

STONEGATE

May 1, 2008

The Board of Directors for the Stonegate Texas Homeowners Association has defined the following policy to identify the procedures for enforcing the guidelines identified in the Covenants. (Refer to Declaration of Covenants, Conditions, Restrictions and Easements for Stonegate.). The Board has decided on the following enforcement policy for our Association. This policy will be maintained by the Board within the guidelines defined within the Covenants.

Once the Architectural Control Committee (ACC) has identified a violation the following process will be initiated to inform homeowner of the violation(s), the steps to correct it and the time to cure.

1. A courtesy letter will be sent which will identify the violation(s) and the steps to take to cure the violation(s). The owner has the right to submit a written request for a hearing to discuss and verify facts and resolve the issue before a committee appointed by the Board of Directors. Violations must be cured or the written request for hearing must be submitted within 10 days of receipt of the Courtesy Letter.

2. If the requirements of step 1 are not met or appropriate written response has not been received within the 10 day timeline, a NOTICE OF VIOLATION will be mailed out via 1st Class Mail (Delivery Confirmation). The letter will identify the violation(s), the steps to cure the violation(s) an additional 10 day timeline to cure the violation(s), and a \$25.00 fine will be incurred.

3. If the requirements of Step 2 are not met or appropriate written response has not been received within the 10 day timeline:

(a), A STATUTORY NOTICE will be mailed to the Homeowner via 1st Class Mail and or Certified Mail. The letter will identify the violation(s). It will also inform the Homeowner that he/she has 30 days to request (in writing) a hearing before the Board to discuss the violation(s), and to work towards a resolution. The letter will inform the owner that if the violation(s) is not cured, and the hearing is not requested, or the requested hearing does not resolve the violation(s), the Association will reserve the right to hire an attorney to pursue the appropriate legal activities to eliminate the violation. The fine for the statutory notice is \$150.00, plus any and all legal fees or other costs incurred from that point forward.

(b) The Board will reserve the right to remedy violations requiring timely attention such as overgrown grass and weeds, at the homeowner's expense. Any and all reasonable costs associated with curing such violations will be added to the homeowner account. Violations will not be considered as cured until all fines and or HOA incurred expenses have been paid in full.

4. If the requirements of Step 3 are not met, an Attorney Demand Letter will be written by the Association’s Attorney and mailed to the homeowner via 1st Class Mail and/or Certified Mail. Among other things, this letter will provide a 3 day time period to cure the violation(s) a warning that a “Notice of Violation of Restrictive Covenants” will be filed in the deed records against the offending property. An additional fine of \$250.00, plus any and all legal fees for the Attorney Demand Letter will be accrued.

5. If the requirements of Step 4 are not met, an additional STATUTORY NOTICE will be mailed to the Homeowner via 1st Class Mail and or Certified Mail and an additional fine of \$150.00 will be incurred, per step 3. If the requirements of Step 3 are not met once again, an additional Attorney Demand Letter will be mailed to the homeowner via 1st Class Mail and or Certified Mail and an additional fine of \$250.00 will be incurred, per step 4.

6. If the requirements of Step 5 are not met, the Board will maintain the right to cure the violation(s) and any costs association in curing these violations will be added to the homeowner account.

7. If the violation is corrected and the fine is not paid within 30 Days an additional \$45.00 charge will be added to the homeowner account each month until paid in full. The Board reserves the right to pursue collection of all late fees and fines with every means available, including liens on property and in extreme instances, foreclosure.

Enforcement Timeline		
Event	HOA Action	Homeowner Responsibility
ACC Identifies Violation.	Courtesy Letter Mailed to Homeowner.	Cure violation or submit a written request for hearing within 10 days of receipt of Courtesy Letter.
Violation not cured or request for hearing not received within 10 day timeline.	NOTICE OF VIOLATION mailed to Homeowner, including \$25.00 fine.	Cure violation within 10 days of receipt of NOTICE OF VIOLATION.
Violation not cured within additional 10 day timeline.	STATUTORY NOTICE mailed to Homeowner, including \$150.00 fine plus any and all legal fees.	Request a hearing before the Board to discuss and resolve violation(s) within 30 days of receipt of STATUTORY NOTICE.
Violation not cured or request for hearing not submitted within additional 30 day timeline	Attorney Demand Letter mailed to homeowner, including \$250.00 fine plus any and all legal fees.	Cure violation within 3 days of receipt of Attorney Demand Letter.
Violation not cured per Attorney Demand Letter	Re-initiate Steps 3 & 4 with associated fines.	Cure violation per Steps 3 & 4.
Violation not cured.	Board maintains right to cure violations on Homeowner behalf.	Responsible for all expenses incurred by HOA in curing defined violation(s).
Unpaid fine for cured violations	\$45.00 charge until fine is paid. Charges are per fine and per month	Payment of all unpaid fines.