

AFTER RECORDING, PLEASE RETURN TO:

**Judd A. Austin, Jr.
Henry Oddo Austin & Fletcher, P.C.
1717 Main Street
Suite 4600
Dallas, Texas 75201**

**CERTIFICATE AND MEMORANDUM
OF RECORDING OF DEDICATORY INSTRUMENTS
FOR
PRINCETON HEIGHTS HOMEOWNERS ASSOCIATION, INC.**

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

The undersigned, as attorney for Princeton Heights Homeowners Association, Inc., a Texas nonprofit corporation, for the purpose of complying with Section 202.006 of the Texas Property Code and to provide public notice of the following dedicatory instrument affecting the owners of property described in the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Princeton Heights, recorded under Instrument Number 2022000139592 of the Official Public Records of Collin County, Texas, including any amendments and supplements thereto ("*Property*"), hereby states that the dedicatory instruments attached hereto are true and correct copies of the following:

- 1. Covenant Enforcement and Fine Policy for Princeton Heights Homeowners Association, Inc. (Exhibit A-1)***
- 2. Policy Regarding the Collection and Payment of Assessments and Other Charges and Fees for Princeton Heights Homeowners Association, Inc. (Exhibit A-2)***

All persons or entities holding an interest in and to any portion of the Property are subject to the foregoing dedicatory instruments until amended. The attached dedicatory instruments

replace and supersede all previously recorded dedicatory instruments addressing the same or similar subject matter and shall remain in force and effect until revoked, modified, or amended by the Board of Directors.

IN WITNESS WHEREOF, Princeton Heights Homeowners Association, Inc., has caused this Certificate and Memorandum of Recording of Dedicatory Instruments to be recorded in the Official Public Records of Collin County, Texas.

**PRINCETON HEIGHTS
HOMEOWNERS ASSOCIATION, INC.**
a Texas nonprofit corporation



By: _____
Its: Attorney

STATE OF TEXAS §
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COUNTY OF DALLAS §

BEFORE ME, the undersigned Notary Public, on this day personally appeared Vinay B. Patel, attorney for Princeton Heights Homeowners Association, Inc., a Texas nonprofit corporation, known to me to be the person whose name is subscribed on the foregoing instrument and acknowledged to me that he executed the same for the purposes therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND AFFIRMED SEAL OF OFFICE on this 19th day of November, 2025.

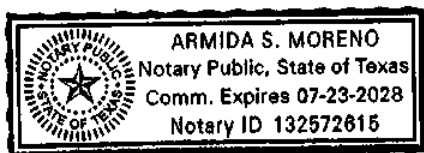

Notary Public, State of Texas

Exhibit A-1

**COVENANT ENFORCEMENT AND FINE POLICY
FOR
PRINCETON HEIGHTS HOMEOWNERS ASSOCIATION, INC.**

STATE OF TEXAS §
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COUNTY OF COLLIN §

WHEREAS, the Board of Directors ("*Board*") of Princeton Heights Homeowners Association, Inc., a Texas non-profit corporation ("*Association*"), is empowered to govern the affairs of the Association pursuant to Article III of the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Princeton Heights, recorded under Instrument Number 2022000139592 of the Official Public Records of Collin County, Texas ("*Declaration*"), Article IV of the Bylaws of the Association ("*Bylaws*"), and the Texas Business Organizations Code; and

WHEREAS, the Declaration affects certain parcels or tracts of real property in the City of Princeton, Collin County, State of Texas ("*Property*"); and

WHEREAS, pursuant to the authority set forth in the Declaration and Bylaws, the Association, acting by and through the Board, has the authority to enforce the provisions of the Declaration, the power to promulgate and enforce the provisions of the Declaration, including establishing and imposing reasonable monetary fines or penalties for the violation of the Association's dedicatory instruments, including, but not limited to, the Declaration, the Bylaws, rules and regulations, policies, resolutions, or design/architectural guidelines (collectively, the "*Governing Documents*"); and

WHEREAS, the Board has authority pursuant to the Governing Documents to determine, in its reasonable discretion, the manner in which violations of the Governing Documents are to be remedied; and

WHEREAS, the rules, regulations, policies and procedures set forth in the Governing Documents are reasonable, necessary and appropriate to promote the health and welfare of the Owners (Members) and to protect and enhance the value of the Lots. Violations resulting in enforcement efforts performed by Association's management company, volunteer Board members, legal counsel and/or contractors, require significant expenditures of time, labor and money, which are better invested in the maintenance, repairs, and procurement of insurances for the Association. Uncured violations and unresolved conflicts between and among Owners and the Association, have the potential to adversely affect goodwill associated with the Property and negatively influence third parties providing goods and services to the Association and to the Owners, including but not limited to contractors, insurance underwriters, realtors, and mortgage lenders, some of which require disclosure of existing or potential conflicts in advance of submitting pricing and/or financing proposals. The Association's management company and the volunteer Board members, thank you in advance for abiding by the Governing Documents, submitting plans, questions, concerns and obtaining approvals, prior to taking action, and quickly and amicably curing any violations; and

WHEREAS, the Board has and does hereby find the need to establish rules, regulations, and procedures for the enforcement of the restrictions contained in the Governing Documents and for the elimination of violations which may be found to exist within the Property.

