

15/ITC/ 1320180-BOK/CCT

ASSIGNMENT OF DECLARANT'S RIGHTS AND DUTIES

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

THIS ASSIGNMENT OF DECLARANT'S RIGHTS AND DUTIES (this "Assignment") is executed by and between SA SPRINGS, L.P., a Texas limited partnership ("Assignor"), and ASHTON AUSTIN RESIDENTIAL L.L.C., a Texas limited liability company ("Assignee"), to be effective as of July 15, 2013 (the "Effective Date").

RECITALS:

A. Assignor established and adopted that certain Declaration of Covenants, Conditions and Restrictions for Vistancia, recorded as Document No. 2013161449, Official Public Records of Travis County, Texas (the "Declaration") which governs the residential property (the "Property") in the Vistancia development as set forth therein.

B. Assignor is the current "Declarant" under the Declaration and pursuant to Section 6.7 of the Declaration, Assignor as Declarant can assign its special rights and obligations as Declarant under the Declaration (the "Declarant Rights") to any person or entity by executing and recording a written instrument in the Official Public Records of Travis County, Texas.

C. Assignor has conveyed to Assignee portions of the Property by a special warranty deed of even date herewith.

D. Assignor desires to assign all of the Declarant Rights under the Declaration to Assignee and Assignee agrees to accept all of the Declarant Rights and assume all of Assignor's obligations as Declarant under the Declaration, as set forth in this Assignment.

AGREEMENTS:

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Recitals. The above recitals are incorporated herein for all purposes.

2. Assignment. Subject to the provisions set forth below, Assignor hereby assigns, transfers, conveys and sets over to Assignee all of the Declarant Rights.

3. Assumption. Assignee accepts the Declarant Rights and assumes all obligations of Assignor as Declarant under the Declaration from and after the date of this Assignment.

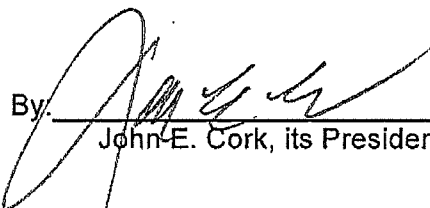
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EXECUTED to be effective as of the Effective Date.

ASSIGNOR:

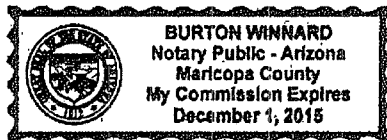
SA SPRINGS, L.P., a Texas limited partnership

By: **CW-LT MANAGEMENT, L.L.C.**, a
Texas limited liability company, its
General Partner

By: 
John E. Cork, its President

THE STATE OF Arizona §
§
COUNTY OF Maricopa §

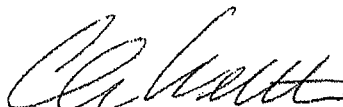
The foregoing instrument was acknowledged before me this 11th day of July, 2013, by **JOHN E. CORK**, President of **CW-LT MANAGEMENT, L.L.C.**, a Texas limited liability company, as General Partner of **SA SPRINGS, L.P.**, a Texas limited partnership, on behalf of said limited liability company and said limited partnership.




NOTARY PUBLIC, State of Arizona

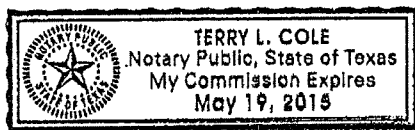
ASSIGNEE:

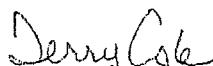
ASHTON AUSTIN RESIDENTIAL L.L.C., a
Texas limited liability company

By: 
Print Name: CHRIS WERTH
Title: DIVISION PRESIDENT

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

The foregoing instrument was acknowledged before me this 15 day of July, 2013, by CHRIS WERTH, DIVISION PRESIDENT of ASHTON AUSTIN RESIDENTIAL L.L.C., a Texas limited liability company, on behalf of said limited liability company.




NOTARY PUBLIC, State of Texas

AFTER RECORDING RETURN TO:

STEPHEN W. BUTLER
GRAVES, DOUGHERTY, HEARON & MOODY, P.C.
401 CONGRESS AVE., #2200
AUSTIN, TX 78701



FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Dana Debeauvoir

DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS

September 25 2013 11:13 AM

FEE: \$ 42.00 2013177140

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS



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Rebecca Guerrero, County Clerk
Travis County, Texas

Mar 07, 2022 01:29 PM Fee: \$38.00

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Electronically Recorded

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electronic file stamp.

PROPERTY OWNERS' ASSOCIATION
MANAGEMENT CERTIFICATE
for
VISTANCIA OWNERS ASSOCIATION, INC.

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

The undersigned, being the Managing Agent of Vistancia Owners Association, Inc., a non-profit corporation (the "Association") organized and existing under the laws of the State of Texas, submits the following information pursuant to Section 209.004 of the Texas Property Code, which supersedes any Management Certificate previously filed by the Association:

1. Name of Subdivision: The name of the subdivision is Vistancia.
2. Name of Association: The name of the Association is, Vistancia Owners Association, Inc.
3. Recording Data for the Subdivision:
 - a. Vistancia, Section One (1), a subdivision in Travis County, Texas according to the map or plat thereof recorded under File No. 201300219 of the Map Records of Travis County, Texas and all amendments to or replats of said maps or plats, if any.
 - b. Vistancia, Section Two (2), a subdivision in Travis County, Texas according to the map or plat thereof recorded under File No. 201300189 of the Map Records of Travis County, Texas and all amendments to or replats of said maps or plats, if any.
 - c. Vistancia, Section Three (3), subdivision in Travis County, Texas according to the map or plat thereof recorded under File No. 201300190 of the Map Records of Travis County, Texas and all amendments to or replats of said maps or plats, if any.
 - d. Vistancia, Section Four (4), a subdivision in Travis County, Texas according to the map or plat thereof recorded under File No. 201500243 of the Map Records of Travis County, Texas and all amendments to or replats of said maps or plats, if any.
4. Recording Data for the Declaration*:
 - a. Documents:
 - (1) Declaration of Covenants, Conditions and Restrictions for Vistancia.
 - b. Recording Information:
 - (1) Travis County Clerk's File No. 2013161449.

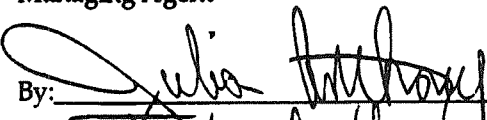
5. Name and Mailing Address of the Association: The name and mailing address of the Association is Vistancia Owners Association, Inc. c/o RealManage, P.O. Box 803555, Dallas, Texas 75380-3555.
6. The Contact Information for the Association's Designated Representative: The contact information of the designated representative of the Association is:
- RealManage Closing Portal
P.O. Box 803555
Dallas, Texas 75380-3555.
866.473.2573
VISTANCIA@CiraMail.com
7. The Association's Dedicatory Instruments are available to Members online at:
www.ciranet.com/residentportal.
8. The Amount and Description of the Fees and Other Charges Charged by the Association in Connection with a Property Transfer:

Description	Fee
Resale Certificate	\$ 375.00
Transfer Fee	\$ 325.00
Update Fee	\$ 75.00
Refinance Fee	\$ 250.00

Resale certificates are requested via the RealManage Closing Portal at www.realmanage.com/closingportal.

Executed on this 29th day of December, 2021.

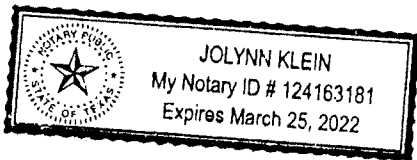
By: VISTANCIA OWNERS ASSOCIATION, INC.
RealManage,
Managing Agent

By: 
Printed: Julia Anthony
Its: _____

*This Management Certificate does not purport to identify every publicly recorded document affecting the Subdivision, or to report every piece of information pertinent to the Subdivision. Rather, the purpose of this Management Certificate is to provide information sufficient for a title company or others to correctly identify the Subdivision and to contact the Association. No person should rely on this Management Certificate for anything other than instructions for identifying and contacting the Association.

THE STATE OF TEXAS §
 §
 COUNTY OF Williamson §

BEFORE ME, the undersigned notary public, on this 29 day of Dec, 2021 personally appeared Julia Anthony, Community Manager of RealManage, Managing Agent for Vistancia Owners Association, Inc. known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that s/he executed the same for the purpose and in the capacity therein expressed.



Jolynn Klein
 Notary Public in and for the State of Texas

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

VISTANCIA OWNERS ASSOCIATION, INC.**NOTICE OF FILING OF DEDICATORY INSTRUMENTS**

1. **Name of Subdivision:** Vistancia.
2. **Name of Association:** Vistancia Owners Association, Inc., a Texas non-profit corporation.
4. **Recording Data for Declaration:** Document Number 2013161449, Official Public Records of Travis County, Texas.
5. **Name and Mailing Address of Association:** c/o Ashton Woods Homes, 4201 West Parmer Lane, Suite A150, Austin, Texas 78727, Attention: Keith Pearson.
6. **Name and Mailing Address of Designated Representative:** Keith Pearson, Ashton Woods Homes, 4201 West Parmer Lane, Suite A150, Austin, Texas 78727.
7. **Notice of Filing of Dedicatory Instruments:** In accordance with the requirements of Section 202.006 of the Texas Property Code, the dedicatory instruments attached hereto as **Exhibit "A"**, the Certificate of Formation of the Association, and **Exhibit "B"**, the Bylaws of the Association, are true and correct copies of the originals and are hereby filed of record in the Official Public Records of Travis County, Texas.
8. **Other information the Association considers appropriate:** None.

EXECUTED this 27 day of September, 2013.

VISTANCIA OWNERS ASSOCIATION, INC.,
a Texas non-profit corporation

By: _____

Keith Pearson, President

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the 27 day of September, 2013, by **KEITH PEARSON**, President of **VISTANCIA OWNERS ASSOCIATION, INC.**, a Texas non-profit corporation, on behalf of said non-profit corporation.



Terry Cole
NOTARY PUBLIC, State of Texas

AFTER RECORDING RETURN TO:

STEPHEN W. BUTLER, ESQ.
GRAVES, DOUGHERTY, HEARON & MOODY, P.C.
POST OFFICE BOX 98
AUSTIN, TX 78767-9998

EXHIBIT "A"

CERTIFICATE OF FORMATION

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



John Steen
Secretary of State

Office of the Secretary of State

CERTIFICATE OF FILING OF

VISTANCIA OWNERS ASSOCIATION, INC.

File Number: 801850136

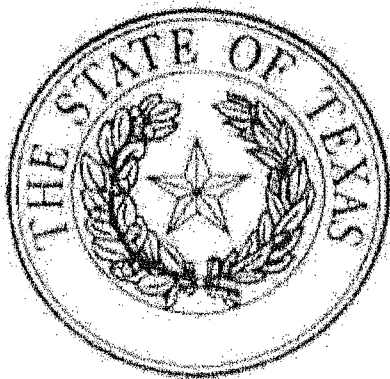
The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 09/13/2013

Effective: 09/13/2013



A handwritten signature of John Steen in black ink.

John Steen
Secretary of State

CERTIFICATE OF FORMATION
OF
VISTANCIA OWNERS ASSOCIATION, INC.

FILED
In the Office of the
Secretary of State of Texas
SEP 13 2013
Corporations Section

The undersigned natural person of the age of eighteen years or more, acting as sole incorporator of a non-profit corporation under the Texas Business Organizations Code and the Texas Non-Profit Corporation Law (collectively, the "Code"), does hereby adopt the following Certificate of Formation for such corporation:

ARTICLE I.
NAME

The name of the corporation is the "VISTANCIA OWNERS ASSOCIATION, INC." (referred to in this Certificate of Formation as the "Association").

ARTICLE II.
NON-PROFIT CORPORATION

The Association is a non-profit corporation organized pursuant to the Code.

ARTICLE III.
DURATION

The period of duration of the Association is perpetual.

ARTICLE IV.
PURPOSE

The purpose for which the Association is formed is to act as the owners association for a subdivision community located in Travis County, Texas. The Association shall have all of the powers of a non-profit corporation under the Code. The Association shall not engage in any purpose, action or activity which is prohibited by the Code or other applicable law.

ARTICLE V.
INITIAL REGISTERED OFFICE AND INITIAL REGISTERED AGENT

The street address of the initial registered office of the Association is 4201 West Parmer Lane, Suite A150, Austin, Texas 78727, and the name of its initial registered agent at such address is Chris Werth.

**ARTICLE VI.
MANAGEMENT**

The direction and management of the affairs of the Association and the control and disposition of its properties and funds shall be vested in a Board of Directors composed of such number of persons specified in the bylaws of the Association (the "Bylaws"). Unless and until increased pursuant to the Bylaws, the number of directors shall be three (3). The directors shall continue to serve until their successors are selected in the manner provided in the Bylaws.

**ARTICLE VII.
INITIAL BOARD OF DIRECTORS**

The names and addresses of the persons who shall serve as initial members of the Board of Directors of the Association until their successors are duly elected and qualified are:

<u>Name of Director</u>	<u>Address</u>
Keith Pearson	4201 West Parmer Lane, Suite A150 Austin, Texas 78727
Jamie Esparza	4201 West Parmer Lane, Suite A150 Austin, Texas 78727
Alfred Gutierrez	4201 West Parmer Lane, Suite A150 Austin, Texas 78727

**ARTICLE VIII.
MEMBERSHIP**

The Association shall have members. The membership of the Association shall be determined as provided in the Bylaws, and such Bylaws shall define the voting rights, powers and privileges of the members.

**ARTICLE IX.
BYLAWS**

The initial Bylaws shall be adopted by the Board of Directors. Except as otherwise provided in the Code or in the Bylaws, the power to alter, amend or repeal the Bylaws and to adopt new Bylaws shall be vested in the Board of Directors.

ARTICLE X.
DISTRIBUTION OF THE ASSOCIATION'S PROPERTY UPON DISSOLUTION

Upon the dissolution of the Association, after paying or making provision for the payment of all of the liabilities of the Association, the property of the Association shall be applied and distributed by the Board of Directors, pursuant to a plan of distribution, to the members of the Association at the time of such winding up and termination on a pro rata basis consistent with the requirements of the Code.

ARTICLE XI.
LIMITATIONS OF LIABILITY

No director shall be liable to the Association or its members for monetary damages for an act or omission in the directors' capacity as a director, except that this Article XI does not eliminate or limit the liability of a director to the extent the director is found liable for:

- (1) a breach of the director's duty of loyalty to the Association;
- (2) an act or omission not in good faith that constitutes a breach of duty of the director to the Association or an act or omission that involves intentional misconduct or a knowing violation of the law;
- (3) a transaction from which the director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's office; or
- (4) an act or omission for which the liability of the director is expressly provided by an applicable statute.

Any repeal or modification of this Article shall be prospective only and shall not adversely affect any limitation on the liability of a director of the Association existing at the time of such repeal or modification.

ARTICLE XII.
ORGANIZER

The name and street address of the sole organizer is:

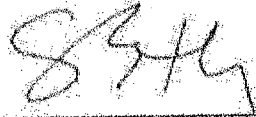
Name

Address

Stephen W. Butler

Graves, Dougherty, Hearon & Moody, P.C.
401 Congress Avenue, Suite 2200
Austin, Texas 78701

EXECUTED BY THE UNDERSIGNED ORGANIZER on September 13,
2013.

A handwritten signature in dark ink, appearing to read 'S. W. Butler', written over a horizontal line.

Stephen W. Butler

EXHIBIT "B"

BYLAWS

**BYLAWS OF THE
VISTANCIA OWNERS ASSOCIATION, INC.**

1753873.2

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**BYLAWS OF THE
VISTANCIA OWNERS ASSOCIATION, INC.**

**ARTICLE I.
INTRODUCTION**

1.1 **Purpose.** These Bylaws provide for the governance of the subdivision community association known as **Vistancia Owners Association, Inc.**, a Texas non-profit corporation (the "**Association**"), which has been formed pursuant to the Declaration of Covenants, Conditions and Restrictions for Vistancia, recorded under Document Number 2013161449 of the Official Public Records of Travis County, Texas (together with any amendment, modification or supplement thereto, the "**Declaration**"). Vistancia is a single family subdivision development in Travis County, Texas.

1.2 **Definitions.** Capitalized words and phrases not otherwise defined herein shall have the same meanings assigned in the Declaration.

**ARTICLE II.
MEMBERSHIP, MEETINGS, QUORUM, VOTING, PROXIES**

2.1 **Membership.** The Association has one class of membership. Any person or entity upon becoming an Owner shall automatically become a Member of the Association. Membership shall be appurtenant to and shall run with the property interest, which qualifies the Owner thereof for membership, and membership may not be severed from, or in any way transferred, pledged, mortgaged or alienated except together with the title to such property interest. When more than one person holds an interest in a Lot, all such persons shall be Members. The votes for such Lot shall be exercised as the Owners determine among themselves, but in no event shall more than one vote be cast with respect to any Lot unless such Lot is owned by Declarant.

2.2 **Place of Meeting.** Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board either within the Property or as convenient thereto as possible and practical.

2.3 **Annual Meetings.** Regular annual meetings of the Members shall on a date and at a time set by the Board. At the option of the Board, meetings may be held in person, or by email, conference call or other electronic communication, provided that all attendees have the ability to hear (or read) all formal discussions of the meeting and have the opportunity for their input to be heard or received by all participants in the meeting.

2.4 **Special Meetings.** The president may call special meetings of the Association. In addition, the president shall call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board or upon a petition

signed by a majority vote by the Members. The notice of any special meeting shall state the date, time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

2.5 Notice of Meetings. Written or printed notice stating the place, day and hour of any meeting of the Association shall be delivered to each Member entitled to vote at such meeting, not less than ten (10) days nor more than sixty (60) days before the date of such meeting. Such written or printed notice shall be delivered either personally or by mail, fax or email or posted in a conspicuous manner reasonably designed to provide notice to the Members on the Association's website, by or at the direction of the officers of the Association or authorized persons calling the meeting. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to a Member at his or her address as it appears on the records of the Association, with postage thereon prepaid. If emailed or faxed, notice shall be deemed delivered when sent to the last known email address or the last fax number of the Member according to the Association's records. If posted on the Association's website, the Association shall also email such notice to each Member who has registered an email address with the Association no later than ten (10) days before the date of such meeting. It is each Member's duty to keep an updated e-mail address registered with the Association.

