Rules and Regulations
Summerset Estates

Summerset Estates
Collection and Fine Policy

RULES, REGULATIONS AND POLICIES REGARDING
COLLECTION OF MAINTENANCE CHARGES, AND
IMPOSITION OF FINES FOR VIOLATIONS OF DECLARATION

The Board of Directors of Summerset Estates Property Owners Association ("the Association") hereby adopts the following rules, regulations and policies regarding collection of maintenance charges, and imposition of fines for violations of the Declaration of Covenants, Conditions and Restrictions for Summerset Estates Section One, as filed in the Real Property Records of Montgomery County, Texas ("the Declaration"), to be effective as of April 15, 2010..

Definitions: Unless otherwise stated, the definitions set forth in the Declaration shall be applicable hereto.

COLLECTION OF MAINTENANCE CHARGES

1. For the purposes of this Collection and Fine Policy, the Maintenance Charges, late charges, and attorney fees and costs of collection shall together constitute the "account balance" for the respective Owner.

2. As provided by the Declaration, the due dates for annual Maintenance Charges are determined by the Board of Directors of the Association. The Board of Directors has previously determined that the Maintenance Charges are due and payable on a quarterly basis, on January 1st, April 1st, July 1st, and October 1st of each year. Maintenance Charges will be due on such dates.

3. Any Maintenance Charge which remains unpaid forty-five (45) days after the due date shall be subject to a late charge of $15.00 per month; such late charge to be imposed on the 15th day of each month until the Owner's entire account balance has been paid in full.

4. In the event any Maintenance Charge remains unpaid forty-five (45) days after the due date, the managing agent may send a notice advising the Owner that the Maintenance Charge is past due, and that the Maintenance Charge, any late charges, and any collection fee by the managing agent must be paid in full within thirty (30) days. In such event, the managing agent will inform the Owner of the Owner's right to dispute the amount shown to be due before the Board, if a written request to do so is received within thirty (30) days of receipt of the letter. The letter will also inform the Owner that after thirty (30) days, if the account balance remains unpaid, it is subject to being turned over to the attorney for the Association to begin formal collection activities.

5. Any Owner having an account balance may be turned over the Association's attorney for collection if the account balance is not paid as required by the notice from the managing agent. Any Owner having an account balance of five hundred dollars ($500.00) or more will be turned over to the Association's attorney for collection.

6. Once turned over to the Association's attorney, the attorney will be authorized to send a demand letter demanding payment for the account balance, plus a reasonable attorney fee for such demand letter, within thirty (30) days of such letter.

7. If the Owner does not pay the account balance and attorney fee in full within the time required by the attorney's initial demand letter, the attorney is authorized to send a second letter, with a copy of a proposed lawsuit against the Owner, demanding payment in full, plus the attorney's additional fees for the second demand letter and copy of the lawsuit, within thirty (30) days, and if not so paid, a lawsuit may be filed against the Owner to collect all monies due and to seek foreclosure of the Association's lien against the Owner's property.

8. If an Owner's account balance is not paid in full in accordance with the above demands, the attorney is authorized to file a lawsuit seeking the account balance, in addition to all Maintenance Charges, late charges, attorney fees, court costs, and interest which come due during the pendency of the lawsuit, and to seek an Order allowing the foreclosure of the Association's lien against the Owner's property.

9. If a judgment is taken against the Owner which provides for foreclosure of the Association's lien against the Owner's property, and the Owner has not paid or made accepted arrangements to pay the account balance prior to the date of foreclosure as set out in the notice of impending foreclosure sale, the property may be foreclosed and sold at foreclosure sale. The Association may bid in at such sale by and through its attorney.

10. If the Association is the high bidder at a foreclosure sale, and the Owner or the Owner's tenant(s) continues to occupy the property, a forcible detainer case may be filed by the Association, seeking possession of the property.

11. At all times during the collection process, the Association's attorney is authorized to enter into reasonable payment arrangements with Owners in an attempt to collect the Owner's account balance, and the attorney may charge a reasonable fee for an agreement reflecting the payment arrangement. In the absence of a reasonable payment schedule, or full payment of the Owner's account, the Association's attorney is authorized to complete the entire collection process without necessity of further instruction or authorization.

12. In addition to the remedies and actions set out above, in the event any Maintenance Charge is unpaid for more than forty-five (45) days after the due date, the delinquent Owner shall lose such Owner's membership privileges, as outlined in the Bylaws of the Summerset Estates Property Owners Association, including, but not limited to use of common areas, Architectural Control project approval and voting privileges.

13. All attorney fees, court costs, and other related charges of collection incurred by either the management company or the Association's attorney will be charged to the delinquent Owner's account balance and added to the unpaid Maintenance Charges.

14. All payments received from an Owner shall be applied against the Owner's account balance in the following order: (1) attorney fees and costs of collection; (2) late charges; and (3) Maintenance Charges.

FINES FOR VIOLATIONS OF THE DECLARATION

Fines may be imposed against any Owner for any violation, whether by the Owner of the property or any tenants thereof, of the Declaration, By-Laws, or the Rules, Regulations and Policies approved by the Association. The procedures regarding fines will be as follows:

Notice of Violation. Should the Association determine that an Owner is in violation of the Declaration, then the Association, or its managing agent, shall provide to the Owner a notice of such violation, which shall describe the violation, and shall notify the Owner of his right to request a meeting with the Board, in writing, within thirty (30) days of the date of the notice of violation.

