclosure of the lien. In any foreclosure proceedings, the Owner shall be required to pay the costs and expenses of such proceedings, including reasonable attorney's fees.

d. 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 ("Expedited Foreclosure"). Upon receipt from the Court of an order authorizing foreclosure of the Lot, counsel may post the Lot at the Parker County Courthouse for a foreclosure sale. The Association shall have the power to bid on the Owner's Lot and improvements at foreclosure and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. The Association may institute, a personal judgment suit against the former Owner for any deficiency resulting from the Association's foreclosure of its assessment lien.

ii, Judicial Foreclosure. The Association may file suit for judicial foreclosure ("Judicial Foreclosure") of the assessment lien, which suit may also seek a personal money judgment. Upon receipt from the Court of an order foreclosing the Association's assessment lien against the Lot, the sheriff or constable may post the Lot for sheriff's sale. The Association shall have the power to bid on the Owner's Lot and improvements at foreclosure and to acquire, hold, lease, mortgage, convey or otherwise deal with the same.

g. Lienholder Notification. In pursuing Expedited Foreclosure or Judicial Foreclosure, the Association shall provide the 61-day notice letter to inferior lienholders pursuant to Section 209.0091 of the Texas Property Code.

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

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

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

13. Use of Regular Mail / Certified Mail. In the event the Association shall send a delinquency notice or demand notice to a property Owner by regular mail, certified or certified, return receipt requested, the association will use the property address unless the Owner has contacted the Association or its Managing Agent and has provided updated mailing address information. Once the notice(s) have been placed in a U.S. mail receptacle or given to a U.S. postal representative, the notice will be considered to have been duly delivered. It is the sole responsibility of the Owner to provide and maintain up to date mailing address information with the Association and/or its Managing Agent.

10. Compromise. To expedite the resolution of a delinquent account, the Board may, at any time, compromise or waive the payment of interest, late charges, handling charges, collection costs other than collection fees, unless approved by the managing agent, legal fees or any other application charge.

15. Severability and Legal Interpretation. If 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, if 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.

16. Effective Date and Enforcement. The foregoing collection procedure has been adopted by the association and is effective as of the date adopted. Nothing specified in this document shall require the Association to take specific actions. The foregoing collection procedures is a directive by the Board of the Association to the Management Company and is intended to be a guide to collection of Assessments owed to the Association. **The Board of the Association may at any time revise the foregoing collection procedure and may at any time direct the Management Company to proceed differently with collection of an individual account based on circumstances applicable to that account and advice and guidance from the Management Company or the Association's attorney.** Failure by the Management Company or the Board of the Association to follow the foregoing collection procedure shall not in any way affect the property owner's obligation to pay all Assessments when due, along with all applicable late payment charges and costs of collection. To obtain any information regarding this collection procedure or to obtain the most up-to-date collection procedure, a property owner should contact the Management Company. If 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, if 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 any prior policy and resolution with respect to the collection of assessments filed by the Association or its predecessor-in-interest, is effective upon its adoption and/or filing in the Office of the Parker County Clerk, and shall remain in full force and effect until revoked, modified or amended by the Board of Directors.

This collection policy was adopted by the Board of Directors on the 3<sup>rd</sup> day of March, 2017 and is intended to supplement and/or enhance any existing policy outlined in the Declaration. In the event of a discrepancy between this policy and the Declaration, the Declaration shall prevail unless this policy provides a higher standard or at the direction of the Declarant during the Declarant Control Period and thereafter, by the Board of Directors.