2.6 Notice of Election or Vote. The foregoing notwithstanding, not less than ten (10) days nor more than sixty (60) days before the date of an election or vote, the Association shall give written notice of the election or vote to: (1) each Member for purposes of an Association-wide election or vote; or (2) each Member entitled to vote in a particular representative election, for purposes of a vote that involves election of representatives of the Association who are vested with the authority to elect or appoint Directors.

2.7 Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member shall be deemed waiver by such Member of notice of the time, date and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

2.8 Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting, either in person or by alternate, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, a quorum will be deemed to be present and any business which might have been transacted at the meeting originally called may be transacted. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for

reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than quorum, provided that at least twenty-five percent (25%) of all Members remain in attendance, and provided further that any action taken is approved by at least a majority of the Members required to constitute a quorum.

2.9 **Voting.** The voting rights of the Members shall be as set forth in the Declaration and such voting rights provisions are specifically incorporated herein. The voting rights of a Member may be cast or given (1) in person or by proxy at a meeting of the Members; (2) by absentee ballot in accordance with Section 2.10 below; (3) by electronic ballot in accordance with Section 2.10 below; or (4) by any method of representative or delegated voting determined by the Board. Any vote cast in an election or vote by a Member must be in writing and signed by the Member. Electronic ballots (defined below) constitute written and signed ballots.

2.10 **Absentee and Electronic Voting.**

(a) An absentee or electronic ballot:

(i) may be counted as a Member present and voting for the purpose of establishing a quorum only for items appearing on the ballot;

(ii) may not be counted, even if properly delivered, if the Member attends any meeting to vote in person, so that any vote cast at a meeting by a Member supersedes any vote submitted by absentee or electronic ballot previously submitted for that proposal; and

(iii) may not be counted on the final vote of a proposal if the motion was amended at the meeting to be different from the exact language on the absentee or electronic ballot.

(b) A solicitation for votes by absentee ballot must include:

(i) an absentee ballot that contains each proposed action and provides an opportunity to vote for or against each proposed action;

(ii) instructions for delivery of the completed absentee ballot, including the delivery location; and

(iii) the following language: *"By casting your vote via absentee ballot you will forgo the opportunity to consider and vote on any action from the floor on these proposals, if a meeting is held. This means that if there are amendments to these proposals your votes will not be*

counted on the final vote on these measures. If you desire to retain this ability, please attend any meeting in person. You may submit an absentee ballot and later choose to attend any meeting in person, in which case any in-person vote will prevail."

(c) "Electronic ballot" means a ballot given by e-mail, facsimile or posting on an Internet website, for which the identity of the Member submitting the ballot can be confirmed; and for which the Member may receive a receipt of the electronic transmission and receipt of the Member's ballot. If an electronic ballot is posted on an Internet website, a notice of the posting shall be sent to each Members that contains instructions on obtaining access to the posting on the website.

2.11 **Majority.** As used in these Bylaws, the term "majority" shall mean at least fifty-one percent (51%) of the total eligible number of votes.

2.12 **Quorum.** Except as otherwise provided in these Bylaws or in the Declaration, the presence in person or by proxy of a majority of Members shall constitute a quorum at all meetings of the Association. Any provision in the Declaration concerning quorums is specifically incorporated herein.

2.13 **Conduct of Meetings.** The president shall preside over all meetings of the Association and the secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

2.14 **Action Without a Meeting.** Any action that may be taken at a meeting of the Members may be taken without a meeting if written consent of all Members is obtained. Such written consent shall have the same force and effect as a unanimous vote of the Member.

ARTICLE III. BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS

3.1 **Governing Body; Composition.** The affairs of the Association shall be governed by a Board of Directors ("**Directors**"), each of whom shall have one vote. The Directors may or may not be Owners.

3.2 **Number of Directors.** The number of Directors in the Association shall be not less than three (3) nor more than five (5). The initial Board shall consist of three members as identified in the Association Certificate.

3.3 **Directors During the Declarant Control Period.** During the Declarant Control Period, Declarant shall have the sole and absolute right to appoint and remove all members of the Board.

3.4 Election and Term of Office.

(a) Upon Expiration of the Declarant Control Period. Within sixty (60) days after the expiration of the Declarant Control Period, the president shall call a special meeting at which the Members shall elect three (3) Directors. The Directors elected by the Members shall serve until the first annual meeting following the expiration of the Declarant Control Period. If such annual meeting is required to be held within ninety (90) days after expiration of the Declarant Control Period, this Section 3.4(a) shall not apply and Directors shall be elected in accordance with Section 3.4(b) below.

(b) First Annual Meeting After Expiration of the Declarant Control Period. At the first annual meeting of the Members after the expiration of the Declarant Control Period, the Members shall elect two (2) Directors for a term of three (3) years and one (1) Director for a term of two (2) years. At the expiration of the initial term of office of each member of the Board and at each annual meeting thereafter, a successor shall be elected to serve for a term of three (3) years. If additional members are added to the Board in accordance with these Bylaws, all terms shall be similarly staggered. There shall be no cumulative voting. The candidate(s) receiving the most votes shall be elected, regardless of whether such candidate(s) receive a majority of the votes. The Directors shall hold office until their respective successors have been elected. The Directors may be elected to serve any number of consecutive terms. Notwithstanding anything to the contrary in these Bylaws or the Declaration, following the Declarant Control Period, any Director whose term has expired must be elected by Owners who are Members.

(c) Upon the Tenth (10th) Anniversary of the Declaration. In the event that the Declarant Control Period has not expired on or before the tenth (10th) anniversary of the date on which the Declaration is recorded in the Official Public Records of Travis County, Texas, then upon such date, the president shall call a special meeting of the Members at which the Members other than Declarant shall elect one-third (1/3) of the Directors. The Director(s) elected by the Members shall serve until the first annual meeting following such special meeting.

(d) Mandatory Election Required After Failure to Call Annual Meeting of the Members. If the Board does not call an annual meeting of the Members in accordance with Section 2.3 above, a Member may demand that a meeting of the Members be called not later than the thirtieth (30th) day after the date of the Member's demand. The Member's demand must be made in writing and sent by certified mail, return receipt requested, to the registered agent of the Association and to the Association at the address set forth in the most recently filed management certificate. A copy of the notice must be sent to each other Member. If the Board does not call a meeting of the Members within such 30-day period, three (3) or more Members may form an election committee. The election committee shall file written notice of the committee's formation with the Travis County Clerk, which shall include: (i) a statement that an election committee has been formed to call a meeting of the Members for the sole purpose of electing directors, (ii) the name and residential address of each election committee member, and (iii) the name of the Subdivision. Each election committee

member must sign and acknowledge the notice before a notary or other official authorized to take acknowledgments. The Travis County Clerk shall enter on the notice the date the notice is filed and record the notice in the Official Public Records of Travis County, Texas. The election committee may call meetings of the Members for the sole purpose of electing the Directors to the Board. Notice, quorum and voting provisions contained in these Bylaws apply to any meeting called by the election committee. Only one election committee may operate at a time. If more than one election committee files a notice, the first committee that files a notice, after having complied with all other requirements set forth herein, is the election committee with the power to act under this Section 3.4(d). An election committee that does not hold or conduct a successful election within four months after the date the notice is filed with the Travis County Clerk shall be dissolved by operation of law. An election held or conducted by a dissolved committee is ineffective.

3.5 Each Member's Eligibility to Run for a Board Position. Each Member who has not been convicted of a crime of moral turpitude may run in an election for a position on the Board.

3.6 Removal of Directors and Vacancies. Following the expiration of the Declarant Control Period, any Director may be removed, with or without cause, by the vote of Members holding a majority of the votes entitled to be cast for the election of such Director. Any Director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a Director, a successor shall then and there be elected by the Members entitled to elect the Director so removed to fill the vacancy for the remainder of the term of such Director. Any Director elected by the Members who has three (3) consecutive unexcused absences from Board meetings, who is delinquent in the payment of any Assessment or other charge due the Association for more than thirty (30) days, or who is in violation of the Declaration may be removed by a majority of the Directors present at a regular or special meeting at which a quorum is present and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a Director, a vacancy may be declared by the Board and it may appoint a successor. However, any Director appointed by Declarant may only be removed by Declarant and any vacancy in a Declarant-appointed board position may only be filled by Declarant.

3.7 Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least one (1) meeting per year shall be held. Notice of the time and place of the meeting shall be communicated to the Directors not less than ten (10) days prior to the meeting; provided, however, notice of a meeting need not be given to any Director who has signed a waiver of notice or written consent to holding of the meeting. Except as otherwise provided herein or by applicable law, meetings may be held in person, by conference call, email, or other electronic communication provided that all Directors have the opportunity to hear or read all formal board discussion and all Directors have the opportunity to be heard or otherwise communicate with all other Directors.

3.8 **Special Meetings.** Special meetings of the Board shall be held when called by written notice signed by the president or by any two (2) Directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each Director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to the Director or to a person at the Director's office or home who would reasonably be expected to communicate such notice promptly to the Director; or (d) by fax or email. All such notices shall be given at the Director's telephone number or sent to the Director's address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least ten (10) days before the time set for the meeting. Notices given by personal delivery, telephone, fax or email shall be delivered, telephoned, or given by fax or email at least four (4) days before the time set for the meeting.

3.9 **Waiver of Notice.** The transactions of any meeting of the Board, however called and noticed and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.10 **Quorum of Board of Directors.** At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the Directors who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.11 **Compensation.** No Director shall receive any compensation from the Association for acting as such unless approved by Members representing a majority of the total vote of the Association at a regular or special meeting of the Association; provided any Director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other Directors.

3.12 **Conduct of Meetings.** The president shall preside over all meetings of the Board and the secretary shall keep a minute book of meetings of the Board, recording therein all resolutions adopted by the Board and all transactions and proceedings occurring at such meetings.

3.13 Open Meetings. All meetings of the Board in which the business of the Association is discussed or formal action of the Board is taken shall be open to all Members, but Members other than Directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a Director. In such case, the president may limit the time any Voting Representative may speak. The foregoing notwithstanding, the president may adjourn any meeting of the Board and reconvene in executive session, excluding Members, to discuss matters of a sensitive nature, such as pending or threatened litigation, personnel matters, etc.

3.14 Notice of Meetings of the Board of Directors to Members.

(a) **Notice to Members Required.** Members shall be given notice of the date, hour, place and general subject of a regular or special meeting of the Board, including a general description of any matter to be brought up for deliberation in executive session. The notice may be either (i) mailed to each Member not later than the tenth (10th) day or earlier than the sixtieth (60th) day before the date of the meeting; or (ii) no later than seventy-two (72) hours before the start of the meeting, (a) posted in a conspicuous manner reasonably designed to provide notice to the Members either in a place located on the Association's common property, or with the property owner's consent, on conspicuous located privately owned property within the subdivision, or on the Association's website, and (b) emailed to each Member who has registered an email address with the Association. If the Board recesses a regular or special meeting to continue the following regular business day, the Board is not required to post notice of the continued meeting. If the meeting is continued to the following day and on that following day the Board continues the meeting to another day, the Board shall give notice of the continuation to the Members in at least one of the manners prescribed by Section 3.14(a) above within two hours after adjourning the meeting being continued.

(b) **Notice to Members Not Required for Routine and Administrative Matters.** The foregoing notwithstanding, the Board may meet by any method of communication, including electronic and telephonic, without prior notice to Members, if each Director may hear and be heard by every other Director, or the Board may take action by unanimous written consent to consider routine and administrative matters or a reasonably unforeseen emergency or urgent necessity that requires immediate board action. Any action taken without notice to the Members must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting and documented in the minutes of the next regular or special Board meeting. The Board may not, without prior notice to Members, consider or vote on (i) fines; (ii) damage Assessments; (iii) initiation of foreclosure actions; (iv) initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety; (v) increases in Assessments; (vi) levying of special Assessments; (vii) appeals from a denial of approval from the Architectural Committee; or (viii) a suspension of a right of a particular Member before such Member has an opportunity to attend a meeting of the Board to present such Member's position, including any defense, on the issue.

(c) Notice to Members During the Development Period. This Section 3.14 applies to a meeting of the Board during the Development Period only if the meeting is conducted for the purpose of: (i) adopting or amending the governing documents, including the Declaration, the Bylaws, or rules and regulations; (ii) increasing the amount of regular Assessments of the Association or adopting or increasing a special Assessment; (iii) electing the Directors who are not appointed by Declarant or establishing a process by which those members are elected; or (iv) changing the voting rights of Members.

3.15 Action by Written Consent. Any action to be taken at a meeting of the Directors or any action that may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors and such consent shall have the same force and effect as a unanimous vote.

3.16 Powers.

(a) Administration. The Board shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs. The Board shall have all rights granted by law, the Declaration, the Association Certificate and these Bylaws.

(b) Policies. In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board shall have the power to establish policies relating to, and shall be responsible for performing or causing to be performed, the following, in way of explanation, but not limitation:

(i) preparation and adoption, in accordance with the Declaration, of annual budgets in which there shall be established the contribution of each Owner to the Assessments described in the Declaration;

(ii) levying Assessments, establishing the means and methods of collecting Assessments and establishing alternative payment plans for Assessments by which an Owner may make partial payments to the Association for delinquent Assessments or any other amount owed to the Association without incurring additional monetary penalties;

(iii) providing for the operation, care, upkeep and maintenance of all of the Common Area and Facilities;

(iv) designating, hiring and dismissing the personnel necessary for the operation of the Association and the maintenance, operation, repair and replacement of its property and the Common Area and Facilities and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties;

(v) collecting Assessments, depositing the proceeds thereof in a bank depository which it shall approve and using the proceeds to operate the Association;

(vi) making and amending rules and regulations;

(vii) opening of bank accounts on behalf of the Association and designating the signatories required;

(viii) making or contracting for the making of repairs, additions and improvements to or alterations of the Common Area and Facilities in accordance with the other provisions of the Declaration and these Bylaws after damage or destruction by fire or other casualty;

(ix) enforcing by legal means the provisions of the Declaration, these Bylaws and the rules and regulations adopted by it;

(x) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;

(xi) paying the costs of all services rendered to the Association and not chargeable directly to specific Owners;

(xii) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;

(xiii) maintaining a membership register reflecting, in alphabetical order, the names, physical addresses, mailing addresses and email addresses of all Members;

(xiv) retaining copies of the Declaration, the Association Certificate, these Bylaws, rules and regulations and all other books, records and financial statements of the Association in accordance with retention requirements mandated by applicable law;

(xv) making available to any prospective purchaser of a Lot, Owner, Owner's representative (including an Owner's attorney or CPA), Beneficiary, and the holders, insurers and guarantors of a Mortgage on any Lot or residence, current copies of the Declaration, the Association Certificate, these Bylaws, rules and regulations, and all other books, records and financial statements of the Association;

(xvi) permitting utility suppliers to use portions of the Common Area and Facilities reasonably necessary to the ongoing development or operation of the Property;

(xvii) retaining and paying for legal and accounting services necessary or proper in the operation of the Association; and

(xviii) paying all real and personal property taxes and other taxes and assessments levied upon or with respect to Common Area and Facilities, Special Common Areas or any other property owned by or leased to the Association.

3.17 Management. The Board may employ for the Association a Manager at a compensation established by the Board to perform such duties and services as the Board shall authorize. The Board may delegate to the Manager, subject to the Board's supervision, all of the powers granted to the Board by these Bylaws. Declarant, or an affiliate of Declarant, may be employed as the Manager.

3.18 Committees. The Board may from time to time designate standing or ad hoc committees to advise or assist the Board with its responsibilities. By resolution, the Board may establish the purposes and powers of the committee created, provide for the appointment of a chair and committee Members and provide for reports, termination and other administrative matters deemed appropriate by the Board. Members of the committees will be appointed from among the Owners.

3.19 Enforcement Rights. The Association may enter upon any Lot or into any Improvement thereon at any time in an emergency, or in a non-emergency after twenty-four (24) hours written notice, without being liable to any Owner, for the purpose of enforcing the Declaration, these Bylaws or rules and regulations or for the purpose of maintaining or repairing any area, Improvement or other facility, and the expense incurred by the Association in connection with the entry upon any Lot or Improvement and the maintenance and repair work conducted thereon shall be a personal obligation of the Owner of the Lot entered upon, shall be secured immediately by a lien upon the Lot entered upon and the Improvements thereon, and shall be enforced in the same manner and to the same extent as provided in the Declaration, these Bylaws or the rules and regulations for Assessments. EACH SUCH OWNER WILL INDEMNIFY AND HOLD HARMLESS THE ASSOCIATION AND ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASONS OF THE ASSOCIATION'S ACTS PURSUANT TO THIS SECTION 3.19, EVEN IF CAUSED BY THE ASSOCIATION'S NEGLIGENCE IN CONNECTION THEREWITH, EXCEPT TO THE EXTENT ANY SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY OR CLAIM IS CAUSED BY THE ASSOCIATION'S ACTUAL GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. The Association shall have the power and authority from time to time, in its own name and on its own behalf, or in the name of and on behalf of any Owner who consents thereto, to commence and maintain actions and suits to enforce, by mandatory injunction or otherwise, or to restrain and

enjoin, any breach or threatened breach of these Bylaws. The Association is also authorized to settle claims, enforce liens and take all such action as it may deem necessary or expedient to enforce these Bylaws; provided, however, that the Board shall never be authorized to expend any Association funds for the purpose of bringing suit against Declarant, its agents, attorneys, contractors, successors or assigns.

3.20 **Liabilities and Standard of Care.** In performing their duties, the Directors are required to exercise certain standards of care and are subject to certain liabilities, including, but not limited to, the following provisions of the Texas Business Organizations Code: Chapter 7, Sections 3.201, 3.105, 22.221, 22.224, 22.225, 22.226 and 22.230.

ARTICLE IV. OFFICERS

4.1 **Officers.** The officers of the Association shall be a president, a vice president, a secretary and a treasurer, all of whom shall be members of the Board.