First Notice of Fine - **$100.00**. If the violation is not cured and the Owner has not requested a meeting with the Board within thirty (30) days of the date of the notice of violation, then the Association shall impose a fine of **$100.00** on the Owner, and the Association or its managing agent shall give notice of the fine to the Owner, which shall describe the violation, demand payment of the fine, and notify the Owner of his right to request a meeting with the Board, in writing, within thirty (30) days of the date of the notice of fine. ***If the violation is not cured within the thirty (30) day period after the date of the Notice of Fine, then, at the Board's discretion, the matter may be turned over to the Association's attorney for taking legal action to force the Owner to cure the violation, without further notice to the Owner.***

Second Notice of Fine - **$200.00**. If the violation is not cured and the Owner has not requested a meeting with the Board within thirty (30) days of the date of the first notice of fine, then the Association shall impose a fine of **$200.00** on the Owner, and the Association or its managing agent shall give notice of the fine to the Owner, which shall describe the violation and demand payment of the fine, failing which, the matter may be turned over to the Association's attorney for taking legal action to force the Owner to cure the violation.

Legal Action. If the violation is not cured within thirty (30) days of the date of the second notice of fine (or within such shorter period of time as set forth in the provisions under "Exceptions to Fines Schedule", set out below), the Association may either (1) pursue action in its own name in the proper Justice of the Peace Court, or (2) refer the matter to the Association's attorney for taking legal action to force the Owner to cure the violation. **All fines, penalties, attorney fees, court costs, and other monies awarded by the Court in such legal action will be added to the Owner's account balance and shall be due and payable to the Association.**

Exceptions to Fines Schedule: The following provisions will prevail over the foregoing provisions, except that the Owner will have the right to request a hearing with the Board, by giving notice in writing within thirty (30) days of the notice of violation or the notice of fine:

1) Force mows:
   - Notice of Violation with fifteen (15) days to cure, or the Association will "force mow".
   - If not cured within fifteen (15) days of the date of the notice of violation, a fine of $50.00 will be assessed against the Owner, in addition to a minimum mowing charge of $35.00.

2) Oversized vehicles (including, but not limited to dump trucks, 18 wheelers, bob-tails, trailers, commercial vehicles and maintenance of said vehicles) and inoperable, unlicensed or "junk" vehicles as defined by the Declaration:
   - Notice of Violation requesting immediate removal of the vehicle.
   - If said vehicle is seen parked within the confines of the subdivision more than five (5) days after the date of the notice of violation, a $50.00 fine will be assessed against the Owner, and Legal Action may be taken as set out above.

3) Livestock and / or Health related issues such as:
   a) Fowl, pigs, goats, cattle etc.
   b) Excessive trash, garbage and litter
   - Notice of Violation requesting immediate compliance with the Declaration.
   - If the violation is not cured within five (5) days after the date of the notice of violation, a $50.00 fine will be assessed against the Owner, and Legal Action may be taken as set out above.

4) Vandalism/Damage to Common Elements:
   - In addition to notifying law enforcement authorities, the Owner who is responsible for the vandalism/damage (or the Owner whose children are responsible for the vandalism/damage) will be liable for an automatic $500.00 fine which will be assessed against the Owner's account, and the Owner will be liable to the Association for all repair costs.
   - If the fine and cost of repairs are paid by the responsible Owner within thirty (30) days of the date the notice of fine and costs of repairs has been sent to the responsible Owner, and Legal Action may be taken as set out above.

5) Architectural Control Committee Modification Request:
   - If an Owner fails to file an Architectural Control Committee Modification Request prior to making any modifications to the Owner's property, a $150.00 fine will be assessed and the matter, and Legal Action may be taken as set out above.

Appeal Process: Owners who have received notices of violations and/or notices of fines may appeal the same, as follows:

A. All Appeal of Violation Request forms shall be in writing and mailed to the Board in care of the managing agent.

B. All Appeal of Violation Request forms shall be postmarked within thirty (30) days of the mailing date of the notice of violation or notice of fine.

C. In the event that a timely request for a hearing is received, any fine(s) will be held in abeyance pending the outcome of the hearing.

D. A panel of one (1) Board Director and three (3) Property Owners randomly selected for each hearing will convene the Hearing. The Hearing will be held at a time and place selected by the Board of Directors. At least fourteen (14) days notice will be given to all parties.

E. The Owner is charged with the responsibility of presenting to the panel for its consideration all pertinent information to support the evidence of extenuating circumstances.

F. A majority vote of the panel will decide the outcome of the Hearing.

G. All hearing procedures are intended to comply with the law of the land or any statute thereof and changes in the process and procedures will be made as necessary to satisfy this intent. An Owner will have the right to have any decision of the hearing panel reviewed by the full Board of Directors and in such cases; the decision of the full Board shall be considered the final decision.

H. Should an Owner initiate an appeal, but fail to appear at the Hearing in a timely manner, the Owner will be deemed to be non-responsive, the appeal shall be denied.

I. Upon denial of the appeal, whether by vote of the panel or the full Board, or failure of the Owner to appear at the Hearing, all fines will be reinstated and charged to the Owner's account. In addition, if the violation has not been cured, Legal Action may be taken as set out above.

The foregoing Collection and Fine Policy was adopted and approved by a majority vote of the Board of Directors of Summerset Estates Property Owners Association, at a meeting held on the date set out below, to become effective as of April 15, 2010.

Date: 3/5/2010, 2010

Summerset Estates Property Owners Association

Loris Allen, President,

RECORD OF DEDICATORY INSTRUMENTS (PURSUANT TO PROPERTY CODE § 202.006)

SUMMERSET ESTATES PROPERTY OWNERS ASSOCIATION INC.

P1145-2012096526-37

Number of Units 288
Declaration File Code 2003031932

Declaration Film Code 272-10-2567

Items attached to be filed:
- ✓ Management Certificate
- ✓ By – Laws
- ✓ Rules and Regulations
- ✓ Articles of Incorporation
- Architectural Control Guidelines
- ✓ Other Payment Plan Policy, Collection + Fine Policy, Records Retention and Production

TOTAL # OF PAGES TO BE FILED: ____

AFFIDAVIT IN COMPLIANCE WITH SECTION 202.006 OF TITLE 11 OF THE TEXAS PROPERTY CODE

THE STATE OF TEXAS §
COUNTY OF MONTGOMERY §

BEFORE ME, the undersigned authority, on this day personally appeared John M. Hughes, who, being duly sworn according to law, stated the following under oath:

"My name is John M. Hughes. I am fully competent to make this Affidavit. I have personal knowledge of the facts stated herein, and they are all true and correct.