NOW THEREFORE, IT IS RESOLVED that the following rules, regulations, and procedures relative to the operation of the Association are hereby established for the enforcement of violations of the Governing Documents and for the elimination of such violations found to exist in, on, or about the Property (hereinafter referred to as the "*Enforcement Policy*").

1. Establishment of a Violation.

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

b. Failure to Abide by the Governing Documents.

- (i) Any construction, alteration or modification to any improvement on a Lot which does not in all respects conform to that which has been so approved, or any activity or condition allowed to continue or exist on any Lot that is in direct violation of the Governing Documents is also deemed a "*Violation*" under this Enforcement Policy for all purposes.
- (ii) Any violation of the Governing Documents or noncompliance of a deed restriction covenant is deemed a "*Violation*" under this Enforcement Policy for all purposes.

c. Common Violations. Exemplar violations are outlined in Exhibit 1 titled "Common Violations". This is not an exhaustive list of Violations.

2. Notification.

a. Initial Notice (Courtesy Notice). Upon verification of the existence of a Violation by the Association or management company representative ("*Management*") of the Association, the Association may, but is not required to, send to the Owner a written notice of the existence of the Violation ("*Initial/Courtesy Notice*"). The Initial/Courtesy Notice will generally inform the Owner of the following:

- (i) The nature, description, and location of the Violation; and
- (ii) What needs to be done to cure the Violation, and provide notice that the Violation must be cured within a maximum of fourteen (14)

days^{1,2} of the date of the Initial/Courtesy Notice to avoid further enforcement measures, unless an alternative cure period is established by the Board; and

- (iii) A statement that if the Violation has already been cured, remedied, corrected, or plans and specifications for the subject improvement have been submitted to the ACC, to disregard the notice.

The Association may, but is under no obligation to, send additional Courtesy Notice(s). In addition to first-class mail, a Courtesy Notice may also be sent by electronic mail, if an electronic mail address has been provided by the Owner. It is the responsibility of the Owner to update the Association with regards to any address, telephone number, or electronic mail address changes.

b. Notice of Violation. If the Owner has (i) failed to submit plans and specifications for the offending improvement or modification to the ACC, or the ACC has denied the approval of plans and specifications initially submitted, (ii) failed to cure a Violation within the prescribed cure period referred to in section 2(a) of this Policy, and/or (iii) the Board has decided to forego a Courtesy Notice for this particular Violation, then the Association shall send to the Owner written notice ("*Notice of Violation*") informing the Owner of the following:

- (i) The nature, description, and location of the Violation and notification that if the Violation is corrected or eliminated by a specific date (not number of days), no further action will be taken; and
- (ii) Notification that if the Violation is not corrected or eliminated by the date specified in 2(b)(i), any attorney's fees incurred by the Association in eliminating or abating the Violation, and any violation fines imposed as determined by the Board, shall be charged to the Owner's account; and
- (iii) Notification of the proposed sanction to be imposed and amount due the Association, if any, and a brief description of what needs to be done to cure the Violation; and
- (iv) If necessary, work on any improvement not designed to cure the Violation must cease immediately and may not resume without the prior written approval of the ACC; and
- (v) Failure to remedy the Violation or cease work on any unauthorized improvement will result in the Association electing to pursue any one or more of the remedies available to the Association under the Governing Documents, this Enforcement Policy, and/or applicable law; and

1 For purposes of this Enforcement Policy, the term "days" shall mean calendar days.

2 The Board may require certain Violations be cured within three (3) days from the date of the letter.

- (vi) In the event the Violation is deemed to be an incurable violation or violation posing a threat to health or safety, as reasonably determined by the Board, the Association is not required by law to provide an opportunity to cure and may impose an immediate fine. The following are examples of acts considered incurable: (1) shooting fireworks or discharging a firearm; (2) an act constituting a threat to health or safety; (3) a noise violation that is not ongoing; (4) damaging Association property, including the removal or alteration of landscape; and (5) holding a garage sale or other event prohibited by a dedicatory instrument; and
- (vii) His/her right to assert and protect his/her rights as a member of the Armed Forces of the United States. The protected individual or family member shall send written notice of their active-duty military service to the sender of the Notice of Violation immediately; and
- (viii) His/her right to make a written request for a hearing on or before the thirtieth (30th) day after the Notice of Violation is mailed, *i.e.*, thirty-three (33) days after the date of the Notice of Violation. The hearing, if one is requested in a timely manner, will be held before the Board.

