

Exhibit "A"

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**SECTION I. FLAGS**

1. General. An Owner may display flags only on his or her Lot and only in compliance with this Section. An Owner may not display flags on the Common Areas, or on any other lands owned or maintained by the Association, for any reason or at any time. An Owner may have one flagpole, or one residence-mounted flag mount, but not both.
2. Prior Approval Required. All flagpoles, flag mounts, and related installations (e.g., flag lighting) must be approved in advance by the Association's Design Review Board (the "**DRB**"). An Owner desiring to display a permitted flag must submit plans to the DRB for each installation, detailing the dimensions, type, location, materials, and style/appearance of the flagpole, flag mount(s), lighting and related installations. The Association's DRB shall have the sole discretion of determining whether such items and installations comply with this Section, subject to any appeal rights that may exist elsewhere in the Association's governing documents or under State law.
3. Additional Requirements Related to Flags.
  - a. Flags must be displayed on an approved flag mount or flagpole. Flags may not be displayed in any other manner.
  - b. No more than one flag at a time may be displayed on a flag mount. No more than two flags at time may be displayed on a flagpole.
  - c. Flags on flagpoles must be hoisted, flown, and lowered in a respectful manner.
  - d. Flags must never be flown upside down and must never touch the ground.
  - e. No mark, sign, insignia, design, or advertising of any kind may be added to a flag.
  - f. If both the U.S. and Texas flags are displayed on a flagpole, they must be of approximately equal size.
  - g. If the U.S. and Texas flags are flown on one pole, the U.S. flag must be the highest flag flown and the Texas flag the second highest.
  - h. Only all-weather flags may be displayed during inclement weather.

- i. Flags must be no larger than 3'x5' in size.
  - j. Flags may not contain commercial material, advertising, or any symbol or language that may be offensive to the ordinary person.
  - k. A pennant, banner, plaque, sign or other item that contains a rendition of a flag does not qualify as a flag under this Section.
- 4. Materials and Appearance of Flag Mounts and Flagpoles. A flag mount attached to a dwelling or a freestanding flagpole must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials (per the discretion of the DRB) used in the construction of the mount or flagpole and harmonious with the dwelling.
- 5. Additional Requirements for Flagpoles. The following additional requirements shall apply to flagpoles installed on Lots:
  - a. No more than one flagpole may be installed on a Lot;
  - b. The flagpole must be free-standing and installed vertically;
  - c. The flagpole must be no greater than 20 feet in height measured from grade level;
  - d. The location and construction of the flagpole must comply with applicable zoning ordinances, may not be located in any easements (including drainage easements), and comply with all setback requirements;
  - e. Unless otherwise approved by the DRB, the location of the pole must be within 10 feet of one of the side-most building lines of the home, and within 10 feet of the front most building line of the home. The DRB may require the pole to be installed on a particular side or otherwise require a particular location; and
  - f. No trees may be removed for pole installation.
  - g. An Owner must ensure that external halyards (hoisting ropes) used in combination with a flagpole do not create an unreasonable amount of noise.
- 6. Lighting of Flag Displays. Any lights installed for the purpose of illuminating a flag must be pre-approved by the Association. Such light installations must be of a reasonable size and intensity and placed in a reasonable location, for the purpose of ensuring that the lights do not unreasonably disturb or distract other individuals. All flag illumination lighting must be specifically dedicated to that purpose. No other lighting, whether located inside or outside of the residence, may be directed toward a displayed flag for purposes of illuminating the flag (e.g., security flood or spot lights may not be oriented toward a displayed flag).
- 7. Maintenance. An Owner is responsible for ensuring that a displayed flag, flagpole, flag mount(s), lighting and related installations are maintained in good and attractive condition at all time at the Owner's expense. Any flag, flagpole, flag mount, light, or related installation or item that is in a deteriorated or unsafe condition must be repaired, replaced, or removed promptly upon the discovery of its condition.

## **SECTION II. SOLAR ENERGY DEVICES**

- 1. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the contrary.
- 2. Prior Approval Required. **An Owner may install solar energy devices only on property solely owned and solely maintained by the Owner, and only in accordance with the restrictions provided herein.** Owners may not install solar energy devices except in accordance with the

restrictions provided herein. Prior to installation of any solar energy device, the Owner must submit plans for the device and all appurtenances thereto to the DRB. The plans must provide an as-built rendering, and detail the location, size, materials, and color of all solar devices, and provide calculations of the estimated energy production of the proposed devices.