4.2 **Election.** The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members.

4.3 **Term.** Each officer of the Association shall be elected annually by the Board and each shall hold office for approximately one year until the election of his successor, unless he shall sooner resign, be removed, or be disqualified to serve.

4.4 **Special Appointments.** The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may, from time to time, determine.

4.5 **Resignation and Removal.** The Board may remove any officer from office with or without cause. Any officer may resign at any time by giving written notice to the Board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4.6 **Vacancies.** A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

4.7 **Multiple Offices.** The same person may hold multiple offices with the exception that the offices of president and secretary may not be held by the same person.

4.8 **Standard of Care.** In performing their duties, the officers are required to exercise the standards of care provided by Section 3.105 of the Texas Business Organizations Code.

4.9 **Duties.** The duties of the officers are as follows:

(a) **President.** The president shall preside at all meetings of the Board; shall ensure that orders and resolutions of the Board are carried out; shall sign all contracts, leases, mortgages, deeds and other legal instruments.

(b) **Vice President.** The vice president shall act in the place and stead of the president in the event of absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.

(c) **Secretary.** The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses and shall perform such other duties as required by the Board. These duties, with approval of the Board, may be delegated to the Association's management company.

(d) **Treasurer.** The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board; shall sign all checks and promissory notes of the Association; shall keep proper books of account; shall cause an annual audit or review by a third-party accountant or bookkeeper of the Association's books to be made at the completion of each fiscal year; and shall prepare an annual budget for the forthcoming year and a statement of income and expenditures for the previous year, to be presented to the Members at their regular annual meeting. The treasurer shall also be responsible for supervising billings. These duties, with approval of the Board, may be delegated to the Association's management company.

4.10 **Fidelity Bonds.** Any person handling or responsible for Association funds, including officers, agents and employees of the Association must furnish adequate fidelity bonds. The premiums on the bonds may be a common expense of the Association.

4.11 **Authorized Agents.** The Board may authorize any person to execute instruments on behalf of the Association. In the absence of Board designation, the president is the only person authorized to execute instruments on behalf of the Association.

ARTICLE V. ENFORCEMENT

5.1 **Suspension of Privileges and Fines.** In the event of a violation of the Declaration, these Bylaws, or any rules and regulations, the Board, acting on behalf of the Association, in addition to any other remedies provided by the Declaration, these Bylaws, or rules and regulations and remedies available pursuant to State statute or other law, may (1) suspend or condition the right of an Owner and any tenants,

occupants, or guests to use of facilities (including all or part of any Common Areas and Facilities) owned, operated, or managed by the Association; (2) suspend an Owner's voting privileges in the Association, as further provided in the Declaration and these Bylaws; provided however, that an Owner's voting privileges with respect to an election of Directors or on any matter concerning the rights or responsibilities of such Owner shall not be suspended under any circumstance; (3) record a notice of non-compliance encumbering a Lot; (4) levy a damage Assessment against a Lot; (5) levy collection or deed restriction enforcement costs against an Owner; and (6) assess a fine against the Lot and Lot Owner for the violation by Owner, his or her tenants, occupants, or guests in an amount to be determined by the Board. Before the Association may suspend an Owner's right to use the Common Area and Facilities, file suit against an Owner (other than a suit to collect regular or special Assessments or foreclose under an Association lien), charge an Owner for property damage, or levy a fine for a violation of the restrictions (including the Declaration, these Bylaws, or rules and regulations), the Association must give the Owner notice. Any amount charged to an Owner under these procedures may be collected in the same manner as Assessments under the Declaration, including lien and foreclosure rights, to the extent permitted by law.

5.2 Notice Requirements. The notice to an Owner referenced in Section 5.1 above will be sent certified mail, return receipt requested, to the last known address of the Owner noted in the Association records. The notice must (1) describe the violation or property damage that is the basis for the suspension action, charge or fine and state any amount due to the Association from the Owner; (2) inform the Owner that the Owner is entitled to a reasonable period to cure the violation and avoid the fine or suspension, unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six (6) months; (3) inform the Owner that the Owner may request a hearing before the Board on or before the thirtieth (30th) day after the date on which the Owner received the notice (or thirty [30] days after the date on which the first attempted delivery was made to the Owner), and (4) inform the Owner that the Owner may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act (50 U.S.C. app. Section 501 et seq.), if the Owner is serving on active military duty. If the hearing is to be held before a committee, the notice must state that the Owner has the right to appeal the committee's decision to the Board by written notice to the Board. The Association will hold any hearing not later than the thirtieth (30th) day after the date on which the Board receives the Owner's request for a hearing and will notify the Owner of the date, time and place of the hearing at least ten (10) days before the hearing date.

5.3 Attorneys' Fees. The Association may assess reasonable attorneys fees to an Owner's account for nonpayment of amounts due or other violations of the Declaration, these Bylaws, or the rules and regulations only if the Owner is provided a written notice that attorneys' fees and costs will be charged to the Owner if the delinquency or violation continues after a date certain. Regardless, attorneys' fees may not be charged to an Owner's account until after any Owner-requested hearing allowed pursuant to the procedures described in Section 5.2 above is held, or, if the Owner does not request a hearing, before the date by which the Owner must request a hearing. For repeat violations within six (6) months, reasonable attorneys fees may be assessed to

an account after the first hearing request deadline date has passed or after the first hearing, as appropriate. The failure of the Association to enforce any provisions of the Declaration, these Bylaws, the rules, regulations or the procedures described in Section 5.2 above shall not constitute a waiver of the right to enforce the same thereafter. All remedies in the Declaration, these Bylaws and rules and regulations are cumulative and not exclusive. The procedures described in Section 5.2 above are intended to reflect the requirements of Chapter 209 of the Texas Property Code. At any time, the Board may amend these Bylaws to comply with any changes in Chapter 209 or other state law in accordance herewith.

5.4 **Application of Payments.** The Association, in its discretion and without notice to an Owner, may apply amounts received from an Owner to non-assessment items or other amounts due and owing the Association regardless of such Owner's notations on checks or otherwise.

5.5 **Additional Enforcement Rights.** Notwithstanding anything to the contrary herein contained, the Association, acting through the Board, may elect to enforce any provision of the Declaration, these Bylaws, or the rules and regulations by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations and the maintenance, including installation or removal of, landscaping) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action, the Owner shall pay all costs, including reasonable attorney's fees actually incurred.

ARTICLE VI. ASSESSMENTS

As provided in the Declaration, each member is obligated to pay Assessments to the Association which are secured to the full extent provided by law by a continuing lien upon the Lot against which the Assessment is made. The collection and enforcement procedures shall be as set forth in the Declaration. Members that are delinquent in the payment of any amount, prior to referral to an attorney for collection of the same, shall be notified by certified mail, return receipt requested, of: the amount due to the Association supported by an itemization of same, notice of the Member's option to enter into an alternative payment schedule based on the Association's policy of record and their right to a period of thirty (30) days to cure the delinquency before further collection action is taken. The amount of the delinquency that triggers the aforementioned notice shall be determined by the Board of Directors from time to time. No less than thirty (30) days subsequent to the notice sent pursuant to Section 0 above, the delinquent Member shall be referred to the Association's attorney for collection of all delinquent amounts. At that time, the delinquent Member shall be responsible for all reasonable and necessary attorneys' fees associated with the collection of the delinquent amount. All other provisions of the Association's current collection policy shall remain in effect as originally written.

ARTICLE VII. PAYMENT PLAN

Any Member that is delinquent in the payment of any amount may enter into a payment plan with the Association. No Member shall be entitled to enter into a payment plan if such Member was in violation of any payment plan with the Association in the previous two (2) year period prior to the request for the payment plan. Payment plans shall be for a period of at least three (3) months but no longer than six (6) months from the Member's request to enter into a payment plan, shall include all amounts owed by the Member to the Association, shall include all amounts that will come due during the term of the payment plan, and shall include all amounts for the cost of the administration of the payment plan as set forth herein. Each payment thereunder shall be equal. After a Member is notified of a delinquency in the payment of amounts due to the Association, the Member shall have a period of thirty (30) days within which to request a payment plan. A payment plan will be prepared and delivered to the Member within fifteen (15) days following the date of the Member's request for the payment plan. The Member must execute and return the payment plan along with the first payment due under the payment plan within thirty (30) days after receiving the payment plan from the Association. If the Member does not execute and deliver the payment plan to the Association within said 30-day period, it shall be conclusively presumed that the Member does not elect to enter into a payment plan and no further alternative payment plan shall be offered. Any payment returned for insufficient funds shall be a breach of the payment plan. Members shall be responsible for all legal fees associated with the preparation of the payment plan, which shall not be less than Two Hundred and No/100 Dollars (\$200.00), as well as the administrative costs of the Association, which shall not be less than Twenty-five and No/100 Dollars (\$25.00) per payment under the payment plan.

ARTICLE VIII. AMENDMENTS

These Bylaws may be amended by a majority vote of the Board. To be effective, each amendment must be in writing, reference the names of the Property and the Association and be executed by a majority of the Board. Further, the amendment must recite the recording data for these Bylaws and be recorded in the Official Public Records of Travis County, Texas. During the Declarant Control Period, no amendment of these Bylaws may affect Declarant's rights herein without Declarant's written and acknowledged consent.

ARTICLE IX. MISCELLANEOUS

9.1 **Fiscal Year.** The fiscal year of the Association will be set by resolution of the Board and is subject to change from time to time as the Board determines. In the absence of a resolution, the fiscal year of the Association is the calendar year.

9.2 Books and Records. The Association shall make the books and records reasonably available for examination by an Owner, or a person designated in a writing signed by the Owner as the agent of the Owner, or the Owner's attorney or certified public accountant. An Owner is entitled to obtain from the Association copies of information contained in the books and records in accordance with Section 209.005 of the Texas Property Code.

(a) Except as provided by this Section 9.2(a), an attorney's files and records relating to the Association, excluding invoices requested by an Owner under Section 209.008(d) of the Texas Property Code, are not records of the Association and are not subject to inspection by an Owner or production in a legal proceeding. If a document in an attorney's files and records relating to the Association would be responsive to a legally authorized request to inspect or copy Association documents, the document shall be produced by using the copy from the attorney's files and records if the Association has not maintained a separate copy of the document. This Section 9.2(a) does not require production of a document that constitutes attorney work product or that is privileged as an attorney-client communication.

(b) An Owner or the Owner's authorized representative described above must submit a written request for access or information by certified mail, with sufficient detail describing the Association's books and records requested. The request must contain 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:

(i) If an inspection is requested, the Association, on or before the tenth (10th) business day after the date the Association receives the request, shall send written notice of dates during normal business hours that the Owner may inspect the requested books and records to the extent those books and records are in the possession, custody or control of the Association; or

(ii) if copies of identified books and records are requested, the Association shall, to the extent those books and records are in the possession, custody or control of the Association, produce the requested books and records for the requesting party on or before the tenth (10th) business day after the date the Association receives the request, except as otherwise provided herein.

(c) If the Association is unable to produce the books or records requested herein on or before the tenth (10th) business day after the date the Association receives the request, the Association must provide to the requestor written notice that:

(i) informs the requestor that the Association is unable to produce the information on or before the tenth (10th) business days after the date the Association received the request; and

(ii) states a date by which the information will be sent or made available for inspection to the requesting party that is not later than the fifteenth (15th) business day after the date notice is given.

(d) If an inspection is requested or required, the inspection shall take place at a mutually agreed on time during normal business hours and the requesting party shall identify the books and records for the Association to copy and forward to the requesting party.

(e) The Association may produce books and records requested in hard copy, electronic or other format reasonably available to the Association.

(f) The Association itself or by and through its Manager shall charge the following when it is required to produce books and records:

(i) \$25.00 per hour if clerical staff performs the compilation/production task.

(ii) \$75.00 per hour if a Manager performs the compilation/production task.

(iii) The prevailing billing rate for an attorney, certified public accountant or other third party profession if they perform the compilation/production task.

(iv) A minimum hourly charge for compilation/production shall be two (2) hours.

(v) Ten cents (\$0.10) per photocopy.

(vi) Fifty cents (\$0.50) per .PDF or other image file.

(vii) One Dollar (\$1.00) per CD or Three Dollars (\$3.00) per DVD.

(viii) The aforementioned amounts shall be increased annually by the Consumer Price Index for All Urban Consumers ("CPI-U") as published by the U.S. Bureau of Labor and Statistics (1967=100) starting January 2013, or its replacement index if publication of the CPI-U is discontinued.

(ix) To the extent that the aforementioned charges may exceed those allowed by current or future law, the charges shall be reduced to the legal maximum amount.

(x) Members may be required to pay an estimated cost in advance of the compilation/production and copying process with a final

reconciliation to be prepared after the compilation/production and copying is performed. Any costs over the amount prepaid by a Member may be charged to the Member's account as an Assessment by delivering an invoice to the Member within thirty (30) business days after the date the information is delivered. Any overpayment by a Member shall be promptly refunded to the Member within thirty (30) business days after the date the information is delivered.

9.3 **Document Retention Policy.** The following is the Association's document retention policy:

- (a) The Association Certificate and other formation documents, these Bylaws, the Declaration – permanently;
- (b) Financials – seven (7) years;
- (c) Owner account records of current Owners – five (5) years;
- (d) Contracts with a one (1) year term or more – four (4) years from the date of termination of the contract;
- (e) Board and Member meeting minutes – seven (7) years; and
- (f) Tax returns and audit records – seven (7) years.

9.4 **Conflicts.** If any provision of these Bylaws conflicts with any provision of the laws of the State of Texas, the conflicting Bylaws provision is null and void, but all other provisions of the Association Certificate and these Bylaws remain in full force and effect. In the case of any conflict between the Association Certificate and these Bylaws, the Association Certificate controls. In the case of any conflict between the Declaration and these Bylaws, the Declaration controls.

9.5 **Severability.** Whenever possible, each provision of these Bylaws will be interpreted in a manner to be effective and valid. Invalidity of any provision of these Bylaws, by judgment or court order, does not affect any other provision which remains in full force and effect.

9.6 **Business Days.** For purposes of these Bylaws, "business days" means a date other than Saturday, Sunday or a state or federal holiday.

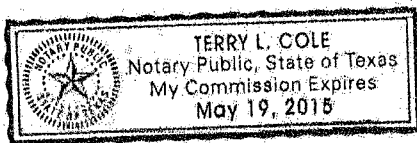
9.7 **Construction.** The effect of a general statement is not limited by the enumerations of specific matters similar to the general. Article and section headings used in these Bylaws are used for convenience purposes only and may not be construed as defining or modifying the text to which they refer. The singular is construed to mean the plural, when applicable, and the use of the masculine, neuter or feminine pronouns includes reference to all pronouns.

VISTANCIA OWNERS ASSOCIATION, INC.,
a Texas non-profit corporation

By: *Keith Pearson*
Keith Pearson, President

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on SEPTEMBER 27, 2013, by
KEITH PEARSON, President of **VISTANCIA OWNERS ASSOCIATION, INC.**, a Texas
non-profit corporation, on behalf of said non-profit corporation.



Terry Cole
NOTARY PUBLIC, State of Texas



**FILED AND RECORDED
OFFICIAL PUBLIC RECORDS**

Dana Debeauvoir

DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS

October 02 2013 09:25 AM

FEE: \$ 154.00 2013181190

SUBDIVISION MANAGEMENT CERTIFICATE

THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

1. **Name of Subdivision:** Vistancia.
2. **Name of Association:** Vistancia Owners Association, Inc.
3. **Recording Data for Subdivision:** Document Numbers 201300188, 201300189, and 201300190, Official Public Records of Travis County, Texas.
4. **Recording Data for Declaration:** Document Number 2013161449, Official Public Records of Travis County, Texas.
5. **Name and Mailing Address of Association:** Vistancia Owners Association, Inc., c/o Ashton Woods Homes, 4201 West Parmer Lane, Suite A150, Austin, Texas 78727.
6. **Name and Mailing Address of Designated Representative:** Mr. Keith Pearson, 4201 West Parmer Lane, Suite A150, Austin, Texas 78727.
7. **Other Information the Association considers appropriate:** None.

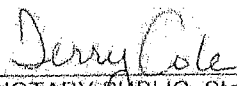
Signed this 27 day of SEPTEMBER, 2013.

VISTANCIA OWNERS ASSOCIATION, INC., a
Texas non-profit corporation

By: 
Keith Pearson, President

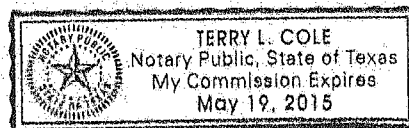
THE STATE OF TEXAS §
§
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the 27 day of September, 2013, by
KEITH PEARSON, President of VISTANCIA OWNERS ASSOCIATION, INC., a Texas non-profit
corporation, on behalf of said non-profit corporation.


NOTARY PUBLIC, State of Texas

AFTER RECORDING RETURN TO:

STEPHEN BUTLER, ESQ.
GRAVES, DOUGHERTY, HEARON & MOODY, P.C.
POST OFFICE BOX 98
AUSTIN, TX 78767-9998





FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Dana Debeauvoir

DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS

October 02 2013 09:25 AM

FEE: \$ 30.00 2013181189

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
VISTANCIA

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**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
VISTANCIA**

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTANCIA (this "Declaration") is made to be effective as of August 28 2013, by SA SPRINGS, L.P., a Texas limited partnership ("Declarant").

RECITALS:

A. The Vistancia development is a planned single family community in Travis County, Texas. Declarant intends to initially develop the planned single family community on the approximately 99.63 acres of real property described on Exhibit "A" attached hereto (the "Property").

B. The purpose of this Declaration is to subject the Property to the protective covenants, conditions and restrictions as hereinafter set forth in order to: (a) create and carry out a uniform plan for the improvement, development and sale of the Property, (b) preserve so far as possible the natural beauty of the Property, (c) avoid harsh contrasts between structures and landscape, (d) guard against the erection of poorly designed or proportioned structures and the use of unsuitable materials, (e) encourage and ensure the erection of attractive improvements which are harmonious with their sites, and (f) generally enhance the environmental quality and economic value of the Property for the benefit of the present and future owners of the Property.