**CROWN VALLEY ESTATES  
(CROWN VALLEY HOA)**

**Alternative Payment Schedule Guidelines for Certain Assessments**

**WHEREAS**, the Board of Directors (the "Board") of Crown Valley HOA (the "Association") wishes to adopt reasonable guidelines to establish an alternative payment schedule by which an owner may make partial payments to the Association for delinquent regular or special assessments or any other amount owed to the Association; and

**WHEREAS**, the Board wishes to adopt these reasonable guidelines in compliance with Section 209.0062 of the Texas Property Code; and

**WHEREAS**, the Board intends to file these guidelines in the real property records of Parker County, Texas in which the subdivision is located, in compliance with Section 209.0062 of the Texas Property Code; and

**NOW, THEREFORE, IT IS RESOLVED** that the following guidelines are established by the Board:

- I. Upon the request of a delinquent owner, the Association shall enter an alternative payment schedule with such owner, subject to the following guidelines:
  - a. An Alternative Payment Schedule is only available to owners who have delinquent regular assessments, special assessments or any other amount owed to the Association.
  - b. An Alternative Payment Schedule **will not** be made available in the following cases: (1) to owners who have failed to honor the terms of a previous Alternative Payment Schedule during the two years following the owner's default of such previous Alternative Payment Schedule; (2) to owners who have failed to request an Alternative Payment Schedule prior to the 30-day deadline to cure the delinquency as set forth in the Association's letter sent pursuant to Tex. Prop. Code § 209.0064(b); and/or (3) to owners who have entered an Alternative Payment Schedule within the previous 12 months. Notwithstanding the foregoing, the Board has discretion to allow any owner to enter an Alternative Payment Schedule notwithstanding an Owner who defaults on a payment plan may not be eligible for another payment plan for up to 2 years at the Board's sole discretion.
  - c. During the course of an Alternative Payment Schedule, additional monetary penalties shall not be charged against an owner so long as the owner timely performs all obligations under the Alternative Payment Schedule and does not default. However, the Association may charge reasonable costs for administering the Alternative Payment Schedule ("Administrative Costs") and, if interest is allowed under the Declaration, then interest will continue to accrue during the term of the Alternative Payment Schedule. The Association may provide an estimate of the amount of interest that will accrue during the term of the Alternative Payment Schedule.

- d. The total of all proposed payments in an Alternative Payment Schedule must equal the sum of the current delinquent balance, the estimated interest, and any Administrative Costs; and may include any assessments that will accrue during the term of the Payment Plan.
- e. All payments under an Alternative Payment Schedule shall be due and tendered to the Association by the dates specified in the Alternative Payment Schedule and shall be made by cashier's checks or money orders.
- f. The minimum term for an Alternative Payment Schedule is 3 months from the date of the owner's request for an Alternative Payment Schedule. The Association is not required to allow an Alternative Payment Schedule for any amount that extends more than 18 months from the date of the owner's request for an Alternative Payment Plan.
- g. Any owner may submit to the Board a request for an Alternative Payment Schedule that does not meet the foregoing guidelines, along with any other information he/she believes the Board should consider along with such request (e.g. evidence of financial hardship). The Board, in its sole discretion, may approve or disapprove such a request for a non-conforming Alternative Payment Schedule. An owner who is not eligible for an Alternative Payment Schedule may still request an Alternative Payment Schedule, and the Board, in its sole discretion, may accept or reject such a request.

h, Default

- 1. The following shall result in an immediate default of an Alternative Payment Schedule:
  - i. The owner's failure to timely tender and deliver any payment when due under the Alternative Payment Schedule;
  - ii. The owner's failure to tender any payment in the full amount and form (e.g., cashier's check or money order) as specified in the Alternative Payment Schedule; or
  - iii. The owner's failure to timely comply with any other requirement or obligation set forth in the Alternative Payment Plan.
  - iv. The owner's failure to make payment in a timely manner on all other assessments and charges of the Association as they are billed or become due.
- 2. Any owner who defaults under an Alternative Payment Schedule shall remain in default until his/her entire account balance is brought current.
- 3. The Association is not required to provide notice of any default.
- 4. Owners are not entitled to any opportunity to cure a default.

5. While an owner is in default under an Alternative Payment Schedule, the owner's payments need not be applied to the owner's debt in the order of priority set forth in Tex. Prop. Code § 209.0063(a). But, in applying a payment made while the owner is in default, a fine assessed by the Association may not be given priority over any other amount owed to the Association.
6. The failure by the Association to exercise any rights or options shall not constitute a waiver thereof or the waiver of the right to exercise such right or option in the future.
  - i. All other terms of an Alternative Payment Schedule are at the discretion of the Board of Directors.

