

FINING POLICY
for
THE ELM GROVE HOMEOWNERS ASSOCIATION, INC.

1. All Owners are responsible for assuring that their tenants, occupants, guests and invitees comply with the provisions of the Declaration, By-Laws and Rules and Regulations of the Association. In the event an Owner, tenant, occupant, guest or invitee of an Owner's Unit violates any of the provisions of the Declaration, By-Laws and/or Rules and Regulations, the Association, through its Board of Directors, shall have the authority to impose a fine upon the Owner of the Unit for each violation. The rate of the fines is set forth in the attached Schedule of Fines.
2. Upon determining that a violation of the Declaration, By-Laws and/or Rules and Regulations of the Association has occurred, the Board of Directors shall mail or deliver a written notice to the Owner and, if applicable, the tenant or occupant of the Unit:
 - (i) describing the violation and stating the amount of the proposed fine;
 - (ii) stating that not later than the thirtieth (30th) day after the date of the notice, the Owner may request a hearing before the Board of Directors to contest the fine; and
 - (iii) allowing the Owner a reasonable time, by a specified date, to cure the violation and avoid the fine (if the violation is of a curable nature); provided, however, that if the Owner was given notice and a reasonable opportunity to cure a similar violation (if the violation is of a curable nature) within the preceding twelve (12) month period, the fine may be levied immediately without giving the Owner a reasonable time in which to cure the violation. Certain violations by their very nature are not curable.
3. The Association must give notice of the levied fine to the Owner not later than the thirtieth (30th) day after the date a fine has been levied against the Owner. All fines will be due and payable immediately as of the date of the notice stating that a fine has been levied, regardless of whether a hearing is requested. If a fine is levied for a violation that can be cured by the Owner and the Owner does not cure the violation within the prescribed time period, the fine will be due and payable immediately on the date that the period for curing the violation ends, regardless of whether a hearing is requested. In the event an Owner requests a hearing within thirty (30) days after the date of the notice, the Board of Directors, at its discretion and after hearing all of the evidence, may determine that:
 - (i) the fine is reasonable;
 - (ii) the amount of the fine should be lowered, in which case the Owner will receive a partial refund; or
 - (iii) the fine should be refunded in its entirety.
4. Any fine levied against an Owner, pursuant to the fining policy set out herein, shall become part of the assessments for which the Owner is responsible for payment, which said assessments are secured by a continuing lien in favor of the Association as provided in Section 82.113 of the Texas Uniform Condominium Act.

5. In addition to the authority to impose fines for violations of the provisions of the Declaration, By-Laws and/or Rules and Regulations, the Association shall have all the rights and remedies provided for in the Declaration, By-Laws and/or Rules and Regulations or which may be available at law or in equity, including the right to file suit against any Owner and/or tenant of an Owner who has violated any term of the Declaration, By-Laws or Rules and Regulations.

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BEVERLY B. KAUFMAN
COUNTY CLERK, HARRIS COUNTY, TEXAS
CONDOMINIUM RECORDS OF COUNTY CLERK

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THE ELM GROVE CONDOMINIUMS
CERTIFICATE OF SECRETARY
REGARDING RESOLUTION OF
BOARD OF DIRECTORS ADOPTING
FINING POLICY

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