

AFTER RECORDING, PLEASE RETURN TO:

Judd A. Austin, Jr.
Henry Oddo Austin & Fletcher, P.C.
1700 Pacific Avenue
Suite 2700
Dallas, Texas 75201

**Certificate of Ratification and
Promulgation of Community Association Violation Enforcement
Policy for the Richardson
Saddlebrook Homeowners Association, Inc.**

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

WHEREAS, the Board of Directors of the Richardson Saddlebrook Homeowners Association, Inc. (the "Board") is the entity responsible for the operation of the Richardson Saddlebrook Homeowners Association, Inc. (the "Association"), pursuant to and in accordance with that certain Declaration of Covenants, Conditions and Restrictions for Saddlebrook, executed by Saddlebrook Land Development, L.L.C., and recorded as Document No. 00-0029227 in the Land Records of Collin County, Texas and any and all amendments thereof and supplements thereto (collectively, the "Saddlebrook Declaration"); and

WHEREAS, the Saddlebrook Declaration affects certain parcels or tracts of real property in the City of Richardson, Collin County, State of Texas (the "Property") which are more particularly described on Exhibit A attached hereto; and

WHEREAS, the Association, by and through the Board, has the right to enforce the Saddlebrook Declaration pursuant to Article VII, Section 7.2 of the Saddlebrook Declaration, and, pursuant to Article III, Section 3.2 of the Association's Bylaws, the Board has the power to adopt rules and regulations deemed necessary by the Board for the enjoyment of the Development and the use of the Development, as such term is defined in the Saddlebrook Declaration; and

WHEREAS, the Board has determined, in its reasonable discretion, that the manner in which violations of the Saddlebrook Declaration are remedied is essential to the enjoyment and use of the Development; and

WHEREAS, Board has and does hereby further find the need to establish rules, regulations and procedures for the enforcement of the covenants and restrictions contained in the

Saddlebrook Declaration and for the elimination of violations which may be found to exist within the Property.

NOW THEREFORE, IT IS RESOLVED that the following rules, regulations and procedures relative to the enjoyment and use of the Development are hereby established for the enforcement of violations of the restrictions contained in the Saddlebrook Declaration and for the elimination of violations of such provisions found to exist in, on or about the Property (hereinafter referred to as "Enforcement Policy".)

1. Establishment of a Violation.

a. Failure to Obtain Prior Approval. Any improvement of any kind or nature erected, placed or altered on any Lot which (i) requires the prior approval of the approved by the Committee (as defined in the Saddlebrook Declaration) and (ii) has not been first approved by the Committee is deemed a "Violation" under this Enforcement Policy for all purposes.

b. Failure to Abide by the Covenants and Restrictions Contained in the Saddlebrook Declaration. Any construction, alteration or modification to any improvement on a Lot which does not in all respects conform to that which has been so approved or any activity or condition allowed to continue or exist on any Lot that is in direct violation of the covenants and restrictions contained in the Saddlebrook Declaration is also deemed a "Violation" under this Enforcement Policy for all purposes.

2. Notification.

a. Initial Notice. Upon verification of the existence of a Violation by the management staff ("Management") of the Association, Management will send to the Lot Owner a written notice of the existence of the Violation ("Initial Notice"). The Initial Notice will inform the Owner of the following:

- (i) The nature, description and location of the Violation; and
- (ii) What needs to be done to cure the Violation and notice that the Violation must be cured within ten (10) days of the date of the Initial Notice to avoid further enforcement measures; and

b. Notice of Violation. If the Owner has (i) failed to submit plans and specifications for the offending improvement to the Committee or the Committee has denied the approval of plans and specifications submitted, and/or (ii) the Violation is continuing, then no earlier than ten (10) days from the date of the Initial Notice, Management shall send to the Owner written notice (the "Notice of Violation") informing the Owner of the following:

- (i) The nature, description and location of the Violation and notification that if the Violation is corrected or eliminated within ten (10) days from the date of the Notice of Violation, no further action will be taken; and
- (ii) Notification that if the Violation is not corrected or eliminated within ten (10) days from the date of the Notice of Violation, any attorneys' fees incurred by the Association in eliminating or abating the Violation, and any violation fines imposed as determined by the Board of Directors, shall be charged to the Owner's account; and
- (iii) Notification of the proposed sanction to be imposed and amount due the Association, if any, and a brief description of what needs to be done to cure the Violation; and
- (iv) If necessary, work on any improvement not designed to cure the Violation must cease immediately and may not resume without the prior written approval of the Committee; and
- (v) Failure to remedy the Violation or cease work on any unauthorized improvement will result in the Association electing to pursue any one or more of the remedies available to the Association under the Saddlebrook Declaration, the Bylaws or this Enforcement Policy.

