

**SECOND SUPPLEMENT
TO
NOTICE OF FILING OF DEDICATORY INSTRUMENTS
FOR
PRESTON HIGHLANDS, PHASE ONE AND PHASES II AND III
[Amended Compliance Policy]**

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

THIS SECOND SUPPLEMENT TO NOTICE OF FILING OF DEDICATORY INSTRUMENTS FOR PRESTON HIGHLANDS, PHASE ONE (this "Second Supplement") is made this 12 day of December 2018, by Preston Highlands Community Improvement Association d/b/a Preston Highlands Homeowner's Association, Inc. (the "Association").

WITNESSETH:

WHEREAS, Frankford Associates, a Texas general partnership (the "Declarant"), prepared and recorded an instrument entitled Declaration of Restrictions for Preston Highlands, Phase One on or about November 14, 1978, at Volume 1143, Page 618 *et seq.* of the Real Property Records of Collin County, Texas, as amended and supplemented from time to time (the "Declaration"); and

WHEREAS, the Association is the property owners' association created by the Declarant to manage or regulate the planned unit development covered by the Declaration, which is more particularly described in the Declaration; 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 development is located; and

WHEREAS, on or about December 9, 2004, the Association filed a Notice of Filing of Dedicatory Instruments for Preston Highlands, Phase One, at Volume 5812, Page 3339 *et seq.* as Instrument No. 2004-0176636 of the Real Property Records of Collin County, Texas (the "Notice"); and

WHEREAS, on or about November 26, 2012, the Association filed a First Amendment and First Supplement to Notice of Filing of Dedicatory Instruments for Preston Highlands Phase One and Phases II and III as Instrument No. 20121126001500360 of the Real Property Records of Collin County, Texas (the "First Amendment/Supplement"); and

WHEREAS, the Association desires to again supplement the Notice with the dedicatory instrument attached hereto as Exhibit A in the Real Property Records of Collin County, Texas, pursuant to and in accordance with Section 202.006 of the Texas Property Code.

NOW, THEREFORE, the dedicatory instrument attached hereto as Exhibit A is a true and correct copy of the original and is hereby filed of record in the Real Property Records of Collin County, Texas, in accordance with the requirements of Section 202.006 of the Texas Property Code.

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

PRESTON HIGHLANDS COMMUNITY
IMPROVEMENT ASSOCIATION d/b/a
PRESTON HIGHLANDS HOMEOWNER'S
ASSOCIATION, INC.,
A Texas non-profit corporation

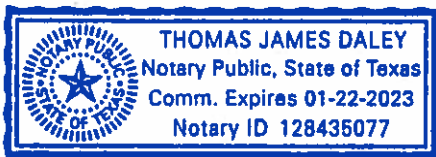
By: [Signature]
Name: Jody L Johnson
Its: President

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
 §
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, on this day personally appeared Jody L Johnson of Preston Highlands Community Improvement Association d/b/a Preston Highlands Homeowner's Association, Inc., 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 12 day of December, 2018.



[Signature]
Notary Public, State of Texas
Jan 22, 2023
My Commission Expires

EXHIBIT "A"

Amended Compliance Policy

PRESTON HIGHLANDS HOMEOWNER'S ASSOCIATION, INC.

AMENDED COMPLIANCE POLICY

WHEREAS, Preston Highlands Community Improvement Association d/b/a Preston Highlands Homeowner's Association, Inc. (the "Association") is authorized to enforce the covenants contained in Declaration of Restrictions for Preston Highlands, Phase One (the "Declaration"), rules and regulations, and Design Guidelines (hereinafter the Declaration, rules and regulations, and Design Guidelines are collectively referred to as the "Restrictions") and impose fines for violations of the Restrictions; and

WHEREAS, pursuant to Article IV, Section 4.13(i) of the Bylaws of Preston Highlands Homeowner's Association, Inc. (the "Bylaws"), the Board of Directors of the Association has the power to enforce the provisions of any covenants, conditions and restrictions and any rules made pursuant to the Bylaws, and to enjoin and seek damages from any Member for violation of such provisions or rules; and

WHEREAS, pursuant to Article IX, Section 9.01(e) of the Bylaws, the Board of Directors of the Association has the power to levy individual assessments or fines against Members who are not in compliance with the maintenance requirements of their property as prescribed by Dallas City Code, the Declaration, and these Bylaws, or who are otherwise in violation of such standards and restrictions; and

WHEREAS, Article IX, Section 9.01(e) of the Bylaws further authorizes the Board of Directors to establish and amend from time to time a Compliance Policy; and

WHEREAS, in order to comply with the requirements of Sections 209.006 and 209.007 of the Texas Residential Property Owners Protection Act (the "Act"), the Board desires to promulgate the following policy establishing procedures for the enforcement of the Restrictions and for the levying of fines against violating Owners; and

WHEREAS, pursuant to this authority, the Board of Directors previously adopted and recorded a Compliance Policy on or about May 10, 2006, as Document No. 20060510000632550 of the Real Property Records of Collin County, Texas (the "Compliance Policy"); and

WHEREAS, the Board of Directors desires to replace the Compliance Policy with this Amended Compliance Policy.

