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Electronically Recorded by Tarrant County Clerk in Official Public Records

Mary Louise Nicholson
COUNTY CLERK

THE HIDDEN LAKES MASTER ASSOCIATION, INC. ENFORCEMENT AND FINING POLICY

STATE OF TEXAS §
COUNTY OF TARRANT §

WHEREAS, Hidden Lakes is a subdivision located in Tarrant County, Texas (the "Subdivision");

WHEREAS, The Hidden Lakes Master Association, Inc., a Texas nonprofit corporation (the "Association"), is governed by that certain Master Declaration of Covenants, Conditions and Restrictions for Hidden Lakes recorded on November 6, 1996 as Document No. D196221415 of the Official Public Records of Real Property of Tarrant County, Texas, as supplemented by that certain Addendum to the Master Declaration recorded on April 25, 2011 as Document No. D21109556 of the Official Public Records of Real Property of Tarrant County, Texas (as further amended and/or supplemented, the "Declaration");

WHEREAS, pursuant to Section 32 of the Addendum to the Master Declaration, the Association, by and through the Board, may assess fines against an Owner for violations of any restriction set forth in the Declaration and/or any amendment or supplement thereto. Any fine and/or charge for damage levied shall be the personal obligation of the Owner of the Lot against which the fine is levied and a continuing lien on the Lot; and

WHEREAS, the Board has determined that it is in the best interests of the Association and its members to adopt rules and regulations to clarify procedures for fining for violations of any corporate document of the Association (including any amendment or supplement thereto).

NOW, THEREFORE, the Association, by and through its Board, has duly adopted this Enforcement and Fining Policy (the "**Policy**"):

- 1. <u>Enforcement.</u> Upon a violation of any dedicatory instrument of the Association (each a "Violation"), the Association may use any or all means of enforcement available to it pursuant to the Declaration, Bylaws, or Certificate of Formation, rules and regulations, at law or in equity. For purposes of this Policy, each day that a continuing and/or ongoing Violation remains uncured shall be considered a separate Violation and may be subject to daily fines.
- 2. <u>Non-Exclusive Remedies</u>. Any penalty provided herein will not be construed to be an exclusive remedy and may be in addition to all other rights and remedies to which the Association may otherwise be entitled.
- 3. <u>Violation by Resident, Tenant, Guest, or Agent</u>. A Violation by a resident, tenant, guest, or agent of the Owner may be treated as a Violation by the Owner of the property. All amounts incurred by the Association to cure Violations may be billed to the Owner.

- 4. <u>Violation Notice Policy</u>. The Association may follow the following notice schedule before a fine is levied for a curable Violation:
 - a. **Courtesy Notice**. After a Violation, the Association may send a courtesy notice and allow a violator a reasonable period to cure the Violation. No appeal is available upon this notice.
 - b. Second Notice. If the Violation noted in the courtesy notice is not cured within the period set forth therein, the Association may send a second notice and allow a violator a reasonable period to cure the Violation and may warn such violator of a potential fine. No appeal is available upon this notice.
 - c. **Final Notice**. If the Violation noted in the second notice is not cured within the period set forth therein, a final notice may be sent in accordance with the Declaration and Texas Property Code Section 209.006 which will, among other things, set forth the violator's opportunity to request an appeal hearing to be held in accordance with Texas Property Code Section 209.007, and allow a violator at least thirty (30) days to cure the Violation. If an appeal hearing is timely requested, no further action will be taken until such hearing is concluded. All such hearings shall be conducted in accordance with applicable state law. During a hearing, a member of the board or the association's designated representative shall first present the association's case against the owner. An owner or the owner's designated representative is entitled to present the owner's information and issues relevant to the appeal or dispute. The decision of the Board shall be final.
 - d. **Fine**. If the Violation noted in the final notice is not cured within the period set forth therein, a fine may be added to the violator's account, and/or the Association may enforce the Violation by any means set forth in the Declaration. Notwithstanding the foregoing, if a hearing is held, and the Board takes no action, the violator shall have until the later of: (1) ten (10) days from such hearing; or (2) the end of the cure period noted in the final notice to cure the Violation to avoid the above-discussed fine and/or enforcement. All such fines and costs of collection are secured by a continuing lien on the property and are enforceable as an assessment pursuant to the Declaration.

