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Rebecca Guerrero, County Clerk
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# BLUFFS AT BALCONES CONDOMINIUM COMMUNITY, INC. FINE POLICY

For Residents within the Bluffs at Balcones Condominium Community

# **FINE POLICY**

### **BLUFFS AT BALCONES CONDOMINIUM COMMUNITY, INC.**

Bluffs at Balcones Condominiums (the "Community") created by and subject to the Declaration of Condominium Regime for Bluffs at Balcones Condominiums, recorded under Document No. 2008181271, in the Official Public Records of Travis County, Texas, as it may be amended ("Declaration"). The operation of the Community is vested in the Bluffs at Balcones Condominium Community, 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 fines pursuant to the terms and provisions of the Declaration.

The Board hereby adopts this Fine Policy 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 82 of the Texas Property Code. Words and phrases used in this policy have the same meanings given to them by the Declaration.

### FINE POLICY AND PROCEDURES

- Background. This Fine Policy is based on the requirements of Sec. 82.102(d) and (e) of TUCA. To establish policies and procedures for fining under TUCA, the Declarant adopts this policy for the benefit of the Association, as part of the initial project documentation.
- 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, the residents of the Unit, 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, although the Association may send copies of its notices to the Resident.
- 4. <u>Violation Notice</u>. Before levying a fine, the Association shall give the Owner a written violation notice and provide an opportunity to be heard. This requirement may not be waived. The Association's written violation notice must contain the following items: (1) the date the violation notice is prepared or mailed; (2) a description of the violation; (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 amount of the fine; (6) a statement that not later than

the 30th day after the date of the violation notice, the Owner may request a hearing before the Board to contest the fine; and (7) allow the Owner a reasonable time to cure the violation and avoid the fine, by giving the date the fine attaches or begins accruing (the "Start Date"), subject to the following:

- a. New Violation. If the Owner was not given notice and a reasonable opportunity to cure a similar violation within the preceding twelve (12) months, the notice will state a specific date by which the violation must be cured to avoid the fine, if the violation is on-going and continuous. If the violation is not on-going, but is instead sporadic or periodic, the notice must state that any future violation of the same rule may result in the levy of a fine
- b. <u>Repeat Violation</u>. In the case of a repeat violation, the notice will state that, because the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding twelve (12) months, the fine attaches from the date of the violation notice.
- 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. <u>Amount</u>. 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's standard fine schedule shall be as follows:
  - a. First Violation: Written Warning.
  - b. Second Violation: \$50 Fine.
  - c. Third Violation and Thereafter: \$100 Fine.

The total assessed amount shall include any expenses the Association incurred to correct the violation. If circumstances warrant a variance from the assessment amount, 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 comparisons 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 amount will be capped.

- 8. <u>Type of Levy</u>. If the violation is ongoing or continuous, the fine shall be levied on a periodic basis (daily, monthly or quarterly), beginning on the Start Date. If the violation is not ongoing, but is instead sporadic or periodic, the fine may be levied on a per occurrence basis.
- 9. <u>Collection of Fines</u>. 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. <u>Amendment of Policy</u>. 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 Unit 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.

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## **CERTIFICATION & ACKNOWLEDGEMENT**

IN WITNESS HEREOF, the Board of Directors for the Bluffs at Balcones Condominium Community, Inc. has certified and executed this Fine Policy as of this the 23 day of

> **BLUFFS AT BALCONES CONDOMINIUM** COMMUNITY, INC.

By:\_

Title:\_

STATE OF TEXAS

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**COUNTY OF TRAVIS** 

Before me, the undersigned authority, on this day personally appeared Michelle Fana representative of Bluffs at Balcones Condominium Community, Inc., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same in the capacity and for the purposes and consideration therein expressed.

Given under my hand and seal of office this 23rd day of August 2022.

CARRIE LEE ANNE MARTIN Notary ID #10923432
My Commission Expires

My Commission Expires January 14, 2023