The Notice of Violation shall be sent to the Owner by certified mail, return receipt requested, and first-class U.S. mail. In addition to the foregoing delivery methods, the Notice of Violation may also be sent by electronic mail, if an electronic mail address has been provided by the Owner. It is the responsibility of the Owner to update the Association with regards to any address, telephone number, or electronic mail address changes.

c. Failure to Remedy and Notice of Fine. Failure to (i) submit complete plans and specifications showing that the Violation will be remedied, (ii) cease all non-remedial work immediately upon receipt of the Notice of Violation, and/or (iii) remedy the current Violation existing upon the Lot within fourteen (14) days of the date of the Notice of Violation, shall constitute a continuing Violation and result in one or more of the following: (a) the imposition of violation fines as determined by the Board against the Owner, (b) the suspension of the right to enter upon and/or use any recreational facilities within the Common Area(s), and/or (c) the pursuit of any other remedy available at law or in equity, under the Governing Documents or this Enforcement Policy including, but without limitation, the recording in the County Clerk's office of a Notice that the Lot in question is in violation of restrictive covenants or an action for injunctive relief and civil damages. The Association may, but is under no obligation to, send a notice to the Owner in the form of a formal written notice of fine ("*Notice of Fine*") informing the recipient of the continuing Violation and the remedy chosen as a result thereof. The date of the Notice of Fine shall be the "*Notice of Fine Date*."

d. Fine Structure. Unless otherwise provided herein, any single fine imposed pursuant to the provisions of this Enforcement Policy may not exceed \$500.00 as

determined by the Board and an Initial Fine of not less than \$50.00 may be imposed for failure to remedy or cure the Violation. In the event the Owner fails to respond or comply by remedying or curing the Violation within fourteen (14) days after the Initial Fine, additional fines may be imposed as follows:

<u>Curable Violations³</u>	
Initial Fine	\$50.00
Second Fine	\$50.00
Third Fine	\$100.00
Fourth and Subsequent Fines	\$150.00
<u>Uncurable Violations⁴ and Violations Which Pose a Threat to Public Health or Safety</u>	
Fine	Amount not to exceed \$2,000.00
<u>Unapproved ACC Modifications</u>	
Initial Fine	\$100.00
Second Fine	\$200.00
Third Fine	\$400.00
Fourth and Subsequent Fines	\$500.00

Fines and the frequency of fines, as determined by the Board, may be imposed every day that the Violation continues to exist after the Notice of Fine date. There shall be no limit to the aggregate amount of fines that may be imposed for the same Violation. The Owner may be notified by the Association, in writing, of the amount of fines accrued to Owner's account. The Board may modify, from time to time, the schedule of fines. The Board reserves the right to adjust these fine amounts based on the severity and/or frequency of the Violation(s).

The imposition of the monetary penalties provided herein shall not be construed to be an exclusive remedy, and shall be in addition to all other rights and remedies to which the Association may otherwise be entitled, including, without limitation, the filing of an Affidavit of Non-Compliance, or similar, in the Real Property Records of Johnson County, Texas, and/or the initiation of legal proceedings seeking injunctive relief and/or damages, attorney's fees, costs of court and all other remedies, at law or in equity, to which the Association may be entitled.

3. Right to a Hearing Before the Board of Directors. If the Association receives a written request for a hearing on or before the thirtieth (30th) day after the date of the Notice of Violation, the Board shall hold a hearing no later than the thirtieth (30th) day after the date the Association received the written request for a hearing. The Association shall notify the Owner of the date, time, and place of the hearing no later than the tenth (10th) day before the date of the hearing. The notice of hearing may be sent by electronic mail, if an electronic mail address has

³ Examples of Curable Violations include trash cans, parking violations, ongoing noise violation, yard maintenance, and home maintenance.

⁴ Examples of Uncurable Violations include property damage, an act constituting a threat to public health or safety, noise violation that is not ongoing, and an event prohibited by the governing documents of the Association.

been provided by the Owner, first-class mail, and/or certified mail. The Board or the Owner may request a postponement and, if requested, a postponement shall be granted for a period of not more than ten (10) days. Additional postponements may only be granted by agreement of the parties. The Owner's presence is not required to hold a hearing under this paragraph. The Association or Owner may make an audio recording of the hearing.

Not later than ten (10) days before the Board holds a hearing, the Association shall provide to the Owner a packet containing all documents, photographs, video evidence, and communications relating to the matter which the Association intends to introduce at the hearing ("*Evidence Packet*"), if any. If the Board intends to produce any documents, photographs, videos, and communications during the hearing, and does not send an Evidence Packet to the Owner in a timely manner, the Owner is entitled to an automatic fifteen (15) day postponement of the hearing. At the commencement of the hearing, a member of the Board or the Association's designated representative shall present the Association's case against the Owner. Following the presentation by the Board, the Owner or the Owner's designated representative is entitled to present the Owner's information and issues relevant to the appeal or dispute. The Owner or the Board may make an audio recording of the hearing. 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 or reduce any proposed sanction if the Violation is cured within the ten (10) day period. Such suspension and/or reduction shall not constitute a waiver of the right to sanction future Violations of the same or other provisions and rules by any Owner.