The Notice of Violation shall be sent to the Owner by certified mail, return receipt requested, and first class U.S. mail, and shall advise the Owner that he or she has the right to make a written request for a hearing on or before the thirtieth (30th) day after the Owner receives the Notice of Violation. The hearing, if one is requested in a timely manner, will be held before the Board.

c. Failure to Remedy and Notice of Fine. Failure to either (i) submit plans and specifications showing that the Violation will be remedied, (ii) cease all non remedial work immediately upon receipt of the Notice of Violation, and/or (iii) remedy the current Violation existing upon the Lot within ten (10) days of the date of the Notice of Violation, shall constitute a continuing Violation and result in one or more of the following: (a) the imposition of violation fines as determined by the Board of Directors against the Owner, and/or (b) the pursuit of any other remedy available at law or in equity, under the Saddlebrook Declaration, the Bylaws or this Enforcement Policy including, but without limitation, the recording in the Land Records of Collin County of a Notice that the Lot in question is in violation of restrictive covenants or an action for injunctive relief and civil damages. Management shall send to the Owner a formal written notice of fine (the "Notice of Fine") informing the recipient of the continuing Violation and the remedy chosen as a result thereof. The date of the Notice of Fine shall be the "Notice of Fine Date."

d. **Fine Structure.** Any single fine imposed pursuant to the provisions of this Enforcement Policy may not exceed \$100.00 as determined by the Board of Directors. Fines may begin to be levied as of the Notice of Fine Date. Thereafter, the fines shall be levied every ten (10) days until the Violation has been cured and the Owner may be notified of the imposition of each fine by a separate Notice of Fine. There shall be no limit to the aggregate amount of fines that may be imposed for the same Violation. Fines imposed pursuant to this Enforcement Policy are not considered assessments and are not secured by the continuing lien created in the Saddlebrook Declaration.

3. **Right to a Hearing Before the Board of Directors.** If Management receives a written request for a hearing on or before the thirtieth (30th) day after the date the Owner received the Notice of Violation, the Board shall hold a hearing not later than the thirtieth (30th) day after the date Management received the written request for a hearing. Management shall notify the Owner of the date, time and place of the hearing not later than the tenth (10th) 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 only be granted by agreement of the parties. The Owner's presence is not required to hold a hearing under this paragraph 3.

5. **Referral to Legal Counsel.** Where a Violation is determined to exist by Management pursuant to any of the provisions of this Enforcement Policy and where Management deems it to be in the best interests of the Association, Management may, at any time and without prior notice to the Owner under the Enforcement Policy, refer the Violation to legal counsel for purposes of seeking to correct or otherwise abate the Violation, including an action for injunctive relief and/or civil damages against the Owner, or any other legal or equitable remedy that may be available to the Association.

6. **Notices.**

a. Any notice required by this Enforcement Policy to be given, sent, delivered or received in writing will be deemed to have been given, sent, delivered or received, as the case may be, upon the earlier to occur of the following:

- (i) When the notice is delivered by facsimile, the notice is deemed delivered and received when the sender receives a facsimile acknowledgment acknowledging delivery of the notice.
- (ii) When the notice is placed into the care and custody of the United States Postal Service, the notice is deemed delivered and received as of the date the notice is deposited into a receptacle of the United States Postal Service with postage prepaid and addressed to the most recent address of the recipient according to the records of the Association.

b. Where the residence or dwelling is occupied by a tenant, where the interests of an Owner have been handled by a representative or agent of such Owner, or where Owner has otherwise acted so as to put the Association on notice that its interests in a residence or dwelling have been and are being handled by a representative or agent, any notice or communication from the Association or Management pursuant to this Enforcement Policy will be deemed full and effective for all purposes if given to such tenant, representative or agent.

7. **Cure of Violation During Enforcement.** An Owner may correct or eliminate a Violation at any time during the pendency of any procedure prescribed by this Enforcement Policy. Upon verification by Management that the Violation has been corrected or eliminated, and any fines imposed by the Board of Directors has been paid, the Violation will be deemed to no longer exist and the Notice of Violation shall be voided except as hereinafter provided. The Owner shall be advised by Management of the consequences of the future violation of the same provision of the Saddlebrook Declaration as set forth in the following paragraph. The Owner will remain liable for all fines levied under this Enforcement Policy, which fines, if not paid upon written demand thereof by Management, will be referred to the Association's legal counsel for collection. The Board, however, in its sole and absolute discretion reserves the right to waive some or all of the fines imposed.