This is to certify that the foregoing Alternative Payment Schedule Guidelines for Certain Assessments was adopted by the Board of Directors, in accordance with Section 209.0062 of the Texas Property Code on the 3<sup>rd</sup> day of March, 2017.

## **CROWN VALLEY ESTATES**

### **(CROWN VALLEY HOA)**

#### ADOPTION OF CAPITAL FUNDING CONTRIBUTION / WORKING CAPITAL CONTRIBUTION

The following Adoption of Capital Funding Contribution/Working Capital Contribution (the "Contribution") is made pursuant to Article 4 General Powers and Duties of the Board of Directors of the Association under that certain Declaration for Crown Valley HOA, recorded in the Official Public Records of Parker County, Texas (the "Declaration"), and is as follows:

1. Capital Funding Contribution. In accordance with Article 4 and more particularly, Section 4.01(e) of the Declaration, the Board of Directors adopts a capital funding contribution/working capital contribution amount equal to One Hundred Fifty and No/100 Dollars (\$150.00). The contribution applies to all Lots subject to the Declaration except Lot sales by Declarant to a Builder.

2. Subject to Change. The amount of the Contribution is subject to increase from time to time by the Board or the Declarant so long as the Declarant Control Period is in effect, and thereafter by the Board at the Board's sole discretion.

3. Capitalized Terms. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Declaration.

Executed to be effective this 3<sup>rd</sup> day of March, 2017

CROWN VALLEY ESTATES

(CROWN VALLEY HOA)

## **CROWN VALLEY ESTATES**

### **(CROWN VALLEY HOA)**

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Executed to be effective this 3<sup>rd</sup> day of March, 2017

CROWN VALLEY ESTATES

(CROWN VALLEY HOA)

**CROWN VALLEY ESTATES**

**(CROWN VALLEY HOA)**

**Records Production and Copying Policy**

**WHEREAS**, the Board of Directors (the "Board") of Crown Valley HOA Association, Inc. (the "Association") wishes to adopt reasonable guidelines to establish Records Production and Copying Policy for the Association; and

**WHEREAS**, the Board wishes to adopt these reasonable guidelines in compliance with Section 209.005 of the Texas Property Code ("Section 209.005") regarding Owner access to Association documents and records ("Records"); and

**WHEREAS**, the Board intends to file these guidelines in the real property records of Parker County, Texas in which the subdivision is located, in compliance with Section 209.005 of the Texas Property Code; and

**NOW, THEREFORE, IT IS RESOLVED** that the following guidelines for Records Production and Copying are established by the Board:

- I. Association Records shall be reasonably available to every owner. An owner may also provide access to Records to any other person (such as an attorney, CPA or agent) they designate in writing as their proxy for this purpose. To ensure a written proxy is from the owner, the owner must include a copy of his/her photo ID or have the proxy notarized.
2. An owner, or their proxy as described in section 1, must submit a written request for access to or copies of Records. The letter must:
  - a. be sent by certified mail to the Association's address as reflected in its most recent Management Certificate filed in the County public records; and
  - b. contain sufficient detail to identify the specific Records being requested; and
  - c. indicate whether the owner or proxy would like to inspect the Records before possibly obtaining copies or if the specified Records should be forwarded. If forwarded, the letter must indicate the format, delivery method and address:
    - i. format: electronic files, compact disk or paper copies
    - ii. delivery method: email, certified mail or pick-up
3. Within ten (10) business days of receipt of the request specified in section 2 above, the Association shall provide:
  - a. the requested Records, if copies were requested and any required advance payment had been made; or
  - b. a written notice that the Records are available and offer dates and times when the Records may be inspected by the owner or their proxy during normal business hours at the office of the Association. Only the Owner or their proxy may inspect the documents or be present during inspection; or
  - c. a written notice that the requested Records are available for delivery once a payment of the cost to produce the records is made and stating the cost thereof; or
  - d. a written notice that a request for delivery does not contain sufficient information to specify the Records desired, the format, the delivery method, and the delivery address; or