Prior to the hearing, proof of proper notice of the hearing shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by an Officer, Director or agent who delivered such notice. The notice requirement shall be satisfied if the Owner appears at the meeting. The minutes of the meeting shall contain a statement of the results of the hearing and the sanction(s), if any, imposed.

4. Corrective Action (Self-Help). Notwithstanding the provisions contained in Paragraph 2 hereof, where a Violation of the Governing Documents is determined to exist pursuant to any provision of this Enforcement Policy, Management, with the approval of the Board and pursuant to the authority granted in the Association's Governing Documents, may undertake to cause the Violation to be corrected, removed or otherwise abated by qualified contractors if the Association, in its reasonable judgment, determines that such Violation may be readily corrected, removed, or abated without undue expense and without breach of the peace. Where Management is authorized by the Board to initiate any action by qualified contractors, the following shall apply:

a. The Association, through Management, must first provide the Owner with a Notice of Violation as provided above. Should the Violation not have been remedied by the Owner within fourteen (14) days from the date of the Notice of Violation, then the Association must give the Owner, and any third party directly affected by the proposed action, prior written notice of the undertaking of the action ("*Notice of Corrective Action*"). The Notice of Corrective Action shall be sent to the Owner by certified mail, return receipt

requested, and first-class U.S. mail, and include an opportunity for the Owner to cure the Violation prior to the undertaking of any corrective action.

b. Any cost incurred in correcting or eliminating a Violation shall be charged to the Owner's account.

c. The Association, the Board, and its agents and contractors shall not be liable to the Owner or any third party for any damages or costs alleged to arise by virtue of action taken under this Paragraph 4 where the Association, the Board, its agents, and contractors have acted reasonably and in conformity with this Enforcement Policy and the Governing Documents.

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

6. Notices.

a. Any notice required by this Enforcement Policy to be given, sent, delivered, or received, in writing, will be deemed given, sent, delivered, or received (as applicable) based on the following:

- (i) When the notice is delivered by electronic mail, the notice is deemed delivered and received when the sender "sends" the electronic mail and receives a confirmation or report acknowledging the time and date it was delivered. It is an Owner's duty and responsibility to keep an updated electronic mail address registered with the Association.
- (ii) When the notice is placed into the care and custody of the United States Postal Service, the notice is deemed delivered and received as of the third day after the notice is deposited into a receptacle of the United States Postal Service with postage prepaid and addressed to the most recent address of the recipient according to the records of the Association. Any Notice of Violation or Notice of Corrective Action shall be sent certified mail, return receipt requested, and first-class U.S. mail.

b. Where the Lot is occupied by a tenant or where the interests of an Owner have been handled by a representative or agent of such Owner, any notice or communication from the Association or Management pursuant to this Enforcement Policy will be deemed full and effective for all purposes if given to the Owner at the address on

record with the Association. The Association may, as a courtesy, also provide notice to the tenant.

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

8. Repeated Violation of the Same Provision of the Governing Documents. Whenever an Owner, who has previously cured or eliminated a Violation after receipt of a Notice of Violation, commits a separate Violation of a similar provision of the Governing Documents within six (6) months from the date of the Notice of Violation, the Association shall reinstate the Violation, including the fines previously imposed related to such Violation that were waived by the Board, and pursue the procedures set forth herein as if the Violation was never cured or eliminated. For purposes of illustration only, in the event the Owner cured the Violation after having received an Initial/Courtesy Notice, the second Violation of the same provision shall prompt the Association to send a Notice of Violation. Similarly, in the event the Owner cured the Violation after having received a Notice of Violation, the second Violation shall prompt the Association to send a Notice of Fine as provided hereunder. In the event an Owner cured the Violation after having received a Notice of Fine, the second Violation shall prompt the Association to commence the levying of violation fines without further notice to the Owner. In the event of a repeated Violation, the Board shall be authorized to double the fine amount.

9. Payment of Administrative Expenses and Violation Fines. The Owner shall be responsible for administrative and postage fee expenses in delivering notices under this Enforcement Policy. Payment of the violation fine amount does not imply or constitute a waiver of enforcement or the granting of a variance for the Violation. All Violations must be corrected and brought into compliance with the Governing Documents. If there is a subsequent Violation of a similar rule, the fine amount will be imposed pursuant to the Fine Structure provision. Failure to pay fines may result in a lien on the Owner's Property. The Owner shall be responsible for any fines and enforcement costs assessed on the Property. If applicable, it is the Owner's responsibility to pursue reimbursement of the fines from the tenant(s).

10. Authority of Management To Act. The Board hereby authorizes and empowers Management to do all such things and perform all such acts as are necessary to implement and effectuate the purposes of the Enforcement Policy and compliance with Texas Property Code Section 209.0051(h), including the levying of violation fines, without further action by the Board.

Notwithstanding the foregoing, the Board and Management agree to use best efforts to regularly communicate so Management can expeditiously effect any changes or requests made by the Board on behalf of the Association for any Enforcement Policy terms and provisions the Board has the authority to affect or change.