3. Definition. In this section, "solar energy device" means a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated energy. All solar devices not meeting this definition are prohibited.
4. Prohibited Devices. Owners may not install solar energy devices that:
  - a. threaten the public health or safety;
  - b. violate a law;
  - c. are located on property owned by the Association;
  - d. are located in an area owned in common by the members of the Association;
  - e. are located in an area on the property Owner's property other than:
    - i. on the roof of the home (or of another structure on the Owner's lot allowed under the Association's governing documents); or
    - ii. in a fenced yard or patio owned and maintained by the Owner;
  - f. are installed in a manner that voids material warranties;
  - g. are installed without prior approval by the DRB; or
  - h. substantially interfere with the use and enjoyment of land by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. *This determination may be made at any time, and the DRB may require removal of any device in violation of this or any other requirement.*
5. Limitations on Roof-Mounted Devices. If the device is mounted on the roof of the home, it must:
  - a. extend no higher than or beyond the roofline;
  - b. be located only on the back of the home – the side of the roof opposite the street. The DRB may grant a variance in accordance with state law if the alternate location is substantially more efficient<sup>2</sup>;
  - c. conform to the slope of the roof, and have all top edges parallel to the roofline;
  - d. not have a frame, a support bracket, or visible piping or wiring that is any color other than silver, bronze, or black tone commonly available in the marketplace.
6. Limitations on Devices in a Fenced Yard or Patio. If the device is located in a fenced yard or patio, it may not be taller than the fence line.
7. Solar shingles. Any solar shingles must:
  - a. Be designed primarily to:
    - i. be wind and hail resistant;
    - ii. provide heating/cooling efficiencies greater than those provided by customary composite shingles; or
    - iii. provide solar generation capabilities; and
  - b. When installed:

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<sup>2</sup> If an alternate location increases the estimated annual energy production of the device more than 10 percent above the energy production of the device if located on the back of the home, the Association will authorize an alternate location in accordance with these rules and state law. It is the Owner's responsibility to determine and provide sufficient evidence to the DRB of all energy production calculations. All calculations must be performed by an industry professional.

- i. resemble the shingles used or otherwise authorized for use on property in the subdivision;
- ii. be more durable than and are of equal or superior quality to the shingles used or otherwise authorized for use on property in the subdivision;
- iii. match the aesthetics of the property surrounding the Owner's property.

### **SECTION III. RAIN BARRELS AND RAINWATER HARVESTING SYSTEMS**

1. Pre Approval Required. Owners may install rain barrels or rainwater harvesting systems only with pre-approval from the Association, and only in accordance with the restrictions described in this Section.
2. Prohibited Locations. Owners are prohibited from installing rain barrels or rainwater harvesting systems, **or any part thereof**, in the following locations:
  - a. on property owned by the Association;
  - b. on property owned in common by the members of the Association; or
  - c. on property between the front of the Owner's home and an adjoining or adjacent street.
3. Pre-Approval Required for All Rain Barrels or Rainwater Harvesting Systems. Prior to any installation of any rain barrel or rain harvesting system (or any part thereof), prior written permission must be received from the DRB.

Owners wishing to install such systems must submit plans showing the proposed location, color(s), material(s), shielding, dimensions of the proposed improvements, and whether any part of the proposed improvements will be visible from the street, another lot, or a common area (and if so, what part(s) will be visible). The location information must provide information as to how far (in feet and inches) the improvement(s) will be from the side, front, and back property line of the Owner's property.

4. Color and Other Appearance Restrictions. Owners are prohibited from installing rain barrels or rainwater harvesting systems that:
  - a. are of a color other than a color consistent with the color scheme of the Owner's home;
  - b. display any language or other content that is not typically displayed by such a barrel or system as it is manufactured; or
  - c. are not constructed in accordance with plans approved by the Association.
5. Additional Restrictions if Installed in Side Yard or Improvements are Visible. If any part of the improvement is installed in a side yard, or will be visible from the street, another lot, or common area, the Association may impose restrictions on the size, type, materials, and shielding of, the improvement(s) (through denial of plans or conditional approval of plans).

### **SECTION IV. RELIGIOUS DISPLAYS**

1. General. State statute allows owners to display certain religious items in the owner's entry, and further allows the association to impose certain limitations on such entry displays. The following rule outlines the limitations on religious displays in an owner's entry area. Notwithstanding any other language in the governing documents to the contrary, residents may display on the entry door or doorframe of the resident's dwelling one or more religious items, subject to the

restrictions outlined in paragraph (2) below. Allowed religious displays are limited to displays motivated by the resident's sincere religious belief.