- e. a written notice that the requested Records cannot be produced within ten (10) business days but will be available within fifteen (15) additional business days from the date of the notice and payment of the cost to produce the records is made and stating the cost thereof.
4. The following Association Records are not available for inspection by owners or their proxies:
  - a. the financial records associated with an individual owner; and
  - b. deed restriction violation details for an individual owner; and
  - c. personal information, including contact information other than an address for an individual owner; and
  - d. attorney files and records in the possession of the attorney; and
  - e. attorney-client privileged information in the possession of the Association.

The information in a, b and c above will be released if the Association receives express written approval from the owner whose records are the subject of the request for inspection.
5. Association Records may be maintained in paper format or in an electronic format. If a request is made to inspect Records and certain Records are maintained in electronic format, the owner or their proxy will be given access to equipment to view the electronic records. Association shall not be required to transfer such electronic records to paper format unless the owner or their proxy agrees to pay the cost of producing such copies.
6. [an owner or their proxy inspecting Records requests copies of certain Records during the inspection, Association shall provide them promptly, if possible, but no later than ten (10) business days after the inspection or payment of costs, whichever is later.
7. The owner is responsible for all costs associated with a request under this Policy, including but not limited to copies, postage, supplies, labor, overhead and third party fees (such as archive document retrieval fees from off-site storage locations) as listed below: (Please go to the Attorney General web-site for current charges)  
<https://texasattorneygeneral.gov/>
8. Any costs associated with a Records request must be paid in advance of delivery by the owner or their proxy. An owner who makes a request for Records and subsequently declines to accept delivery will be liable for payment of all costs under this Policy.
9. On a case-by-case basis, in the absolute discretion of the Association, and with concurrence of the owner, the Association may agree to invoice the cost of the Records request to the owner's account. Owner agrees to pay the total amount invoiced within thirty (30) days after the date a statement is mailed to the Owner. Any unpaid balance will accrue interest as an assessment as allowed under the Declarations.
10. On a case-by-case basis where an owner request for Records is deemed to be

minimal, the Association or its managing agent reserves the right to waive notice under section 2 and/or fees under section 4.

11.

MI costs associated with fulfilling the request under this Policy will be paid by the Association's Managing Agent. All fees paid to the Association under this Policy will be reimbursed to the Association's Managing Agent or paid directly to the Association's Managing Agent.

This is to certify that the foregoing Records Production and Copying Policy was adopted by the Board of Directors, in accordance with Section 209.005 of the Texas Property Code on the 3<sup>rd</sup> day of March, 2017, and supersedes any policy regarding records production which may have previously been in effect.



# **CROWN VALLEY ESTATES (CROWN VALLEY HOA)**

## **NOTICE AND FINING POLICY**

Crown Valley Estates (Crown Valley HOA) has adopted the following Notice and Fining Policy to supplement the enforcement rules found in the Declaration and any amendment thereto for the enforcement of the Association's Governing Documents (to include the CC&R's, Amendments, By-Laws, and Rules & Regulations).

This policy shall supplement the provisions set forth in the Covenants, Conditions, and Restrictions and is subject to amendment by the Declarant or Board of Directors at their sole discretion. Should there be a conflict between the Declaration and this Notice and Fining Policy, the guidelines in the Declaration shall prevail unless this policy provides a higher standard, then the higher standards shall prevail. The amending of this policy shall not require the consent or joinder of the Members notwithstanding, any amendment shall be posted to the HOA's website, if applicable, and a copy shall be mailed to each Owner via regular U.S. mail.

