

ATTACHMENT 3

KATY MANOR RESIDENTIAL COMMUNITY, INC.

FINE & ENFORCEMENT POLICY

1. Background. Katy Manor Residential Community, Inc. (the "Association") is subject to the Declaration of Covenants, Conditions, and Restrictions, recorded as Document No. RP-2016-448961, Official Public Records of Harris County, Texas (the "Declaration"). Unless the Declaration or applicable law expressly provides otherwise, the Association acts through its board of directors (the "Board"). The Association is empowered to enforce the covenants, conditions and restrictions of the Declaration, Bylaws and any rules and regulations of the Association (collectively, the "Restrictions"), including the obligation of Owners to pay assessments pursuant to the terms and provisions of the Declaration and the obligations of Owners to compensate the Association for costs incurred by the Association for enforcing violations of the Restrictions.

The Board hereby adopts this Fine & Enforcement Policy to establish policies and procedures for the levy of fines within the Association in compliance with Chapter 209 of the Texas Property Code, titled the "Texas Residential Property Owners Protection Act," as it may be amended (the "Act"). To the extent any provision within this policy is in conflict with the Act or any other applicable law, such provision shall be deemed to be modified to comply with applicable law.

Terms used but not defined herein shall have the meaning subscribed to such term in the Restrictions.

2. Compliance Inspections. The Board may institute compliance inspection procedures to ensure compliance with the Restrictions.
3. Owner's Liability. An Owner is liable for fines levied by the Association for violations of the Restrictions by Owner and Owner's guests, invitees, family members, employees, agents, and representatives. Regardless of who commits the violation, the Association may direct all communications regarding the violation to Owner.
4. Fine Amount. The Association may establish fines for certain categories of violations, and certain fine amounts as are set forth herein. The Association 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.
5. Violation Notice. Except as set forth herein, before levying a fine, the Association will provide a written violation notice via certified mail to Owner (at Owner's last known address as shown in the Association records) (the "Violation Notice") that describes any opportunity for a hearing that may be required under the Act. The Association's

Violation Notice will contain the following items: (1) the date the Violation Notice is prepared or mailed; (2) a description of the violation or property damage that is the basis for any fine, charge, or suspension action; (3) a reference to the rule or provision at issue; (4) a description of the action required to cure the violation and a reasonable timeframe in which the violation is required to be cured to avoid a fine or suspension; (5) the amount of the possible fine; (6) a statement that no later than the thirtieth (30th) day after the date the notice was sent, Owner may request a hearing pursuant to Section 209.007 of the Texas Property Code; and (7) a statement that Owner may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act (50 U.S.C. §§ 501-597(b), if Owner is serving on active military duty. The Violation Notice sent out pursuant to this paragraph is further subject to the following:

- A. First Violation. If Owner has not been given notice and a reasonable opportunity to cure the same or similar violation within the preceding six (6) months, the Violation Notice will state those items set out in Paragraph 5, subsections (1) – (7) above, along with a reasonable timeframe by which the violation must be cured to avoid the fine. The Violation Notice must state that any future violation of the same rule may result in the levy of a fine. A fine pursuant to the *Schedule of Fines* may be levied if an Owner does not cure the violation within the timeframe set forth in the notice.
- B. Uncurable Violation/Violation of Public Health or Safety. If the violation is of an incurable nature or poses a threat to public health or safety (as noted in Section 209.006 of the Texas Property Code), then the Violation Notice shall state those items set out in Paragraph 5, subsections (1), (2), (3), (5), (6), and (7) above, and the Association shall have the right to exercise any enforcement remedy afforded to it under the Restrictions, including but not limited to the right to levy a fine pursuant to the *Schedule of Fines*.
- C. Continuing, Repeat, or Uncured Violation. For any violation, if Owner was provided with a Violation Notice for the same or similar violation within the preceding six (6) months, then Owner shall not be entitled to an additional Violation Notice or a hearing pursuant to Section 209.007 of the Texas Property Code, and the Association shall have the right to exercise any enforcement remedy afforded to it under the Restrictions, including, but not limited to, the right to levy a fine pursuant to the *Schedule of Fines*. For a continuing or uncured violation, the Board, in its sole discretion, may levy a fine based upon a daily, monthly, or quarterly amount as determined by the Board.

6. Violation Hearing. If Owner is entitled to an opportunity to cure the violation, then Owner has the right to submit a written request to the Association for a hearing before the Board or a committee appointed by the Board to discuss and verify the facts and resolve the matter. To request a hearing, Owner must submit a written request (the "Request") to the Association's manager (or the Board if there is no manager) within thirty (30) days after receiving the Violation Notice. The Association must then hold the hearing requested no later than thirty (30) days after receipt of the Request. Owner must be notified of the date, time, and place of the hearing at least (10) days before the date of the hearing. The hearing notice communication will include any documents, photographs, and communications the Association intends to introduce at the hearing. If the Association fails to provide the information at least ten (10) days before the hearing, Owner is entitled to an automatic fifteen (15) day postponement. The hearing will be scheduled to provide a reasonable opportunity for both the Board and Owner to attend. 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. Notwithstanding the foregoing, the Association may exercise its other rights and remedies as set forth in Section 209.007(d) and (e) of the Texas Property Code. Any hearing before the Board will be held in a closed or executive session of the Board. At the hearing, the Board will consider the facts and circumstances surrounding the violation. Owner shall attend the hearing, but Owner may be represented by another person (i.e., Owner's counsel) during the hearing with advance written notice to the Board. If an Owner intends to make an audio recording of the hearing, Owner's request for hearing shall include notice of Owner's intent to make an audio recording of the hearing. If Owner appears at the meeting, the notice requirements will be deemed satisfied. Unless the procedures are modified by the Board, a hearing will be conducted in accordance with the agenda attached hereto as Exhibit A.
7. Due Date. Fine and/or damage charges are due immediately if the violation is incurable or poses a threat to public health or safety. If, however, the violation is curable and no similar violation has taken place in the six (6) month period preceding the Violation Notice, the fine and/or damage charges are due immediately after the cure period ends.
8. Lien Created. To the extent permitted by the Restrictions, payment of each fine and/or damage charge levied by the Board is, together with all other authorized late fees or charges, interest, costs of enforcement and collection (including attorney's fees) secured by the lien granted to the Association pursuant to the Declaration and the Restrictions. The fine and/or damage charge will be considered an assessment, provided such classification is not inconsistent with the Restrictions, and will be enforced in accordance with the terms and provisions governing the enforcement and collection of assessments pursuant to the Declaration and the Restrictions.
9. Levy of Fine. Any fine levied may be reflected on Owner's periodic statements of account or delinquency notices.