2. Prohibited Items. No religious item(s) displayed in an entry area may:
  - a. threaten the public health or safety;
  - b. violate a law;
  - c. contain language, graphics, or any display that is patently offensive to a passerby;
  - d. be located anywhere other than the main entry door or main entry door frame of the dwelling;
  - e. extend past the outer edge of the door frame of the door; or
  - f. have a total size (individually or in combination) of greater than 25 square inches.
3. Remedies for Violation of this Section. Per state statute, if a religious item(s) is displayed in violation of this Section, the Association may remove the offending item without prior notice. This remedy is in addition to any other remedies the Association may have under its other governing documents or State law.
4. Seasonal Religious Holiday Decorations. This rule will not be interpreted to apply to otherwise-permitted temporary seasonal religious holiday decorations such as Christmas lighting or Christmas wreaths. The Board has the sole discretion to determine what items qualify as Seasonal Religious Holiday Decorations and may impose time limits and other restrictions on the display of such decorations. Seasonal Religious Holiday Decorations must comply with all other provisions of the governing documents, but are not subject to this Section.
5. Other displays. Non-religious displays in the entry area to an owner's dwelling and all displays (religious or otherwise) outside of the entry area to an owner's dwelling are governed by other applicable governing document provisions.

## **SECTION V. RECORD PRODUCTION**

1. Effective Date. Notwithstanding any language to the contrary and regardless of date of adoption of these rules, the effective date of this Section is January 1, 2012.
2. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the contrary to the extent of any conflict.
3. Request for Records. The Owner or the Owner's authorized representative requesting Association records must submit a written request by certified mail to the mailing address of the Association or authorized representative as reflected on the most current filed management certificate. The request must contain:
  - a. sufficient detail to describe the books and records requested, and
  - b. an election either to inspect the books and records before obtaining copies or to have the Association forward copies of the requested books and records.
4. Timeline for record production.
  - a. If inspection requested. If an inspection is requested, the Association will respond within 10 business days by sending written notice by mail, fax, or email of the date(s) and times during normal business hours that the inspection may occur. Any inspection will take place at a mutually-agreed time during normal business hours, and the requesting party must identify any books and records the party desires the Association to copy.
  - b. If copies requested. If copies are requested, the Association will produce the copies within 10 business days of the request.
  - c. Extension of timeline. If the Association is unable to produce the copies within 10 business days of the request, the Association will send written notice to the Owner of this by mail, fax, or email, and state a date, within 15 business days of the date of the Association's notice, that the copies or inspection will be available.
5. Format. The Association may produce documents in hard copy, electronic, or other format of its choosing.
6. Charges. Per state law, the Association may charge for time spent compiling and producing all records, and may charge for copy costs if copies are requested. Those charges will be the maximum amount then-allowed by law under the Texas Administrative Code. The Association may require advance payment of actual or estimated costs. As of July, 2011, a summary of the maximum permitted charges for common items are:
  - a. Paper copies - 10¢ per page
  - b. CD - \$1 per disc
  - c. DVD - \$3 per disc
  - d. Labor charge for requests of more than 50 pages - \$15 per hour
  - e. Overhead charge for requests of more than 50 pages - 20% of the labor charge
  - f. Labor and overhead may be charged for requests for fewer than 50 pages if the records are kept in a remote location and must be retrieved from it
7. Private Information Exempted from Production. Per state law, the Association has **no obligation** to provide information of the following types:
  - a. Owner violation history

- b. Owner personal financial information
  - c. Owner contact information other than the owner's address
  - d. Information relating to an Association employee, including personnel files
8. Existing Records Only. The duty to provide documents on request applies only to existing books and records. The Association has no obligation to create a new document, prepare a summary of information, or compile and report data.

## **SECTION VI. RECORD RETENTION**

1. Effective Date. Notwithstanding any language to the contrary and regardless of the date of adoption of these rules, the effective date of this Section relating to record retention is January 1, 2012.
2. Conflict with Other Provisions. Per state law, this Section relating to record retention controls over any provision in any other Association governing document to the contrary to the extent of any conflict.
3. Record Retention. The Association will keep the following records for at least the following time periods:
  - a. Contracts with terms of at least one year; 4 years after expiration of contract
  - b. Account records of current Owners; 5 years
  - c. Minutes of Owner meetings and Board meetings; 7 years
  - d. Tax returns and audits; 7 years
  - e. Financial books and records (other than account records of current Owners); 7 years
  - f. Governing documents, including Articles of Incorporation/Certificate of Formation, Bylaws, Declaration, Rules, and all amendments; permanently
4. Other Records. Records not listed above may be maintained or discarded in the Association's sole discretion.