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

This Enforcement Policy is hereby adopted by resolution of the Board and replaces and supersedes, in all respects, all prior policies and resolutions with respect to the enforcement of Violations by the Association, and shall remain in force and effect until revoked, modified, or amended by the Board.

12. Definitions. The definitions contained in the Association's Governing Documents are hereby incorporated herein by reference.

IN WITNESS WHEREOF, the Board has caused this Enforcement Policy to be effective and executed by its duly authorized representative as of the 11/18/2025, 20 .

**PRINCETON HEIGHTS
HOMEOWNERS ASSOCIATION, INC.,
a Texas non-profit corporation**

DocuSigned by:
By: James Gaddy
Its: Princeton Height HOA President

EXHIBIT 1**Common Violations***

Holiday Decorations (if not removed within 30 days of the holiday)
Property used for storage (boats, vehicles, trailers, ATV, RVs, oversized work trucks, and any other oversized vehicle, etc.)
Trash cans, trash bags and recycling left in public view on days other than designated city trash pick-up days
Trash, debris, or refuse on property
Unapproved signs in yards or on property, including commercial/vendor signs
Home maintenance/repairs that do not conform with other homes in the subdivision (ex: rotting wood/siding, broken, missing or dilapidated fence pickets/fences, fence staining, sagging gutters, damaged garage door, replacing broken light fixtures, etc.)
Exterior painting needed (ex: house, front door, siding)
Failure to maintain lawn, including irrigation equipment, remove weeds from flower beds and tree wells, trim bushes, etc.
Littering in Common Areas
Modification and/or addition made to Property without prior approval from the ACC
Vehicle violations, including, but not limited to: any vehicle without a current (or missing) license plate(s) or inspection sticker, or any vehicle that is wrecked, dismantled, discarded, or is otherwise inoperable
Vehicle parking violations
Unapproved roof, including the installation of a new roof or the installation of solar panels without ACC approval
Recreational equipment stored on the Property
Failure to remove pet waste or not leashing pets while in public view
Livestock or poultry kept on property
Violations of the leasing or occupancy related rules

* This is not an exhaustive list of violations.

Exhibit A-2

**POLICY REGARDING THE COLLECTION AND PAYMENT OF
ASSESSMENTS AND OTHER CHARGES AND FEES
FOR
PRINCETON HEIGHTS HOMEOWNERS ASSOCIATION, INC.**

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

WHEREAS, the Board of Directors ("*Board*") of Princeton Heights Homeowners Association, Inc., a Texas non-profit corporation ("*Association*"), is empowered to govern the affairs of the Association pursuant to Article III of the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Princeton Heights, recorded under Instrument Number 2022000139592 of the Official Public Records of Collin County, Texas ("*Declaration*"), Article IV of the Bylaws of the Association ("*Bylaws*"), and the Texas Business Organizations Code; and

WHEREAS, the Board, on behalf of the Association, has determined that there is a need to adopt or amend a specific collection policy ("*Policy*") regarding the collection and payment of assessments¹ and other charges and fees owed to the Association pursuant to the Declaration; and

WHEREAS, it is the intent that this Policy shall rescind, amend, and restate all prior policies adopted by the Association governing the collection of assessments, shall be applicable to all Members² of the Association, and shall remain in effect until otherwise rescinded, modified, or amended by the Board pursuant to the governing documents.

NOW, THEREFORE BE IT RESOLVED THAT, the following Policy on the collection and payment of assessments and other charges and fees owed by the Members pursuant to the Declaration is hereby adopted by the Board:

Due Date for Assessment – Assessments are billed annually and are due in full on the first (1st) day of January of each year ("*Due Date*").

Delinquency Date for Assessment – Any assessment not paid by 5:00 p.m., on the 31st day of the aforementioned month(s) in the "Due Date for Assessment" section above, shall be delinquent ("*Delinquency Date*").

Late Charges, Handling Fees, and Interest – Any assessment, fine, or charge not paid by the Delinquency Date shall result in the imposition of a late charge. In addition to an administrative charge (if applicable), a late charge of not less than \$30.00 may be imposed each month in which an account reflects a late un-paid balance, until the late unpaid balance is paid in full. The late interest charge shall be in the amount of eighteen percent (18%) per annum.

¹ The term "assessments" may include, as authorized by the Declaration, special assessments, specific assessments, individual assessments, initiation assessments, yard assessments, capital improvement assessments, and other sums assessed against any Lot. The Board may establish alternate payment schedules for certain assessments.

² The terms "Members" and "Owners" are used interchangeably in this Policy.

Returned Check Fees – A fee of not less than \$30.00 may be levied by the Association for any check returned to the Association marked “not sufficient funds” or the equivalent. Such returned check fee shall be in addition to any charges made by the Association’s bank due to the dishonored check. Notwithstanding this provision, the Association may elect to pursue additional remedies at any time in accordance with applicable law. In addition, if two (2) or more of a Member’s checks are returned unpaid by the bank within any 12-month period, the Association may require that all of the Member’s future payments, for a period of one (1) year, be made in person, and/or by certified check or money order.