C. In furtherance of such purposes, Declarant hereby adopts and establishes this Declaration to apply uniformly to the ownership, encumbrance, lease, use, occupancy, enjoyment and conveyance of the Property.

DECLARATION:

NOW, THEREFORE, it is hereby declared that all of the Property shall be owned, encumbered, leased, used, occupied, enjoyed and conveyed subject to the following covenants, conditions and restrictions, which (a) are for the purpose of protecting the value and desirability of the Property, (b) shall run with the Property, (c) shall be binding on all parties having any right, title or interest in or to the Property or any part thereof, and (d) shall inure to the benefit of each owner of any portion of the Property.

Article 1 DEFINITIONS

Unless the context otherwise specifies or requires, the following words and phrases when used in this Declaration shall have the meanings hereinafter specified:

1.1 **"Architectural Committee"** means the committee created pursuant to this Declaration as provided in Article 3 hereof.

1.2 **"Architectural Committee Rules"** means the rules and regulations adopted by the Architectural Committee, as the same are amended from time to time.

1.3 **"Assessment(s)"** means assessment(s) levied by the Association in accordance with Article 4 and Article 5 hereof, including Regular Assessments, Development Area Assessments, Special Assessments and Individual Assessments.

1.4 **"Association"** means Vistancia Owners Association, Inc., a Texas non-profit corporation.

1.5 **"Association Certificate"** means the Certificate of Formation of the Association, which has been filed in the office of the Secretary of State of the State of Texas, as the Association Certificate may from time to time be amended.

1.6 **"Beneficiary"** means a mortgagee under a mortgage or a beneficiary under a deed of trust.

1.7 **"Board"** means the Board of Directors of the Association.

1.8 **"Building"** means a structure, including, without limitation, a residence, having a roof supported by columns or walls for the shelter, support or enclosure of persons or property.

1.9 **"Bylaws"** means the Bylaws of the Association, which may be adopted by the Board, as the Bylaws may from time to time be amended.

1.10 **"Common Area and Facilities"** means any Lots or other real property (including any improvements located thereon) within or benefiting the Property, which are owned, held, maintained and/or operated by the Association for the common benefit of the Property and the Owners from time to time and at any time. The Common Areas and Facilities shall include Lots and other real property (i) the Association owns in fee simple or holds an easement interest in, (ii) designated as Common Areas and Facilities by Declarant, or (iii) designated or shown on any recorded plat or its equivalent of the Property or any portion thereof filed or approved by Declarant and identified as "Common Area," "Greenbelt," "Amenity Area," "Drainage Easement," "Water Easement," "Water Quality Easement," "Wastewater Easement," "Utility Easement," "Public Trail" or

"HOA Park," Association owned Lot, detention and water quality area, drainage easement, public utility easement, or similar designations; provided, however, the Common Area and Facilities shall not include areas maintained by any applicable governmental or utility provider.

1.11 **"Declarant"** means SA Springs, L.P., a Texas limited partnership, its duly authorized representatives or their respective successors or assigns; provided that any assignment of the rights of SA Springs, L.P. as Declarant must be expressly set forth in writing and the mere conveyance of a portion of the Property without written assignment of the rights of Declarant shall not be sufficient to constitute an assignment of the rights of Declarant hereunder. All decisions and actions of Declarant shall be made and taken as set forth herein.

1.12 **"Declarant Control Period"** means the periods in which Declarant owns any portion of the Property.

1.13 **"Declaration"** means this instrument, as it may be amended or supplemented from time to time.

1.14 **"Development Area"** means any part of the Property that is designated by Declarant as a Development Area in a Development Area Designation for the purpose of enjoying special amenities, benefits or services, paying Development Area Assessments, and/or being subject to special covenants and restrictions as provided in a Development Area Designation. Declarant may designate and modify one or more Development Areas which may be comprised of different types of Lots and residences and may include noncontiguous Lots and property. A Lot or parcel of property may be included in more than one Development Area.

1.15 **"Development Period"** means the periods in which Declarant owns any portion of the Property during which Declarant reserves the right to (a) facilitate the development, construction and marketing of the Subdivision, (b) direct the size, shape and composition of the Subdivision, and (c) exercise the rights and privileges of Declarant pursuant to this Declaration. Declarant may terminate the Development Period pursuant to a written notice executed by Declarant and recorded in the Official Public Records of Travis County, Texas.

1.16 **"Development Area Assessments"** means the assessments levied against the Lots in a particular Development Area to fund the Development Area Expenses.

1.17 **"Development Area Designation"** means any declaration executed by Declarant which may be recorded hereafter in order to designate or modify one or more Development Areas.

1.18 **"Development Area Expenses"** means the expenses, actual and estimated, that the Association incurs or expects to incur for the benefit of the Owners

or Lots within a particular Development Area, which may include a reasonable reserve for capital repairs and replacements and a reasonable administrative charge authorized by the Association.

1.19 **"Improvement(s)"** means every structure and all appurtenances thereto of every type and kind, including, but not limited to, Buildings, residences, outbuildings, garages, storage buildings and sheds, greenhouses, patios, sport courts and goals, swimming pools, putting greens, recreational facilities, playscapes, play and tree houses, swing sets, fences, screening walls, retaining walls, stairs, steps, porches, mailboxes, walkways, driveways, decks, landscaping, irrigation or sprinkler systems, fountains, yard decorations, signs, exterior air conditioning, water softener fixtures or equipment, exterior lighting fixtures and equipment, poles, pumps, wells, tanks, reservoirs, pipes, lines, meters, antennae, aerials, satellite dishes, wind generators, solar collectors, rain and stormwater collection tanks, towers, equipment and facilities used in connection with water, sewer, gas, electric, telephone, television, telecommunications or other utilities.

1.20 **"Lot(s)"** means the lot or lots of land within the Property as established on the plats for the Subdivision.

1.21 **"Manager"** means the person, firm or corporation, if any, employed by the Association pursuant to this Declaration and delegated any of the duties, powers and functions of the Association as provided in the Bylaws.

1.22 **"Member"** means any person or entity who is a member of the Association. Every fee simple owner of a Lot shall be a member of the Association.

1.23 **"Mortgage"** means any mortgage or deed of trust covering any portion of the Property, including any Lot or Lots, voluntarily given by an Owner to secure the payment of a debt.

1.24 **"Owner(s)"** means any person or entity, including Declarant, holding record legal title to a fee simple interest in any portion of the Property, including any Lot or Lots, but shall not include, without limitation, any Beneficiary whose sole interest in the Property or a portion thereof is derived from a Mortgage.

1.25 **"Plans and Specifications"** mean any and all documents designed to guide or control the construction, alteration or removal of any Improvement, including, but not limited to, those indicating location, size, height, relationship to adjoining Lots and Buildings located thereon, shape, configuration, materials, including roofing materials, site plans, excavation plans, grading plans, foundation plans, drainage plans, landscaping plans, fencing plans, screening plans, elevation drawings, floor plans, exterior lighting plans, specifications on all building products and construction techniques, samples of exterior colors and materials, plans for utility services and all other documentation or information relevant to such construction, alteration or removal.

1.26 "Property" initially means that certain tract of real property containing approximately 99.63 acres as more particularly described on Exhibit "A" attached hereto. The Property is subject to additions, annexations and withdrawals of land pursuant to a Supplemental Declaration as set forth in this Declaration.

1.27 "Special Common Areas" means any Lots or other real property (including any improvements located thereon) designated by Declarant in a Development Area Designation or Supplemental Declaration as common area, parkland, greenbelt, amenity area, Association owned Lot, detention and water quality, drainage easement, public utility easement, private street, private gate or entry, or similar designations which benefits one or more, but less than all, of the Lots and Owners, and is or will be conveyed, licensed or dedicated to the Association or otherwise held by Declarant for the benefit of a Development Area and/or Owners of the Lots and property to which such Special Common Areas benefit.

1.28 "Subdivision" means a subdivision plat of any portion of the Property as recorded in the Official Public Records of Travis County, Texas, and any amendments thereto or replats thereof.

1.29 "Supplemental Declaration" means and refers to any declaration of covenants, conditions and restrictions which may be recorded hereafter in order to (i) annex and make subject to the terms of this Declaration any other land, (ii) withdraw or remove land from this Declaration, or (iii) otherwise amend or modify this Declaration.

Article 2 RESTRICTIONS

2.1 General. All of the Property shall be owned, encumbered, leased, used, occupied, enjoyed and conveyed subject to the limitations and restrictions set forth in this Declaration. In addition, all restrictions and plat notes on the Subdivision plats of the Property shall be complied with at all times. Upon recordation of a Supplemental Declaration in the Official Public Records of Travis County, Texas, the land subject to the Supplemental Declaration will automatically be incorporated into and be deemed to constitute part of the Property subject to this Declaration. To the extent any portion of a Supplemental Declaration or a Development area Designation shall conflict with this Declaration, the Supplemental Declaration or Development Area Designation shall control with respect to the portion of the land subject to the Supplemental Declaration or Development Area Designation. Except for the Property, no portion of any land owned by Declarant will be subject to the terms and provisions of this Declaration until a Supplemental Declaration has been filed for such additional land in accordance with Sections 1.29 and 6.4 hereof.

2.2 Residential Use. All Lots (other than the Common Area and Facilities and Special Common Area) shall be improved and used solely for single family residential use and accessory uses, including, without limitation, a home, garage, fencing and such other Improvements as are necessary or customarily incident to residential use. The

Common Area and Facilities and Special Common Areas shall be used for roadways, utilities, stormwater detention and retention, water quality, amenities, parks, open space and similar uses necessary or customarily incident to residential use. No Improvement constructed on a Lot may be used as an apartment house, flat, lodging house or hotel, but such Improvement may be leased for single family residential purposes once per calendar year for a minimum term of six (6) months. All such permitted tenants shall be required in their leases to comply with all of the provisions of this Declaration and shall give Declarant the right to enforce all provisions of this Declaration against such permitted tenants. No professional, manufacturing, industrial, business or commercial activity to which the general public is invited shall be conducted on any Lot; provided that, in connection with its development of the Property and sale of Lots, Declarant and Declarant's licensees shall have the right to maintain model homes, temporary or permanent sales, marketing and/or construction centers and offices, and conduct open houses or other marketing events to which the general public may be invited. Notwithstanding anything in this Section 2.2 or this Declaration to the contrary, Owner may conduct "discreet business activities" within a single family residence constructed upon a Lot so long as the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the residence; the business activity does not involve regular visitation of the Lot or door-to-door solicitation of residents of the Property; the business activity is consistent with the residential character of the Property; and the business activity does not violate any term or provision of this Declaration. Owners may conduct "garage sales" on their Lots, provided that no Owner shall conduct more than one (1) garage sale of no more than two (2) days' duration during any six (6) month period.

2.3 Construction, Alteration or Removal of Improvements. No Improvement may be constructed, altered or removed upon or from any of the Property without the prior written approval of the Architectural Committee. All construction sites shall be kept clean and orderly and no discharge of any oil, grease or other similar substances shall be permitted. All Owners must take every reasonable action to minimize dust, noise and fumes during construction activities on their Lots. Any action, other than normal maintenance, which in any way alters the exterior appearance of any Improvement, including, without limitation, its color, or which involves the removal of any Improvement or the material alteration of the landscaping plan on a Lot, shall be performed only with the prior written approval of the Architectural Committee. Except for Improvements approved by the Architectural Committee, the positioning of all Improvements upon all Lots is hereby expressly made subject to Architectural Committee review. The Architectural Committee may prevent or allow the construction of a proposed Improvement based upon the effect it will have upon the view from any particular Lot; provided, however, notwithstanding anything to the contrary in this Declaration, the Architectural Committee, the members thereof and the Board shall not be liable to any Owner for monetary damages or otherwise due to the construction of any Improvement within the Property or the creation thereby of an obstruction to the view from such Owner's Lot or Lots. No Improvement shall be allowed on any Lot that is of such size or architectural design or that involves the use of such landscaping, color schemes, exterior finishes and materials and similar features as to be incompatible with residential

development on the Property. All foundations for Improvements shall, to the extent possible, conform to the topography of the Lot on which the Improvement is being constructed. All Buildings constructed on the Property shall be built in place on the Lot.

2.4 Condition and Repair of Improvements and Landscaping. All Improvements upon the Property shall at all times be kept in good condition and repair and adequately painted or otherwise maintained by the Owner thereof. All landscaping shall at all times be kept in a neat and well-groomed condition and appearance and watered appropriately. The Board, in its sole discretion, shall determine whether the provisions of this Section 2.4 have been satisfied.

2.5 Subdividing. No Lot shall be further divided or subdivided, nor may any easements or other interests therein less than the whole be conveyed by the Owner thereof without the prior written approval of the Architectural Committee; provided, however, that when Declarant is the Owner thereof, Declarant may further divide and subdivide any Lot and convey an easement or other interest less than the whole, all without the approval of the Architectural Committee.

2.6 Rubbish and Debris. No rubbish or debris of any kind shall be placed or permitted to accumulate upon the Property or any portion thereof and no odors shall be permitted to arise therefrom so as to render the Property or any portion thereof unsanitary, unsightly, offensive or detrimental to any other property or to its occupants. Refuse, garbage and trash shall be kept at all times in covered containers and all such containers shall at all times be kept within an enclosed structure or appropriately screened from view of all adjacent property and public and private rights-of-way; provided, however, garbage containers shall be permitted to be placed outside of enclosed structures and may be removed from screened areas a maximum of two (2) times each week, for no longer than twenty-four (24) hours each time, for garbage collection. The Architectural Committee shall have the right to require each Owner to specify a specific location for enclosure of all trash can(s) and to require each Owner to place the trash can(s) behind a fence per the Plans and Specifications or construct a screening wall at an approved location for the placement of garbage containers for collection purposes. Such enclosure shall not be visible from the public or private streets or driveways in the Subdivision.

2.7 Noise; Nuisances. No exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes) shall be located, used or placed on any portion of the Property such that it becomes or will become clearly audible at the property line of adjoining property owners. No noise or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to any other portion of the Property or its occupants. No construction activity shall be conducted on any portion of the Property between the hours of 7:00 p.m. and 7:00 a.m. No noxious or offensive activity shall be conducted on any portion of the Property. The Board, in its sole discretion, shall determine whether an action or activity constitutes a violation of this Section 2.7.

2.8 Hazardous Activities; Fertilizers, Pesticides and Herbicides.

(a) No activities shall be conducted or allowed to exist on any portion of the Property, and no Improvements shall be constructed on the Property, which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, activities that are expressly prohibited include (1) mining, quarrying, drilling, boring or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel, aggregate, earth or water, (2) the use or discharge of firecrackers or other fireworks within the Property, (3) the use or storage of liquid propane gas, gasoline, oil or any type of flammable liquids or gases in other than closed tanks within an enclosed structure or permanently screened from view; provided, however, only such liquids and gases as are customarily used for residential purposes shall be allowed on the Property, (4) any activities which may be offensive or hazardous by reason of odor, fumes, dust, smoke, noise, vibration or pollution, or which are hazardous by reason of excessive danger, fire or explosion, (5) hunting, trapping and the discharge of firearms, (6) open fires in other than a contained barbecue unit for cooking purposes, while attended and in use, or within a safe and well designed interior or exterior fireplace, (7) the use of bows and arrows, crossbows, slingshots, darts or other projectile devices, or (8) the discharge or leakage of any type of hazardous or toxic chemical or material, such as oil, fertilizers, pesticides or herbicides; provided, however, only such materials as are customarily used for residential purposes shall be allowed on the Property. The foregoing notwithstanding, Declarant and the Association shall be permitted to drill and operate water wells on the Property.

(b) No fertilizers, pesticides or herbicides other than those generally available for consumer use and approved by an agency having jurisdiction for the purpose intended shall be placed, used or stored on any Lot. All Owners using any such materials shall strictly comply with all instructions provided with such materials and all applicable laws, regulations and ordinances and shall take proper precautions in placing, using and storing such materials so that such materials are contained at all times and do not result in the unnecessary discharge off or onto any Lot.

2.9 Vehicles; Unsightly Articles.

(a) No articles deemed to be unsightly by the Architectural Committee shall be permitted to remain on any Lot so as to be visible from adjoining property or public or private thoroughfares. Without limiting the generality of the foregoing, trailers, graders, trucks other than pickups, boats, tractors, campers, recreational vehicles, wagons, buses, golf carts, motorcycles, motor scooters and garden maintenance equipment shall be kept at all times, except when in actual use, in enclosed structures or screened from view and no repair or maintenance work shall be done on any of the foregoing, or on any automobile (other than minor emergency repairs), except in enclosed garages or other structures. The

foregoing notwithstanding, service and delivery vehicles may be parked on the Property during daylight hours for such period of time as is reasonably necessary to provide service or to make a delivery and construction equipment may be left on a Lot during construction on such Lot, but shall be removed as soon as such equipment is no longer needed in such construction.

(b) Passenger vehicles, motorcycles and scooters owned or used by an Owner or an Owner's guest shall not be parked or left on any portion of the Property other than in such Owner's garage or driveway for longer than twelve (12) hours at a time, and no more than two (2) passenger vehicles may be parked on the driveway or other manner as to be visible from any other portion of the Property on a day-to-day basis.

(c) No recreational equipment, including, but not limited to, sport courts, goals and nets, swing sets, playscapes, skate boards, bicycles or skate board or bicycle ramps, shall be permitted in the front yard of any residence on the Property without the express approval of the Architectural Committee. Vegetable gardens shall be permitted for household use only and shall not be permitted in the front or side yards of residences. Service areas, compost piles and facilities for hanging, drying or airing clothing or household materials shall be appropriately screened from view and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials or scrap or refuse of trash shall be kept, stored or allowed to accumulate on any portion of the Property except within an enclosed structure or appropriately screened from view.