## **SECTION VII. PAYMENT PLANS**

1. Effective date. Notwithstanding any language to the contrary and regardless of date of adoption of these rules, the effective date of this Section relating to payment plans is January 1, 2012.
2. Eligibility for Payment Plan.

Standard payment plans. An Owner is eligible for a Standard Payment Plan (*see* Rule (3) below) only if:

- a. The Owner has not defaulted under a prior payment plan with the Association in the prior 24-month period;
- b. The Owner requests a payment plan no later than 30 days after the Association sends notice to the Owner via certified mail, return receipt requested under Property Code §209.0064 (notifying the owner of the amount due, providing 30 days for payment, and describing the options for curing the delinquency). Owner is responsible for confirming that the Association has received the Owner's request for a payment plan within this 30-day period. It is recommended that requests be in writing; and

- c. The Association receives the executed Standard Payment Plan and the first payment within 15 days of the Standard Payment Plan being sent via email, fax, mail, or hand delivered to the Owner.

Other payment plans. An Owner who is not eligible for a Standard Payment Plan may still request that the Association's Board grant the Owner an alternate payment plan. Any such request must be directed to the person or entity currently handling the collection of the debt (i.e., the property manager or Association's attorney). The decision to grant or deny an alternate payment plan, and the terms and conditions for any such plan, will be at the sole discretion of the Association's Board.

3. Standard Payment Plans. The terms and conditions for a Standard Payment Plan are:

- a. Term. Standard Payment Plans are for a term of 6 months. (See also paragraph 6 for Board discretion involving term lengths.)
- b. Payments. Payments will be made at least monthly and will be roughly equal in amount or have a larger initial payment (small initial payments with a large balloon payment at the end of the term are not allowed). Payments must be received by the Association at the designated address by the required dates and may not be rejected, returned or denied by the Owner's bank for any reason (i.e., check returned NSF).
- c. Assessments and other amounts coming due during plan. The Owner will keep current on all additional assessments and other charges posted to the Owner's account during the term of the payment plan, which amounts may but need not be included in calculating the payments due under the plan.
- d. Additional charges. The Owner is responsible for reasonable charges related to negotiating, preparing and administering the payment plan, and for interest at the maximum lawful rate, all of which shall be included in calculating the total amount due under the plan and the amount of the related payments. The Owner will not be charged late fees or other charges related to the delinquency during the time the owner is complying with all terms of a payment plan.
- e. Contact information. The Owner will provide relevant contact information and keep same updated.
- f. Additional conditions. The Owner will comply with such additional conditions under the plan as the Board may establish.
- g. Default. The Owner will be in default under the plan if the Owner fails to comply with any requirements of these rules or the payment plan agreement.

4. Account Sent to an Attorney/Agent for Formal Collections. An Owner does not have the right to a Standard Payment Plan after the 30-day timeframe referenced in paragraph 2(b). Once an account is sent to an attorney or agent for collection, the delinquent Owner must communicate with that attorney or agent to arrange for payment of the debt. The decision to grant or deny the Owner an alternate payment plan, and the terms and conditions of any such plan, is solely at the discretion of the Board.

5. Default. If the Owner defaults under any payment plan, the Association may proceed with any collection activity authorized under the governing documents or state law without further notice.

If the Association elects to provide notice of default, the Owner will be responsible for all fees and costs associated with the drafting and sending of such notice. All late fees and other charges that otherwise would have been posted to the Owner's account may also be assessed to the Owner's account in the event of a default.

Any payments received during a time an Owner is in default under any payment plan may be applied to out-of-pocket costs (including attorneys fees for administering the plan), administrative and late fees, assessments, and fines (if any), in any order determined by the Association, except that fines will not be given priority over any other amount owed but may be satisfied proportionately (e.g. a \$100 payment may be applied proportionately to all amounts owed, in proportion to the amount owed relative to other amounts owed).

