Sunshine Country Club Estates, Inc.

Rules and Regulations Pertaining to Non-compliance to Covenants Fee Schedule

WHEREAS, the Board of Directors (the "Board") of Sunshine Country Club Estates, Inc., (SEPO/the "Association") finds that there is a need to establish orderly procedures and structure for the imposition of fees for non-compliance by a homeowner to the declaration of Covenants, Conditions and Restrictions, and all amendments thereto for Sunshine Country Club Estates, Inc. (the "Declaration") and the Bylaws of Sunshine Country Club Estates, Inc., (the "Bylaws"); and

WHEREAS, pursuant to Article II, Sections 2.1, of the COVENANTS, where the "DECLARANT or OWNERS ASSOCIATION shall be refer to SUNSHINE COUNTRY CLUB ESTATES PROPERTY OWNEERS, INC," and Section 8.1, where the DECLARANT, (acting through its Board of Directors), shall have responsibility and authorization to prescribe Rules and Regulations covering the use of the Common Areas, streets, utilities and any other portions of the properties and to collect fees and fix assessments, and not specifically reserved to the membership by the Declarant, Articles of Incorporation, or by other provisions of the Declaration, Articles of Incorporation or by other provisions of the Declarations of these Bylaws; and

WHEREAS, pursuant to Article IV Board of Directors, Section 4.01 of the Bylaws, "The affairs of the Sunshine Estates Property Owners, Inc. shall be managed by its Board of Directors."

WHEREAS, the Board has determined that it is in the best interests of the Association for it to promulgate Rules and Regulations pertaining to fees and specifically establish a fee structure.

NOW, THEREFORE, IT IS RESOLVED that the following Rules and Regulations Pertaining to Non-compliance to Covenants Fee Schedule are established for the imposition of fees in Sunshine Country Club Estates, Inc., as follows:

I. NOTICE OF VIOLATION

For violations other than construction without Architectural Control Committee ("ACC") approval, the Board shall give an Owner written notice of the violation and opportunity to cure the violation before imposing a fee. The following notification procedure shall be followed:

A. <u>First Notice</u>: The Association shall notify the Owner of the violation by written letter sent by first class mail. The notice shall contain the following information:

1. A description of the violation and reference to the provision of the Declaration being violated, and the action that must be taken to cure the violation.

- 2. A statement that the violation must be corrected within fifteen (15) days from the date of the "First Notice."
- B. <u>Second Notice</u>: After issuance of the "First Notice" and expiration of the fifteen (15) day compliance period, the Association shall notify the Owner, by first class mail and certified mail, return receipt requested, if the violation described in the "First Notice" has not been resolved. The "Second Notice" shall contain the following information:
 - 1. A description of the violation and reference to the provision of the Declaration being violated, and the action that must be taken to cure the violation.
 - 2. A statement that the violation must be corrected within fifteen (15) days from the date of the "Second Notice" or a fee will be applied to the Owner's account.
 - 3. The amount of the fee that will be assessed if the violation is not cured within the time allowed.
 - 4. A statement that the Owner will be charged attorney's fees and costs incurred by the Association in enforcing the Declaration and/or abating the violation if the violation is not cured within thirty (30) days from the date of the "Second Notice."
 - 5. A statement that the Owner may request a hearing before the Board of Directors by submitting a written request for the same to the Board within thirty (30) days of the Owner's receipt of the "Second Notice."
- C. Third Notice: After the issuance of the "Second Notice" and expiration of the compliance period, the Association shall notify the Owner by first class mail and certified mail, return receipt requested, if the violation described in the "Second Notice" has not been resolved. The "Third Notice" shall contain the following information:
 - 1. A description of the violation that is the basis for the fee and reference to the provision of the Declaration being violated, and the action that must be taken to cure the violation.
 - 2. A statement that the fee for non-compliance is being added to the Owner's account for not curing the violation within the specified period of time contained in the "Second Notice."