Lock Boxes – The Association may establish a lock box for receipt of all payments from Owners. PAYMENTS MADE TO A LOCK BOX ARE DEPOSITED IN THE ASSOCIATION’S BANK ACCOUNT WITHOUT REGARD TO COMMUNICATIONS OR OTHER NOTICES ENCLOSED WITH OR STATED ON THE PAYMENT. ANY NOTICE OR COMMUNICATION (INCLUDING, WITHOUT LIMITATION, A DISPUTE OF THE DEBT) ENCLOSED WITH OR STATED ON THE PAYMENT TO THE LOCKBOX WILL BE INEFFECTIVE AND NOT BINDING ON THE ASSOCIATION. ANY DISPUTE OF AN ASSESSMENT, VIOLATION FEE OR ANY RELATED CHARGE, ANY PROPOSED TENDER OF AN AMOUNT OF LESS THAN PAYMENT OF THE ENTIRE AMOUNT CLAIMED TO BE DUE BY THE ASSOCIATION INTENDED TO SATISFY THE OWNER’S DEBT IN FULL, OR ANY CHANGE IN THE IDENTITY, STATUS OR ADDRESS OF AN OWNER, TO BE VALID, MUST BE IN WRITING AND SENT TO THE ASSOCIATION’S MANAGING AGENT AT THE ADDRESS SET FORTH IN THE MOST RECENTLY FILED MANAGEMENT CERTIFICATE. THE ACT OF CASHING A CHECK RECEIVED FROM AN OWNER BY THE ASSOCIATION DOES NOT CONSTITUTE AN ACCEPTANCE OF THAT AMOUNT AS PAID IN FULL, WHETHER OR NOT THE OWNER HAS NOTATED THAT SUCH AMOUNT MAKES THE ACCOUNT “PAID IN FULL”. THE ASSOCIATION RESERVES THE RIGHT TO ACCEPT PARTIAL PAYMENTS AND WILL NOTIFY THE OWNER OF ANY ADDITIONAL AMOUNTS OWED ALONG WITH A DUE DATE FOR THE REMAINDER OF THAT BALANCE.

Ownership Records – All collection notices and communications will be directed to those persons shown by the records of the Association as being the Owner of a Lot for which assessments are due and will be sent to the most recent address of such Owner solely as reflected by the records of the Association. Any notice or communication directed to a person at an address, in both cases reflected by the records of the Association as being the Owner and address for a given Lot, will be valid and effective for all purposes pursuant to the Declaration and this Policy until such time as there is actual receipt by the Association of written notification from the Owner of any change in the identity or status of such Owner or its address or both. It is the responsibility of the Owner to update the Association with regards to any address, telephone number, or e-mail address changes.

Notification of Owner’s Representative – 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 interests in a Lot have been and are being handled by a representative or agent, any notice or communication from the Association pursuant to this Policy will be deemed full and effective for all purposes if given to such representative or agent.

MAILINGS AND ACTION STEPS

The Association shall take the following actions to collect any assessment, fine, or charge not paid by the Delinquency Date, unless otherwise directed by the Board. In addition to the above-described collection expenses, the Owner is responsible for all administrative expenses incurred in collecting the delinquent amount. Collectively, these actions shall be referred to herein as the “*Collection Steps*”:

Reminder Statement of Account – A Reminder Statement of Account, Notice of Delinquency, or similarly titled document (hereinafter referred to “Reminder Statement of Account”), will be mailed after any assessment becomes delinquent. The Reminder Statement of Account must be provided by first class mail to the Owner’s last known mailing address or by email, if an email address has been provided by the Owner. It is the responsibility of the Owner to update the Association with regards to any address, telephone number, or e-mail address changes.

Association Demand Letter – An Association Demand Letter will be mailed no earlier than thirty (30) days *after* the Reminder Statement of Account is mailed or emailed, as applicable. The Association Demand Letter shall: (i) be sent via Certified Mail and First-Class U.S. Mail; (ii) specify each delinquent amount and the total amount of the payment required to make the account current; (iii) provide a period of at least forty-five (45) days to bring the account current; and (iv) provide information relative to the availability of a payment plan.

Attorney Demand Letter – If no payment is received, an Attorney Demand Letter will be mailed no earlier than forty-five (45) days *after* the Association Demand Letter is sent.

Notice of Assessment Lien or Unpaid Lien – If no payment is further received, a Second Attorney Demand Letter will be mailed and a Notice of Assessment Lien or similarly titled instrument will be filed with the office of the county clerk, no earlier than thirty (30) days after the initial Attorney Demand Letter is sent.

The Notice of Assessment Lien may not be filed until at least ninety (90) days *after* the date of the Association Demand Letter is sent to the Owner.