6. Board Discretion. The Association's Board may vary the obligations imposed on Owners under these rules on a case-by-case basis, including curtailing or lengthening the payment plan terms (so long as the plan is between 3 and 18 months), as it may deem appropriate and reasonable. The term length set forth in paragraph 3 shall be the default term length absent board action setting a different term length. No such action shall be construed as a general abandonment or waiver of these rules, nor vest rights in any other Owner to receive a payment plan at variance with the requirements set forth in these rules.
7. Legal Compliance. These payment plan rules are intended to comply with the relevant requirements established under Texas Property Code §209. In case of ambiguity, uncertainty, or conflict, these rules shall be interpreted in a manner consistent with all such legal requirements.

## **SECTION VIII. VOTING**

1. Form of Proxy or Ballot. The Board may dictate the form for all proxies, ballots, or other voting instruments or vehicles. No form other than the form put forth by the Board will be accepted.
2. Deadline for Return of Voting Paperwork. The Board may establish a deadline, which may be communicated on the proxy form, absentee ballot, or otherwise communicated to the membership, for return of electronic ballots, absentee ballots, proxies, or other votes.

## **SECTION IX. TRANSFER FEES**

1. Transfer Fees. In addition to fees for issuance of a resale certificate and any updates or re-issuance of the resale certificate, transfer fees are due upon the sale of any property in accordance with the then-current fee schedule, including any fee charged by the Association's managing agent. It is the owner/seller's responsibility to determine the then-current fees. Transfer fees not paid at or before closing are the responsibility of the purchasing owner and will be assessed to the owner's account accordingly. The Association may require payment in advance for issuance of any resale certificate or other transfer-related documentation.

If a resale certificate is not requested and a transfer occurs, all fees associated with Association record updates related to the transfer will be the responsibility of the new owner and may be assessed to the unit's account at the time the transfer becomes known. These fees will be set according to the then-current fee schedule of the Association or its managing agent, and may be equivalent to the resale certificate fee or in any other amount.

2. All transfer fees shall be collectible in the same manner as assessments, including lien and other assessment collection rights, to the maximum extent allowed by law. Fees may include working capital or reserve funding fees, resale certificate fees, resale certificate update fees, rush fees, and other such fees.

## **SECTION X. EMAIL ADDRESSES**

1. Email Addresses. An Owner is required to keep a current email address on file with the Association if the Owner desires to receive email communications from the Association. Failure to supply an email address to the Association or to update the address in a manner required by these rules may result in an Owner not receiving Association emails. The Association has no duty to request an updated address from an Owner, in response to returned email or otherwise. The Association may require Owners to sign up for a group email, email list serve or other such email subscription service in order to receive Association emails.

Updating Email Addresses. An Owner is required to notify the Association when email addresses change. Such notice must be in writing and delivered to the Association's managing agent by fax, mail, or email. In the alternative, or in lieu of this in the Association's discretion, if available, an Owner must update his email address through the Association's website, list server, or other vehicle as directed by the Association. Any notice of email change provided to the Association's manager must be for the sole purpose of requesting an update to the Owner's email address. For example, merely sending an email from a new email address, or including an email address in a communication sent for any other purpose other than providing notice of a new email address, does not constitute a request to change or add the Owner's email in the records of the Association.

## **Section XI. SIGNAGE POLICY**

Section 12.1 of the Declaration of Covenants, Conditions and Restrictions for ShadowGlen Residential Properties provides that lot owners may not place or erect any signs on their lots or common areas without the prior written consent of the Association's Board of Directors. The Board has adopted this signage policy to pre-approve the placement of certain "for sale" and "for lease" signs on lots. Unless and until this policy is repealed or amended, an owner may place a sign on their lot that complies with this policy without receiving any additional approval from the Board. The Board retains the right to repeal or amend this policy at any time without prior notice to or consent of any party. If an owner wants to place a sign on his or her lot that does not comply with this policy, they must submit a written request to the Board and receive approval prior to erecting the sign.

### **PRE-APPROVED SIGNS**

"FOR SALE" and "FOR RENT" SIGNS BY INDIVIDUAL OWNERS: Owners are authorized to place one (1) standard sign on their lot to advertise that the residence is "For Sale" or "For Lease." The sign must also comply with the following conditions:

- (i) Sign must be ground-mounted in the front yard of the lot.
- (ii) Sign must be located on a Lot and set back (toward the interior of the Lot) at least 5' from the sidewalk.
- (iii) Sign face(s) must be no larger than 18" x 24" in size.
- (iv) Sign must be oriented so that it is parallel to the street in front of the residence.