2.10 Animals. No animals, including pigs, hogs, swine, poultry, fowl, wild animals, horses, cattle, sheep, goats or any other type of animal not considered to be a domestic household pet within the ordinary meaning and interpretation of such words may be kept, maintained or cared for on the Property. Only the keeping of ordinary household pets such as dogs and cats, not to exceed two (2) each in number, is allowed. No breeding, raising, training or boarding animals for hire or remuneration is permitted on any Lot. All pets permitted by this Declaration to be kept on a Lot shall at all times be properly vaccinated, neutered or spayed and cared for. No kennel, dog run or other facility for raising or boarding dogs or other animals for commercial purposes shall be kept on any Lot. No pit bull terriers or other dangerous breed of dogs or any animal considered dangerous as determined by the Board in its sole discretion may be kept on any Lot for any period of time. All Owners shall take every reasonable action to ensure that their dogs do not create a nuisance by barking or other action. No animal shall be allowed to run at large and all animals shall be kept within enclosed areas which must be clean, sanitary and reasonably free of refuse, insects and waste at all time. Such enclosed area shall be constructed in accordance with Plans and Specifications approved by the Architectural Committee, shall be of reasonable design and construction to adequately contain such animals in accordance with the provisions hereof, and shall be screened so as not to be visible from any other portion of the Property. Animals shall be allowed to leave the Owner's Lot only when kept on a leash.

2.11 Underground Utility Lines. No utility lines or wires, including, but not limited to, wires or other devices for the communication or transmission of telephone, electric current or power or cable television, shall be erected, placed or maintained in or upon any Lot unless the same shall be contained in conduit or cables that are installed and maintained underground or that are concealed in, under or on Buildings; provided, however, that no provision hereof shall be deemed to forbid the erection of temporary power or telephone structures incident to the construction of Improvements which have been previously approved in writing by the Architectural Committee. The installation method, including, but not limited to, location, type of installation equipment, trenching method and other aspects of installation for both temporary and permanent utility lines and wires shall be included in the Plans and Specifications for all Improvements.

2.12 Exterior Lighting. Exterior lighting or illumination of Improvements, Buildings, yards, landscaping and parking areas shall be designed and installed with adequate top and side shielding to avoid visible glare (direct or reflected) onto other Lots. Floodlights may only be installed on residences with the approval of the Architectural Committee. All exterior lighting must be approved by the Architectural Committee; provided, however, Christmas and other holiday lights shall be permitted without the prior approval of the Architectural Committee from December 1st to January 15th of each year. All Christmas and other holiday lights must be removed by January 15th of the next year. No lighting shall be permitted that constitutes a nuisance or hazard to any Owner or occupant of any Lot. The Architectural Committee, in its sole discretion, shall determine whether the provisions of this Section 2.12 have been satisfied.

2.13 Signs, Displayed Objects and Flags. No sign, emblem, object, display, or flag of any kind shall be placed or displayed on any Lot or mounted, painted or attached to any residence, fence or other Improvement upon such Lot so as to be visible from public view without approval of the Architectural Committee except as set forth below. The Association may remove any item displayed in violation of this Section 2.13.

(a) For Sale Signs. An Owner may erect one (1) sign not exceeding six (6) square feet in area, fastened only to a stake in the ground and extending not more than three feet (3') above the surface of the ground advertising the property for sale.

(b) Declarant's and Builders' Signs. Signs or billboards may be erected by Declarant or any builder of a residence on the Property with permission of Declarant.

(c) Legally Required Signs. Signs required for legal proceedings may be displayed.

(d) Political Signs. An Owner may erect one (1) political sign not exceeding six (6) square feet in area on such Owner's Lot advocating the election of one or more political candidates or the sponsorship of a political party,

issue or proposal, provided that such sign shall not be erected more than ninety (90) days in advance of an election to which signs pertain and are removed within fifteen (15) days after such election.

(e) Religious Items and Emblems. An Owner may display religious items and emblems on the entry door or door frame of such Owner's dwelling if such display is motivated by such Owner's sincere religious belief, provided that such displays do not (i) threaten the public health or safety, (ii) violate applicable law, (iii) contain language, graphics or any display that is patently offensive to a passerby, (iv) extend past the outer edge of the door frame of the Owner's dwelling, or (v) individually or in combination with each other religious item displayed or affixed on the entry door or door frame have a total size of greater than twenty-five (25) square inches.

(f) Flags. An Owner may display the official flag of the United States of America, the State of Texas or any branch of the United States armed forces in accordance with this Section 2.13. The flag of the United States of America must be displayed in accordance with 4 U.S.C. Sections 5-10. The flag of the State of Texas must be displayed in accordance with Chapter 3100, Texas Government Code. The flagpole attached to a dwelling or a freestanding flagpole must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the flagpole and harmonious with the dwelling. The display of a flag, and the location and construction of the supporting flagpole, must comply with applicable zoning ordinances, easements and setbacks of record. The flag and the flagpole on which it is flown must be maintained by such Owner in good condition and any deteriorated flag or deteriorated or structurally unsafe flagpole must be repaired, replaced, or removed by such Owner. No more than one (1) flagpole may be constructed on a Lot, and no flagpole may exceed more than twenty feet (20') in height. Flags may not be displayed that exceed a dimension of three feet (3') in height by five feet (5') in width. The particular location of flag poles and any lighting used to illuminate a flag must be approved by the Architectural Committee. The external halyard of a flagpole may not create noise that can be heard more than twenty-five feet (25') from the flagpole, or within the interior of any home or other structure in the Subdivision. No Owner may install a flag or flagpole on property that is owned or maintained by the Association or owned in common by the Members.

2.14 Construction Activities. Notwithstanding any provision herein to the contrary, this Declaration shall not be construed so as to unreasonably interfere with or prevent normal construction activities during the construction of Improvements by an Owner (including Declarant) upon any Lot. Specifically, no such construction activities shall be deemed to constitute a nuisance or a violation of this Declaration by reason of noise, dust, presence of vehicles or construction machinery, posting of signs or similar activities, provided that such construction is pursued to completion with reasonable diligence and conforms to usual construction practices in the area. In the event of any

dispute regarding such matters, a temporary waiver of the applicable provision may be granted by the Architectural Committee, provided that such waiver shall be only for the reasonable period of such construction.

2.15 Unfinished Structures. No Improvement shall remain unfinished for more than one (1) year after the same has been commenced.

2.16 Liability of Owners for Damage to Common Area and Facilities. No Owner shall in any way alter, modify, add to or otherwise perform any work whatsoever upon any Common Area or Facilities and Special Common Areas. The Owner of each Lot shall be liable to the Association for all damages to: (i) the Common Area and Facilities and Special Common Areas or any Improvements constructed thereon or (ii) to any Improvements constructed upon any Lot, the maintenance of which has been assumed by the Association, which damage is caused by the neglect, misuse or negligence of such Owner or any tenant or other occupant of such Owner's Lot or such Owner's guest or invitee. The full cost of all repairs of such damage shall be an Assessment against the Owner's Lot, secured by a lien against the Owner's Lot and collectible in the same manner as provided in this Declaration. In the event an Owner or any tenant or other occupant of such Owner's Lot or such Owner's guest or invitee repeatedly violate the rules established by the Board for the use of the Common Area and Facilities or Special Common Areas, the Association may thereafter prohibit the use of the Common Area or Facilities or Special Common Areas by such Owner or tenant or other occupant of such Owner's Lot or such Owner's guest or invitee.

2.17 Compliance with Provisions of this Declaration and Applicable Laws. Each Owner shall comply strictly with the provisions of this Declaration, any Supplemental Declaration and any Development Area Designation and all applicable laws, statutes, ordinances and regulations. Any conflict between the requirements of this Declaration and any such applicable laws, statutes, ordinances and regulations shall be construed to require that the more restrictive requirements shall be adhered to by the Owners. Failure to comply with any provision of this Declaration shall constitute a violation of this Declaration, and shall give rise to a cause of action to recover the sums due for damages or injunctive relief or both, maintainable by the Board on behalf of the Association or by Declarant or an aggrieved Owner. The Board or Declarant shall determine, in their sole discretion, whether the provisions of this Declaration have been satisfied. Nothing contained herein shall relieve any Owner from complying with all applicable laws, statutes, ordinances and regulations. All Owners shall be obligated to obtain all necessary building permits, certificates of occupancy and other similar governmental permits and approvals required by all applicable laws, statutes, ordinances and regulations.

2.18 Rain Water Harvesting. Owners shall comply with the following rain water harvesting restrictions:

(a) No rain water harvesting device, storage container, related plumbing or appurtenances thereto shall be allowed on any property owned by the Association or owned in common by the Members.

(b) No rain water harvesting device, storage container, related plumbing device or appurtenances thereto shall be allowed or located other than within a fenced yard or the fenced patio of the Owner.

(c) All such rain water harvesting devices, storage containers, related plumbing devices or appurtenances thereto and the location of their installation must be approved by the Architectural Committee.

(d) All such rain water harvesting devices, storage containers, related plumbing devices or appurtenances thereto shall be properly screened as to obscure the view of the same from adjoining properties and the streets. Such screening shall be approved in advance by the Architectural Committee.

(e) The Architectural Committee may regulate the Owner's use of gravel, rocks or cacti around the installation.

(f) No rain water harvesting devices, storage containers, related plumbing devices or appurtenances thereto may be of a color that is inconsistent with the color scheme of the residence.

(g) Any rain water harvesting devices, storage containers, related plumbing devices or appurtenances thereto must not contain language or other content that is not typically displayed by such a barrel or system as it is manufactured.

2.19 Solar Energy Device Installation Restrictions.

(a) No solar energy device, as defined by Section 171.107 of the Texas Tax Code ("Device"), may be installed on property owned or maintained by the Association nor on property owned in common by the Members.

(b) All Devices must receive approval of the Architectural Committee prior to installation.

(c) No Devices may be installed on a Lot other than on the roof of the residence, or the roof of another structure on the Lot which is allowed hereunder or in a fenced yard or patio owned and maintained by the Owner of the Lot.

(d) If a Device is mounted on the roof of the residence, it may not extend higher than or beyond the roofline of the residence.

(e) If a Device is mounted on the roof of the residence of a Lot, it must be in the location designated by the Architectural Committee unless the alternate location designated by the Owner increases the estimated annual energy production of the Device as determined by using a publicly available modeling tool provided by the National Renewable Energy Laboratory, by more than ten percent (10%) above the energy production of the Device if located in the area designated by the Architectural Committee.

(f) A Device must conform to the slope of the roof and have a top edge that is parallel to the roofline.

(g) The frames, support brackets and visible piping or wiring must be in a silver, black or bronze tone commonly available in the marketplace.

(h) If a Device is located in a fenced yard or patio, such Device may not be taller than the fence line.

(i) During the Development Period, the Architectural Committee may withhold approval of the installation of a Device in its sole discretion.

(j) The Architectural Committee may withhold approval for the installation of a Device if it determines and notifies Owner in writing that the placement of a Device as proposed by the Owner constitutes a condition that substantially interferes with the use and enjoyment of the Property by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. Additionally, no Device installed in the Subdivision may threaten the public health or safety or violate applicable law.

2.20 Propane Gas. Declarant currently has an agreement with Absolute Propane to be the exclusive provider of propane gas in the Subdivision for the ten (10) year period following the date of this Declaration. Each residence built in the Subdivision must have installed propane water heaters, propane furnaces and propane appliances or the owner of the residence will be charged the then current costs of installing propane facilities necessary to serve the residence. Each purchaser of a completed residence will be obligated to enter into a service agreement with Absolute Propane or its successor and assigns during the ten (10) year term following the date of this Declaration for the provision of propane gas service to the residence.

Article 3 ARCHITECTURAL COMMITTEE

3.1 Membership and Duties of Architectural Committee.

(a) The Architectural Committee shall be composed of one (1) to five (5) persons, as designated by Declarant or the Board as provided below. Members of the Architectural Committee need not be Members of the

Association. If only one person is designated as a member of the Architectural Committee, such person is sometimes referred to as the "Designated Reviewer".

(b) The Architectural Committee shall consider and act upon any and all Plans and Specifications submitted for its approval pursuant to this Declaration and perform such other duties assigned to it by this Declaration or as from time to time shall be assigned to it by the Board. The Architectural Committee shall review Plans and Specifications submitted for its review and such other information as it may require relating to the question of whether any proposed Improvement would unreasonably obstruct the view from other portions of the Property. The Architectural Committee shall have the authority to approve or disapprove any proposed Improvement based upon the terms of this Declaration and the decision of the Architectural Committee shall be final and binding so long as it is made in good faith. The Architectural Committee shall not be responsible for inspecting any proposed Improvement, nor shall its approval of any Plans or Specifications be deemed approval of any Improvement as to structural safety, engineering soundness or conformance with any building or other codes.

3.2 Term. Each member of the Architectural Committee shall hold office for a period of two (2) years or until such time as he or she has resigned or has been removed.

3.3 Declarant's Rights of Appointment. Except as provided below, Declarant and its successors and assigns shall have the sole right to appoint and remove all members of the Architectural Committee during the Declarant Control Period. The Board shall have the right to appoint and remove all members of the Architectural Committee (i) upon the delegation of this right by Declarant to the Board by written instrument or (ii) during such times as the Declarant Control Period is not in effect.

3.4 Review of Construction, Alteration or Removal of Improvements.

(a) Whenever in this Declaration the approval of the Architectural Committee is required, the Architectural Committee shall have the right to consider all of the Plans and Specifications for the Improvement or proposal in question and all other facts, materials, construction samples and other information which it considers, in its sole discretion, to be relevant. Prior to commencement of any construction, alteration or removal of any Improvement on any Lot, the Plans and Specifications therefor shall be submitted to the Architectural Committee, and construction, alteration or removal thereof may not commence unless and until the Architectural Committee has approved such Plans and Specifications in writing. All such construction, alteration or removal shall conform to the approved Plans and Specifications.

(b) Each Owner should consult with the Architectural Committee about such Owner's general plans for an Improvement prior to completion of Plans and Specifications. The Architectural Committee has adopted guidelines (the "Design Guidelines") attached hereto as Exhibit "B" to establish the standards for design, construction, landscape and hardscape for Lots. The Design Guidelines may be modified or supplemented by the Architectural Committee from time to time.

(c) No improvement shall be allowed on any Lot which is of such size or architectural design or involves the use of such landscaping, color, schemes, exterior finishes and materials and similar features as to be incompatible with development within the Property and the surrounding area. The Architectural Committee shall have the authority to disapprove any proposed Improvement based upon the restrictions set forth in the preceding sentence and the decision of the Architectural Committee shall be final and binding so long as it is made in good faith.

(d) If the Architectural Committee fails to act on any Plans and Specifications submitted to it within sixty (60) days after receipt by the Architectural Committee of all information requested by it in connection with such Plans and Specifications or required by this Declaration, approval of the matters submitted to it shall be presumed.

(e) The Board shall establish and may thereafter amend from time to time an application fee that shall be paid by each Owner at the time of submittal of any application and Plans and Specifications to the Architectural Committee. Such fee shall not exceed the reasonable costs and expenses of the Board and the Architectural Committee (including costs of hiring third party architects and other consultants) for the processing and review of Plans and Specifications. The Board or Architectural Committee may, but is not obligated to, adopt additional procedural and substantive rules and guidelines as it may deem necessary or appropriate in connection with the performance of its duties hereunder, provided such additional rules and guidelines shall not conflict with this Declaration.

(f) Any proper approval of Plans and Specifications or grant of waiver or variance pursuant to this Declaration shall be valid for a period of one hundred eighty (180) days only.

3.5 Actions of the Architectural Committee. The Architectural Committee may, by resolution unanimously adopted in writing, designate one (1) or two (2) of its members or an agent acting on its behalf to take any action or perform any duties for and on behalf of the Architectural Committee. In the absence of such designation, the vote of a majority of all of the members of the Architectural Committee taken at a meeting shall constitute an act of the Architectural Committee. In the event that the members of the Architectural Committee cannot agree by majority vote on any matter

submitted to them, the Board may elect to consider and decide such matter. In the event the members of the Architectural Committee and the Board do not agree and decide any such matter submitted to the Architectural Committee, the matter may be raised at any meeting of the Members of the Association and decided by a majority of those present, provided that a quorum is present.

3.6 Permitted Waivers and Variances. The Architectural Committee may grant such waivers of and variances from compliance with any of the restrictions contained in this Declaration as it considers appropriate based upon the quality and design of a proposed Improvement. Additionally, during the Development Period, Declarant may grant such waivers and variances from compliance with any of the restrictions contained in this Declaration as it considers appropriate based upon the quality and design of a proposed Improvement, and for the good of the Subdivision. All waivers and variances must be evidenced in writing and approved by the Architectural Committee or Declarant.

3.7 No Waiver of Future Approvals. The approval or consent of the Architectural Committee to any Plans or Specifications for any work done or proposed or in connection with any other matter requiring the approval or consent of the Architectural Committee or Declarant shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any Plans and Specifications, or other matter whatsoever, subsequently or additionally submitted for approval or consent by the same or a different Owner. The granting of any waivers and variances shall not operate to waive or amend any of the terms and provisions of this Declaration for any purpose except as to the particular work done or proposed and in the particular instance covered by the variance, and such waiver or variance will not be considered to establish a precedent for any future waiver, variance, amendment or approval of similar matters or of the terms and provisions of this Declaration.

3.8 Nonconforming or Unapproved Improvements. The Architectural Committee, at its option, may inspect all work in progress to ensure compliance with approved Plans and Specifications. The Architectural Committee may require any Owner to restore such Owner's Lot to the condition existing prior to construction, alteration or removal of any Improvement thereon, including, without limitation, the demolition and removal of any unapproved or nonconforming Improvement, if such Improvement was constructed or altered in violation of this Article 3. In addition, the Architectural Committee may, but has no obligation to, cause such restoration, demolition and removal of any such Improvement, and levy the amount of the cost thereof as a special Individual Assessment (defined below) against the Lot upon which such unapproved or nonconforming Improvement was constructed or altered.

3.9 Nonliability of Architectural Committee, Board and Declarant. Notwithstanding anything to the contrary in this Declaration, neither Declarant, nor the Architectural Committee nor the members thereof, nor the Board nor the members thereof, shall be liable in any way to any Owner or any other third party due to (i) the construction of any Improvement within the Property, (ii) the compliance of any Owner's

Plans and Specifications or Improvements with applicable governmental laws, ordinances and codes or this Declaration, (iii) the creation of an obstruction to the view from an Owner's Lot or Lots, or (iv) any other act or omission of the Architectural Committee, Declarant, the Board or their respective members in connection with this Declaration, the Lots or the Property.

