

THE LEGENDS AT RANCHO DEL LAGO
MAINTENANCE CORPORATION

FINE AND ENFORCEMENT POLICY

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1. Background. The Legends at Rancho del Lago is a Home Owners Association ("HOA") subject to its AMENDED, RESTATED AND CONSOLIDATED RESTRICTIONS, ASSESSMENTS AND EASEMENTS document recorded in the Official Public Records of Comal County, Texas and any and all amendments thereto. The operation of the HOA is vested in The Legends at Rancho del Lago Maintenance Corporation, acting through its board of directors (the "Board"). The Corporation is empowered to enforce the terms, covenants, conditions and restrictions of the document, bylaws, rules, policies and procedures of the community.

The Board hereby adopts this Fine and Enforcement Policy to establish equitable procedures for the levy of fines within the community in compliance with the provisions of the Texas Residential Property Owners Protection Act (the "Act") found in Chapter 209 of the Texas Property Code. To the extent any provision within this policy is in conflict the Act or any other applicable law, such provision shall be automatically modified to comply with such law.

2. Policy. The HOA uses fines and/or other revocation of HOA privileges to discourage violations of the restrictions, bylaws, rules and regulations of the HOA (collectively the "Documents"), and to encourage compliance when a violation occurs - not to punish violators nor to generate revenue for the HOA.
3. Owner's Liability. A violation by a resident, tenant, guest, or agent of the owner shall be treated as a violation by the owner of the property, and each party shall be held jointly and severally liable for any monetary penalties as a result of the violation. All monetary penalties shall be billed to the owner and, if applicable, the resident.
4. Violation Notice. Before levying a fine, the HOA shall provide the owner a written violation notice and an opportunity to be heard. The HOA's written violation notice must contain the following items: (1) the date the notice is prepared or mailed; (2) a description of the violation; (3) a reference to the rule or provision that is being violated; (4) a description of the action required to cure the violation and a reasonable time period to take such action; (5) the action to be taken and/or the amount of the prospective fine, if any; and (6) a statement that not later than the 30th day after the date of the violation notice, the owner may request a hearing before the Board to contest the fine.
5. Violation Hearing. An owner may request in writing a hearing by the Board to contest the fine. To request a hearing before the Board, an owner must submit a written request to the HOA within thirty (30) days after the date of the violation notice. Within thirty (30) days after owner's request for a hearing, the HOA must hold a hearing. The HOA must provide the owner with at least ten (10) days' notice of the date, time, and place of the hearing. The hearing will be held in a regular session of the Board, or at an executive session at the Board's discretion. At the hearing, the Board will consider the facts and circumstances surrounding the violation. The owner may attend the hearing in person, or may be represented by another person or by written communication. The minutes of

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the hearing must contain a statement of the results of the hearing and the fine and/or other action, if any, imposed. A copy of the violation notice and request for hearing should be placed in the minutes of the hearing. If the owner appears at the meeting, the notice requirements will be deemed satisfied.

6. Levy of Fine. Within thirty (30) days after levying any fine, the Board must give the owner notice of the levied fine. If the fine is levied at the hearing at which the owner is actually present, the notice requirement will be satisfied if the Board announces its decision to the owner at the hearing. Otherwise, the notice must be in writing. In addition to the initial levy notice, the HOA will furnish the owner periodic written notices of an accruing fine or the application of an owner's payments to reduce the fine. The periodic notices may be in the form of monthly statements or delinquency notices.
7. Amount of Fine. The Board has adopted the following general schedule regarding fines. Individual violations are categorized at the discretion of the Board.

<u>Category</u>	<u>Initial</u>	<u>Recurring</u>
Minor	\$50	\$25 per month
Major	\$150	\$75 per month

Examples of minor violations include, but are not limited to:

- Impermissible signs;
- Dogs off leash;
- Animals raised on property in violation of restrictions;
- Minor improvements made without ACC approval (sheds, fences, etc.).

Examples of major violations include, but are not limited to:

- Construction of a residence without Architectural Control Committee approval;
- Failure to obtain Architectural Control Committee approval for any alteration/improvement which would require the same;
- Failure to maintain improvements as required;
- Lot used for dumping of rubbish, brush, construction supplies, or other materials.

8. Type of Levy. If the violation is ongoing or continuous, the fine may be levied on a recurring monthly basis beginning 30 days after the initial fine date. If the violation is not ongoing, but rather is discrete or occasional, the fine may be levied on a per occurrence basis.
9. Collection of Fines. The HOA is not entitled to collect a fine from an owner to whom it has not given notice and an opportunity to be heard.
10. Amendment of Policy. This policy may be revoked or amended from time to time by the Board. This policy will remain effective until ten (10) days after the HOA delivers to

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- owners of all units notice of amendment or revocation of this policy. The notice may be published and distributed in an HOA newsletter or other communitywide publication.
11. **Non-Exclusive Remedies.** The imposition of the monetary penalties provided herein shall not be construed to be an exclusive remedy, and shall be in addition to all other rights and remedies to which the HOA may otherwise be entitled, including, without limitation, the filing of an Affidavit of Non-Compliance in the Real Property Records of Comal County, Texas, and/or the initiation of legal proceedings seeking injunctive relief and/or damages, attorney's fees, costs of court and all other remedies, at law or in equity, to which the HOA may be entitled.

This policy is adopted by the Board of Directors on

June 22, 2024 | 9:19:54 AM PDT

Date Signed: _____



Gus McGrath
President



John (Dan) Keetch
Vice President / Secretary



Gary Meszaros
Treasure