- (v) Sign must be composed of standard materials, paint coloring and lettering. No lighting, balloons, or other “non-standard” materials may be attached to related to the sign.

“FOR SALE” and “FOR RENT” SIGNS BY BUILDERS:

Lot owners who are professional builders are pre-approved to place “For Sale” or “For Rent” signs on their lots subject to the same conditions outline above for individual owners, except that the sign may be located on the front of the lot at the right-of-way line.

POLITICAL SIGNAGE.

Political signs are allowed only under the following criteria:

Signs can be no greater than four feet by six feet in size (and no greater than 24 square feet total) and must be ground-mounted. An owner may only display political signs on property owned by him (for example, signs are forbidden in the common area). A maximum of one sign per each candidate or ballot item may be displayed on any lot. Political signs may only be displayed during the following time period: 90 days before the date of the election to which the sign relates, and 10 days after the election date. Only signs for candidates and ballot items for a particular election are allowed.

The following signs are prohibited:

- Signs containing roofing material, siding, paving materials, natural or artificial flowers or other landscaping items
- Signs containing one or more balloons
- Signs with lighting
- Signs with any building, landscaping, or non-standard decorative components
- Signs that are attached in any way to landscaping/plant material, a traffic control device, a light, a trailer, a vehicle, or any other existing structure or object (signs must be ground-mounted only)
- Signs that involve painting of architectural surfaces
- Signs that threaten the public health or safety (for example, signs that block a driver’s view)
- Signs that contain language, graphics, or any display that would be offensive to the ordinary person
- Signs accompanied by music or other sounds, or by streamers, or that are otherwise distracting to motorists

Per state law, the Association may remove and discard sign displayed in violation of this rule.

**SECTION XII. PARKING AND VEHICLE POLICY**

**1) Residential Vehicles**

- a) Vehicles. Except for vehicles kept in enclosed garages, a vehicle must be operable, and must display a current license tag and inspection sticker. For purposes of this Policy, “vehicles” include automobiles, motorcycles, motorized bikes, passenger trucks, small vans, and similar passenger vehicles. Except in enclosed garages or as otherwise provided herein, the following are

not permitted on the Property without express written consent of the Board<sup>3</sup>: commercial vehicles or equipment, mobile homes, recreational vehicles, golf carts, boats and other watercraft, trailers, buses and industrial vehicles. Motorcycles, motorbikes, or other motorized vehicles may not be operated except to provide transportation to and from an Owner's Unit.

b) Parking Areas.

i) *Owners/Residents; garage/driveway parking only.* Except as otherwise expressly permitted under this Policy, no Owner or resident may park a vehicle on any public or private street within the community; Owners and residents must park all vehicles in the garage or driveway. Special approval to park a vehicle on any public or private street or thoroughfare within the community may be granted by the Association for extenuating circumstances<sup>4</sup> on a case-by-case basis. All requests for street parking approval must be submitted in writing to the Association's office. The Board may promulgate a form to be submitted for all such requests. All special approvals/designation of additional permitted parking areas must be in writing. The Board may condition approval of any exception on inspection of the owner's garage, to confirm the garage is being used for parking purposes.

ii) *Guests/Invitees; four hour street parking.* Owners are encouraged to have guests use Owner's driveway for parking when possible. Guests of any Owner or resident may park their vehicles on any street within the community for a period not to exceed four hours in any 24-hour period. Any vehicle parked in the street must be parked legally and in such a manner that does not obstruct the free and unimpeded vehicular and pedestrian use of any portion of the sidewalks or alleys within the community. Special approval for a guest to park a vehicle on a street within the community for longer than four hours in any 24-hour period may be granted by the Association for extenuating circumstances<sup>5</sup>, on a case-by-case basis. If such permission is granted, guest vehicles for which the permission is granted must display a parking pass from the Association. Requests for guest parking exceptions must be submitted in writing to the Association's office. The Board may promulgate a form to be submitted for all such requests. The Board may condition approval of any exception on inspection of the owner's garage, to confirm the garage is being used for parking purposes.

iii)

However, the time limitation for guest street parking will not apply (owner parking restrictions continue to apply, but guests are not limited to 4 hours of street parking) on the following days in order to accommodate seasonal holiday gatherings and visitors:

\*Good Friday through Easter Sunday

\*Memorial Day weekend and Memorial Day, July 4<sup>th</sup>, Labor Day weekend and Labor Day

\*Thanksgiving Day through the Sunday after Thanksgiving

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<sup>3</sup> The Board (Declaration §12.2(a)) has the right to designate, either temporarily or permanently, specific areas as additional authorized parking areas.

