MARKED-UP PAGE 1: 1 COMPLIANCE ISSUE (#1) - SEE REDLINE COMMENTS AT RIGHT ->

Section 1 - Sample Provision Excerpt (Public Preview)

Docusign Envelope ID: 63C9A0A7-631D-4CB0-B3EA-827974915E65

MCKENZIE TRAILS RESIDENTIAL COMMUNITY, INC.

CONSENT OF DIRECTORS IN LIEU OF

ORGANIZATIONAL MEETING

The undersigned, being all of the members of the Board of Directors of McKenzie Trails Residential Community, Inc., a Texas nonprofit corporation (hereinafter referred to as the "Association"), do hereby consent, pursuant to Section 22.220(a) of the Texas Business Organizations Code, to the adoption of the following resolutions:

ISSUE #1

MARKUP #1 ->

MARKUP #1 · MISSING MANDATORY STATUTORY PROVISION

BOARD & COUNSEL REVIEW

Sec. 1 (p. 1): Governing document bundle authorizes fines but lacks or fails to reference the mandatory recorded Enforcement Policy & Schedule of Fines required by Tex. Prop. Code § 209.0061 (HB 614).

Statutory / Legal Reference: Tex. Prop. Code § 209.0061 (HB 614)

Statutory Comparison: Effective January 1, 2024, HB 614 enacted Tex. Prop. Code § 209.0061, requiring every subdivision HOA with fining authority to adopt, record, and post/distribute an enforcement policy that enumerates each general category of restrictive covenants for which the association may assess a fine and a specific schedule of fines for each category.

CURRENT WORDING IN DOCUMENT:

Docusign Envelope ID: 63C9A0A7-631D-4CB0-B3EA-827974915E65 MCKENZIE TRAILS RESIDENTIAL COMMUNITY, INC. CONSENT OF DIRECTORS IN LIEU OF ORGANIZATIONAL MEETING The undersigned, being all of the members of the Board of Directors of McKenzie Trails Residential Community, Inc., a Texas nonprofit corporation (hereinafter referred to as the "Association"), do hereby consent, pursuant to Section 22.220(a) of the Texas Business Organizations Code, to the adoption of the following resolutions:

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Adopt, record in the county real property records, and post on the Association website a compliant Fining & Enforcement Policy containing the schedule of fines by covenant category pursuant to Tex. Prop. Code § 209.0061 (HB 614).