1. Violation Notice (Warning): Homeowners will be notified when a violation occurs. A minimum of ten (10) days will be required except in the case of emergencies where it can reasonably be assumed that the safety, health, welfare and protection of the Owner, a neighbor or neighborhood, or the community in part or as a whole is at risk or recurring violations within a six (6) month period. Violations which present hazards for residents, are damaging property, creating an ongoing nuisance, or can be considered an emergency requiring immediate correction shall be subject to self-help actions by the Association as described in the Declaration should Owner fail to cure the violation. Self Help actions considered an emergency requiring immediate attention will be addressed within seventy-two (72) hours or less by the Association. A notice in the case of an emergency may be delivered by hand, electronic mail, or U.S. mail. Any costs for initiating Self Help to cure a violation including the costs of postage and handling shall be assessed to the Owner's account. Should additional violation notices be sent, each notice shall allow a period of not more than ten (10) days in which to correct the violation.
2. Notice of Assessment of Fine (Hearing Notice): If after the initial notices (or subsequent notices if given) the violation continues, the Owner will be notified that a fine will be levied against his/her account. This notice shall be mailed certified and regular U.S. mail and shall be the initial "Fine Warning" notice which shall include the amount of the fine to be levied and shall contain verbiage pursuant to Chapter 209.006 and 209.007 of the Texas Property Code as amended from time to time regarding an Owner's right to request a hearing before a committee (or the Board in the absence of a committee). Notice must describe the violation or property damage that is the basis for the fine for such violation, and state any amount due the Association from the Owner and Owner shall be given a reasonable time to cure the violation. Owner shall have thirty (30) days to request a hearing in writing from the date of notice. The Association or its

Managing Agent shall set the hearing within thirty (30) days of receipt of the written request and the Owner shall be notified in writing of the hearing date, time and place not less than ten (10) days prior to the date of the hearing. The Board or 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 be granted by agreement of the parties. If the Hearing is to be held before a Committee appointed by the Board, the Owner shall have the right to appeal to the Board of Directors should the Owner disagree with the Committee's decision. Notice of an Appeal Hearing before the Board of Directors must be submitted by the Owner in writing. An Owner is liable to the Association for certain charges, including reimbursement of attorney's fees incurred by the Association.

0. "Damage Assessment": Violations that result in property damage or cause the Association to incur cleanup or other costs will result in a "Special Individual Assessment" on the homeowner's account. Non-payment of this type of assessment may result in additional fees, and collection actions as allowed by law. Any attorney fees or other costs incurred by the Association will be assessed to the Owner's account. Notices for Special Individual Assessment shall follow the same protocol for Fine Warning Notices sent in Section 2 above unless the Declaration requires a different notification process. If conflicts on notification exist, the Declaration shall prevail. The Association shall deliver to the Owner a statement of account identifying the Special Individual Assessment due which Owner shall pay upon receipt of statement. Failure to pay any Special Individual Assessment by an Owner shall be subject to collection the same as any other Assessment.
1. Suit and Board Discretion: Failure to comply with the Documents will be grounds for an action to recover damages or for injunctive relief to cause any such violation to be remedied, or both. Prior to commencing legal proceeding, the Association will give the defaulting party reasonable notice and an opportunity to cure the violation. The Board may use its sole discretion in determining whether to pursue a violation of the Documents, provided the Board does not act in an arbitrary or capricious manner.

### **FINE SCHEDULE**

The costs of curing or abating a violation are at the expense of the Owner or other person responsible for the violation. At the Board's sole discretion, a fine may be levied against a renter or lessee other than the Owner however, should the renter or lessee fail to pay the fine within the time allotted, the Owner shall be responsible for the fine which shall be added to the Owner's account.

Each fine notice shall contain the minimum verbiage as required by the Texas State Property Code or the Declaration and Bylaws and must advise the Owner of his/her right to request a hearing pursuant to Section 209.006 and 209.007 of the Texas Property Code. Additionally, notices prior to levying a fine shall notify Owners serving in active military of their rights under Chapter 209 of the Texas Property Code wherein active military personnel may have special rights of relief related to enforcement actions under federal law, including Servicemembers Civil

Relief Act (50 U.S.C. app. Section. 501 et seq.), if the Owner is serving on active military duty. Fine Notices shall be mailed certified and regular U.S. mail.