3.10 Address. Plans and Specifications shall be submitted to the Architectural Committee c/o Ashton Austin Residential L.L.C., Attention: Vistancia Owners Association, Inc., 4201 West Parmer Lane, Suite A150, Austin, Texas 78727, or such other address as may be designated from time to time in writing by the Architectural Committee.

Article 4 THE ASSOCIATION

4.1 Organization. The Association is a non-profit corporation created by Declarant for the purposes, and charged with the duties and vested with the powers, prescribed by law and set forth in its Certificate of Formation and Bylaws or in this Declaration. Neither the Certificate of Formation nor Bylaws shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

4.2 Membership. Any person or entity upon becoming an Owner shall automatically become a Member of the Association. Membership shall be appurtenant to and shall run with the property interest, which qualifies the Owner thereof for membership, and membership may not be severed from, or in any way transferred, pledged, mortgaged or alienated except together with the title to such property interest.

4.3 Voting Rights. The Owner of each Lot shall have the right to cast one (1) vote for each Lot so owned on all matters to be voted on by the Members. The foregoing notwithstanding, Declarant shall have fifteen (15) votes for each Lot owned by Declarant. If any portion of the Property has not been subdivided into Lots, for the purposes of calculating the number of votes allocated to Declarant pursuant to this Section 4.3, such portion of the Property shall be deemed to include ten (10) Lots per acre.

4.4 Election of Board Directors. Except as provided below, Declarant shall have the sole and absolute right to appoint and remove all members of the Board during the Declarant Control Period. The Members shall have the right to elect and remove the members of the Board as provided in the Bylaws. No Member shall be disqualified from voting in an election of Board members or on any matter concerning the rights or responsibilities of such Member.

4.5 Duties and Powers of the Association. Subject to and in accordance with this Declaration, the Association, acting through the Board, shall have the duties and powers set forth in the Bylaws.

4.6 Powers and Authority of the Association. The Association shall have the powers of a Texas non-profit corporation and a Texas property owners' association, subject only to such limitations upon the exercise of such power as are expressly set forth in this Declaration. It shall further have the power to do and perform any and all acts which may be necessary or proper, for or incidental to, the exercise of any of the express powers granted to it by the laws of Texas or by this Declaration. Without in any way limiting the generality of the two (2) preceding sentences, the Association and the Board acting on behalf of the Association shall have the power and authority at all times to perform the acts permitted in the Bylaws.

4.7 Power to Indemnify and to Purchase Indemnity Insurance. The Association shall indemnify a director or officer of the Association against any liability asserted against such person and incurred by such person in such a capacity or arising out of his status as such a person to the maximum extent permitted by the Texas Business Organizations Code, as may from time to time be amended or superseded. Further, the Association may indemnify and/or reimburse and/or advance expenses and/or purchase and maintain insurance or any other arrangement on behalf of any person, other than any person who is a director of the Association, who is or was an officer, attorney, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another corporation, partnership, joint venture, sole proprietorship, trustee, employee benefit plan or other enterprise, against any liability asserted against such person and incurred by such person in such a capacity or arising out of his status as such a person, to such extent (or, in the case of officers of the Association, to such further extent), consistent with applicable law, as the Board may from time to time determine. The provisions of this Section 4.7 shall not be deemed exclusive of any other rights to which any such person may be entitled under the Bylaws or under any agreement, insurance policy, vote of Members or otherwise.

Article 5 ASSESSMENTS

5.1 Assessments.

(a) The Association may from time to time levy Assessments against each Owner and each Lot. Except as specifically provided otherwise in this Declaration, the amount of Assessments shall be equal and uniform among all Lots. Any provision herein to the contrary notwithstanding, Declarant and Lots and land owned by Declarant or the Association are exempt from the payment of Assessments.

(b) The Assessments shall be used exclusively for the purpose of promoting the comfort and health of the Owners, the maintenance and improvement of the Lots, Development Area, Common Areas and Facilities, Special Common Areas, and for carrying out the purposes of the Association as

stated in this Declaration or as otherwise provided in the Certificate of Formation of the Association.

(c) Where an Owner's obligation to pay Assessments first arises after the commencement of the year or other period for which an Assessment was levied, such Assessment shall be in a prorated amount proportionate to the fraction of the year or other period remaining after said date.

(d) Each purchaser of any Lot, by acceptance of a deed therefor, shall be deemed to covenant to pay to the Association each Assessment levied hereunder against such Lot, whether or not such covenant shall be expressed in any such deed or other conveyance. Each unpaid Assessment, together with interest thereon and costs and expenses of collection thereof, including, without limitation, reasonable attorneys' fees, as hereinafter provided, shall be the personal obligation and debt of the Owner of the Lot against which the Assessment was levied.

(e) The obligation to pay Assessments levied by the Association hereunder is part of the purchase price of each Lot when sold to an Owner. An express vendor's lien is hereby retained to secure the payment of each and every Assessment levied hereunder as well as all interest thereon as provided in Section 5.5 below and the costs and expenses of collection thereof, including reasonable attorneys' fees, and each such vendor's lien is hereby transferred and assigned to the Association, each such vendor's lien to be superior and paramount to any homestead or other exemption provided by law. The Association may enforce the payment of Assessments in accordance with the provisions of this Article 5.

(f) Declarant may, but is not obligated to, reduce Assessments which would otherwise be levied against Lots for any fiscal year by the payment of a subsidy to the Association. Any subsidy paid to the Association by Declarant may be treated as a contribution or a loan, in Declarant's sole and absolute discretion. Any subsidy and the characterization thereof will be disclosed as a line item in the annual budget prepared by the Board and attributable to such Assessments. The payment of a subsidy in any given year will not obligate Declarant to continue payment of a subsidy to the Association in future years.

5.2 Regular Annual Assessments. Prior to the beginning of each fiscal year for the Association, the Board shall estimate the expenses to be incurred by the Association during such year in performing its functions under this Declaration, including a reasonable provision for contingencies and appropriate replacement reserves, less any expected income and any surplus from the prior year's fund ("**Regular Assessments**"). Regular Assessments sufficient to pay such estimated net expenses shall then be levied by the Association as herein provided, and the amount of such Regular Assessments as determined by the Board shall be final and binding so long as such determination is made in good faith. All Regular Assessments shall be due and

payable to the Association in equal semi-annual installments on or before the first (1st) day of January and July of each calendar year, or in such other manner as the Board may designate in its sole and absolute discretion. The Owner of a Lot shall pay only one-half (1/2) of the then current Regular Assessment until construction of a residence commences on such Lot. "Construction" for such purposes shall be deemed to be the issuance of a building permit for a residence on the Lot together with initial site clearing of the Lot.

5.3 Development Area Assessments. Prior to the beginning of each fiscal year for the Association, the Board shall estimate the Development Area Expenses, if any, to be incurred by the Association during such year in performing its functions under this Declaration relating to Development Areas or Special Common Areas, including a reasonable provision for contingencies and appropriate replacement reserves, less any expected income and any surplus from the prior year's fund to determine the Development Area Assessments. Assessments sufficient to pay such estimated net Development Area Expenses and replacement reserve funds shall then be levied by the Association as herein provided against the Owners of the Lots designated by Declarant to benefit from the Development Areas or Special Common Areas, and the amount of such Assessments as determined by the Board shall be final and binding so long as such determination is made in good faith. All such Development Area Assessments shall be due and payable to the Association at the beginning of the fiscal year for the Association for which such Assessments are payable, or during such fiscal year in equal semi-annual installments on or before the first (1st) day of each January and July of each calendar year, or in such other manner as the Board may designate in its sole and absolute discretion.

5.4 Special Assessments. In addition to the Regular Assessments and Development Area Assessments provided for above, the Association may levy special Assessments ("Special Assessments") whenever in the Board's sole opinion such Special Assessments are necessary to enable the Board to carry out the functions of the Association under this Declaration. The amount of any Special Assessments shall be determined by the Board in its sole discretion and shall be due and payable in any manner as the Board may designate.

5.5 Individual Assessments. In addition to any other Assessments, the Board may levy "Individual Assessments" against an Owner and the Owner's Lot. Individual Assessments may include Assessments due upon the transfer of ownership of a Lot. At each closing of the purchase of a Lot from Declarant, the purchaser shall pay to the Association an Individual Assessment as set by the Board. In addition, Individual Assessments may include fees for review of Plans and Specifications submitted by an Owner to the Architectural Committee; fees or charges levied by the Association on a per-Lot basis; pass through expenses for services to Lots or Owners provided by the Association and which are equitably paid by each Lot according to the benefits received; fines for violations of this Declaration; late charges, interest and collection costs on delinquent Assessments; reimbursement for costs incurred in bringing an Owner or the Owner's Lot into compliance with this Declaration; transactional fees

charged by the association manager for the preparation of association closing and transaction documents and certificates, administrative closing fees, and other association administrative management costs; and reimbursement for damage or waste caused by willful misconduct or negligent acts of the Owner or the Owners' guest, invitees or residents.

5.6 Owner's Personal Obligation for Payment of Assessments. Each Assessment provided for herein shall be the personal and individual debt of the Owner of the Lot against which such Assessment was levied. No Owner, other than Declarant, may exempt himself from personal liability for such Assessments. In the event of default in the payment of any Assessment, the Owner of the Lot against which such Assessment was levied shall be obligated to pay interest at the lower of the highest rate allowed by applicable usury laws then in effect on the amount of the Assessment from the due date thereof or at the rate of one and one-half percent (1.5%) per month, together with all costs and expenses of collection, including, without limitation, reasonable attorneys' fees. The Association shall adopt reasonable guidelines to establish an alternative payment schedule by which an Owner may make partial payments to the Association for Assessments or other amounts owed to the Association without accruing additional monetary penalties.

5.7 Priority of Payments. A payment received by the Association from an Owner shall be applied to the Owner's debt in the following order of priority: (a) any delinquent Assessment; (b) any current Assessment; (c) any attorney's fees or third party collection costs incurred by the Association associated solely with Assessments or any other charge that could provide the basis for foreclosure; (d) any other attorney's fees incurred by the Association that are not subject to subsection (c) above; (e) any fines assessed by the Association; and (f) any other amount owed to the Association by such Owner. The foregoing notwithstanding, if, at the time the Association receives a payment from an Owner such Owner is in default under an alternative payment schedule entered into with the Association, the Association is not required to apply the payment in the order of priority specified above, and in applying the payment, a fine assessed by the Association may not be given priority over any other amount owed to the Association.

5.8 Third Party Collections. The Association may not hold an Owner liable for fees of a collection agent (defined below) retained by the Association unless the Association first provides written notice to the Owner by certified mail, return receipt requested, that (a) specifies each delinquent amount and the total amount of the payment required to make the account current; (b) describes the options the Owner has to avoid having the account turned over to a collection agent, including information regarding availability of an alternative payment schedule through the Association; and (c) provides a period of at least thirty (30) days for the Owner to cure the delinquency before further collection action is taken. An Owner is not liable for fees of the Association's collection agent if the obligation for payment by the Association is in any way dependent or contingent on amounts recovered, or the payment agreement between the Association and the collection agent does not require payment by the

Association of all fees to a collection agent for the action undertaken by the collection agent. The agreement between the Association and a collection agent may not prohibit the Owner from contacting the Association's Board or the Association's managing agent regarding the Owner's delinquency. The Association may not sell or otherwise transfer any interest in the Association's accounts receivables for a purpose other than as collateral for a loan. In this Section, "collection agent" means a debt collector, as defined by Section 803 of the federal Fair Debt Collection Practices Act (15 U.S.C. Section 1692a).

5.9 Assessment Lien and Foreclosure.

(a) The payment of each unpaid Assessment levied hereunder together with interest thereon as provided in Section 5.6 above and the costs and expenses of collection thereof, including reasonable attorneys' fees, as herein provided, is secured by a continuing lien and charge on the Lot against which such Assessment was levied. Such lien for payment of Assessments shall bind such Lot in the hands of the Owner, and such Owner's heirs, devisees, personal representatives, successors or assigns, and shall be superior to all other liens and charges against such Lot, except only for tax liens, and all sums unpaid on any first lien Mortgage securing sums borrowed for the purchase or improvement of such Lot, provided such Mortgage was recorded in the Official Public Records of Travis County, Texas, before such Assessment was due. The Association shall have the power, in the Board's sole and absolute discretion, to subordinate the aforesaid lien for payment of Assessments to any other lien. Any such subordination shall be signed by an officer of the Association and recorded in the Official Public Records of Travis County, Texas. Upon the written request of any Beneficiary holding a lien on any Lot that is superior to the lien for payment of Assessments as provided herein, the Association shall report to said Beneficiary the amount of any Assessments levied against such Lot remaining unpaid for a period of more than thirty (30) days after the same are due.

(b) This Declaration alone evidences the aforesaid lien for payment of Assessments. The Association may also from time to time prepare written notices of Assessment liens setting forth the amount of the unpaid indebtedness, a description of the Lot encumbered by the lien and the name of the Owner of such Lot. Such notices shall be signed by one of the officers of the Association and shall be recorded in the Official Public Records of Travis County, Texas. The aforesaid lien for payment of Assessments shall attach with the priority set forth above from the date the payment of such Assessments becomes delinquent. The Association may enforce such lien by all lawful means, including, without limitation, by an expedited judicial foreclosure sale of the defaulting Owner's Lot as provided in the Texas Property Code, as the same may be amended or modified, or the Association may institute suit against the Owner personally obligated to pay the Assessment for monetary damages. The Owner of the affected Lot shall be required to pay all costs and expenses, including, without limitation, reasonable attorneys' fees, incurred by the

Association in connection with any foreclosure proceeding. The Association shall have the power to bid on any Lot at any foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same.

(c) Notwithstanding Section 5.9(b) above, the Association may not foreclose an Assessment lien if the debt securing the lien consists solely of (i) fines assessed by the Association, (ii) attorney's fees incurred by the Association solely associated with fines assessed by the Association, or (iii) amounts added to the Owner's account as an Assessment under Section 209.005(i) of the Texas Property Code (relating to fees incurred in connection with the reproduction of the Association's books and records).

(d) The liens for payment of Assessments provided for herein shall not be affected or extinguished by the sale or transfer of any Lot, whether by foreclosure sale or otherwise; provided, however, that in the event of foreclosure of any first lien Mortgage superior to the lien for the delinquent Assessment, the lien for the delinquent Assessment will be extinguished, and the delinquent Assessment shall be paid out of the proceeds of such foreclosure sale only to the extent that funds are available after the satisfaction of the first lien Mortgage. The extinguishing of any lien for payment of Assessments as herein provided will not relieve any Owner from the obligation to pay Assessments subsequently becoming due and payable.

Article 6 DEVELOPMENT AND DECLARANT RIGHTS

6.1 Exemption of Declarant. Anything in this Declaration to the contrary notwithstanding, neither Declarant, the Lots, nor any other land owned by Declarant, nor any of Declarant's activities shall in any way be subject to the control of or under the jurisdiction of the Board, the Association or the Architectural Committee. Without in any way limiting the generality of the preceding sentence, this Declaration shall not prevent or limit the right of Declarant to excavate and grade; to construct and alter drainage patterns and facilities; to construct any and all types of Improvements, homes, sales and leasing offices and similar facilities; and to post signs incidental to construction, sales and leasing anywhere within the Property.

6.2 Reserved Easements. Declarant hereby reserves easements upon, across, over and under all of the Property and Lots for the purposes of installing, replacing, repairing, maintaining and removing all (i) roadways, (ii) stormwater drainage, detention, retention and discharge infrastructure and (iii) utility lines and facilities of any kind, including, but not limited to, electric, water, wastewater, gas and telecommunications lines and appurtenances thereto, and providing access thereto. By virtue of this easement, it shall be expressly permissible for the utility companies and other entities supplying service to install and maintain pipes, wires, conduits, service line or other utility facilities or appurtenances thereto, on, above, across and under the public utility easements from time to time existing and from service lines situated within

such easements to the point of service on or in any Improvement. Notwithstanding any provision contained in this Section 6.2, no electrical lines, water lines or other utilities or appurtenances thereto may be relocated on the Property until approved by Declarant or the Architectural Committee. The utility companies furnishing service shall have the right to remove all trees situated within the utility easements shown on the plat of the Property, and to trim overhanging trees and shrubs located on portions of the Property abutting such easements.

6.3 Drainage Easements. Each Owner covenants to provide easements for drainage and water flow, as contours of land and the arrangement of Improvements approved by the Architectural Committee thereon require. Each Owner further covenants not to disturb or displace any trees or other vegetation within the drainage easements as defined in this Declaration and as shown on the plat of the Property. There shall be no construction of Improvements, temporary or permanent, in any drainage easement, except as approved in writing by the Architectural Committee. There shall be no interference with the established drainage patterns over any of the Property, except by Declarant, unless adequate provision is made for proper drainage and the prior written approval of the Architectural Committee is obtained. The surface area of easement areas for underground utility services shall be maintained by the Owner of the Lot which such easement overlays and such Owner may use the surface of such easement areas for planting of shrubbery, trees, lawns or flowers. However, neither Declarant nor any supplier of any utility service using any easement area shall be liable to any Owner or to the Association for any damage done by them or either of them, or their respective agents, employees, servants or assigns, to any of the aforesaid vegetation as a result of any activity relating to the construction, maintenance, operation or repair of any facility in any such easement area.

6.4 Additional Land. Declarant may, at any time and from time to time, add other land in proximity to the Property, and upon the filing of a Supplemental Declaration, this Declaration and the covenants, conditions, restrictions and obligations set forth herein (as modified or amended by the covenants, conditions, restrictions and obligations, if any, set forth in a Supplemental Declaration affecting such other land), and the rights, privileges, duties and liabilities of the persons subject to this Declaration shall be the same with respect to the added land as with respect to the Property originally covered by this Declaration. In order to add other land to the Property hereunder, Declarant shall be required only to record in the Official Public Records of Travis County, Texas, a Supplemental Declaration containing the following provisions: (a) a reference to this Declaration, which reference shall state the document number of the Travis County Official Public Records wherein this Declaration is recorded; (b) a statement that the provisions of this Declaration shall apply to the other land, as applicable and (c) a legal description of the additional land.

