



**NOTICE OF FILING OF
COVENANT ENFORCEMENT AND FINING POLICY
281 EAST HOMEOWNERS ASSOCIATION**

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

Notice is hereby given to all persons with any interest in or claim to any parts of the property within the jurisdiction of 281 East Homeowners Association that said property is subject to the attached Covenant Enforcement and Fining Policy, labeled as Exhibit "A" and incorporated herein.

Thus signed and certified this 17th day of September, 2004.

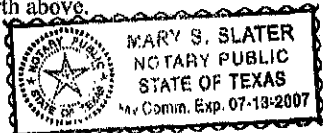
281 EAST HOMEOWNERS ASSOCIATION

By: Tom L. Newton, Jr.
ALLEN, STEIN & DURBIN, P.C.
6243 IH 10 West, Suite 700
San Antonio, Texas 78201

Legal Counsel for
281 East Homeowners Association

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

I hereby certify that the foregoing instrument was acknowledged to me, the undersigned Notary, by the person whose name and signature appears above, on the date of execution set forth above.



Notary Public, State of Texas

AFTER RECORDING RETURN TO:
Tom L. Newton, Jr.
ALLEN, STEIN & DURBIN, P.C.
6243 I.H. 10 West, Suite 700
San Antonio, Texas 78201

OK
WJ
8/30/04

281 EAST
HOMEOWNERS ASSOCIATION, INC.

COVENANT ENFORCEMENT AND FINING POLICY

WHEREAS, the Board of Directors of 281 East Homeowners Association (the Association") finds there is a need to establish orderly procedures for the enforcement of the restrictive covenants set forth in the Master Declaration of Covenants, Conditions and Restrictions for 281 East Land, as has been and may hereafter be amended from time to time (the "Declaration"), and all rules and regulations adopted pursuant thereto;

NOW, THEREFORE, IT IS RESOLVED that the following procedures and practices are established for the enforcement of the covenants, restrictions and rules contained in the Declaration, the Rules and Regulations and any architectural standards bulletins or guidelines (hereinafter collectively referred to as the "Governing Documents") and for the elimination of violations of such provisions found to exist in, on and about the Lots within the jurisdiction of the Association and the same are to be known as the "Covenant Enforcement and Fining Policy" (to be referred to herein as the "Enforcement Policy") of the Association. These procedures supercede any notification or enforcement procedures in any original or previously modified Homeowner Association procedures.

1. **Establishment of Violation.** Any condition, use, activity or improvement which does not comply with the provisions of the Governing Documents shall constitute a "Violation" under this Policy for all purposes.

2. **Report of Violation.** The existence of a Violation will be verified by a field observation conducted by the Board or its delegate. For the purpose of this Enforcement Policy, the delegate of the Board may include Management, an officer or member of the Board, a member of the Architectural Control Committee, or a member of any other committee established by the Board. A timely written report shall be prepared by the field observer for Violation which will include the following information:

- a. Identification of the nature and description of the Violations(s).
- b. Identification by street address and legal description, if available, of the Lot on which the Violation exists.
- c. Identification of the authority establishing that the subject improvements, modifications, conduct, conditions, etc. constitute a Violation(s).
- d. Date of the verification observation and name of the person making such observation.

3. **Notice of Violation.** As soon as practicable after the field observation report is prepared, the Association will forward to the Owner of the Lot in question written notice of the Violation(s) by first class mail or personal delivery, except in the case of an emergency or situation calling for immediate legal action, which shall instead be governed by the procedures

EXHIBIT A

set forth below in Paragraph 12. If within the designated time in the written notice the violation is not corrected the Association will forward to the Owner of the Lot in question a second written notice of the Violation(s) by first class mail or personal delivery and by certified mail, return receipt requested (the "Notice of Violation"). A Notice of Violation need not be sent if the alleged violator has previously received a Notice of Violation relating to a similar Violation within six (6) months of the occurrence of the current Violation and was given a reasonable opportunity to cure the Violation. If the alleged violator was given notice and an opportunity to cure the similar Violation within the previous six (6) months, the Board may impose sanctions as authorized by the Governing Documents and/or this Enforcement Policy without notice to the Owner other than the Final Notice of Violation described in Paragraph 4 below. The First and Second Notice of Violation will state the following:

- a. The nature, description and location of the Violation, including any property damage caused by the Owner.
- b. The authority for establishing the Violation, including the authority for recovering property damages caused by the Owner.
- c. The proposed sanction to be imposed, including the amount of any fine or the amount claimed to be due from the Owner for property damage.
- d. If the Violation is corrected or eliminated within the stated time in the Notice of Violation after the Owner's receipt of the Notice of Violation then a fine will not be assessed and that no further action will be taken.
- e. The recipient may, on or before thirty (30) days after receipt of the Notice of Violation, deliver to the Association a written request for a hearing.
- f. If the Violation is not corrected or eliminated within the time period specified in the Notice of Violation then the sanctions delineated in the Notice of Violation may be imposed and any attorney's fees and costs will be charged to the Owner.