The table below is intended to establish a base fining structure. The Board shall have the right to instruct or adopt a different fining structure so long as the fines imposed do not exceed the maximum fine limit of \$500.00 per violation occurrence. Fines for some violations such as recurring violations or serious violations which endanger persons or property may have a different fine structure. Fines may be assessed based on the severity of a violation or for continual or recurring violations within a six month period. Fines may be levied in lump sum or increments at the discretion of the Board. Each day the violation continues to exist shall constitute a separate violation.

An Owner who continually violates the Association's Declaration, Rules and Regulations or Bylaws, or who damages Association property may be assessed greater fines which may include a one-time fine up to the maximum fine amount at the sole discretion of the Board so long as the fine amounts levied are commensurate to the violation or the history of recurring violations recorded against an Owner.

- 1st Fine:** First fine for a violation not cured by the Owner after the initial fine warning notice has been given shall not be less than \$25.00, then;
- 2<sup>nd</sup> Fine:** After a minimum of not less than ten (10) days, the Board or its Managing Agent shall inspect the Owner's property for compliance. If the violation remains, a letter shall be sent to the violating Owner advising that a second fine which shall not be less than \$50.00 shall be assessed to the Owner's account, then;
- 3<sup>rd</sup> Fine:** After a minimum of not less than ten (10) additional days, the Board or its Managing Agent shall inspect the Owner's property for compliance. If the violation remains, a letter shall be sent to the violating Owner advising that a third fine in an amount that shall not be less than \$75.00 shall be assessed to the Owner's account.
- 4<sup>th</sup> & After:** If compliance is not met after the end of a minimum of ten (10) days from the date the third fine letter is sent, the Owner will receive one (1) final notice advising that fines shall escalate at the rate of \$25.00 for every week in which the violation remains until the maximum fine amount of \$500.00 is reached at which time the violation process shall start over and shall be treated as a recurring violation subject to additional fines as outlined in this section so long as the violation remains. Each day the violation continues to exist shall constitute a separate violation.

4. The maximum fine amount is based on a per violation occurrence and can be assessed each time a violation occurs. Recurring violations or violations that cause damage or harm may be treated as those considered to be of greater severity by the Board or its Managing Agent.

If the Owner submits a written request for a hearing, all fines shall be suspended until after the hearing. If the Association has a Managing Agent, notice shall be served through the Managing Agent who shall set the hearing date, time, and place and shall notify the Owner via U.S. mail. The Board shall appoint a Hearing Committee who shall oversee the first hearing and who shall render a decision based upon the facts and/or testimonies provided. The Hearing Committee shall render their findings and subsequent results from the hearing in writing no more than ten (10) days from the date of the hearing and the Managing Agent shall notify the Owner via U.S. mail of the decision.

The Association or its Managing Agent shall immediately proceed and comply with any instructions and/or findings. If the Hearing Committee rules in favor of the Association, all fines or other violation actions suspended pending the hearing outcome may resume unless the Hearing Committee instructs otherwise. If the Hearing Committee rules in favor of the Owner, all violation actions shall cease and no further fines shall be assessed unless and until the Hearing Committee provides instruction. The Hearing Committee must note in their findings and provide direction to the Managing Agent as to whether any fine(s) previously assessed to the Owners account will be upheld or waived. If the hearing is held by a committee appointed by the Board, the Owner shall have the right to appeal the decision of the committee to the Board of Directors and the decision of the Board of Directors shall be final. If the hearing is held by the Board of Directors in the absence of a committee, the decision of the Board of Directors is final.

**Note: All fines are subject to collections and will be collected in the same manner as are the association dues.**

This notice and fining policy was adopted this 3<sup>rd</sup> day of March, 2017 by the Board of Directors to supplement the Articles and Sections of the Declaration pertaining to enforcement provisions and rights of the Association and is subject to amendment or rescinding at the Declarant's or Board's sole discretion.