



AFTER RECORDING RETURN TO:

THE HOME PLACE AT JARRELL HOA
PO BOX 466
JARRELL, TX 76537

COMMUNITY MANUAL

THE HOME PLACE AT JARRELL

Consisting of:

Assessment Collection Policy
Fine Policy
Covenant Enforcement Policy

PROPERTY

The Home Place at Jarrell is located in the County of Williamson, Texas and is subject to the Amended and Restated Declaration of Covenants, Conditions, and Restrictions for The Home Place at Jarrell, recorded or to be recorded in the Official Public Records of Williamson County, Texas.

ASSESSMENT COLLECTION POLICY

The Home Place at Jarrell is a community (the “**Community**”) created by and subject to the *Amended and Restated Declaration of Covenants, Conditions, and Restrictions*, recorded under Document No. 2018002205, in the Official Public Records of Williamson County, Texas, as it may be amended (“**Declaration**”). The operation of the Community is vested in The Home Place at Jarrell Homeowner’s Association, Inc. (the “**Association**”), acting through its board of directors (the “**Board**”). The Association is empowered to enforce the covenants, conditions and restrictions of the Declaration, the Bylaws and rules of the Association (collectively, the “**Documents**”), including the obligation of Owners to pay Assessments pursuant to the terms and provisions of the Declaration.

The Board hereby adopts this Assessment Collection Policy to establish equitable policies and procedures for the collection of Assessments levied pursuant to the Declaration. Words and phrases used in this policy have the same meanings given to them by the Declaration.

SECTION 1. DELINQUENCIES, LATE CHARGES & INTEREST

- 1-A. Due Date. An Owner will timely and fully pay Regular Assessments and Special, Individual, Utility and Deficiency Assessments. Regular Assessments are due by January 1 each year and are payable on a yearly basis. Special, Individual, Utility and Deficiency Assessments are due on the date stated in the notice of Assessment or, if no date is stated, within ten (10) days after notice of the Special, Individual, Utility or Deficiency Assessment is given.
- 1-B. Delinquent. Any Assessment that is not fully paid when due is delinquent. When an Owner’s account becomes delinquent, it remains delinquent until paid in full – including collection costs and late fees.
- 1-C. Late Fees & Interest. If the Association does not receive full payment of a Regular Assessment by 5:00 p.m. on February 1, the Association may levy an initial late fee of \$35.00. If the Association does not receive full payment of a Regular Assessment and initial late fee by 5:00 p.m. on August 1, the Association may levy an additional late fee of \$35.00.

Beginning January 1, 2019, and all years thereafter, after the initial month of delinquency, the Association may levy an additional late fee of \$15 on the first day of each month the account is delinquent until the account is current.

- 1-D. Liability for Collection Costs. The defaulting Owner is liable to the Association for the cost of title reports, credit reports, certified mail, long distance calls, court costs, filing fees, and other reasonable costs and attorney’s fees incurred by the Association in collecting the delinquency.

- 1-E. Insufficient Funds. The Association may levy a charge of \$25 for any check returned to the Association marked for "insufficient funds" or the equivalent.
- 1-F. Waiver. Properly levied collection costs, late fees, and interest may not be waived by the Board, unless a Majority of the Directors determines that extraordinary circumstances warrant an adjustment to the account, in which case the adjustment must be described in detail in the minutes of the Board's meeting. Because of the potential for inadvertently effecting a waiver of the policies contained in this policy, the Board will exercise caution in granting adjustments to an Owner's account.

SECTION 2. INSTALLMENTS & ACCELERATION

If a Special or Deficiency Assessment is payable in installments, and if an Owner defaults in the payment of any installment, the Association may declare the entire assessment in default and accelerate the due date on all remaining installments of that assessment. A Special or Deficiency Assessment payable in installments may be accelerated only after the Association gives the Owner at least fifteen (15) days prior notice of the default and the Association's intent to accelerate the unpaid balance if the default is not timely cured. Following acceleration of the indebtedness, the Association has no duty to reinstate the installment program upon partial payment by the Owner.

SECTION 3. PAYMENTS

- 3-A. Application of Payments. Any payment received by the Association will be applied in the following order, starting with the oldest charge in each category, until that category is fully paid, regardless of the amount of payment, notations on checks, and the date the obligations arose:
- (1) any delinquent assessment.
 - (2) any current assessment.
 - (3) any attorney's fees or third-party collection costs incurred by the Association associated solely with assessments or any other charge that could provide the basis for foreclosure.