4. Final Notice of Violation. A formal notice of the Violation and the sanction to be imposed, including the amount of any fine or the amount of any property damage (the "Final Notice of Violation") will be sent by the Association to the Owner by regular first class mail and by certified mail, return receipt requested, under any of the following situations:

- a. Where, within the time period specified in the Notice of Violation, the Violation has not been corrected or eliminated;
- b. Where, within ten (10) days from the date of receipt by the Owner of the Notice of Violation, the Association has not received a written request for a hearing; or
- c. Where, the Owner was previously notified of, and was given a reasonable opportunity to cure, a similar Violation within the preceding six (6) months.

5. Request for a Hearing. If the Owner submits a timely request for a hearing, the hearing shall be held in executive session of the Board affording the alleged violator a reasonable opportunity to be heard. The Board may elect a representative or representatives to meet with the alleged violator, provided, however, that if the hearing is held before a committee, the Owner shall be notified in the notice of hearing before the committee that they have a right to appeal the committee's decision to the board by written notice to the Board. Prior to the effectiveness of any sanction hereunder, proof of proper notice of the hearing shall be filed with the Management Company. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is provided to the Management Company by the officer, director, agent or delegate who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The notice of the hearing shall be sent no later than the 10th day before the date of the hearing. [Provision removed by Romano from here should be reinstated.] The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed by the Board. The Board shall notify the Owner in writing of its action within ten (10) days after the hearing. The Board may, but shall not be obligated to, suspend any proposed sanction if the Violation is cured within the ten-day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Owner.

6. Correction of Violation. Where the Owner corrects or eliminates the Violation(s) prior to the imposition of any sanction, no further action will be taken (except for collection of any monies for which the Lot Owner may become liable under this Enforcement Policy and/or the Governing Documents). Written notice of correction or elimination of the Violation may be obtained from the Board upon request for such notice by the Owner and upon payment of a fee for same, the amount of which is set by the Board.

7. Corrective Action. Notwithstanding any other provision contained herein to the contrary, where a Violation is determined or deemed determined to exist, the Board may undertake to cause the Violation to be corrected, removed or otherwise abated if the Board, in its reasonable judgment, determines the Violation may be readily corrected, removed or abated without undue expense and without breach of the peace, and if the Governing Documents so permit. Where the Board decides to initiate any such action, the following will apply:

a. The Board must give the Owner prior written notice of undertaking of the action.

b. Costs incurred in correcting or eliminating the Violation will be the responsibility of the Owner that caused the violation.

c. The Association, and its agents and contractors, will not be liable to the Owner or any third party for trespass or any damages or costs alleged to arise by virtue of action taken under this Paragraph 7.

8. Referral to Legal Counsel. Where a Violation is determined or deemed determined to exist and where the Board deems it to be in the best interests of the Association to refer the Violation to legal counsel for appropriate action, the Board may do so at any time.

Such legal action may include, without limitation, sending demand letters to the violating Owner and/or the commencement of legal proceedings seeking injunctive relief against the Owner to correct or otherwise abate the Violation and statutory damages. Attorney's fees and all costs incurred by the Association in enforcing the Governing Documents and administering this Enforcement Policy shall become the personal obligation of the Owner.

9. Fines. Subject to provisions of this Enforcement Policy and/or the Governing Documents, the imposition of fines will be on the following basis:

a. Fines will be based on a per violation charge in an amount of \$50.00 for each Violation, with an additional fine of \$50 per day for each day past where, within the time period specified in the Notice of Violation, the Violation has not been corrected or eliminated.

b. Imposition of fines will be in addition to and not exclusive of any other rights, remedies and recoveries of the Association as created by the Governing Documents or this Enforcement Policy.

c. Fines are imposed against Lots and become the personal obligation of the Owners of such lots. Fines not paid shall be automatically secured by a lien against the property.