NOW, THEREFORE, IT IS RESOLVED that the following procedures and practices are established for the enforcement of the Restrictions and for the elimination of violations of the Restrictions found to exist in, on and about the Lots and Common Areas within Preston Highlands and the same are to be known as the "Amended Compliance Policy" (to be referred to herein as the "Compliance Policy").

1. **Exempted Actions/Remedies.** This Compliance Policy and the procedures herein do not apply if the Association files suit seeking a temporary restraining order or temporary injunctive relief, files suit to collect a regular or special assessment or foreclose under the Association's lien, or is pursuing a self-help remedy. This Compliance Policy and the procedures herein do not apply to collection of assessments and related costs and charges.

2. **Generally.** The steps and procedures contained in this Compliance Policy serve as a general outline of the procedures to follow for enforcement of the covenants, conditions, restrictions and rules contained in the Restrictions; provided, however, that this Compliance Policy does not apply to collection of assessments and related costs and charges. The Association is not bound to follow the exact procedures in every enforcement matter except as required by the Restrictions or the Act. The procedures in this Compliance Policy are not intended to constitute a prerequisite or condition precedent to the Association's ability to pursue a remedy to enforce against any violation or to obtain any legal relief or remedy except as required by the Act.

3. **Establishment of Violation.** Any condition, use, activity or improvement which does not comply with the provisions of the Restrictions shall constitute a "Violation" under this Policy for all purposes. A Violation is considered a threat to public health or safety if the Violation could materially affect the physical health or safety of an ordinary resident. A Violation is considered incurable if the Violation has occurred but is not a continuous action or condition capable of being remedied by affirmative action. The following are examples of Violations considered incurable for purposes of this Policy:

- a. an act constituting a threat to health or safety, such as the keeping of a pet which endangers the health or safety of occupants of other Lots;
- b. a noise violation that is not ongoing; and
- c. property damage, including the removal or alteration of landscape.

The non-repetition of a one-time Violation or other Violation that is not ongoing is not considered an adequate remedy to the Association with respect to the enforcement of such Violation.

4. **Report of Violation.** Upon discovery of a Violation, the Board or its delegate may, but is not obligated to, forward to the Owner of the Lot in question written notice via regular first-class mail or via postcard of the discovery of a Violation(s) (the "Courtesy Notice"). The Owner will have at least ten (10) days from the date of the Courtesy Notice to correct or eliminate the Violation(s). The Board or its delegate may, in lieu of this notice, proceed immediately to the notice set forth in Paragraph 5 below.

5. **Notice of Violation.** If the Violation is not corrected or eliminated within the time period specified in the Courtesy Notice, or if the Board or its delegate deem it appropriate to

proceed without the Courtesy Notice, the Association will forward to the Owner of the Lot in question written notice of the Violation(s) by certified mail (the "Notice of Violation"). A Notice of Violation is not required if the alleged violator received a Notice of Violation relating to a similar Violation within six (6) months of the current Violation and was given a reasonable opportunity to cure the prior Violation. In such event, the Board may impose sanctions as authorized by the Declaration and/or this Compliance Policy without notice to the Owner other than the Notice of Sanction/Fine described below. A Notice of Violation is also not required if the Act does not require it. The Notice of Violation, if required, will state the following:

a. The description of the Violation, including a reference to the rule or provision of the Restrictions that is being violated and any property damage caused by the Owner, and state any amount due to the Association from the Owner.

b. The proposed sanction to be imposed, including, but not limited to, the amount of any fine, suspension of rights to use the Common Areas, the use of self-help remedies or the amount claimed to be due from the owner for property damage.

c. That the Owner is entitled to a reasonable period to cure the Violation and avoid the fine or sanction if the Violation is of a curable nature and does not pose a threat to public health or safety, and a description of the action required to cure the Violation, as well as specify the date by which the owner must cure the violation.

d. A statement that the Owner may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act (50 U.S.C. app. Section 501 et seq.) if the owner is serving on active military duty.

e. The recipient may, on or before thirty (30) days after the date of the Notice of Violation, deliver to the Association a written request for a hearing.

f. If a curable Violation is not corrected or eliminated within the time period specified in the Notice of Violation, or if the conduct which constitutes a Violation is committed again, or if a written request for a hearing is not made on or before thirty (30) days from the date of the Notice of Violation, that the sanctions or actions delineated in the Notice of Violation may be imposed or taken and that any attorney's fees and costs will be charged to the Owner.

If the hearing described in e. above is to be held before a committee or delegate of the Board, the Notice of Violation will state that the Owner has the right to appeal the decision of the committee or delegate to the Board.

6. Notice of Sanction/Fine. A formal notice of the sanction, fine or action to be imposed or taken, including the amount of any fine or the amount of any property damage (the "Notice of Sanction/Fine") will be sent by the Association to the Owner by regular first-class mail or certified mail where, within the time period specified in the Notice of Violation, the Violation has not been corrected or eliminated (or, in the case of a recurring Violation, the Violation has reoccurred) or the Association has not timely received a written request for a hearing.