I am President of JDH Association Management, the management team for Summerset Estates Property Owners Association, Inc., a Texas Non-profit Corporation (the "Association"). I am also a custodian of the records for the Association and I have been authorized by the Association's Board of Directors to sign this Affidavit.

The Association is a "property owners' association" as that term defined in *Title 11 of the Texas Property Code.* The Association's jurisdiction includes, but may not be limited to the tract or parcel of land consisting of that certain tract of land known as "SUMMERSET ESTATES SECTION ONE" being a Subdivision of 129.849 acres of land situated in the T. & N.O.R.R. Survey, A-785, Montgomery County, Texas, according to the plat ("Plat") of said Summerset Estates Section One, recorded in the office of the County Clerk of Montgomery County, Texas, after having been approved as provided by law, and being recorded in the Map Records of Montgomery County, Texas at Cabinet T, Sheets 130 through 135, Map Records of Montgomery County, Texas (hereinafter referred to as the "Property" or the "Subdivision").

Attached hereto are the originals of, or true and correct copies of, the following dedicatory instruments, including known amendments or supplements thereto, governing the Association, which instruments have not previously been recorded. The documents attached hereto are subject to being supplemented, amended or changed by the Association. Any questions regarding the dedicatory instruments of the Association may be directed to the Association at 15201 East Freeway, Suite 205, Channelview, Texas 77530 phone number: 281-457-5341.

SIGNED on this the 8th day of December, 2011.

John M. Hughes, President
JDH Association Management

Summerset Estates
Collection and Fine Policy

RULES, REGULATIONS AND POLICIES REGARDING
COLLECTION OF MAINTENANCE CHARGES, AND
IMPOSITION OF FINES FOR VIOLATIONS OF DECLARATION

The Board of Directors of Summerset Estates Property Owners Association ("the Association") hereby adopts the following rules, regulations and policies regarding collection of maintenance charges, and imposition of fines for violations of the Declaration of Covenants, Conditions and Restrictions for Summerset Estates Section One, as filed in the Real Property Records of Montgomery County, Texas ("the Declaration"), to be effective as of April 15, 2010..

Definitions: Unless otherwise stated, the definitions set forth in the Declaration shall be applicable hereto.

COLLECTION OF MAINTENANCE CHARGES

1. For the purposes of this Collection and Fine Policy, the Maintenance Charges, late charges, and attorney fees and costs of collection shall together constitute the "account balance" for the respective Owner.

2. As provided by the Declaration, the due dates for annual Maintenance Charges are determined by the Board of Directors of the Association. The Board of Directors has previously determined that the Maintenance Charges are due and payable on a quarterly basis, on January 1st, April 1st, July 1st, and October 1st of each year. Maintenance Charges will be due on such dates.

3. Any Maintenance Charge which remains unpaid forty-five (45) days after the due date shall be subject to a late charge of $15.00 per month; such late charge to be imposed on the 15th day of each month until the Owner's entire account balance has been paid in full.

4. In the event any Maintenance Charge remains unpaid forty-five (45) days after the due date, the managing agent may send a notice advising the Owner that the Maintenance Charge is past due, and that the Maintenance Charge, any late charges, and any collection fee by the managing agent must be paid in full within thirty (30) days. In such event, the managing agent will inform the Owner of the Owner's right to dispute the amount shown to be due before the Board, if a written request to do so is received within thirty (30) days of receipt of the letter. The letter will also inform the Owner that after thirty (30) days, if the account balance remains unpaid, it is subject to being turned over to the attorney for the Association to begin formal collection activities.

5. Any Owner having an account balance may be turned over the Association's attorney for collection if the account balance is not paid as required by the notice from the managing agent. Any Owner having an account balance of five hundred dollars ($500.00) or more will be turned over to the Association's attorney for collection.

6. Once turned over to the Association's attorney, the attorney will be authorized to send a demand letter demanding payment for the account balance, plus a reasonable attorney fee for such demand letter, within thirty (30) days of such letter.

7. If the Owner does not pay the account balance and attorney fee in full within the time required by the attorney's initial demand letter, the attorney is authorized to send a second letter, with a copy of a proposed lawsuit against the Owner, demanding payment in full, plus the attorney's additional fees for the second demand letter and copy of the lawsuit, within thirty (30) days, and if not so paid, a lawsuit may be filed against the Owner to collect all monies due and to seek foreclosure of the Association's lien against the Owner's property.

8. If an Owner's account balance is not paid in full in accordance with the above demands, the attorney is authorized to file a lawsuit seeking the account balance, in addition to all Maintenance Charges, late charges, attorney fees, court costs, and interest which come due during the pendency of the lawsuit, and to seek an Order allowing the foreclosure of the Association's lien against the Owner's property.

9. If a judgment is taken against the Owner which provides for foreclosure of the Association's lien against the Owner's property, and the Owner has not paid or made accepted arrangements to pay the account balance prior to the date of foreclosure as set out in the notice of impending foreclosure sale, the property may be foreclosed and sold at foreclosure sale. The Association may bid in at such sale by and through its attorney.

10. If the Association is the high bidder at a foreclosure sale, and the Owner or the Owner's tenant(s) continues to occupy the property, a forcible detainer case may be filed by the Association, seeking possession of the property.

11. At all times during the collection process, the Association's attorney is authorized to enter into reasonable payment arrangements with Owners in an attempt to collect the Owner's account balance, and the attorney may charge a reasonable fee for an agreement reflecting the payment arrangement. In the absence of a reasonable payment schedule, or full payment of the Owner's account, the Association's attorney is authorized to complete the entire collection process without necessity of further instruction or authorization.

12. In addition to the remedies and actions set out above, in the event any Maintenance Charge is unpaid for more than forty-five (45) days after the due date, the delinquent Owner shall lose such Owner's membership privileges, as outlined in the Bylaws of the Summerset Estates Property Owners Association, including, but not limited to use of common areas, Architectural Control project approval and voting privileges.