- (4) any attorney's fees incurred by the Association that are not associated solely with assessments or that could provide the basis for foreclosure
 - (5) any fines assessed by the Association.
 - (6) any other amount owed to the Association
- 3-B. Form of Payment. The Association may require that payment of delinquent assessments be made only in the form of cash, cashier's check, or certified funds.
- 3-C. Partial and Conditioned Payment. The Association may refuse to accept partial payment (i.e., less than the full amount due and payable) and payments to which the payer attaches conditions or directions contrary to the Board's policy for applying payments. The Association's endorsement and deposit of a payment does not constitute acceptance. Instead, acceptance by the Association occurs when the Association posts the payment to the Owner's account. If the Association does not accept the payment at that time, it will promptly refund the payment to the payer. A payment that is not refunded to the payer within thirty (30) days after being deposited by the Association may be deemed accepted as to payment, but not as to words of limitation or instruction accompanying the payment. The acceptance by the Association of partial payment of delinquent assessments does not waive the Association's right to pursue or to continue pursuing its remedies for payment in full of all outstanding obligations.
- 3-D. Notice of Payment. If the Association receives full payment of the delinquency after recording a notice of lien, the Association will cause a release of notice of lien to be publicly recorded, a copy of which will be sent to the Owner. The Association may require the Owner to prepay the cost of preparing and recording the release.
- 3-E. Correction of Credit Report. If the Association receives full payment of the delinquency after reporting the defaulting Owner to a credit reporting service, the Association will report receipt of payment to the credit reporting service.

SECTION 4. LIABILITY FOR COLLECTION COSTS

- 4-A. Collection Costs. The defaulting Owner is liable to the Association for the cost of title reports, credit reports, certified mail, long distance calls, filing fees, and other reasonable costs and attorney's fees incurred in the collection of the delinquency, which amounts are secured by a lien against the Owner's property.

SECTION 5. COLLECTION PROCEDURES

- 5-A. Delegation of Collection Procedures. From time to time, the Association may delegate some or all of the collection procedures, as the Board in its sole discretion deems appropriate, to the Association's managing agent, an attorney, or a debt collector.
- 5-B. Delinquency Notices. If the Association has not received full payment of an assessment by the due date, the Association may send one or more written notices of nonpayment to the defaulting Owner, by hand delivery, first class mail, and/or by certified mail, stating the amount delinquent. The Association's delinquency-related correspondence may state that if full payment is not timely received, the Association may pursue any or all of the Association's remedies, at the sole cost and expense of the defaulting Owner.
- 5-C. Collection by Attorney. If an Owner's delinquent account is not paid in full within 30 days after the Association gives such Owner written notice of delinquent assessments pursuant to Section 209.0064 of the Texas Property Code, the Association shall refer the delinquent account to its attorney for collection. In such event, the defaulting Owner will be liable to the Association for its legal fees and expenses. Upon referral of a delinquent account to the Association's attorney, the Association's attorney will provide the following notices and take the following actions:

Initial Notice: Preparation of the Initial Notice Demand for Payment Letter. If the account is not paid in full within 30 days, then

First Notice: Preparation of the 1st Notice Demand for Payment Letter and Intent to file a Lien. If the account is not paid in full within 30 days, then

Second Notice: Preparation of the 2nd Notice Demand for Payment Letter and record a Notice of Unpaid Assessment Lien. If the account is not paid in full within 30 days, then

Final Notice: Preparation of the Final Notice of Demand for Payment Letter and Intent to Foreclose. If the account is not paid in full within 30 days, then

Notice of Intent to Foreclose to Lender: Preparation of the Notice of Intent to Foreclose Letter to the Lender. If the account is not paid in full within 30 days, then

Notice of Assessment Delinquency and Right to Cure to Junior Deed of Trust Lienholder. Preparation of Notice of Assessment Delinquency and Right to Cure Letter to any applicable holders of Deed of Trust Liens that are inferior to the Association's assessment lien. If the account is not paid in full within 60 days, then

Foreclosure of Lien: Upon written approval by the Board, commencement of foreclosure process.

