



Associa[®]

Principal Management Group AAMC[®], AMO[®]

July 10, 2007

Homeowners
Rockwall Timber Creek Estates Homeowners Association
Rockwall, Texas 75032

Re: Rockwall Timber Creek Estates Homeowners Association
Covenant Enforcement and Fining Policy

Dear Homeowner:

The Board of Directors of the Timber Creek Estates Homeowners Association, along with assistance from Committee Members, Homeowners and the Association Manager, has made considerable effort to review the neighborhood community, as a whole, and compile the enclosed rules and regulations (fining policy) for all homeowners to abide by. The Covenant, Conditions, and Restrictions (CC&Rs) are written for a community before the community is built. Therefore, many covenants are too vague. It is within the Board of Directors (BOD) fiduciary duty, according to the governing documents to re-define these covenants and to impose fines, for violators who will not cure the violations that fit the neighborhood.

Article VI, Sections 6.01, Powers and Duties. The affairs of the Association shall be conducted by its Board of Directors. Prior to the incorporation of the Association, the Declarant shall select and appoint the Board of Directors, each of whom shall be a Class A or Class B Member, or an officer, employee, representative or agent of a Class A or Class B Member. From and after the effective date of the Association's incorporation, the Board shall be selected in accordance with the Articles of Incorporation and Bylaws of the Association. The board, for the benefit of the Properties, the Common Properties, and the Owners, shall provide and pay for, out of the funds(s) collected by the Association pursuant to Article V above, the following:

Part R. If, as and when the Board, in its sole discretion, deems necessary, it may take action to enforce the provisions of this Declaration and any rules made hereunder and to enjoin and/or seek damages from any Owner for violation of such provisions or rules.

Enclosed you will find the Notice of Filing of Dedicatory Instrument for Timber Creek Estates and the current Fining Policy. The BOD is asking all homeowners to follow the rules, to the best of their ability. Homeowners that do not abide by the rules cost the Association money.

Thank you for your attention to this matter. Should you have any questions, please feel free to contact me at 214-368-4030 or by email etucker@principal-mgmt.com.

Sincerely,

PRINCIPAL MANAGEMENT GROUP,
Agent for Rockwall Timber Creek Estates Homeowners Association

Eric Tucker, CMCA
Association Manager - Dallas

ET/bc
Enclosures

12700 Park Central Drive, Suite 600
Dallas, Texas 75251
Telephone 214.368.4030
Metro 972.445.5145
Fax 214.361.7874

3211 Internet Boulevard, Suite 370
Frisco, Texas 75034
Telephone 214.387.8515
Metro 972.445.5145
Fax 214.387.8519

6707 Brentwood Stair Road, Suite 110
Fort Worth, Texas 76112
Telephone 817.451.7300
Metro 817.654.4242
Fax 817.654.1717

Email pmg@principal-mgmt.com Web www.principal-mgmt.com



Rockwall Timber Creek Homeowners' Association, Inc.

FINING POLICY

The Board of Directors of the Homeowners Association has adopted the following Fining Policy for the enforcement of the Association's Governing Documents (to include the CC&R's, By-Laws, and Rules & Regulations):

1. **Violation Notice (Warning):** Homeowners will be notified when a violation occurs and will be given a time period of seven (7) days in which to correct the violation. Violations which present hazards for residents or are damaging property will require immediate correction and any costs for same will be assessed to the owner's account.
2. **Violation Notice (2nd Warning):** Homeowners will be notified a second time if the previously sited violation has not been corrected and will be given a time period of seven (7) days in which to correct the violation.
3. **Assessment of Fine (Hearing Notice):** If after the specific time period given the violation continues, the homeowner will be notified that a fine will be levied against his/her account after a period of 30 days.
4. **"Damage Assessment":** Violations that result in property damage or cause the Association to incur cleanup costs will result in a "Damage Assessment" on the homeowner's account. Non-payment of this type of assessment will result in a lien being placed on the property.
5. **"Appeal Process":** If a homeowner so chooses, an appeal can be made via written request to the board within 30 calendar days of receiving the first violation notice. Within 10 calendar days of receiving the homeowner's request, the board will give the homeowner notice of the date, time, and place of the hearing. This hearing will be scheduled for a date within 45 calendar days from the date the request was received by the board, and the hearing should be scheduled to provide a reasonable opportunity for both the homeowner and the board to attend. Failure to submit an appeal or to appear at a scheduled hearing will result in an automatic appeal denial. Failure to correct the violation and/or pay the fine will follow the fine schedule outlined in this Fining Policy.

FINE SCHEDULE

- 1st Fine:** An owner will receive a fine of \$25.00 and 7 days to comply, if compliance is not met then;
- 2nd Fine:** An owner will receive an additional fine of \$50.00 and 7 days to comply, if compliance is not met then;
- 3rd Fine:** An owner will receive an additional fine of \$100.00. If compliance is not met within 3 days, the owner will receive an additional \$100.00 fine automatically every 10 days until compliance is met not to exceed \$800.00.

Note: Any accrued fines take precedence over HOA dues and will be deducted from payments prior to the reduction of a resident's dues balance. All of these fines will be collected thru the collections department the same as the association dues.

NOTICE OF FILING OF DEDICATORY INSTRUMENTS
FOR
ROCKWALLTIMBER CREEK ESTATES RESIDENTIAL ASSOCIATION, INC

STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF *DALLAS* §

THIS NOTICE OF DEDICATORY INSTRUMENTS FOR *Rockwall Timber Creek Residential Association Fining Policy* (this "Notice") is made this 10th day of *May*, 2007, by *Rockwall Timber Creek Residential Association* (the "Association").

WITNESSETH:

WHEREAS, *Rockwall Timber Creek Limited Partnership* prepared and recorded an instrument entitled "*Declaration of Covenants, Conditions, and Restrictions* " dated *March 13, 2002*, and recorded under *Document No. 02464, Pages 1-31* of the Real Property Records of *Rockwall County, Texas* (the "Declaration"); and

WHEREAS, the Association is the property owners' association created by the Declarant to manage or regulate the planned development covered by the Declaration, which development is more particularly described on Exhibit "A" attached hereto and incorporated herein by reference; and

WHEREAS, Section 202.006 of the Texas Property Code provides that a property owners' association must file each dedicatory instrument governing the association that has not been previously recorded in the real property records of the county in which the planned development is located; and

WHEREAS, the Association desires to record the attached dedicatory instruments in the real property records of *Rockwall County, Texas*, pursuant to and accordance with Section 202.006 of the Texas Property Code.

NOW, THEREFORE, the dedicatory instruments attached hereto as Exhibit "B" are true and correct copies of the originals and are hereby filed of record in the real property records of *Rockwall County, Texas*, in accordance with the requirements of Section 202.006 of the Texas Property Code.

IN WITNESS WHEREOF, the Association has caused this Notice to be executed by its duly authorized agent as of the date first above written.

ASSOCIATION: _____

a Texas corporation

By: David M. Lowe
Its: name

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF Fellow §

BEFORE ME, the undersigned authority, on this day personally appeared David M. Lowe, Treasurer of Timber Creek known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that (s)he executed the same for the purposes and consideration therein expressed on behalf of said corporation.

SUBSCRIBED AND SWORN TO BEFORE ME on this 15th June day of June, 2007.

Mary Harvey
Notary Public
State of Texas

Principal Mgmt. Group
c/o Eric Tucker
12700 Park Central Ste #600
Dallas, TX 75251