13. All attorney fees, court costs, and other related charges of collection incurred by either the management company or the Association's attorney will be charged to the delinquent Owner's account balance and added to the unpaid Maintenance Charges.

14. All payments received from an Owner shall be applied against the Owner's account balance in the following order: (1) attorney fees and costs of collection; (2) late charges; and (3) Maintenance Charges.

FINES FOR VIOLATIONS OF THE DECLARATION

Fines may be imposed against any Owner for any violation, whether by the Owner of the property or any tenants thereof, of the Declaration, By-Laws, or the Rules, Regulations and Policies approved by the Association. The procedures regarding fines will be as follows:

Notice of Violation. Should the Association determine that an Owner is in violation of the Declaration, then the Association, or its managing agent, shall provide to the Owner a notice of such violation, which shall describe the violation, and shall notify the Owner of his right to request a meeting with the Board, in writing, within thirty (30) days of the date of the notice of violation.

First Notice of Fine - **$100.00**. If the violation is not cured and the Owner has not requested a meeting with the Board within thirty (30) days of the date of the notice of violation, then the Association shall impose a fine of **$100.00** on the Owner, and the Association or its managing agent shall give notice of the fine to the Owner, which shall describe the violation, demand payment of the fine, and notify the Owner of his right to request a meeting with the Board, in writing, within thirty (30) days of the date of the notice of fine. ***If the violation is not cured within the thirty (30) day period after the date of the Notice of Fine, then, at the Board's discretion, the matter may be turned over to the Association's attorney for taking legal action to force the Owner to cure the violation, without further notice to the Owner.***

Second Notice of Fine - **$200.00**. If the violation is not cured and the Owner has not requested a meeting with the Board within thirty (30) days of the date of the first notice of fine, then the Association shall impose a fine of **$200.00** on the Owner, and the Association or its managing agent shall give notice of the fine to the Owner, which shall describe the violation and demand payment of the fine, failing which, the matter may be turned over to the Association's attorney for taking legal action to force the Owner to cure the violation.

Legal Action. If the violation is not cured within thirty (30) days of the date of the second notice of fine (or within such shorter period of time as set forth in the provisions under "Exceptions to Fines Schedule", set out below), the Association may either (1) pursue action in its own name in the proper Justice of the Peace Court, or (2) refer the matter to the Association's attorney for taking legal action to force the Owner to cure the violation. **All fines, penalties, attorney fees, court costs, and other monies awarded by the Court in such legal action will be added to the Owner's account balance and shall be due and payable to the Association.**

Exceptions to Fines Schedule: The following provisions will prevail over the foregoing provisions, except that the Owner will have the right to request a hearing with the Board, by giving notice in writing within thirty (30) days of the notice of violation or the notice of fine:

1) Force mows:
   - Notice of Violation with fifteen (15) days to cure, or the Association will "force mow".
   - If not cured within fifteen (15) days of the date of the notice of violation, a fine of $50.00 will be assessed against the Owner, in addition to a minimum mowing charge of $35.00.

2) Oversized vehicles (including, but not limited to dump trucks, 18 wheelers, bob-tails, trailers, commercial vehicles and maintenance of said vehicles) and inoperable, unlicensed or "junk" vehicles as defined by the Declaration:
   - Notice of Violation requesting immediate removal of the vehicle.
   - If said vehicle is seen parked within the confines of the subdivision more than five (5) days after the date of the notice of violation, a $50.00 fine will be assessed against the Owner, and Legal Action may be taken as set out above.

3) Livestock and / or Health related issues such as:
   a) Fowl, pigs, goats, cattle etc.
   b) Excessive trash, garbage and litter
   - Notice of Violation requesting immediate compliance with the Declaration.
   - If the violation is not cured within five (5) days after the date of the notice of violation, a $50.00 fine will be assessed against the Owner, and Legal Action may be taken as set out above.

4) Vandalism/Damage to Common Elements:
   - In addition to notifying law enforcement authorities, the Owner who is responsible for the vandalism/damage (or the Owner whose children are responsible for the vandalism/damage) will be liable for an automatic $500.00 fine which will be assessed against the Owner's account, and the Owner will be liable to the Association for all repair costs.
   - If the fine and cost of repairs are paid by the responsible Owner within thirty (30) days of the date the notice of fine and costs of repairs has been sent to the responsible Owner, and Legal Action may be taken as set out above.

5) Architectural Control Committee Modification Request:
   - If an Owner fails to file an Architectural Control Committee Modification Request prior to making any modifications to the Owner's property, a $150.00 fine will be assessed and the matter, and Legal Action may be taken as set out above.

Appeal Process: Owners who have received notices of violations and/or notices of fines may appeal the same, as follows:

A. All Appeal of Violation Request forms shall be in writing and mailed to the Board in care of the managing agent.

B. All Appeal of Violation Request forms shall be postmarked within thirty (30) days of the mailing date of the notice of violation or notice of fine.

C. In the event that a timely request for a hearing is received, any fine(s) will be held in abeyance pending the outcome of the hearing.

D. A panel of one (1) Board Director and three (3) Property Owners randomly selected for each hearing will convene the Hearing. The Hearing will be held at a time and place selected by the Board of Directors. At least fourteen (14) days notice will be given to all parties.

E. The Owner is charged with the responsibility of presenting to the panel for its consideration all pertinent information to support the evidence of extenuating circumstances.

F. A majority vote of the panel will decide the outcome of the Hearing.

G. All hearing procedures are intended to comply with the law of the land or any statute thereof and changes in the process and procedures will be made as necessary to satisfy this intent. An Owner will have the right to have any decision of the hearing panel reviewed by the full Board of Directors and in such cases; the decision of the full Board shall be considered the final decision.

H. Should an Owner initiate an appeal, but fail to appear at the Hearing in a timely manner, the Owner will be deemed to be non-responsive, the appeal shall be denied.