- 5-D. Verification of Owner Information. The Association may obtain a title report to determine the names of the Owners and the identity of other lienholders, including the mortgage company.
- 5-E. Notification of Mortgage Lender. The Association may notify the mortgage lender of the default obligations.
- 5-F. Notification of Credit Bureau. The Association may report the defaulting Owner to one or more credit reporting services.
- 5-G. Notice of Lien. The Association may cause a notice of the Association's assessment lien against the Owner's Property to be publicly recorded. In that event, a copy of the notice will be sent to the defaulting Owner, and may be sent to his mortgage holder.
- 5-H. Payment Plan. Unless otherwise directed by the Board, the Association's attorney is authorized to enter into a payment plan with the Owner that complies with the terms set forth under the Association's Payment Plan Guidelines.
- 5-I. Foreclosure of Lien -- Judicially. The Association may file suit against the Owner for judicial foreclosure of the Association's assessment lien. This action may be combined with a claim against the Owner's personal liability, for recovery of a money judgment.
- 5-J. Suit for Owner's Personal Liability. Whether or not the Association forecloses the Association's assessment lien, the Board may file suit for a personal judgment against the defaulting Owner, and may execute on the judgment.
- 5-K. Possession Following Foreclosure. If the Association purchases the Owner's property at public auction, the Board may immediately institute actions to recover possession.
- 5-L. Collection Agency. The Board may employ or assign the debt to one or more collection agencies.
- 5-M. Cancellation of Debt. If the Board deems the debt uncollectible, the Board may elect to cancel the debt on the books of the Association, in which case the Association may report the full amount of the forgiven indebtedness to the Internal Revenue Service as income to the defaulting Owner.
- 5-N. Suspension of Voting Rights. The Association may suspend the voting rights of an Owner whose account with the Association is delinquent for at least thirty (30) days.

- 5-O. Suspension of Use of Certain Facilities or Services. The Association may suspend the use of the Common Element amenities by an Owner, or his tenant, whose account with the Association is delinquent for at least thirty (30) days.

SECTION 6. GENERAL PROVISIONS

- 6-A. Independent Judgment. Notwithstanding the contents of this detailed policy, the officers, Directors, manager, and attorney of the Association will exercise their independent, collective, and respective judgment in applying this policy.
- 6-B. Other Rights. This policy is in addition to and does not detract from the rights of the Association to collect assessments under the Association's Governing Documents and the laws of the State of Texas.
- 6-C. Limitations of Interest. The Association, and its officers, Directors, managers, and attorneys, intend to conform strictly to the applicable usury laws of the State of Texas. Notwithstanding anything to the contrary in the Documents or any other document or agreement executed or made in connection with this policy, the Association will not in any event be entitled to receive or collect, as interest, a sum greater than the maximum amount permitted by applicable law. If from any circumstances whatsoever, the Association ever receives, collects, or applies as interest a sum in excess of the maximum rate permitted by law, the excess amount will be applied to the reduction of unpaid special and regular assessments, or reimbursed to the Owner if those assessments are paid in full.
- 6-D. Notices. Unless the Documents, applicable law, or this policy provide otherwise, any notice or other written communication given to an Owner pursuant to this policy will be deemed delivered to the Owner upon depositing same with the U.S. Postal Service, addressed to the Owner at the most recent address shown on the Association's records, or on personal delivery to the Owner. If the Association's records show that a Lot is owned by two (2) or more persons, notice to one co-Owner is deemed notice to all co-Owners. Similarly, notice to one Resident is deemed notice to all residents. Written communications to the Association, pursuant to this policy, will be deemed given on actual receipt by the Association's president, secretary, managing agent, or attorney.
- 6-E. Definitions. Words and phrases used in this policy have the same meanings given to them by the Declaration.
- 6-F. 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 Association delivers to an Owner notice of amendment or revocation of this policy. The notice may be published and distributed in an Association newsletter or other community-wide publication.