- 3. A statement that there will be continuing fees in accordance with the "Fee Schedule" as each subsequent fifteen (15) day period elapses and the violation is not cured.
- 4. A statement that there is no aggregate amount of the fees which may accrue for the same violation. Additionally, that if the matter is referred to legal counsel for further enforcement measures, all attorney's fees and costs incurred by the Association will be charged to the Owner's account in accordance with Chapter 209 of the Texas Property Code.
- 5. A statement that the Owner may request a waiver of the fees by submitting a written request to the Board of Directors after the violation is cured.
- 6. The amount of fees being assessed against the Owner.

II. HEARING

The Board shall follow the procedures stated in Chapter 209 of the Texas Property Code in conducting a hearing. Within ten (10) days of the hearing before the Board of Directors, any documents relied upon by the Board as to the violation shall be provided to the homeowner, and failure to meet such deadline shall result in an automatic fifteen (15) day extension of the board hearing on the Homeowner's appeal.

III. FEE SCHEDULE

The imposition of fees will be on the following basis:

- A. <u>First Violation:</u> \$100.00 imposed for each fifteen (15) day period that the same violation continues to exist until cured.
- B. Addition but Separate Violations of the Same Restriction Within Six Months of Receipt of the "Second Notice:" \$200.00, which may be imposed every fifteen (15) days that the violation continues to exist until cured.
- C. <u>Aggregate Limit</u>: There is no limit to the aggregate limit amount of fees imposed for the same violation.

IV. CONSTRUCTION WITHOUT ACC APPROVAL:

A. Pursuant the Declarations, Architectural Control Committee ("ACC") approval, in writing, is required prior to commencing construction or demolition, or making any changes to the exterior design or appearance of any improvement on a lot in the Association.

- B. Any construction of exterior home improvements, modification and/or additions including but not limited to fencing, sheds, barns or other outbuildings started prior to written approval by the The Association and/or ACC will incur an immediate \$500.00 fee. Notice of the violation and fee will be sent as soon as the violation is discovered by the ACC or Board.
- C. If said construction does not halt immediately upon receipt of violation and fee notice, an additional fee of \$100.00 will be imposed every day until construction ceases.

V. INFORMATION REGARDING FEES

- A. Fees will be imposed in addition to and not in lieu of any other rights or remedies of the Association allowed by the Declaration or other Rules and Regulations adopted by the Board.
- **B.** Fees are imposed against the Owner and are the obligation of the Owner of the property.
- C. An Owner should notify the Board when a violation is cured. Upon verification, the violation will be deemed to no longer exist. Unless fees are waived by the Board, the Owner will remain liable for all fees imposed under these Rules and Regulations. If the fees are not paid on demand, the account may be referred to legal counsel for collection. The Owner shall be responsible for all attorneys' fees incurred in connection with the enforcement of any provision of the Declaration and/or the Rules and Regulations in accordance with the provisions of Chapter 209 of the Texas Property Code.

IT IS FURTHER RESOLVED that the purpose of these Rules and Regulations Pertaining to Fees and Fee Structure is to provide a standard for the Association. Notwithstanding these Rules and Regulations, the Board may set fee amounts on a case-by-case basis, provided the fee is reasonable considering the nature, frequency, and effects of the violation. The Board may also establish a schedule of fees for certain types of violations. If circumstances warrant a variance from the Association's published Rules and Regulations, the Board will document the reasons for the variance in the minutes of its meeting. The amount and cumulative total of a fee must be reasonable in comparison to the violation and should be uniform for similar violations of the same provision of the Association's documents.

IT IS FURTHER RESOLVED that in case of conflict between a provision of these Rules and Regulations and the Declaration and Bylaws, the provisions of the Declaration and Bylaws are controlling.

IT IS FURTHER RESOLVED that these Rules and Regulations are effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

By signing below, I certify that the foregoing Rule and Regulation Pertaining to Fees and Fee Structure were adopted by the Board of Directors of Sunshine Country Club Estates, Inc., on 31st day of August, 2021.

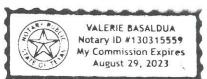
Date

Authorized Director

STATE OF TEXAS
COUNTY OF CAMERON

9/1/2021

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Notary Public, State of Texas My Commission Expires:

FILED FOR RECORD
AT 1:460'CLOCK M

SEP 0 1 2021

SYLVIA GARZA-PEREZ
CAMERON COUNTY CLERK
DOC No 2021 - 38 (08)
By Deputy