I. Upon denial of the appeal, whether by vote of the panel or the full Board, or failure of the Owner to appear at the Hearing, all fines will be reinstated and charged to the Owner's account. In addition, if the violation has not been cured, Legal Action may be taken as set out above.

The foregoing Collection and Fine Policy was adopted and approved by a majority vote of the Board of Directors of Summerset Estates Property Owners Association, at a meeting held on the date set out below, to become effective as of April 15, 2010.

Date: 3/5/2010, 2010

Summerset Estates Property Owners Association

Loris Allen, President,

PI145-201209652G-37

3e

RECORD OF DEDICATORY INSTRUMENTS (PURSUANT TO PROPERTY CODE § 202.006)

SUMMERSET ESTATES PROPERTY OWNERS ASSOCIATION INC.

Number of Units 288
Declaration File Code 2003031932

Declaration Film Code 272-10-2567

Items attached to be filed:

- ✓ Management Certificate
- ✓ By – Laws
- ✓ Rules and Regulations
- ✓ Articles of Incorporation
- Architectural Control Guidelines
- ✓ Other Payment Plan Policy, Collection + Fine Policy, Records Retention and Production

TOTAL # OF PAGES TO BE FILED: _____

AFFIDAVIT IN COMPLIANCE WITH SECTION 202.006 OF TITLE 11 OF THE TEXAS PROPERTY CODE

THE STATE OF TEXAS §
COUNTY OF MONTGOMERY §

BEFORE ME, the undersigned authority, on this day personally appeared John M. Hughes, who, being duly sworn according to law, stated the following under oath:

"My name is John M. Hughes. I am fully competent to make this Affidavit. I have personal knowledge of the facts stated herein, and they are all true and correct.

I am President of JDH Association Management, the management team for Summerset Estates Property Owners Association, Inc., a Texas Non-profit Corporation (the "Association"). I am also a custodian of the records for the Association and I have been authorized by the Association's Board of Directors to sign this Affidavit.

The Association is a "property owners' association" as that term defined in *Title 11 of the Texas Property Code.* The Association's jurisdiction includes, but may not be limited to the tract or parcel of land consisting of that certain tract of land known as "SUMMERSET ESTATES SECTION ONE" being a Subdivision of 129.849 acres of land situated in the T. & N.O.R.R. Survey, A-785, Montgomery County, Texas, according to the plat ("Plat") of said Summerset Estates Section One, recorded in the office of the County Clerk of Montgomery County, Texas, after having been approved as provided by law, and being recorded in the Map Records of Montgomery County, Texas at Cabinet T, Sheets 130 through 135, Map Records of Montgomery County, Texas (hereinafter referred to as the "Property" or the "Subdivision").

Attached hereto are the originals of, or true and correct copies of, the following dedicatory instruments, including known amendments or supplements thereto, governing the Association, which instruments have not previously been recorded. The documents attached hereto are subject to being supplemented, amended or changed by the Association. Any questions regarding the dedicatory instruments of the Association may be directed to the Association at 15201 East Freeway, Suite 205, Channelview, Texas 77530 phone number: 281-457-5341.

SIGNED on this the 8th day of December, 2011.

John M. Hughes, President
JDH Association Management

SUMMERSET ESTATES PROPERTY OWNERS ASSOCIATION, INC.
PAYMENT PLAN POLICY

This payment plan was approved by the Board of Directors for Summerset Estates Property Owners Association, Inc., on the 8th day of December, 2011.

1) Owners are entitled to one approved payment plan to pay their annual assessments.

2) All payment plans require a down payment and monthly payments.

3) Upon request, all owners are automatically approved for a payment plan consisting of **10%** down with the balance paid off in **9** monthly installments.

4) If an owner defaults on the payment plan, the payment plan is automatically terminated and the Association is not obligated to make another payment plan with the owner for the next two years.

5) Alternative payment plan proposals must be submitted to and approved by the Association. The Association is not obligated to approve alternative payment plan proposals. No proposed payment plan may be shorter than 3 months or longer than 18 months.

6) The Association can not charge late fees during the course of a payment plan, but can charge interest at the rate it is entitled to under its Governing Documents and can charge reasonable costs of administering the payment plan. The term of a payment plan cannot be less than three months or more than 18 months.

HOMEOWNERS ASSOCIATION CERTIFICATION

"I, the undersigned, being the President of the SUMMERSET ESTATES Property Owners Association, Inc., hereby certify that the foregoing Resolution was adopted by at least a majority of the Association Board of Directors."

By: _____, President

Print Name: Loris n Allen Jr

AFTER RECORDING RETURN TO:

JDH ASSOCIATION MANAGEMENT
1776 Woodstead Court #103
The Woodlands, TX 77380

G MARIE BARAJAS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
MAY 7, 2016

JDH ASSOCIATION MANAGEMENT in accordance to revisions in Texas Property code 2011

RECORD OF DEDICATORY INSTRUMENTS (PURSUANT TO PROPERTY CODE § 202.006)

SUMMERSET ESTATES PROPERTY OWNERS ASSOCIATION INC.

PT145-2012096526-37

Number of Units	288
Declaration File Code	2003031932
Declaration Film Code	272-10-2567

Items attached to be filed:

- ✓ Management Certificate
- ✓ By - Laws
- ✓ Rules and Regulations
- ✓ Articles of Incorporation
- Architectural Control Guidelines
- ✓ Other Payment Plan Policy, Collection & Fine Policy, Records Retention and Production

TOTAL # OF PAGES TO BE FILED: ____

AFFIDAVIT IN COMPLIANCE WITH SECTION 202.006 OF TITLE 11 OF THE TEXAS PROPERTY CODE

THE STATE OF TEXAS §
COUNTY OF MONTGOMERY §

BEFORE ME, the undersigned authority, on this day personally appeared John M. Hughes, who, being duly sworn according to law, stated the following under oath:

"My name is John M. Hughes. I am fully competent to make this Affidavit. I have personal knowledge of the facts stated herein, and they are all true and correct.