10. Foreclosure. The Association may not foreclose its assessment lien on a debt consisting solely of fines.
11. Cure Periods. If an Owner has cure rights, the violation will be assigned a cure period based on the specific circumstances of the violation and the complexity of the activities required to cure the violation.
12. Amendment of Policy. This policy may be revoked or amended from time to time by the Board. This policy will remain effective until the Association records an amendment to this policy in the county's official public records.

[Schedule of Fines on following page]

Schedule of Fines

The Board has adopted the following general schedule of fines. References to numbered notices below does not mean the Association is required to provide all notices before exercising additional remedies as set forth in the Restrictions. 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 comports with Texas law and the Restrictions.

FINES†:

New Violation: Notice of Violation	General Violation Categories: • <i>Unsightly Conditions on a Lot</i> • <i>Unauthorized Construction or Modification of Improvements</i> • <i>Landscape Violations (mowing, etc.)</i> • <i>Trash Container Violations</i> • <i>Failure to Maintain Dwelling (Exterior) or Fencing</i> • <i>Common Property Use Violations</i> • <i>All Other Violations**</i>	Fine Amount: \$25.00 – initial, subject to additional fines based on subsequent notices or amounts charged on a daily basis
Continuing Violation:	For a continuing violation, the Association may charge fines on a daily basis (\$10.00 per day), or based on each additional notice sent	Fine Amount - After the Violation Notice is sent: 1st Notice \$50.00 2nd Notice \$75.00 3rd Notice \$100.00 4th Notice \$125.00

† The Board reserves the right to adjust fine amounts based on the severity and/or frequency of the violation.

** The Association further reserves the right to record a supplemental or separate fine schedule that will remove specified violations from the "All Other Violations" category and, thereafter, apply the fines set forth in the fine schedule.

EXHIBIT A – FINE & ENFORCEMENT POLICY

PROCEDURE FOR HEARING BEFORE THE BOARD

I. Introduction

Association Rep: The Board of Directors has convened to conduct a hearing at the written request of an owner.

This hearing is being conducted as required by Section 209.007 of the Texas Property Code, and it is an opportunity for the Association and Owner to discuss and verify facts and attempt to resolve the matter at issue. If no resolution is reached during the hearing, the Association will communicate its decision in writing within fifteen (15) days.

II. Presentation of Facts

Association Rep: This portion of the hearing is to permit a representative of the Association the opportunity to describe the violation and to present any information the Association wishes to offer. After the Association's representative has finished the presentation, Owner or his/her representative will be given the opportunity to present information and issues relevant to the appeal or dispute.

[Presentations]

III. Discussion

Association Rep: This portion of the hearing is to permit the Board and Owner to discuss matters relevant to the violation.

IV. Resolution

Association Rep: [Announce any agreement or resolution or state that the Board will take the matter under advisement]

V. Adjournment

Association Rep: At this time the hearing is adjourned.

KATY MANOR RESIDENTIAL COMMUNITY, INC.
ACKNOWLEDGEMENT FOR RECORDING

IN WITNESS WHEREOF, the undersigned has executed this acknowledgement on the
15 day of May, 2024.

DECLARANT:

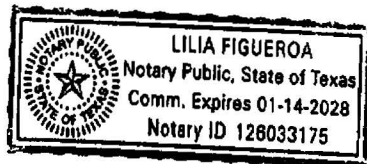
KB HOME LONE STAR INC., a Texas corporation

By: Suzanne Brann
Name: Suzanne Brann
Title: HOA Specialist

STATE OF TEXAS §
COUNTY OF Harris §

This instrument was acknowledged before me of on May 15 by
Suzanne Brann, HOA Specialist on behalf of KB HOME LONE STAR INC., a Texas
corporation, on behalf of said corporation.

[SEAL]



Notary Public Signature

A large, stylized handwritten signature in black ink, written over a horizontal line. The signature appears to be "Lilia Figueroa".

RP-2024-177605

RP-2024-177605
Pages 18
05/15/2024 03:54 PM
e-Filed & e-Recorded in the
Official Public Records of
HARRIS COUNTY
TENESHIA HUDSPETH
COUNTY CLERK
Fees \$89.00

RECORDERS MEMORANDUM

This instrument was received and recorded electronically
and any blackouts, additions or changes were present
at the time the instrument was filed and recorded.

Any provision herein which restricts the sale, rental, or
use of the described real property because of color or
race is invalid and unenforceable under federal law.
THE STATE OF TEXAS
COUNTY OF HARRIS

I hereby certify that this instrument was FILED in
File Number Sequence on the date and at the time stamped
hereon by me; and was duly RECORDED in the Official
Public Records of Real Property of Harris County, Texas.



Teneshia Hudspeth
COUNTY CLERK
HARRIS COUNTY, TEXAS

RP-2024-177605