Notwithstanding anything herein to the contrary, the Board may choose to forego the courtesy notice and/or second notice and fine after sending only the final notice in compliance with applicable law. Further, the Association is not required to send a final notice or any notice to a violator who has been given notice in accordance with Texas Property Code Section 209.006 for similar conduct in the preceding six (6) months. In addition, for those Violations that are considered a threat to health or safety or are otherwise considered uncurable under Texas Property Code Section 209.006, the Board is not required to provide a cure period.

5. <u>Fine Schedule</u>. The imposition of fines for all Violations, including, but not limited to those categories listed in <u>Exhibit 1</u> attached hereto and incorporated herein for all purposes, will be on the following basis:

- a. First Fine \$25.00 per day sent after the expiration of the cure period noted in the final notice.
- b. Additional Fines \$25.00 per day sent every thirty (30) days after the first fine is levied, until the Violation is cured.
- c. Aggregate Monthly Limit there is not a limit to the amount in fines that may be levied for each Violation.
- d. Notwithstanding the foregoing, the Board expressly reserves the right to set fine amounts on a case-by-case basis, provided the fine is reasonable in light of the nature, frequency, and effects of the violation.

Under no circumstance shall this Section 5 be understood to limit any additional damages that the Association may otherwise be entitled to under Texas law.

- 6. <u>Waiver</u>. The Board in its sole and absolute discretion, reserves the right to implement or not implement any Violation enforcement.
- 7. Referral to Legal Counsel. When a Violation is determined to exist and where the Board deems it to be in the best interests of the Association to refer the Violation to legal counsel for appropriate action, the Board may do so at any time. Such legal action may include, without limitation, sending demand letters to the violating Owner, filing suit, and/or seeking injunctive relief or any other remedy available at law or in equity against the Owner to correct or otherwise abate the Violation. Attorneys' fees and all costs incurred by the Association in enforcing the Declaration and administering this Policy will become the personal obligation of the Owner.
- 8. <u>Amendment or Termination</u>. This Policy may be amended or terminated from time to time at the discretion of the Board.
- 9. <u>Terms</u>. All capitalized terms undefined in this Policy shall have the same meanings herein as are prescribed to them in the Declaration.
- 10. <u>Effective</u>. This Policy is effective upon recordation in the Official Public Records of Real Property of Tarrant County, Texas and amends and restates any policies regarding the subject matter hereof. Except as affected by this Policy, all other provisions contained in the Declaration and/or any other dedicatory instruments of the Association shall remain in full force and effect.

[SIGNATURE PAGE(S) TO FOLLOW]

ASSOCIATION:

THE HIDDEN LAKES MASTER ASSOCIATION, INC., a Texas nonprofit corporation

Name: TOD ALMAND
Title: PAFCIOENT

STATE OF TEXAS §
COUNTY OF TEXAS

This instrument was acknowledged before me on the Alay of Movember, 2023 by Todd Alamand, President of THE HIDDEN LAKES MASTER ASSOCIATION, INC., a Texas nonprofit corporation, known to me to be the person whose name is subscribed to the within instrument, and acknowledged that she or he executed the same for the purposes and consideration set forth therein.

Notary Public, State of Texas

ACKNOWLEDGED:

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STATE OF TEXAS §
COUNTY OF TABBELLY §

Notary Public, State of Texas

JAMIE L KRATKY
Notary ID #133936008
My Commission Expires
August 29, 2026

EXHIBIT 1

Violations Subject to Fines, by Category (Non-Exclusive List):

1. ACC Modification

36. Yard Art

- 2. Animal Husbandry
- 3. Above Ground Pools not permitted
- 4. Carport
- 5. Commercial
- 6. Damage of Common area
- 7. Construction Site Maintenance/Dumpster/Drainage
- 8. Damage to common area
- 9. Decks/ Patios/ Pergolas
- 10. Doors/ Screen Doors
- 11. Driveway
- 12. Exterior of Home
- 13. Fence/Gates
- 14. Garage Doors
- 15. Landscaping
- 16. Lawn ornaments & Signage
- 17. Mailbox
- 18. Lot and /or home Maintenance and Repair
- 19. Nuisance
- 20. Occupancy Standards
- 21. Exterior Paint
- 22. Parking
- 23. Pets
- 24. Recreational Facilities
- 25. Right of Enjoyment
- 26. Roof
- 27. Satellite Dish/ Antennas
- 28. Shed/ Storage Building
- 29. Signs
- 30. Play / Sports Equipment & Apparatus
- 31. Trash Receptacle/ Recycle Bin/Rubbish Removal
- 32. Unapproved Flags and Poles
- 33. Unauthorized Objects
- 34. Vehicles/Trailers/RV's/Boats
- 35. Window Coverings