I am President of JDH Association Management, the management team for Summerset Estates Property Owners Association, Inc., a Texas Non-profit Corporation (the "Association"). I am also a custodian of the records for the Association and I have been authorized by the Association's Board of Directors to sign this Affidavit.

The Association is a "property owners' association" as that term defined in *Title 11 of the Texas Property Code.* The Association's jurisdiction includes, but may not be limited to the tract or parcel of land consisting of that certain tract of land known as "SUMMERSET ESTATES SECTION ONE" being a Subdivision of 129.849 acres of land situated in the T. & N.O.R.R. Survey, A-785, Montgomery County, Texas, according to the plat ("Plat") of said Summerset Estates Section One, recorded in the office of the County Clerk of Montgomery County, Texas, after having been approved as provided by law, and being recorded in the Map Records of Montgomery County, Texas at Cabinet T, Sheets 130 through 135, Map Records of Montgomery County, Texas (hereinafter referred to as the "Property" or the "Subdivision").

Attached hereto are the originals of, or true and correct copies of, the following dedicatory instruments, including known amendments or supplements thereto, governing the Association, which instruments have not previously been recorded. The documents attached hereto are subject to being supplemented, amended or changed by the Association. Any questions regarding the dedicatory instruments of the Association may be directed to the Association at 15201 East Freeway, Suite 205, Channelview, Texas 77530 phone number: 281-457-5341.

SIGNED on this the 8th day of December, 2011.

John M. Hughes, President
JDH Association Management

SUMMERSET ESTATES PROPERTY OWNERS ASSOCIATION, INC.
RECORDS PRODUCTION POLICY

This Records Production Policy was approved by the Board of Directors for SUMMERSET ESTATES Property Owners Association, Inc., on the 8th day of December, 2011.

I. **Copies of Association records will be available to all Owners upon their proper request and at their own expense. A proper request:**

a. is sent certified mail to the Association's address as reflected in its most recent management certificate;
b. is from an Owner, or the Owner's agent, attorney, or certified public accountant; and
c. contains sufficient detail to identify the records being requested.

II. **Owners may request to inspect the books and records or may request copies of specific records.**

- If the owner makes a request to inspect the books and records, then the Association will respond within 10 business days of the request, providing the dates and times the records will be made available and the location of the records. The Association and the owner shall arrange for a mutually agreeable time to conduct the inspection. The Association shall provide the owner with copies of specific documents upon the owner paying the Association the cost thereof.

- If an owner makes a request for copies of specific records, and the Association can provide the records easily or with no cost, then the Association will provide the records to the owner within 10 business days of the owner's request.

- If the owner makes a request for copies of specific records, the Association shall send a response letter advising on the date that the records will be made available (within 15 business days) and the cost the owner must pay before the records will be provided. Upon paying the cost to provide the records, the Association shall provide the records to the owner.

III. **The Association hereby adopts the following schedule of costs:**

COPIES	10 cents per page, for regular 8.5" X 11" page 50 cents per page for pages 11" X 17" or greater Actual cost, for specialty paper (color, photograph, map, etc...)
LABOR	$15.00 per hour for actual time to locate, compile and reproduce the records (can only be charged if request is greater than 50 pages in length)
OVERHEAD	20% of the total labor charge (can only be charged if request is greater than 50 pages in length)

VI. If the estimated cost provided to the Owner is more or less than the actual cost of producing the documents, the Association shall, within 30 days after providing the records, submit to the owner either an invoice for additional amounts owed or a refund of the overages paid by the Owner.

VII. Unless authorized in writing or by court order, the Association will not provide copies of any records that contain the personal information of an owner, including restriction violations, delinquent assessments, financial information, and contact information.

HOMEOWNERS ASSOCIATION CERTIFICATION

"I, the undersigned, being the President of the SUMMERSET ESTATES Property Owners Association Inc., hereby certify that the foregoing Resolution was adopted by at least a majority of the Association Board of Directors."

By: _____, President

Print Name: LORIS M ALLEN JR

AFTER RECORDING RETURN TO:

JDH ASSOCIATION MANAGEMENT
1776 Woodstead Court #103
The Woodlands, TX 77380

G MARIE BARAJAS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
MAY 7, 2016

MATERIALS	actual costs of labels, boxes, folders, and other supplies used in producing the records, along with postage for mailing the records

IV. The Association hereby adopts the following form of response to Owners who request to inspect the Association's books and Records:

SUMMERSET ESTATES PROPERTY OWNERS ASSOCIATION, INC.
RESPONSE TO REQUEST FOR ASSOCIATION RECORDS

Date

Dear Homeowner:

On (date), the SUMMERSET ESTATES Property Owners Association received your request to inspect the books and records of the Association. The books and records of the Association are available for you to inspect on regular business days, between the hours of 9 a.m. and 5 p.m. at the office of JDH Association Management, 1776 Woodstead Court #103, The Woodlands, Texas.

Please contact the Association manager at (281) 457-5341 to arrange for a mutually agreeable time for you to come and inspect the books and records. Please be advised that if you desire copies of specific records during or after the inspection, you must first pay the associated costs before the copies will be provided to you. A schedule of costs is included with this response.

Very Truly Yours,
SUMMERSET ESTATES PROPERTY OWNERS ASSOCIATION, INC.

V. The Association hereby adopts the following form of response to Owners who request copies of specific records:

SUMMERSET ESTATES PROPERTY OWNERS ASSOCIATION, INC.
RESPONSE TO REQUEST FOR ASSOCIATION RECORDS

Date

Dear Homeowner:

On (date), the SUMMERSET ESTATES Property Owners Association received your request for copies of specific Association records. We are unable to provide you with the requested records within 10 business days of your request. However, the requested records will be available to you no later than 15 business days after the date of this response.