<sup>4</sup> Extenuating circumstances will be determined in the board's sole discretion. Having more cars than can fit in a garage or driveway, or items stored in the garage that prevent garage parking, are not extenuating circumstances. Extenuating circumstances may include the need for disabled access, topographical considerations, and other considerations relevant in the Board's opinion.

<sup>5</sup> Nannies, maids, and other visitors generally must park in the driveway, but the board may grant exceptions, and designate the street as a permissible parking area for one or more guest cars for extended periods, in its sole discretion on a case-by-case basis.

\*December 24 through January 1

- iv) Reserved Parking Areas. The Association may have a limited number of designated/reserved parking spaces available for the use of any Owner or resident at the Association's community facilities parking areas for an individual unable to accommodate off-street vehicle parking at the Owner's Unit. Any such permitted use of a reserved parking space requires a parking pass from the Association, which may be issued in the Board's discretion on a case-by-case basis. Requests for such parking passes must be submitted in writing to the Association's office. The Board may promulgate a form to be submitted for all such requests.
  - c) Repairs. Washing, repairs, restoration, or maintenance (including oil changes) of vehicles is prohibited on alleys, streets or other roadways except for emergency repairs, and then only to the extent necessary to enable movement of the vehicle to a repair facility.
  - d) Obstructions. No vehicle may obstruct the flow of traffic, constitute a nuisance, or otherwise create a safety hazard.
- 2) **Commercial Vehicles**. Construction, service and delivery vehicles shall be exempt from the provisions of this Policy for such a period of time as is reasonably necessary to provide service or to make a delivery to a Unit or the Common Area. A "commercial vehicle" means a truck or van with commercial writing on their exteriors or vehicles primarily used or designed for a commercial purpose and vehicles with advertising signage attached or displayed on such vehicle's exterior, but shall not include passenger cars with identifying decals or painted lettering not exceeding a total area of one square foot in size or official vehicles owned by governmental or quasi-governmental bodies.
- 3) **Enforcement**. In accordance with the terms and provisions of the governing documents of the Properties, any Owner at such Owner's own expense, the Declarant, the Association and Travis County law enforcement officials will have the right to enforce the parking provisions of this Policy.
- a) Interpretation. In the event of any dispute regarding the effect or application of this Policy, the interpretation of the Board will be final.
  - b) Nuisance. Every act or omission whereby any provision of this Policy is violated, in whole or in part, is hereby declared to be a nuisance and may be enjoined or abated by any Owner of a Unit (at such Owner's own expense), Declarant, the Association or Travis County.
  - c) Self-Help. A vehicle in violation of this Policy may be stickered, wheel-locked, towed, or otherwise removed from the street, thoroughfare or alley by the Association, at the expense of the vehicle's owner, in accordance with state law. The Association expressly disclaims any liability for damage to vehicles on which the Association exercises these remedies for violations of this Policy.
  - d) Fines; Enforcement Costs. The Association may, in addition to any other available remedies, impose fines for violation of the provisions of this Policy, and assess all costs of enforcement against the Owner of the Unit, pursuant to the provisions and procedures of the Association's Enforcement Policy, as the same may be amended from time to time. Per state law, before a fine is issued, owners will be given notice and an opportunity to cure the violation and avoid a fine, unless notice and opportunity to cure a similar violation has been given in the previous six month period.

Legal Action. The Association may initiate, defend or intervene in any action or lawsuit brought to enforce any provision of this Policy, and may seek recovery for damages for and injunctive relief against the breach of any provision hereof and may recover attorney's fees and costs associated with such action or lawsuit.

### **Section XIII. RESIDENTIAL USE RULES**

- A. Definition. For purposes of Declaration Article XII and these Rules, "single family residential" is interpreted to mean occupancy by persons related by blood, adoption, marriage, or persons unmarried but cohabitating solely for purposes of companionship. If there is ever a question as to whether a use constitutes a single-family use, the board, in its sole discretion, will determine whether such use constitutes single-family use.

For example rental of the same house for occupancy by more than one family is not allowed.

- B. Occupancy. The maximum occupancy of any single family residential home within the property governed by the Declaration shall be two persons per bedroom plus one child per bedroom under the age of two. For example, a two-bedroom home may be occupied by a maximum of four persons and two children under the age of two.
- C. Waiver. The Board, in its sole discretion, may grant a waiver from these restrictions when it determines that specific circumstances warrant such a waiver.