Inferior Lien Notice of Default and Opportunity to Cure

If there are one or more subordinate Deed of Trust liens on the property of the Owner, then the attorney will also:

- (a) provide written notice of the total amount of the delinquency giving rise to the foreclosure to any other holder of a lien of record on the property whose lien is inferior or subordinate to the Association’s lien as is evidenced by a deed of trust; and
- (b) provide the recipient of the notice an opportunity to cure the delinquency before the sixty-first (61st) day after the date the recipient receives the notice.

Foreclosure Proceedings – Foreclosure proceedings will be initiated as approved by the Board. In the event the Member fails to cure the delinquency, the Board may direct the attorney to pursue foreclosure of the Assessment Lien. In any foreclosure proceedings, the Member shall be required to pay the costs and expenses of such proceedings, including reasonable attorney's fees.

Expedited Foreclosure Pursuant to Rules 735 & 736 of the Texas Rules of Civil Procedure. The Board may decide to foreclose its Assessment Lien by exercising its power of sale granted by the Declaration. In such event, the attorney may commence an expedited foreclosure lawsuit under Rules 735 and 736 of the Texas Rules of Civil Procedure.

Judicial Foreclosure. The Association may file suit for judicial foreclosure of the Assessment Lien. Such judicial foreclosure suit may also seek a personal money judgment.

Lawsuit for Money Judgment – The Association may file suit for a money judgment in any court of competent jurisdiction.

Bankruptcy – Upon notification of a petition in bankruptcy, the Association may refer the account to the attorney.

Remedies Not Exclusive – All rights and remedies provided in this Policy are cumulative and not exclusive of any other rights or remedies that may be available to the Association, whether provided by law, equity, the Association's governing documents, or otherwise.

Delegation of Collection Procedures – From time to time, the Association may delegate some or all of the collection procedures, as the Board, in its sole discretion deems appropriate, to Management, an attorney, or a debt collector.

SUSPENSION OF PRIVILEGES

If applicable, the Association Demand Letter shall inform the Member that if the delinquency is not cured or the Member fails to deliver a timely written request for a hearing with the Board to discuss and verify facts and attempt to resolve the matter, the Association may suspend the Member's common area/amenity use privileges, and or suspend any other services provided by the Association. This includes, but is not limited to, the Member's right to use, as applicable, the community swimming pool, the amenity/community center, and pavilion area as well as the Member's right to participate in Association-sponsored events.

PAYMENT APPLICATION POLICY

Except as otherwise provided for and authorized by law, any payment received by the Association from a Member whose account reflects an unpaid balance shall be applied to the outstanding balance in the following order:

1. Any delinquent Assessment;
2. Any current Assessment;

3. Cost of collection, including attorney's fees and any other charges that could serve as the basis for foreclosure;
4. Any attorney's fees which were not incurred to collect assessments;
5. Violations fines; and
6. Any other amount owed to the Association.

PAYMENT PLANS

It is the intention of the Association to work with Members who have a legitimate reason and/or hardship interfering with their ability to satisfy their obligation to pay assessments to the Association, without penalizing those Members who make their payments on time. Therefore, in an effort to assist these Members in the payment of their assessments to the Association, a Member shall have the right to enter into a Payment Plan Agreement, subject to the following, as applicable:

1. Assessments that become due during the term of the Payment Plan Agreement must also be included and be paid as part of the payment plan.
2. The Payment Plan Agreement must include the total debt to the Association including late fees, interest, fines, collection costs, attorney's fees (if applicable) and the costs incurred by the Association to prepare the Payment Plan Agreement. Additional costs associated with administering the Payment Plan Agreement and interest on the unpaid balance on the Member's account will be added to the Member's account during the term of the Payment Plan Agreement. During the term of the Payment Plan Agreement, late charges shall accrue but shall be suspended and not added to the Member's account.
3. There shall be no waiver of any charges on the Member's account.
4. To be eligible for the payment plan, the Member must not have defaulted on a prior Payment Plan Agreement within the twenty-four (24) month period preceding the request for a payment plan.
5. The Payment Plan Agreement must contain a schedule setting forth the date each payment is required to be made under the Payment Plan Agreement ("*Schedule Due Date*"), as well as the amount of each payment, and all payments must be received on or before the Scheduled Due Date.
6. The minimum payment schedule term is three (3) months, and the maximum payment schedule term is eighteen (18) months with equal payments.
7. Any Payment Plan Agreement approved *after* the foreclosure sale proceedings have commenced may include delivery of a percentage, as determined by the Association, of the outstanding balance payable in certified funds.
8. All violations of the Declaration must be resolved by the Member prior to engaging in a payment plan.

Should the Member default or otherwise violate their Payment Plan Agreement:

1. The Association's Collection Steps shall be reinstated at the point of interruption when the Payment Plan Agreement was entered into by both parties.
2. All suspended and accrued late fees shall be reinstated to the Member's account.
3. The Member's unpaid balance shall become immediately due and payable.

Any payments received after the breach of an approved Payment Plan Agreement shall be applied as set forth in the aforementioned Payment Application Policy.