8. **Repeated Violation of the Same Provision of the Saddlebrook Declaration.** Whenever an Owner, who has previously cured or eliminated a violation after receipt of an Initial Notice, commits a separate violation of the same provision of the Saddlebrook Declaration within six (6) months from the date of the Initial Notice, Management shall reinstate the Violation, including the fines previously imposed related to such Violation that were waived by the Board of Directors, and pursue the procedures set forth herein as if the Violation had never been cured or eliminated. For purposes of illustration only, in the event the Owner cured the Violation after having received an Initial Notice, the second Violation of the same provision shall prompt Management to send a Notice of Violation. Similarly, in the event the Owner cured the Violation after having received a Notice of Violation, the second Violation shall prompt Management to send a Notice of Fine as provided hereunder. In the event an Owner cured the Violation after having received a Notice of Fine, the second Violation shall prompt Management to commence the levying of violation fines without further notice to the Owner.

9. **Authority of Management To Act.** The Board hereby authorizes and empowers Management to do all such things and perform all such acts as are necessary to implement and effectuate the purposes of the Enforcement Policy without further action by the Board.

10. **Binding Effect.** The terms and conditions of this Enforcement Policy, as may be amended from time to time by the Board, shall bind all Owners including their heirs, successors, transferees or assigns, and all Lots as defined in the Saddlebrook Declaration, and the Property shall hereafter be held, occupied, transferred and conveyed subject to the terms and conditions of this Enforcement Policy, as amended by the Board of Directors.

Executed to be effective as of the 20th day of May, 2003.

**RICHARDSON SADDLEBROOK
HOMEOWNERS ASSOCIATION, INC.**

By: [Signature]
John Boag-Scott President

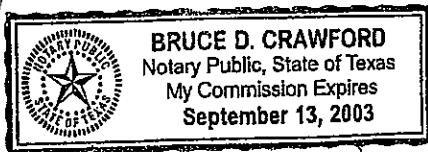
STATE OF TEXAS

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COUNTY OF COLLIN

This instrument was acknowledged before me on the 20 day of MAY, 2003, by John Boag-Scott, President of the Richardson Saddlebrook Homeowners Association, Inc., a Texas corporation, on behalf of said corporation.

[SEAL]



[Signature]
Notary Public, State of Texas

CERTIFICATION OF APPROVAL

I, [Signature], the duly-elected President of the Richardson Saddlebrook Homeowners Association, Inc. hereby certify:

That the Community Association Violation Enforcement Policy for the Richardson Saddlebrook Homeowners Association, Inc., as evidenced by the records and minutes of the Board of the Association, was approved by the affirmative vote of the majority of the Board of Directors at a regularly scheduled meeting held on February 13, 2003, and that the same does now constitute an official policy of the Richardson Saddlebrook Homeowners Association, Inc. and shall be filed of record with the office of the Collin County Clerk.

[Signature]
John Boag-Scott President

EXHIBIT A

Those tracts and parcels of real property located in the City of Richardson, Collin County, Texas and more particularly described as follows:

- (a) All lots parcels or tracts of real property described in that certain Amended Plat for Saddlebrook, filed on or about March 27, 2000, as instrument number 00-0029227 of the Land Records of Collin County, Texas, and recorded in Cabinet L, Page 838 of the Map or Plat Records of Collin County, Texas; and
- (b) All property subject to that certain Declaration of ~~Covenants~~, Conditions and Restrictions for Saddlebrook, recorded in Volume 4580, Page 1892, Land Records, Collin County, Texas.

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW (THE STATE OF TEXAS) (COUNTY OF COLLIN)
I hereby certify that this instrument was FILED in the File Number Sequence on the date and the time stamped hereon by me; and was duly RECORDED, in the Official Public Records of Real Property of Collin County, Texas on

MAY 29 2003

Brenda Taylor



Filed for Record in:
Collin County, McKinney TX
Honorable Brenda Taylor
Collin County Clerk

On May 29 2003
At 8:53am

Doc/Num : 2003- 0098405

Recording/Type:CT 23.00
Receipt #: 20711