FINE POLICY

1. Background. The fine policy of The Home Place at Jarrell Homeowner's Association, Inc. (the "**Association**") is hereby created to establish equitable policies and procedures for the levy of fines within the Association, to enforce the Declaration, discourage violations of the Documents, and encourage compliance when a violation occurs pursuant to the Declaration and in compliance with Chapter 209 of the Texas Property Code. Words and phrases used in this policy have the same meanings given to them by the Declaration.
2. Policy. **The Association uses fines to discourage violations of the Documents, and to encourage compliance when a violation occurs – not to punish violators or generate revenue for the Association.** Although a fine may be an effective and efficient remedy for certain types of violations or violators, it is only one of several methods available to the Association for enforcing the Documents. The Association's use of fines does not interfere with its exercise of other rights and remedies for the same violation. Nor may the Association use fines to the exclusion of other remedies.
3. Owner's Liability. An Owner is liable for fines levied by the Association for violations of the Documents by the Owner and the relatives, guests, employees, and agents of the Owner and residents. Regardless of who performs the violation, the Association will direct its communications to the Owner.
4. Violation Notice. Before levying a fine, the Association will give the Owner a written violation notice via hand delivered notification, return receipt requested, or if hand delivered notification is unsuccessful, via certified mail, return receipt requested, and an opportunity to be heard, if requested by the Owner. This requirement may not be waived. The Association's written 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 the suspension action, charge, or fine and state any amount due to the Association from the Owner; (3) a reference to the rule or provision that is being violated; (4) a description of the action required to cure the violation; (5) the timeframe in which the violation is required to be cured to avoid the fine or suspension; (6) the amount of the fine; (7) a statement that no later than the thirtieth (30th) day after receiving the notice, the Owner may request a hearing pursuant to Section 82.102 of TUCA; and (8) a statement informing the Owner that they may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act (50 U.S.C. app. section et seq), if the Owner is serving on active military duty. The notice sent out pursuant to this paragraph is further subject to the following:
 - a. First Violation. If the Owner has not been given notice and a reasonable opportunity to cure the same or similar violation within the preceding twelve (12) months, the notice will state those items set out in (1) – (8) above, along with a specific timeframe by which the violation must be cured to avoid the fine. The

notice must state that any future violation of the same rule may result in the levy of a fine.

- b. Repeat Violation – No Cure within 12 Months. If the Owner has been given notice and a reasonable opportunity to cure the same or similar violation within the preceding twelve (12) months but commits the violation again, the notice will state those items set out in (1) - (3), (6) and (8) above, but will also state that because the Owner has been given notice and a reasonable opportunity to cure the same or similar violation within the preceding twelve (12) months but has not cured the violation, then the Owner will be fined pursuant to the Schedule of Fines described below.
 - c. Continuous Violation. After an Owner has been notified of a violation as set forth herein and assessed fines in the amounts set forth in the Schedule of Fines described below, if the Owner has never cured the violation in response to either the notices or the fines, in its sole discretion, the Board may determine that such a circumstance is a continuous violation which warrants a levy of a fine based upon a daily, monthly, or quarterly amount as determined by the Board.
5. Violation Hearing. An Owner may request in writing a hearing by the Board to discuss and verify facts and resolve the violation. To request a hearing before the Board, the owner must submit a written request to the Association's manager (or the Association's board of directors if there is no manager) on or before the 30th day after the date the violation notice was mailed to the Owner. The Board shall notify the Owner of the date, time, and place of the hearing not later than the tenth (10) 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. The Owner or the Association may make an audio recording of the meeting. The hearing will be scheduled to provide a reasonable opportunity for both the Board and the Owner to attend. The hearing 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. The minutes of the hearing must contain a statement of the results of the hearing and the fine, 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. If the Owner cures the violation before the expiration of the period for cure, a fine may not be assessed for the violation. The Board must give the Owner notice of the levied fine within five (5) days after levying the 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 Association will give 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. The Association may 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. The Association may establish a schedule of fines for certain types of violations. The standard fine schedule shall be as follows:

1. First Violation: Written Warning.
2. Second Violation: \$25 Fine.
3. Third Violation and Thereafter: \$50 Fine.

If circumstances warrant a variance from the schedule, the Board will document the reasons for the variance in the minutes of its meeting. The amount and cumulative total of a fine must be reasonable in comparison to the violation, and should be uniform for similar violations of the same provision of the Documents. If the Association allows fines to accumulate, it will establish a maximum amount for a particular fine, at which point the total fine will be capped.

