

QCHOA, INC.

Fine and Enforcement Policy

The following Fine and Enforcement Policy (the “**Policy**”) is established by the Board of Directors (the “**Board**”) of QCHOA, Inc. (the “**Association**”):

1. Any condition, use, activity, or improvement which does not comply with the most recently recorded Declaration of Covenants, Conditions and Restrictions Applicable to Quail Creek, City of McLendon-Chisolm, Rockwall County, Texas, currently filed in the real property records of Rockwall County, Texas on December 31, 2009 as document no. 209-00427472 (the “**Restrictions**”) and/or any rule(s), regulation(s) and/or policies of the Association shall constitute a “**Violation**” under this Policy.

2. If, after receiving notice of a Violation (the “**Notice**”), a property owner fails to cure the Violation within thirty (30) days thereafter, the Association may assess a fine between fifty dollars (\$50.00) and up to the then in effect Association’s Regular Assessment (a “**Fine**”) based on the following:

- a. For homeowners without a prior violation for the same offense the next notice is assessed at \$50 per day, up to the then in effect Association’s Regular Assessment.
- b. For homeowners with a history of violations for the same offense the next notice is automatically assessed at \$100 per day, up to the then in effect Association’s Regular Assessment.
- c. Once a homeowner has met the amount of then in effect Association’s Regular Assessment the Board shall engage a licensed attorney to provide legal advice on the matter and/or represent the Association in legal action against the homeowner that may include, but is not limited to, formal demand letters, negotiating with a homeowner’s legal counsel, and/or filing suit against a homeowner in a court of law. All actions taken by Association’s

attorney on behalf of the Association against the homeowner shall be reimbursed by the homeowner.

3. The Notice provided hereunder shall describe the violation that is the basis of the potential Fine and inform the Owner that he or she (a) is entitled to a reasonable period to cure the violation and avoid the Fine unless the Owner was given Notice and a reasonable opportunity to cure a similar violation within the preceding six months; (b) may request a hearing before the Board on or before the 30th day after the date of receipt of the Notice; and (c) may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act if the owner is serving on active military duty.

4. All requests for a hearing before the Board as contemplated in Section 3(b) hereunder shall be made in writing and sent to the Association by mail to the HOA's official mailing address that is listed on the QCHOA's official website (www.quailcreekrockwall.org), or to such other location or by such other means as designated by the Association from time to time.

5. A Fine assessed by the Board may only be overturned by a vote of seventy-five percent (75%) of the Members of the Association.

The foregoing Fine Policy was duly adopted by the Board of the Association on the 13th day of January 2020.

QCHOA, INC.

By: _____
Robert Steinhagen, President