In order to obtain the records, you must first pay the Association the cost of providing the records to you. The estimated cost to obtain the records you requested is $_____. Upon receiving payment, the Association will mail the requested docuements to you. You may also make payment and pick up the documents in person at the office of JDH Association Management, 1776 Woodstead Court #103, The Woodlands,Texas

Very Truly Yours,
SUMMERSET ESTATES PROPERTY OWNERS ASSOCIATION, INC.

RECORD OF DEDICATORY INSTRUMENTS (PURSUANT TO PROPERTY CODE § 202.006)

SUMMERSET ESTATES PROPERTY OWNERS ASSOCIATION INC.

PI145-201209652G-37

Number of Units	288
Declaration File Code	2003031932
Declaration Film Code	272-10-2567

Items attached to be filed:

- ✓ Management Certificate
- ✓ By - Laws
- ✓ Rules and Regulations
- ✓ Articles of Incorporation
- Architectural Control Guidelines
- ✓ Other Payment Plan Policy, Collection + Fine Policy, Records Retention and Production

TOTAL # OF PAGES TO BE FILED: ____

AFFIDAVIT IN COMPLIANCE WITH SECTION 202.006 OF TITLE 11 OF THE TEXAS PROPERTY CODE

THE STATE OF TEXAS §
COUNTY OF MONTGOMERY §

BEFORE ME, the undersigned authority, on this day personally appeared John M. Hughes, who, being duly sworn according to law, stated the following under oath:

"My name is John M. Hughes. I am fully competent to make this Affidavit. I have personal knowledge of the facts stated herein, and they are all true and correct.

I am President of JDH Association Management, the management team for Summerset Estates Property Owners Association, Inc., a Texas Non-profit Corporation (the "Association"). I am also a custodian of the records for the Association and I have been authorized by the Association's Board of Directors to sign this Affidavit.

The Association is a "property owners' association" as that term defined in *Title 11 of the Texas Property Code.* The Association's jurisdiction includes, but may not be limited to the tract or parcel of land consisting of that certain tract of land known as "SUMMERSET ESTATES SECTION ONE" being a Subdivision of 129.849 acres of land situated in the T. & N.O.R.R. Survey, A-785, Montgomery County, Texas, according to the plat ("Plat") of said Summerset Estates Section One, recorded in the office of the County Clerk of Montgomery County, Texas, after having been approved as provided by law, and being recorded in the Map Records of Montgomery County, Texas at Cabinet T, Sheets 130 through 135, Map Records of Montgomery County, Texas (hereinafter referred to as the "Property" or the "Subdivision").

Attached hereto are the originals of, or true and correct copies of, the following dedicatory instruments, including known amendments or supplements thereto, governing the Association, which instruments have not previously been recorded. The documents attached hereto are subject to being supplemented, amended or changed by the Association. Any questions regarding the dedicatory instruments of the Association may be directed to the Association at 15201 East Freeway, Suite 205, Channelview, Texas 77530 phone number: 281-457-5341.

SIGNED on this the 8th day of December, 2011.

John M. Hughes, President
JDH Association Management

SUMMERSET ESTAES PROPERTY OWNERS ASSOCIATION, INC.
RECORDS RETENTION POLICY

This Records Retention Policy was approved by the Board of Directors for SUMMERSET ESTATES Property Owners Association, Inc., on the 8th day of December, 2011.

The Association shall maintain its records as follows:

RECORD	RETENTION PERIOD
Certificate of Formation/Articles of Incorporation, By Laws, Declaration and all amendments to those documents.	PERMANENT
Association Tax Returns and Tax Audits	SEVEN (7) YEARS
Financial Books and Records	SEVEN (7) YEARS
Account Records of Current Owners	FIVE (5) YEARS
Contracts with a term of more than one year	FOUR (4) YEARS AFTER CONTRACT EXPIRES
Minutes of Member Meetings and Board Meetings	SEVEN (7) YEARS

Records not listed above are not subject to retention. Upon expiration of the retention date, the applicable record will be considered not maintained as a part of the Association books and records.

HOMEOWNERS ASSOCIATION CERTIFICATION

"I, the undersigned, being the President of the SUMMERSET ESTATES Property Owners Association, Inc., hereby certify that the foregoing Resolution was adopted by at least a majority of the Association Board of Directors."

By: Lorism Allen Jr, President

Printed Name: Lorism Allen Jr

AFTER RECORDING RETURN TO:

JDH ASSOCIATION MANAGEMENT
1776 Woodstead Court #103
The Woodlands, TX 77380

G MARIE BARAJAS
NOTARY PUBLIC, STATE OF TEXAS
MY COMMISSION EXPIRES
MAY 7, 2016

Doc# 2012096526

FILED FOR RECORD
10/03/2012 10:27AM

COUNTY CLERK
MONTGOMERY COUNTY. TEXAS

RECORDER'S MEMORANDUM.
At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All blackouts, additions and changes were present at the time the instrument was filed and recorded

STATE OF TEXAS
COUNTY OF MONTGOMERY
I hereby certify this instrument was filed in file number sequence on the date and at the time stamped herein by me and was duly RECORDED in the Official Public Records of Montgomery County, Texas.

10/03/2012

County Clerk
Montgomery County. Texas

SUMMERSET ESTATES FINE POLICY
As adopted by the Board of Directors of the Summerset Estates Property Owners' Association, Inc.

WHEREAS, the BY-LAWS, grant the Board power to manage the affairs of the Association; and

WHEREAS, the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, grant the Board power to enforce restrictions, rules and regulations;

WHEREAS, the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, grant the Board power to adopt, amend, repeal and enforce rules and regulations, fines, levies, and enforcement provisions as may be deemed necessary;

WHEREAS, the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, grant the Board power of levying and collecting, after notice and hearing, reasonable and uniformly applied fines and penalties, established in advance, from any Member or Related User;

NOW THEREFORE, BE IT RESOLVED THAT the Board hereby adopts the following:

A. An initial notice of the violation (Violation Letter) shall be mailed by regular mail by the Management Company to the Property Owner requesting compliance within thirty (30) days. The initial notice will contain a description of the violation, the time the Property Owner has to comply with the letter, notice that failure to comply will result in fines, a copy of the Fines schedule, and notice that if the matter is not resolved within the thirty (30) day deadline and is referred to an attorney for enforcement, all costs of enforcement will be charged to the Property Owner of record. No fine will be assessed at the time of the initial notice.