8. Type of Levy. If the violation is ongoing or continuous, the fine may be levied on a periodic basis (such as daily, monthly, or quarterly). If the violation is not ongoing, but is instead sporadic or periodic, the fine may be levied on a per occurrence basis.
9. Collection of Fines. 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. The Association may not foreclose its assessment lien on a debt consisting solely of fines. The Association may not charge interest or late fees for unpaid fines.
10. Amendment of Policy. This Fine Policy may be revoked or amended from time to time by the Board. This Fine Policy will remain effective until ten (10) days after the Association delivers to an Owner of each Lot notice of amendment or revocation of this Fine Policy. The notice may be published and distributed in an Association newsletter or other community- wide publication.

COVENANT ENFORCEMENT POLICY

1. Covenant Enforcement. The Association shall have the power to assess fines against an Owner for violations of any restriction set forth in the Declaration, Bylaws, Architectural Committee Rules (if any), or any Association Rules adopted by the Board which have been committed by an Owner, an occupant of the Owner's Lot, or the Owner or occupant's family, guests, employees, contractors, agents or invitees.
2. Fines. The Board may assess damage charges against an Owner for pecuniary loss to the Association from property damage or destruction of Common Area or any facilities located on Common Area by the Owner, an occupant of the Owner's Lot, or the Owner or occupant's family, guests, employees, contractors, agents or invitees. Any fine and/or charge for damage levied in accordance with this Section will be considered an Assessment as provided in the Declaration. Each day of violation may be considered a separate violation if the violation continues after written notice to the Owner. The Board, or any managing agent acting on behalf of the Board, will have authority to send notices to alleged violators, informing them of their violations and asking them to comply with the rules and/or informing them of potential or probable fines or damage assessments. The Board may from time to time adopt a schedule of fines.
3. Procedure for the Levy of Fines. The procedure for assessment of fines and damage charges will be as follows:
 - (1) the Association, acting through an officer, Board member or managing agent, must give the Owner notice of the fine or damage charge not later than thirty (30) days after the assessment of the fine or damage charge by the Board;
 - (2) the notice of the fine or damage charge must describe the violation or damage;
 - (3) the notice of the fine or damage charge must state the amount of the fine or damage charge;
 - (4) the notice of a fine or damage charge must state that the Owner will have thirty (30) days from the date of the notice to request a hearing before the Board to contest the fine or damage charge; and
 - (5) the notice of a fine must allow the Owner a reasonable time, by a specified date, to cure the violation (if the violation is capable of being remedied) and avoid the fine unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six (6) months.

Fine and/or damage charges are due immediately after the expiration of the thirty (30) day period for requesting a hearing. If a hearing is requested, such fines or damage charges will be due immediately after the Board's decision at such hearing, assuming that a fine or damage charge of some amount is confirmed by the Board at such hearing. The payment of each fine and/or damage charge levied by the Board against the Owner of a Lot is, together with interest thereon and all costs of collection, including attorney's fees as herein provided, secured by the lien granted to the Association pursuant to the Declaration.

CERTIFICATION & ACKNOWLEDGMENT

As the Secretary of The Home Place at Jarrell Homeowners Association, Inc. (the "Association"), I certify that the foregoing Home Place at Jarrell Community Manual was adopted for the benefit of the Association as part of the documentation for The Home Place at Jarrell. This Community Manual becomes effective when recorded.

SIGNED on this 21 day of March, 2018.

THE HOME PLACE AT JARRELL
HOMEOWNERS ASSOCIATION, INC.,

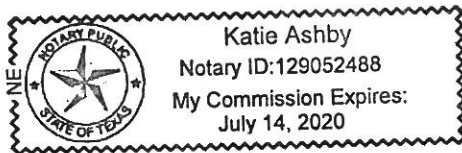
By: Troy Bradshaw
Printed Name: Troy Bradshaw
Title: Pres.

THE STATE OF TEXAS §
COUNTY OF WILLIAMSON §

This instrument was acknowledged before me on this 21 day of March, 2018, by Troy Bradshaw, Secretary of The Home Place at Jarrell Homeowners Association, Inc., a Texas nonprofit corporation, on behalf of said corporation.

Katie Ashby
Notary Public, State of Texas

(seal)



③ The Home Place of Jarrell HDA
PO Box 466
Jarrell, TX 76537

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Nancy E. Rister
Nancy E. Rister, County Clerk
Williamson County, Texas