7. Request for a Hearing. If the Owner timely requests a hearing, the hearing shall be held in executive session of the Board or a committee appointed by the Board affording the alleged violator a reasonable opportunity to be heard. The Association will notify the Owner in writing of its decision and action.

8. Appeal. Following a hearing before a committee of the Board, the Owner shall have the right to appeal the decision to the Board. To perfect this right, a written notice of appeal must be received by the manager, president or secretary of the Association within ten (10) days after the date of the Association's written notice to the Owner of the results of the hearing. Any hearing before the Board shall be held in the same manner as provided above for hearings before a committee appointed by the Board.

9. 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 Owner may become liable under this Compliance Policy and/or the Declaration). 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 or its delegate with the approval of the president of the Association.

10. Referral to Legal Counsel. Where a Violation is determined or deemed determined to exist and where the Board or its delegate deems it to be in the best interests of the Association to refer the Violation to legal counsel for appropriate action, the Board or its delegate may do so at any time. Such legal action may include, without limitation, sending demand letters to the violating Owner and/or seeking injunctive relief against the Owner to correct or otherwise abate the Violation.

11. Fines. Subject to the provisions of this Compliance Policy and/or the Restrictions, the imposition of fines will be based upon the sole discretion of the Board taking into consideration the nature and severity of the Violation and may be, but is not required to be, based upon the following fine schedule:

a. In the event that the Owner has not cured the Violation within the requested time period, has not made a timely written request for a hearing, the Board subsequent to a hearing decides to levy a fine, or the violation is incurable and/or a threat to the public health and safety, then the Board may impose an initial fine of up to \$100.00

against the Owner (and occupant, if different from the Owner) and the Lot. In the event that the Board imposes a fine against an Owner and a Lot, the Board or its delegate will send a notice of the imposition of the fine (the "Notice of Fine") to the Owner.

b. If the Violation is still not corrected or cured within the cure period stated in the Notice of Fine (or, in the case of a recurring Violation, the Violation has reoccurred), then the Board may impose a second fine of up to \$200.00 against the Owner and the Lot.

c. If the Violation is still not corrected or cured within the cure period stated in the second Notice of Fine (or, in the case of a recurring Violation, the Violation has reoccurred), then the Board may impose a third fine and additional fines of up to \$300.00 per Violation against the Owner and the Lot.

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 Restrictions or this Compliance Policy.

12. Notices. Unless otherwise provided in the Compliance Policy, all notices required by this Compliance 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 presumed to have been given, sent, or delivered, as of the date of the 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 or its delegate, as the case may be, has actual knowledge that such situation exists, any action to be taken pursuant to this Compliance 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 Compliance 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 Declaration. The Board shall accept a response from any such third party only upon the written direction of the Owner of the Lot upon which the Violation exists.

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 that its interest in a Lot has been and are being handled by a representative or agent, any notice or communication from the Association, the Board or its delegate pursuant to this Compliance Policy will be deemed full and effective for all purposes if given to such representative or agent.

f. Where an Owner transfers record title to a Lot at any time during the pendency of any procedure prescribed by this Compliance Policy, such Owner shall remain personally liable for all costs and fines under this Compliance 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 Compliance Policy, the Board or its delegate may begin enforcement proceedings against the new Owner in accordance with this Compliance Policy. The new Owner shall be personally liable for all costs and fines under this Compliance 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 Compliance Policy.

13. Cure or Violation During Enforcement. An Owner may correct or eliminate a Violation at any time during the pendency of any procedure prescribed by this Compliance Policy. Upon verification that the Violation has been corrected or eliminated, the Violation will be deemed no longer to exist. The Owner will remain liable for all costs and fines levied pursuant to this Compliance Policy.

Where an Owner transfers record title to a Lot at any time during the pendency of any procedure prescribed by this Policy, such Owner shall remain personally liable for all costs and fines under this 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 Policy, the Board or its delegate may begin enforcement proceedings against the new Owner in accordance with this Policy. The new Owner shall be personally liable for all costs and fines under this 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 Policy.

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

15. Severability and Legal Interpretation. In the event that any provision herein shall be determined by a court with jurisdiction to be invalid or unenforceable in any respect, such determination shall not affect the validity or enforceability of any other provision, and this Compliance Policy shall be enforced as if such provision did not exist. Furthermore, in the event that any provision of this Compliance Policy is deemed by a court with jurisdiction to be ambiguous or in contradiction with any law, this Compliance Policy and any such provision shall be interpreted in a manner that complies with an interpretation that is consistent with the law. In the event any provision of this Compliance Policy conflicts with the Declaration, the Declaration controls.

IT IS FURTHER RESOLVED that this Amended Compliance Policy is effective upon adoption and recordation 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 23, 2018, and has not been modified, rescinded or revoked.

DATE: 12-10-18


Secretary