FEE WAIVER REQUEST

It is the intention of the Board to work with Members who have a legitimate reason for making a late payment, but not to the detriment of Members who make their payments on time. The Board recognizes that extenuating circumstances may prevent a Member from paying assessments before they become delinquent. Therefore, the Board may grant a waiver to the payment of a portion of the fees owed due to delinquent assessments (*i.e.*, late fees or charges, collection fees, or interest charges) owed by a Member subject to the following limitations:

1. Requests for waivers shall not be granted for any assessment, out of pocket collection costs to the Association, *i.e.*, demand letters, attorney's fees, other collection expenses, etc.
2. Requests for waivers shall not be granted to any Member who has previously received such a waiver within the past twenty-four (24) months.
3. Requests for waivers shall not be granted to any Member who has defaulted on a previously approved Payment Plan Agreement.
4. All approved waivers will be subject to the Member's unpaid balance being received within five (5) business days of the date the waiver approval was communicated to the Member. If a Member is unable to pay the unpaid balance within this time-period, the waiver will be denied but the Member will be allowed the opportunity to request a payment plan, if eligible under the terms of this Policy.
5. Late fees or other waived charges shall not be removed from the Member's account until the Member's final payment has been received and cleared.

PARTIAL OR CONDITIONED PAYMENT

The Association may refuse to accept partial payments (*i.e.*, less than the full amount due and payable) and payments to which the payor attaches conditions or directions contrary to the Board's policy for applying payments. The Association's endorsement and deposit of a payment does not constitute acceptance. Instead, acceptance by the Association occurs when the Association posts the payment to the Owner's account. If the Association does not accept the payment at that time, it will promptly return or refund the payment to the payer. A payment that is not returned or refunded to the payer within thirty (30) days after being deposited by the Association may be deemed accepted as to payment, but not as to words of limitation or instruction accompanying the payment. The acceptance by the Association of partial payment of delinquent assessments does not waive the Association's right to pursue or continue pursuing its remedies for payment in full of all outstanding obligations.

DEFINITIONS

Capitalized terms used but not defined in this Policy shall have the meaning subscribed to such terms in the Declaration.

CONFLICT

Notwithstanding the foregoing, no term or provision contained herein shall amend the Declaration. In the case of any conflict between this Policy and the Declaration, the Declaration shall control.

INDEPENDENT JUDGMENT

Notwithstanding the contents of this Policy, the officers, directors, managing agent or community manager, and the attorney of the Association may exercise their independent, collective, and respective judgment in applying this Policy.

VERIFICATION OF INDEBTEDNESS AND COMPLIANCE WITH THE SOLDIERS' AND SAILORS' CIVIL RELIEF ACT

For so long as the collection of assessments may be subject to the requirements of the Fair Debt Collection Practices Act ("FDCPA"), all communications from Management and the attorney will include such required notices as are prescribed by the FDCPA, the Soldiers and Sailors Relief Act ("SCRA"), and the Texas Property Code. Furthermore, when an Owner requests verification of the indebtedness, Management will, upon notification of the Owner's request, supply such verification before any further collection action is taken with respect to such Owner. The exercise of the collection rights of the Association regarding assessments will, in all ways, comply with the FDCPA, the SCRA, and the Texas Property Code, to the extent such acts may apply.

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 Policy shall be enforced as if such provision did not exist. Furthermore, in the event that any provision of this Policy is deemed by a court with jurisdiction to be ambiguous or in contradiction with any law, this 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 Policy conflicts with the Declaration, the Declaration shall control.

IT IS FURTHER RESOLVED that this Policy replaces and supersedes, in all respects, all prior policies and resolutions addressing the collection of assessments by the Association, and is effective upon its filing with the office of the county clerk, and shall remain in force and effect until revoked, modified, or amended by the Board.

IN WITNESS WHEREOF, the Board has caused this Policy to be effective and executed by its duly authorized representative as of the 11/18/2025, 20 .

**PRINCETON HEIGHTS
HOMEOWNERS ASSOCIATION, INC.,
a Texas non-profit corporation**

DocuSigned by:

By: James Gaddy
Its: Princeton Height HOA President

**Collin County
Honorable Stacey Kemp
Collin County Clerk**

Instrument Number: 2025000150569

eRecording - Real Property

MEMORANDUM

Recorded On: November 20, 2025 09:23 AM

Number of Pages: 23

" Examined and Charged as Follows: "

Total Recording: \$109.00

******* THIS PAGE IS PART OF THE INSTRUMENT *******

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY
because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 2025000150569
Receipt Number: 20251120000267
Recorded Date/Time: November 20, 2025 09:23 AM
User: Deborah B
Station: Station 12

Record and Return To:

CSC



**STATE OF TEXAS
COUNTY OF COLLIN**

**I hereby certify that this Instrument was FILED In the File Number sequence on the date/time
printed hereon, and was duly RECORDED in the Official Public Records of Collin County, Texas.**

Honorable Stacey Kemp
Collin County Clerk
Collin County, TX