10. Notices. Unless otherwise provided in the Enforcement Policy, all notices required by this Enforcement Policy shall be in writing and shall be deemed to have been duly given if delivered personally and/or if sent by United States Mail, first-class postage prepaid, to the Owner at the address which the Owner has designated in writing and filed with the Secretary of the Association or, if no such address has been designated, to the address of the Lot of the Owner.

a. Where the notice is directed by personal delivery, notice shall be deemed to have been given, sent, delivered or received upon actual receipt by any person accepting delivery thereof at the address of the recipient as set forth in such notice or if no person is there, by leaving the notice taped to the front door of the residence.

b. Where the notice is placed into the care and custody of the United States Postal Service, notice shall be deemed to have been given, sent, delivered or received, as of the third (3rd) calendar day following the date of postmark of such notice bearing postage prepaid and the appropriate name and address as required herein.

c. Where a day required for an action to be taken or a notice to be given, sent, delivered or received, as the case may be, falls on a Saturday, Sunday or United States Postal Service holiday, the required date for the action or notice will be extended to the first day following which is neither a Saturday, Sunday or United States Postal Service holiday.

d. Where the Board has actual knowledge that such situation exists, any action to be taken pursuant to this Enforcement Policy which would directly affect the property of a third party or would be the responsibility of a party other than the Owner, notices required under this Enforcement Policy may be given, if possible, to such third party in addition to the

Owner. Notwithstanding any notice sent to a third party, the Owner remains the party responsible for compliance with the requirements of the Governing Documents.

e. Where the interests of an Owner in a Lot have been handled by a representative or agent of such Owner or where an Owner has otherwise acted so as to put the Association on notice or communication from the Association pursuant to this Enforcement Policy will be deemed full and effective for all purposes if given to such representative or agent.

e. Where an Owner transfers record title to a Lot at any time during the pendency of any procedure prescribed by this Enforcement Policy, such Owner shall remain personally liable for all costs and fines under this Enforcement Policy. As soon as practical after receipt by the Association of a notice of a change in the record title to a Lot which is the subject of enforcement proceedings under this Enforcement Policy, the Board may begin enforcement proceedings against the new Owner in accordance with this Enforcement Policy. The new Owner shall be personally liable for all costs and fines under this Enforcement Policy which are the result of the new Owner's failure and/or refusal to correct or eliminate the Violation in the time and manner specified under this Enforcement Policy.

11. 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. The Owner will remain liable for all costs and fines under this Enforcement Policy, which costs and fines, if not paid upon demand therefore by Management, will be referred to the Board of Directors of the Association for collection.

12. Emergencies and Other Need for Immediate Action. If any Violation is deemed by the Board, in its sole discretion, to constitute either an emergency of situation requiring immediate action (for example, threats to health or safety, or ongoing construction without approval), then the notice and hearing provisions set forth above shall not apply. The Association may seek an immediate temporary restraining order or temporary injunctive relief without any prior notice, if deemed necessary by the Board.

13. Future Amendments. The Board of Directors reserves the right to amend this Policy at any time and for any reason deemed by the Board to be convenient or necessary. No prior notice of any such amendment need be given, and any amendment adopted shall become effective on the date established by the Board, which can be immediately.

14. Definitions. The definitions contained in the Declaration and Bylaws are hereby incorporated herein by reference.

IT IS FURTHER RESOLVED that this Covenant Enforcement and Fining Policy is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of same on August 30, 2004.

DATE: 8/31/04

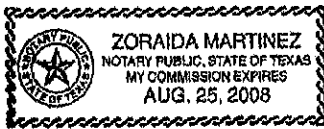
Mitchell Abramsky
President

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

BEFORE ME, the undersigned authority, on this day personally appeared Mitchell Abramsky, Representative of Mountain Lodge Homeowner's Association acknowledged 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 31 day of August, 2004.



Zoraida Martinez
Notary Public for the State of Texas
8-25-08
My Commission Expires

AFTER RECORDING, RETURN TO:
ProComm Management Group
300 East Sonterra Blvd, Suite 350
San Antonio, Texas 78258

Any provision herein which restricts the sale, or use of the described real property because of race is void and unenforceable under Federal law STATE OF TEXAS, COUNTY OF BEXAR
I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me and was duly RECORDED in the Official Public Record of Real Property of Bexar County, Texas on:

Doc# 20040216123 Fees: \$28.00
08/17/2004 4:13PM # Pages 7
Filed & Recorded in the Official Public
Records of BEXAR COUNTY

SEP 17 2004



Sergio Ramirez
COUNTY CLERK BEXAR COUNTY, TEXAS