Request for an Appeal must be received in writing within thirty (30) days of the Owner's receipt of the letter. Hearings will be held in accordance with Texas Property Code § 209.007. Hearings shall be held before an appointed committee of Property Owners or before the board if the board does not appoint a committee. If the hearing is held before a committee, the Owner may appeal the committee's decision to the board.

B. Second notice of the violation (Violation Letter Two (2)) shall be mailed by Certified Mail, Return Receipt Requested to the address of record by the Management Company to the Property Owner if violation has not been cured thirty-one (31) days from the mailing date of the first letter. A $50.00 fine will be assessed at this time. The Property Owner is given fourteen (14) additional days to correct the violation and avoid further penalties, or the matter will be turned over to the association attorney for enforcement. The Property Owner will pay all costs associated with additional mailings and including, but not limited to potential Attorney's fees.

C. Third notice of the violation (Violation Letter three (3)) shall be mailed by the Management Company, Certified Mail, Return Receipt Requested to the Property Owner and will be sent to the Attorney for Summerset Estates POA for collection at forty-five (45) days from the mailing date of the first letter. The fine increases to $175.00 plus all costs including, but not limited to Attorney's Fees.

D. If a violation is cured and reoccurs within six (6) months, the association will reinstate the enforcement policy where it ended upon closure of the violation. The Association will not be

required to send additional notice to the Property Owner if proper notice was provided in the preceding six (6) months.

E. All fines are due and payable thirty (30) days from the date of notice of assessment unless a timely written appeal has been filed with the Management Company of the Property Owner's Association.

F. An interest rate of ten percent (10%) simple interest will be charged monthly on all unpaid fine balances until paid in full.

G. Failure to pay assessments (fines) in a timely manner will result in the loss of membership privileges as outlined in the By-Laws of the Summerset Estates POA, including, but not limited to use of common area and voting privileges.

Exceptions to Fines Schedule: Despite variance in fine schedule, all initial notices relating to these exceptions will include the 30 day opportunity to be heard and notice that if the matter is not resolved by the 30 day deadline it is referred to an attorney for enforcement, all costs of enforcement will be charged to the Property Owner. Such notice will also state that no fines or costs will be formally charged to the owners account until the 30day deadline has expired or upon a final hearing decision that the violation did occur.

1) Force Mow:

- Initial notice sent with ten (10) day request to correct or SEPOA will "force mow" with a minimum charge of $35.00. SEPOA will continue to force mow as needed for six (6) months from the date of the original notice.

2) Holiday Decorations:

- Initial notice will be sent thirty (30) days after holiday. A $50.00 per month fine will be assessed until the decorations are removed.

3) Mildew on structures and mailbox:

- Initial notice, Second notice and Third notice will be ailed according to the schedule stated above in A), B) and C). A $50.00 per month fine will be assessed beginning forty-five (45) days from mailing of the initial notice.

4) Oversize vehicles (including, but not limited to dump trucks, 18 wheelers, bob-tails, trailers, commercial vehicles and maintenance of said vehicles) and inoperable, unlicensed or "junk" vehicles as defined by the Declaration of Covenants, Conditions and Restrictions for SEPOA. Inoperable vehicles will be further defined as any vehicle that may not be legally driven on the public streets of Texas due to expired registration, flat tires, broken windows or any other noticeable impairment that may prohibit the operation of the vehicle:

- Initial notice is sent requesting removal within seven (7) days
- Second notice of violation will be issued at day either (8) for removal between days eight (8) through fourteen (14). On day eight (8), a $50.00 fine is imposed plus costs associated with additional mailings including, but

SEPOA for collection. The fine increases to $175.00 plus all costs associated with additional mailings including, but not limited to Attorney's Fees.

5) Livestock and / or Health related issues such as:
   a) Fowl, Pigs, goats, cattle etc.
   b) Excessive trash, garbage and litter
      - Initial notice is sent requesting removal within seven (7) days.
      - Second notice will be issued at day eight (8) for removal between days eight (8) through fourteen (14). On day eight (8), a $50.00 fine is imposed plus costs associated with additional mailings, clean up and including, but not limited to potential Attorney's fees.
      - Third notice is sent on day fifteen (15). On day thirty-one (31) the matter will be sent to the Attorney for the SEPOA for collection. The fine increases to $175.00 plus all costs associated with additional mailings, clean up, including, but not limited to Attorney's fees.

6) Unapproved property and structural modifications by Property Owner as outlined in Declaration of Covenants, Conditions and Restrictions for SEPOA:
   - Initial notice, Second notice and Third notice will be mailed according to the schedule stated above in A), B) and C). A $50.00 per month fine will be assessed beginning forty-five (45) days from mailing of the initial notice.

7) Vandalism of Common Element:
   - An automatic $500.00 fine will be assessed and all costs associated with additional mailings, repairs and including, but not limited to potential Attorney's fees.
   - If caught in the act, Law enforcement will be notified and charges filed. An automatic $500.00 fine will be assessed and all costs associated with additional mailings, repairs and including, but not limited to potential Attorney's fees.

Resolved: The following items shall constitute the Appeal Process

A. All Appeals shall be in writing and mailed to the Board of Directors in care of the Management Company.

B. All Appeals shall be postmarked or hand delivered to the management company within thirty (30) days of the mailing date of the Initial Notice.

C. In the event that a timely request for a hearing is received, the fine(s) will be held in abeyance pending the outcome of the hearing. A finding, not in favor of the Property Owner will result in all fines being reinstated from the date of the Initial notice of violation including, but not limited to mailing costs, costs of repairs, or clean up.