### **Section XIV. ENFORCEMENT POLICY**

- A. Notices of Violation: Prior to levying a property **damage assessment** against an Owner, **fining** an Owner, or **suspending the Owner's usage rights** to the common areas due to a violation, the Association shall comply with the notice requirements of Ch. 209, Texas Property Code.

The management company shall, upon becoming aware of a violation(s) of the deed restrictions, send a letter certified mail, return receipt requested giving notice of the violation(s) in accordance with Ch. 209, Texas Property Code.<sup>6</sup>

The Board may deviate from this standard procedure, including instructing the managing agent to omit or add courtesy warning(s), in its sole discretion.

- B. Damage assessment; enforcement costs. The Association may assess the Owner's account for any damages caused by the Owner, or the Owner's residents, tenants, guests or invitees. The Owner may be held responsible for all enforcement costs, including attorney's fees.
- C. Nonassessment items first. All monies received from an Owner may be applied first to nonassessment obligations of the Owner, such as fines, late charges, returned check charges, attorneys fees, user fees, damages, etc., regardless of notations on checks and transmittal letters to the maximum extent allowed by law.

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<sup>6</sup> If such a notice has been given in the past for a violation, and a similar violation occurs in the six-month period since the notice, or the violation is not of a curable nature, per state law the notice sent need not include an opportunity to cure.

D. Fines. If the violation is not cured by the deadline given in the certified mail notice described in subsection (A), or if a notice and opportunity to cure have been given for a similar violation within the last six months (so that there is no additional right to cure), or if the violation is not of a curable nature, a fine shall automatically levy in the amount of \$25 unless otherwise determined by the Board (for example, the Board may vary from this fine schedule case by case, or the Board may adopt an alternate fine schedule by resolution). Fines may be issued on a one-time basis or in the event of an ongoing violation, may be issued daily for each day of the violation (each day of the violation may be considered a separate violation). Subsequent fines shall issue in increasing increments for each additional violation notice given when the violation remains. Each subsequent fine shall be for an amount equal to double the amount of the previous fine (capped at \$100). For example, absent Board approval otherwise, the Standard Violation Process shall proceed as follows (including the variations indicated below for yard maintenance violations):

1. First Notice: certified mail letter (per Property Code Ch. 209, warning of fine should the violation not be cured, or if violation is not of a curable nature, levying a fine.)
2. Second Notice: \$25 fine, daily or one-time (or \$50 for yard maintenance violation)
3. Third notice: \$50 fine, daily or one-time (or \$100 for yard maintenance violation, and notice of force mow within 10 days)
4. Fourth notice: \$100 fine, daily or one-time (or force mow charged to homeowner for yard maintenance violations)
5. Subsequent notices: \$100 fine, daily or one-time

Each day of the violation may be considered a separate violation. The Board may deviate from this standard fining procedure, including electing to levy a lesser or greater fine at any time, or omitting or adding one or more courtesy notices, in its sole discretion, provided that at minimum all state law requirements are met.

E. Hearings. If a Member requests a hearing by the deadline outlined in the certified mail (Chapter “209”) violation letter, the hearing shall be held in accordance with state law. The Board shall inform the Owner of the time, date, and place of the hearing at least 10 days prior to the scheduled hearing date. The Board may impose rules of conduct and limit the amount of time allotted to a Member to present his or her information to the Board at any such hearing. The Board may either make its decision at the hearing, or take any matter discussed at the hearing under advisement and communicate its decision at a later date.

F. Force mows and other self-help enforcement action. Notwithstanding other language herein, the management company, Association attorney, or other authorized agent of the Association is granted authority to carry out force mow or self-help remedies on behalf of the Association, in accordance with any procedure described in the Declaration or other governing documents. (Declaration §§ 4.2(b), 13.1(7)), without further action of the board. Such action is hereby pre-authorized by virtue of this rule adoption.

G. Authority of agents. The management company, Association attorney, or other authorized agent of the Association is granted authority to carry out this standard enforcement and fining procedure absent express direction otherwise from the Board, without further vote or action of the Board. This authority notwithstanding, the management company or Association attorney shall communicate with the Board and/or certain designated officers or agents on a routine basis with regard to enforcement actions, and the Board reserves the right to establish further policies with regard to enforcement efforts generally and to make decisions about particular enforcement actions on a case-by-case basis if and when it deems appropriate.

**After recording, please return to:**

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