ATTACHMENT C CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

NOTICE AND HEARING; SCHEDULE OF FINES

Notice and Hearing.

- (a) Prior to the imposition of any fine for a violation of the Declaration or the levying of any special individual assessment on an Owner, the Association will give at least one (1) notice of not more than five (5) days each to the Owner for most violations in compliance with the Declaration and/or Section 209.006 of the Texas Property Code (the "Property Code"), as the same may be hereafter amended. Some violations, per the Declaration, may require less of a notice than other violations and emergency or health and safety hazards may be addressed immediately, without the benefit of a notice, should the Board deem it necessary or appropriate. Other violations may have a 72-hour notice and response time. Notice(s) shall be as follows:
 - (i) First Notice shall be sent regular U.S. mail. Friendly Reminders or Courtesy Notices may be sent via e-mail only.
 - (ii) Second Notice (Fine Warning Notice) shall be delivered by certified mail.
 - (iii) Notice of Fine Levied shall be delivered by certified mail.
 - (iv) The 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.
 - (v) The notice must inform the Owner that the Owner is entitled to a reasonable time to cure the violation and avoid the fine and that the Owner may request a hearing as outlined in Article 12 of the Declaration and Section 209.007 of the Texas Property Code on or before the 30th day after the Owner receives the notice.
- (b) In compliance with Section 209.007 of the Texas Property Code, if the Owner submits a written request for a hearing, the Association shall hold a hearing not later than the thirtieth (30th) day after the date the Board receives the Owner's request, and 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 be granted by agreement of the parties. If the hearing is to be held before a committee appointed by the Board, the notice shall state that the Owner has the right to appeal the committee's decision to the Board by written notice to the Board.

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- (c) If a violation has not previously been cured, the Association may send (i) a second notice (Notice of Fine Warning) not more than five (5) days after the first notice of violation is sent by the Association to an Owner, and (ii) a third notice (Notice of Fine Levied) three (3) days after the second notice (Notice of Fine Warning) has been sent. As noted above emergencies and matters deemed to be a risk or threaten the safety, health, and welfare of any person or the community shall not require any notice prior to the Board taking action. Notwithstanding, the Board shall attempt to notify the Owner and make contact as promptly as possible after the action is taken. If in the process of abating a violation the Association incurs expenses, the Association may not levy the charges to the Owner's account until the Association has notified the Owner by certified and regular U.S. mail and provided information on the violation(s) and actions taken to abate the violation(s) along with a statement of costs and expenses incurred. A notice is deemed to have been delivered after the Association, a designee, or its Managing Agent has delivered the notification to the U.S. postal service for delivery which may include depositing in a U.S. Postal mail receptacle, depositing with a U.S. Postal Worker, or at a U.S. Post Office.
- (d) If the violation is not cured to the reasonable satisfaction of the Association within
- (e) a five (5) day period after delivery of the first notice of violation, provided that such Owner has not requested a hearing in accordance with the above, then the Association shall levy and send notice of the fine assessed for such violation. The Association is not entitled to collect a fine from an Owner to whom it has not given notice and an opportunity to be heard, pursuant to Section 209.006 and Section 209.007 of the Texas Property Code.
- (f) Fines levied by the Association for violations shall be in accordance with the Schedule of Fines (herein so called) listed below notwithstanding, certain violations may carry a different fine schedule as may be set forth in the Declaration, or by the adoption or amendment of any Rule and/or Regulation of the Association, including violation of the Community Wide Standard. Any fine levied shall be reflected on the Owner's periodic statements of account or delinquency notices. The number of notices set forth below does not mean that the Board is required to provide each notice prior to exercising additional remedies as set forth in the Declaration. The Board may elect to pursue such additional remedies at any time in accordance with applicable law. The Board also 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 effect of the violation.

FINES:

Violation:

Fine Amount:

Notice of Fine -1st Notice

\$100.00 (may be avoided if Owner cures the violation within five (5) days or less)

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CRESPI ESTATES HOMEOWNERS ASSOCIATION, INC.

Notice of Fine -2nd Notice

\$200.00

Notice of Fine -3rd Notice

\$300.00

Notice of Fine -4th Notice

Fine will increase an additional \$100.00 every week until Owner

cures the violation

MAXIMUM FINE AMOUNT PER VIOLATION IS \$2,000.00. ONCE THE MAXIMUM FINE AMOUNT IS REACHED IF THE OWNER HAS NOT CURED THE VIOLATION, THE FINE PROCESS WILL START OVER AND THIS PROCESS WILL CONTINUE UNTIL THE OWNER CURES THE VIOLATION. Any violation that is cured and then repeated by an Owner within a six (6) month period will not require the Association to send the initial 5-day notice and the Association may, at its discretion, begin wherever the last notification or violation process ended.

The policy was adopted by the Board of Directors on the 6th day of May, 2019 by majority vote of the Board. This policy may be amended or revoked from time to time, by Resolution of the Board. Amendment to the Bylaws is not required to amend or otherwise revoke any portion of this policy. This policy will remain effective until the Association records an amendment to this policy in the county's official public records.

Crespi Estates Homeowners Association, Inc.

Dustin Warren, Secretary