6.5 Withdrawal of Land. Declarant may at any time and from time to time, reduce or withdraw from the Property, and remove and exclude from the burden of this Declaration and the jurisdiction of the Association any portions of the Property that are either (i) owned by Declarant or (ii) owned by parties other than Declarant, provided that

Declarant obtains the unanimous written consent of the owners of such portions of the Property. Upon any such withdrawal and removal, this Declaration and the covenants, conditions, restrictions and obligations set forth herein will no longer apply to the portion of the Property withdrawn or removed. In order to withdraw or remove portions of the Property hereunder, Declarant shall be required only to record in the Official Public Records of Travis County, Texas, a Notice of Withdrawal of Land containing the following provisions: (a) a reference to this Declaration, which reference shall state the document number of the Travis County Official Public Records wherein this Declaration is recorded; (b) a statement that the provisions of this Declaration shall no longer apply to the withdrawn portion of Property and (c) a legal description of the withdrawn portion of the Property.

6.6 Development Area Designations. Declarant may at any time and from time to time designate portions of the Property as Development Areas for the purpose of enjoying special amenities, benefits or services, paying Development Area Assessments, and/or being subject to special covenants and restrictions as provided in a Development Area Designation. In order to subject property to a Development Area Designation, Declarant shall be required only to record in the Official Public Records of Travis County, Texas, a Development Area Designation containing the following provisions: (a) a reference to this Declaration, which reference shall state the document number of the Travis County Official Public Records wherein this Declaration is recorded; and (b) a legal description of the additional land. Declarant may designate and modify one or more Development Areas which may be comprised of different types of Lots and residences and may include noncontiguous Lots and property. A Lot or parcel of property may be included in more than one Development Area.

6.7 Assignment of Declarant Rights. Anything in this Declaration to the contrary notwithstanding, Declarant may assign, in whole or in part, any of its privileges, exemptions, rights and duties under this Declaration to any other person or entity and may permit the participation, in whole or in part, by any other person or entity in any of its privileges, exemptions, rights and duties hereunder. Such assignment shall be evidenced by a written instrument, executed by Declarant, recorded in the Official Public Records of Travis County, Texas. In the event of any partial assignment by Declarant of any of its privileges, exemptions, rights and duties under this Declaration, Declarant shall continue to remain responsible and liable for all its obligations and duties under this Declaration until such time as Declarant has completed a full assignment of all of its privileges, exemptions, rights and duties under this Declaration to any other person or entity. The mere conveyance of a portion of the Property without such a written, recorded assignment of the rights of Declarant shall not be sufficient to constitute an assignment of the rights of Declarant hereunder.

Article 7 MISCELLANEOUS

7.1 Term. This Declaration, including all of the covenants, conditions and restrictions hereof, shall continue in force and effect until January 1, 2060, unless terminated as herein provided. After January 1, 2060, this Declaration, including all such covenants, conditions and restrictions, shall be automatically extended for successive periods of ten (10) years each, unless amended or extinguished by a written instrument executed by Declarant (if during the Declarant Control Period) and the Owners of at least sixty-seven percent (67%) of the Lots.

7.2 Amendment.

(a) During the Declarant Control Period, this Declaration may be amended by Declarant in its sole and absolute discretion in an instrument setting forth the amendment, which shall be executed by Declarant, acknowledged and recorded in the Official Public Records of Travis County, Texas.

(b) The Owners entitled to cast at least two thirds (2/3) of the number of votes in the Association entitled to be cast pursuant to Section 4.3 above may amend this Declaration, but only (i) after the delegation of this right by Declarant to the Owners by written instrument or (ii) during such times as the Declarant Control Period is not in effect. Such amendment by the Owners shall be effective upon recording an instrument setting forth the amendment and a certification that such amendment has been approved by the requisite number of votes, which shall be executed by the President and Secretary of the Association, acknowledged, and recorded in the Official Public Records of Travis County, Texas.

7.3 No Warranty of Enforceability. While Declarant has no reason to believe that any of the restrictive covenants or other terms and provisions contained in this Declaration are or may be invalid or unenforceable for any reason or to any extent, Declarant makes no warranty or representation as to the present or future validity or enforceability of any such restrictive covenants, terms or provisions. Any Owner acquiring a Lot in reliance on one or more of such restrictive covenants, terms or provisions shall assume all risks of the validity and enforceability thereof and by acquiring the Lot agrees to hold Declarant harmless therefrom.

7.4 Notices. Any notice permitted or required to be given by this Declaration shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered on the third (3rd) day (other than a Sunday or legal holiday) after a copy of the same has been deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to the person at the address given by such person to the Association for the purposes of service of notices, or to the residence of such person if no address has been given to

the Association. Such address may be changed from time to time by notice in writing given by such person to the Association.

7.5 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate the purposes of creating a uniform plan for the development and operation of the Property and of promoting and effectuating the fundamental concepts of the Property set forth in this Declaration. This Declaration shall be construed and governed under the laws of the State of Texas.

7.6 Enforcement and Nonwaiver.

(a) Except as otherwise provided in Article 8 or any other provision of this Declaration, any Owner at his own expense, Declarant or the Board shall have the right to enforce the provisions of this Declaration. Such right of enforcement shall include both damages for, and injunctive relief against, the breach or threatened breach of any such provision.

(b) Every act of omission whereby any provision of this Declaration is violated, in whole or in part, is hereby declared to be a nuisance and may be enjoined by any Owner (at his own expense), Declarant or the Board.

(c) Any violation of any federal, state or local law, ordinance or regulation pertaining to the ownership, occupancy or use of any portion of the Property is hereby declared to be a violation of this Declaration and subject to all of the enforcement procedures set forth herein.

(d) The failure to enforce any provision of this Declaration at any time shall not constitute a waiver of the right thereafter to enforce any such provision or any other provision of this Declaration.

(e) The Association shall have the right, when appropriate in its judgment, to claim and impose a lien upon any Lot or Improvement constructed thereon in order to enforce any right under, or effect compliance with, this Declaration.

7.7 Construction.

(a) The provisions of this Declaration shall be deemed independent and severable. If any clause or provision of this Declaration is or should ever be held to be illegal, invalid or unenforceable under any present or future law applicable to the terms hereof, then and in such event, it is the intention that the remainder of this Declaration shall not be affected thereby, and that in lieu of each such clause or provision of this Declaration that is illegal, invalid or unenforceable, this Declaration be reformed to automatically add as a part of this Declaration a clause or provision as similar in terms to such illegal, invalid or

unenforceable clause or provision as may be possible and be legal, valid and enforceable.

(b) Unless the context requires a contrary construction, the singular shall include the plural and the plural, the singular; and the masculine, feminine or neuter shall each include the masculine, feminine and neuter.

(c) All captions and titles used in this Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise effect that which is set forth in any of the paragraphs, sections or articles hereof.

Article 8 DISPUTE RESOLUTION

8.1 Encouragement of Alternative Dispute Resolution. Declarant, the Association and its officers, directors and agents, the Architectural Committee and each party subject to this Declaration (individually, a "**Party**," and collectively, the "**Parties**") acknowledge and agree that it is in the best interest of all Parties to encourage the amicable resolution of disputes, controversies and claims involving the Property without the costs of litigation. Each of the Parties agree not to file suit in any court regarding a Claim unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in this Article 8 and processed such Claim in a good faith effort to resolve such Claim.

8.2 Alternative Dispute Resolution Claims. The term "**Claim(s)**" shall mean any dispute, controversy or claim arising out of or relating to (a) the interpretation, application or enforcement of this Declaration, any Supplemental Declaration, any Design Guidelines, the Association Certificate, the Bylaws, and the rules and regulations for the Property adopted by the Board (collectively, the "**Declaration and Association Documents**"; (b) the rights, obligations and duties of any Party under the Declaration and Association Documents and (c) the design or construction of Improvements within the Property.

8.3 Exempt Claims and Actions. Any provision to the contrary notwithstanding, the following "**Exempt Claims and Actions**" shall not be considered Claims and are not subject to the limitations and requirements to participate in the alternative dispute resolution procedures set forth in this Article 8: (i) any suit by the Association to collect Assessments or other amounts due from any Owner, (ii) any action or judicial or non-judicial procedure to foreclose the liens created by this Declaration; (iii) any suit by the Association or Declarant to enforce the terms of this Declaration or preserve the Association's ability to enforce this Declaration; (iv) any suit in which any indispensable party is not a Party; and (v) any suit filed within thirty (30) days prior to the expiration of an applicable statute of limitations for the applicable Claim. Any attempt to resolve the Exempt Claims and Actions through alternative dispute resolution procedures shall not be deemed a waiver of, and a party shall not be

deemed estopped from exercising, the right of such party to institute any action at law or equity to resolve such Exempt Claims and Actions.

8.4 Alternative Dispute Resolution Procedures.

(a) Notice. The Party asserting a Claim ("Claimant") against another Party ("Respondent") shall give written notice to each Respondent plainly stating: the nature of the Claim, the parties involved, the legal basis of and authority for the Claim, and Claimant's proposed resolution or remedy.

(b) Negotiation. Claimant and Respondent will make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by reasonable and good faith negotiations. The Board may, but shall not be obligated to, appoint a representative to assist the Parties in negotiating a resolution of the Claim.

(c) Mediation. If the applicable Parties have not resolved the Claim through negotiation within thirty (30) days after delivery of the notice of claim (or such other negotiation period as the parties may agree upon), Claimant will have thirty (30) days thereafter to submit the Claim to mediation by an impartial person or entity designated by the Association; provided if the Association is a party to the Claim, the Association shall designate an impartial party not personally acquainted with the Board or the officers of the Association. Each Party shall bear its own costs of the mediation, including its attorneys' fees. Each Claimant and Respondent party shall share equally all reasonable fees charged by the mediator.

(d) Settlement. Any settlement of the Claim through negotiation or mediation will be documented in writing and signed by the applicable Parties.

8.5 Litigation. If the applicable Parties have not resolved the Claim through mediation within thirty (30) days after submittal to the mediator, the Claimant will thereafter be entitled to file suit or to initiate administrative proceedings on the Claim.

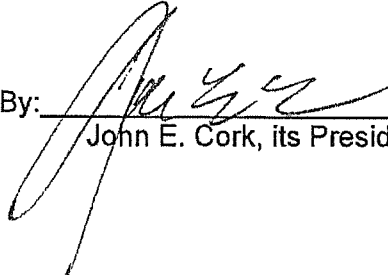
8.6 WAIVER OF JURY TRIAL. EACH OF THE PARTIES WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE ARISING OUT OF, CONNECTED WITH, RELATED TO OR INCIDENTAL TO THIS DECLARATION. ANY SUCH DISPUTES SHALL BE RESOLVED IN A BENCH TRIAL WITHOUT A JURY.

[Signature Page Follows]

IN WITNESS WHEREOF, Declarant has executed this Declaration effective as August 28, 2013.

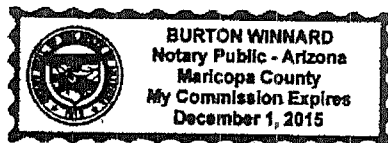
SA SPRINGS, L.P., a Texas limited partnership

By: **CW-LT MANAGEMENT, L.L.C.**, a
Texas limited liability company, its
General Partner

By: 
John E. Cork, its President

Arizona
THE STATE OF ~~TEXAS~~ §
Maricopa §
COUNTY OF ~~TRAVIS~~ §

This instrument was acknowledged before me on July 11, 2013, by **JOHN E. CORK**, President of **CW-LT MANAGEMENT, L.L.C.**, a Texas limited liability company, as General Partner of **SA SPRINGS, L.P.**, a Texas limited partnership, on behalf of said limited liability company and said limited partnership.



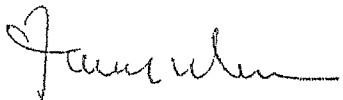

NOTARY PUBLIC, State of ~~Texas~~ Arizona

CONSENT OF FIRST LIEN MORTGAGEE

FIRST CONTINENTAL INVESTMENT CO., LTD., a Texas limited partnership, holder of the lien against the Property pursuant to the Deed of Trust and Security Agreement (the "Deed of Trust") recorded as Document No. 2012184484, Official Public Records of Travis County, Texas, hereby joins in the execution of this Declaration of Covenants, Conditions and Restrictions for Vistancia (this "Declaration"), for the purpose of evidencing its consent hereto and subordinating the Deed of Trust lien to this Declaration. However, the foregoing consent and subordination shall not have the effect of subordinating the Deed of Trust lien to any lien arising pursuant to this Declaration.

EXECUTED this 15th day of July, 2013.

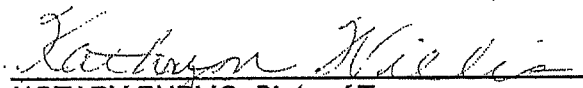
FIRST CONTINENTAL INVESTMENT CO.,
LTD., a Texas limited partnership

By: 
Print Name: Todd Aiken
Title: Executive Vice President

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the 15th day of July, 2013, by Todd Aiken Exec. Vice President of FIRST CONTINENTAL INVESTMENT CO., LTD., a Texas limited partnership, on behalf of said limited partnership.




NOTARY PUBLIC, State of Texas

CONSENT OF SECOND LIEN MORTGAGEE

CWI INVESTOR HOLDINGS TWO, LLC, a Florida limited liability company, holder of the lien against the Property pursuant to the Deed of Trust, Security Agreement and Assignment of Rents (the "Second Lien Deed of Trust") recorded as Document No. 2012184892, Official Public Records of Travis County, Texas, hereby joins in the execution of this Declaration of Covenants, Conditions and Restrictions for Vistancia (this "Declaration"), for the purpose of evidencing its consent hereto and subordinating the Second Lien Deed of Trust lien to this Declaration. However, the foregoing consent and subordination shall not have the effect of subordinating the Second Lien Deed of Trust lien to any lien arising pursuant to this Declaration.

EXECUTED this 11 day of July, 2013.

CWI INVESTOR HOLDINGS TWO, LLC, a
Florida limited liability company

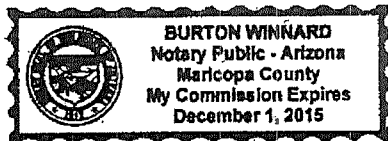
By: _____

Print Name: _____

Title: _____

STATE OF ARIZONA §
 §
COUNTY OF MARICOPA §

This instrument was acknowledged before me on the 11th day of July, 2013, by Peter Cold, Manager of CWI INVESTOR HOLDINGS TWO, LLC, a Florida limited liability company, on behalf of said limited liability company.



NOTARY PUBLIC, State of Arizona

EXHIBIT "A"

THE PROPERTY

DESCRIPTION OF A 100.675 ACRE TRACT LOCATED IN THE JUANA RODRIGUEZ SURVEY NO. 42, THE S.H. ROBINSON SURVEY NO. 97 AND THE C.O.D. GILLAM SURVEY NO. 424, ALL IN TRAVIS COUNTY, TEXAS, AND BEING A PORTION OF A 100.90 ACRE TRACT DESCRIBED IN DOCUMENT NUMBERS 2007172621 AND 2007175689, BOTH OF THE OFFICIAL PUBLIC RECORDS, TRAVIS COUNTY, TEXAS, SAID 100.675 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2 inch iron rod found in the south right of way (ROW) line of Hamilton Pool Road, same being the most northerly northwest corner of that 3.00 acre tract conveyed to David and Ann Hodges in Volume 9182 Page 508, Real Property Records, Travis county, Texas, also being the most northerly corner of the tract described herein, from which a concrete TxDOT monument found bears N55°13'04"E, a distance of 14.90 feet;

THENCE with the west line of said 3.00 acre tract, same being the east line of said 98.17 acre tract, S30°27'41"E, at approximately 692 feet pass the most westerly southwest corner of the said 3.00 acre tract, same being the northwest corner of that 6.95 acre tract conveyed to David and Ann Hodges and recorded in Volume 13128 Page 366, Real Property Records, Travis County, Texas; in all a total distance of 1833.80 feet to a ½ inch iron rod found for the southwest corner of said 6.95 acre tract, same being an ell corner of this tract;

THENCE with the south line of the said 3.00 acre tract, the 6.95 acre tract and the south line of that 14.95 acre tract conveyed to Karen LeFevre and recorded in Volume 11660 Page 2025, Real Property Records, Travis County, Texas, N59°30'11"E, a distance of 702.82 feet to a 3/4 inch iron pipe found in the west line of that 58.14 acre tract conveyed to Saati Family Trust and recorded in Document No. 20004209951, Official Public Records Travis County, Texas;

THENCE with the west line of the said 58.14 acre tract S30°27'55"E, at approximately 1127 feet pass the southwest corner of said 58.14 acre tract, same being the northwest corner of a 27.29 acre tract conveyed to Beth Spivy and recorded in Volume 12585 Page 824, Real Property Records Travis County, Texas; in all a total distance of 2218.99 feet to a calculated point for the northeast corner of the 0.226 acre remainder of said 100.90 acre tract, from which a 1/2 inch iron rod found for the northeast corner of Lot 32, Block AA, Valley Lake Hills, Section One, a subdivision of record in Book 48, Page 45 Plat Records, Travis County Texas bears S30°27'55"E a distance of 50.01 feet;

THENCE with the north line of said remainder tract S61°05'16"W, a distance of 203.67 feet to a calculated point in the north line of Lot 7, Block NN of said Valley Lake Hills, Section One Subdivision;

THENCE with the north line of said Valley Lake Hills Section One the following seven (7) courses and distances:

1. N03°31'27"W, a distance of 20.81 feet to a 1/2 inch iron rod found,
2. N30°49'31"W, a distance of 74.36 feet to a 1/2 inch iron rod found,
3. N87°16'50"W, a distance of 406.96 feet to a 1/2 inch iron rod found,
4. S71°41'57"W, a distance of 246.54 feet to a 1/2 inch iron rod found,
5. N54°41'48"W, a distance of 241.64 feet to a 1/2 inch iron rod found,
6. N71°54'36"W, a distance of 734.94 feet to a 3/8 inch iron rod found, and
7. S53°37'43"W, a distance of 210.23 feet to a 3/8 inch iron rod found for the north common corner of Lot 9 and Lot 8, Block MM of said Valley Lake Hills Section One, same being the northeast corner of Lot 1 Block AAA, Montebella Subdivision, a subdivision of record in Document No. 201000112, Official Public Records, Travis County, Texas;

THENCE with the east and north line of said Montebella Subdivision the following ten (10) courses and distances:

1. N53°53'17"W, a distance of 400.23 feet to a 1/2 inch iron rod with DELTA cap found,
2. N12°10'32"E, a distance of 350.24 feet to a 1/2 inch iron rod with DELTA cap found,
3. N14°12'48"W, a distance of 340.51 feet to a 1/2 inch iron rod with DELTA cap found,
4. N22°00'08"W, a distance of 249.66 feet to a 1/2 inch iron rod with DELTA cap found,
5. N43°36'22"W, a distance of 239.80 feet to a 1/2 inch iron rod with DELTA cap found,
6. N53°34'02"W, a distance of 251.72 feet to a 1/2 inch iron rod with DELTA cap found,
7. N60°43'29"W, a distance of 288.03 feet to a 1/2 inch iron rod with DELTA cap found,
8. N56°45'38"W, a distance of 330.44 feet to a 1/2 inch iron rod with DELTA cap found,
9. N69°45'39"W, a distance of 476.43 feet to a 1/2 inch iron rod with DELTA cap found, and
10. N22°54'28"E, a distance of 70.30 feet to an iron rod with STAUDT cap found for the northeast corner of Lot 6, Block DDD of said Montebella Subdivision, same being the southeast corner of Lot 5, Block DDD, Hill Top Manor, a subdivision of record in Book 62 Page 84, Plat Records, Travis County, Texas;

THENCE with the east line of said Hill Top Manor the following three (3) courses and distances:

1. N38°15'15"E, a distance of 70.70 feet to a iron rod with STAUDT cap found,
2. N01°58'14"E, a distance of 141.45 feet to a nail found, and
3. N08°38'15"E, a distance of 209.30 feet to an iron rod with STAUDT cap found in the south ROW line of said Hamilton Pool Road;

EXHIBIT "A"

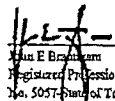
1876062.3

THENCE with the said Hamilton Pool Road ROW line the following seven (7) courses and distances:

1. with a curve to the left with an arc length of 14.53 feet, with a radius of 1492.39 feet, with a chord bearing of N 71°35'49" E, with a chord length of 14.53 feet to a TxDOT Type I monument found,
2. N75°33'27"E, a distance of 105.23 feet to a TxDOT Type I monument found,
3. N66°06'33"E, a distance of 104.66 feet to an iron rod with STAUDT cap found,
4. N57°27'06"E, a distance of 178.21 feet to a TxDOT Type I monument found,
5. N57°17'58"E, a distance of 239.19 feet to TxDOT Type II monument found,
6. N23°42'31"W, a distance of 1.44 feet to a TxDOT Type I monument found, and
7. N55°40'31"E, a distance of 438.85 feet to the **POINT OF BEGINNING** and containing 100.675 acres of land, more or less.

BEARING BASIS: Texas State Plane Coordinate System, Central Zone, NAD83/HARN I, John C. Nielsen hereby certify that the foregoing description represents an on-the-ground survey performed under my direction and supervision during September 2011, and updated in August of 2012 and is true and correct to the best of my knowledge and belief.

Date: 8-02-12


John E. Brautman
Registered Professional Land Surveyor
No. 5057-State of Texas

Della Survey Group, Inc.
8213 Brodie Lane, Suite 102
Austin, Texas 78743



EXHIBIT "A"

1876062.3

**SAVE AND EXCEPT THAT CERTAIN
1.040 ACRE TRACT DESCRIBED
ON
EXHIBIT "A-1" ATTACHED HERETO**

DESCRIPTION OF A 1.040 ACRE TRACT PREPARED BY DELTA SURVEY GROUP, INC., IN MAY 2013, LOCATED IN THE JUAN RODRIGUEZ SURVEY NO. 42 IN TRAVIS COUNTY, TEXAS, AND BEING A PORTION OF A CALLED 100.675 ACRE TRACT DESCRIBED IN DOCUMENT NUMBER 2012184483 OF THE OFFICIAL PUBLIC RECORDS, TRAVIS COUNTY, TEXAS, SAID 1.040 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2 inch iron rod with "STAUDT" cap found in the south right-of-way (R.O.W) line of Hamilton Pool Road (Ranch Road 3238) (variable width R.O.W), same being the northeast corner of said 100.675 acre tract, and also being the northwest corner of a called 1.91 acre tract described in Volume 9182, Page 508, Deed Records, Travis County, Texas, for the POINT OF BEGINNING;

THENCE leaving the south R.O.W line of said Hamilton Pool Road and with an east line of said 100.675 acre tract, same being a west line of said 1.91 acre tract, S30°27'41"E, a distance of 286.01 feet to a 1/2 inch iron rod with "Delta Survey" cap set;

THENCE leaving said common line and crossing said 100.675 acre tract the following four (4) courses and distances:

1. S59°32'23"W a distance of 88.81 feet to a 1/2 inch iron rod with "Delta Survey" cap set,
2. N87°55'11"W a distance of 137.92 feet to a 1/2 inch iron rod with "Delta Survey" cap set,
3. with the arc of a curve to the left a distance of 183.71 feet, through a central angle of 32°53'36", having a radius of 320.00 feet, and whose chord bears N13°46'15"W, a distance of 181.20 feet to a 1/2 inch iron rod with "Delta Survey" cap set, and
4. with the arc of a curve to the right a distance of 44.97 feet, through a central angle of 85°53'34", having a radius of 30.00 feet, and whose chord bears N12°43'44"E, a distance of 40.88 feet to a 1/2 inch iron rod with "Delta Survey" cap set in the south R.O.W. line of said Hamilton Pool Road, same being a north line of said 100.675 acre tract, from which a TxDOT type I concrete monument found bears S55°40'31"W a distance of 313.51 feet;

1.040 Acres

2

THENCE with said common line, N55°40'31"E a distance of 125.35 feet to the POINT OF BEGINNING and containing 1.040 acres of land, more or less.

BEARING BASIS: Texas State Plane Coordinate System, Central Zone, NAD83/HARN

I, John C. Nielsen hereby certify that the foregoing description represents an on-the-ground survey performed under my direction and supervision during September 2011, and updated in May of 2013 and is true and correct to the best of my knowledge and belief.

Date: 5-24-13



John C. Nielsen
Registered Professional Land Surveyor
No. 5541-State of Texas



Delta Survey Group, Inc.
8213 Brodie Lane, Suite 102
Austin, Texas 78745

EXHIBIT "A-1"

1876062.3

EXHIBIT "B"

DESIGN GUIDELINES

1. Minimum Square Footage of Improvements:

The living area of the main residential structure located on any Lot, including any optional elements such as a media room or bonus room, and exclusive of open porches and parking facilities, shall not be less than 2,400 square feet.

2. Masonry Requirements:

The exterior wall area of a residential structure constructed on any Lot shall be one hundred percent (100%) masonry construction (which includes but is not limited to brick, stone, and stucco, but does not include cementitious fiber siding products such as "hardi-plank" or other similar materials) for the first floor and seventy-five percent (75%) overall masonry construction.

3. Fencing:

Unless otherwise expressly approved by the Architectural Committee, no fencing may be constructed between the front property line and the front elevation of a residential structure located on any Lot (except for model homes). All fencing on side and rear property lines must be 6' black "black metal tubing". For fencing areas in the side or rear yard not on a property line, 4' black "black metal tubing" may be used if approved by the Architectural Committee.

4. Detached Buildings:

A single, detached garage may be constructed on a Lot, provided, that it is of similar architectural design and uses the same paint, roofing materials, and masonry as the residential structure located on the Lot and that the front elevation of the detached garage be located behind the rear elevation line of the residential structure located on the Lot. Unless otherwise expressly approved by the Architectural Committee, the detached garage must be single story, must not exceed 400 square feet, and the garage door height on the detached garage must not exceed 10 feet (10') in height. A single on-site constructed detached storage building having a maximum size of 250 square feet may be built on a Lot, provided, unless otherwise expressly approved by the Architectural Committee, that it is of similar architectural design and uses the same paint, roofing materials, and masonry as the residential structure located on the Lot and that the front elevation of the detached storage building be located behind the rear elevation line of the residential structure located on the Lot.

AFTER RECORDING RETURN TO:

**STEPHEN W. BUTLER, ESQ.
GRAVES, DOUGHERTY, HEARON & MOODY, P.C.
POST OFFICE BOX 98
AUSTIN, TX 78767-9998**



FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Dana DeBeauvoir

DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS

August 28 2013 11:22 AM

FEE: \$ 192.00 2013161449



Dana DeBeauvoir

Dana DeBeauvoir, County Clerk
Travis County, Texas

Oct 02, 2019 10:35 AM Fee: \$58.00

2019153148

Electronically Recorded

NOTICE OF DEDICATORY INSTRUMENTS
for
VISTANCIA OWNERS ASSOCIATION, INC.

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

The undersigned, being the authorized representative of Vistancia Owners Association, Inc. ("Association"), a property owners' association as defined in Section 202.001 of the Texas Property Code hereby certifies as follows:

1. Property: The Property to which the Notice applies is described as follows:
 - a. Vistancia, Section One (1), a subdivision in Travis County, Texas according to the map or plat thereof recorded under File No. 201300219 of the Map Records of Travis County, Texas and all amendments to or replats of said maps or plats, if any.
 - b. Vistancia, Section Two (2), a subdivision in Travis County, Texas according to the map or plat thereof recorded under File No. 201300189 of the Map Records of Travis County, Texas and all amendments to or replats of said maps or plats, if any.
 - c. Vistancia, Section Three (3), subdivision in Travis County, Texas according to the map or plat thereof recorded under File No. 201300190 of the Map Records of Travis County, Texas and all amendments to or replats of said maps or plats, if any.
 - d. Vistancia, Section Four (4), a subdivision in Travis County, Texas according to the map or plat thereof recorded under File No. 201500243 of the Map Records of Travis County, Texas and all amendments to or replats of said maps or plats, if any.
2. Restrictive Covenants: The description of the documents imposing restrictive covenants on the Property, the amendments to such documents, and the recording information for such documents are as follows:
 - a. Documents:
 - (1) Declaration of Covenants, Conditions and Restrictions for Vistancia.
 - b. Recording Information:

(1) Travis County Clerk's File No. 2013161449.

3. Dedictory Instruments: In addition to the Dedictory Instruments identified above, the following document is a Dedictory Instrument governing the Association:

- a. Governing Documents Enforcement and Fine Policy for Vistancia Owners Association, Inc.

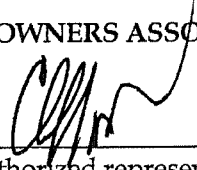
A true and correct copy of such Dedictory Instrument is attached to this Notice.

This Notice is being recorded in the Official Public Records of Real Property of Travis County, Texas for the purpose of complying with Section 202.006 of the Texas Property Code. I hereby certify that the information set forth in this Notice is true and correct and that the copy of the Dedictory Instrument attached to this Notice is a true and correct copy of the original.

Executed on this 2nd day of October, 2019.

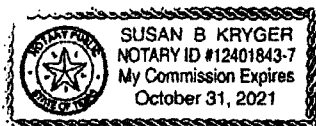
VISTANCIA OWNERS ASSOCIATION, INC.

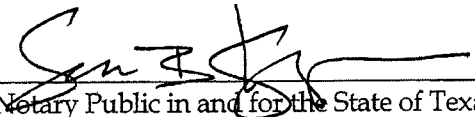
By:


Cliff Davis, authorized representative

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BEFORE ME, the undersigned notary public, on this 2nd day of October, 2019 personally appeared Cliff Davis, authorized representative of Vistancia Owners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.




Notary Public in and for the State of Texas

GOVERNING DOCUMENTS ENFORCEMENT AND FINE POLICY
for
VISTANCIA OWNERS ASSOCIATION, INC.

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

I, DAVID LOUARNIE, Secretary of Vistancia Owners Association, Inc. (the "Association"), certify that at a meeting of the Board of Directors of the Association (the "Board") duly called and held on the 10th day of September, 2019, with at least a quorum of the Board members being present and remaining throughout, and being duly authorized to transact business, the following Governing Documents Enforcement and Fine Policy ("Policy") was approved by not less than a majority of the Board members in attendance.

RECITALS:

1. Article 7, Section 7.6, of the Declaration authorizes the Association to enforce all covenants, conditions and restrictions set forth in the Declaration.
2. Article 5, Section 5.5, of the Declaration also authorizes the Association to levy fines against an Owner for violations of the Governing Documents, subject to compliance with notice requirements imposed by law.
3. Section 209.006 of the Texas Property Code sets forth notice requirements prior to the commencement of enforcement action, including the imposition of fines.
4. The Board of Directors desires to adopt a policy relating to the enforcement of the Declaration and the other Governing Documents of the Association consistent with Section 209.006 of the Texas Property Code.
5. This Policy supersedes and replaces any previously recorded fine and enforcement policy.

WITNESSETH:

It is the policy of the Association to enforce its Governing Documents (as defined herein) as provided below.

Section 1. Definitions.

Capitalized terms used in this Policy have the following meanings:

- 1.1. **Declaration** - The Declaration of Covenants, Conditions and Restrictions for Vistancia recorded in the Official Public Records of Real Property of Travis County, Texas under Clerk's File No. 2013161449, as amended and supplemented.

- 1.2. **Governing Documents** - Each document governing the establishment, maintenance or operation of the properties within the Community, as more particularly defined in Section 202.001(1) of the Texas Property Code.

Other capitalized terms used in this Policy, but not defined herein, have the same meanings as that ascribed to them in the Declaration.

Section 2. Types of Violations. Section 209.006 of the Texas Property Code refers to curable violations, uncurable violations, and violations which are considered a threat to public health or safety. The types of violations are addressed below.

- 2.1. **Curable Violations** - By way of example and not in limitation, the Texas Property Code lists the following as examples of curable violations:

- a. a parking violation;
- b. a maintenance violation;
- c. the failure to construct improvements or modifications in accordance with approved plans and specifications; and
- d. an ongoing noise violation such as a barking dog.

- 2.2. **Uncurable Violation** - A violation that has occurred but is not a continuous action or a condition capable of being remedied by affirmative action. By way of example and not in limitation, the Texas Property Code lists the following as examples of uncurable violations:

- a. an act constituting a threat to health or safety;
- b. discharging fireworks;
- c. a noise violation that is not ongoing; and
- d. holding a garage sale or other event prohibited by the Governing Documents.

- 2.3. **Violation that is a Threat to Public Health or Safety** - Per the Texas Property Code, a violation that could materially affect the physical health or safety of an ordinary resident.

As provided in this Policy, there are two (2) enforcement procedures to be followed depending upon whether the violation is curable *and* does not pose a threat to public health or safety or whether the violation is uncurable *and/or* poses a threat to public health or safety. If there is reasonable uncertainty as to whether a violation is curable or uncurable or a threat to public health or safety, the Board has the authority to make the determination and, therefore, to decide which enforcement procedure will be followed. Provided that, this Policy will not be construed to impose an obligation on the Board to pursue enforcement action with respect to a violation or alleged violation if the Board, in its reasonable good faith judgment, decides that enforcement action is not warranted or necessary.

Section 3. Enforcement – Curable Violations That Do Not Pose a Threat to Public Health or Safety. If a violation is curable and does not pose a threat to public health or safety, the Owner will be given a reasonable period to cure the violation, as provided below. The time period given to an Owner may vary depending upon the violation and the difficulty involved or the effort required to cure the violation. The Board of Directors may, but is not obligated to, consider any special circumstance relating to the violation and the cost to cure the violation. The enforcement procedure for this type of violation is as follows:

3.1. **Courtesy Letter (Optional)** – Upon verification of a violation, a courtesy letter may be sent to the Owner describing the violation and requesting that the Owner cure the violation within a stated time period. The Association is not required to send a courtesy letter.

3.2. **Violation Letter (Optional)** – After the expiration of the time set forth in the courtesy letter, if a courtesy letter is sent, or as the initial notice, a violation letter may be sent to the Owner. Depending on the severity of the violation and/or the history of prior violations on the Owner's Lot, the violation letter may be the first letter sent to the Owner. The Association is not required to send a violation letter. If sent, the violation letter will include:

- a. a description of the violation;
- b. the action required to correct the violation;
- c. the time by which the violation must be corrected; and
- d. notice that if the violation is not corrected within the time provided or if there is a subsequent violation of the same restriction, a fine may be imposed or other enforcement action may be initiated.

3.3. **Demand Letter** – Either upon initial verification of a violation, or after the expiration of the time period stated in the courtesy letter and/or violation letter, if sent, a demand letter may be sent to the Owner. The demand letter must be sent by certified mail or by any method of mailing for which evidence of mailing is provided by the United States Postal Service or a common carrier. The demand letter must be sent to the Owner's last known address as shown in the records of the Association, as well as by any other method that the Board determines will cause the demand letter to be received by the Owner. Depending on the severity of the violation and/or the history of prior violations on the Owner's Lot, the demand letter may be the first letter sent (rather than a courtesy letter and/or a violation letter), as determined by the Board in its sole discretion.

3.4. **Content of the Demand Letter** – The demand letter will include the following:

- a. a description of the violation that is the basis for the enforcement action, suspension action, charge, or fine and any amount due the Association;
- b. notice that the Owner is entitled to a reasonable period to cure the violation and avoid the enforcement action, suspension, charge or fine;

- c. a specific date, which must be a reasonable period given the nature of the violation, by which the Owner must cure the violation. If the Owner cures the violation before the date specified, a fine may not be assessed for the violation;
- d. a notice that the Owner may request a hearing before the Board of Directors, such request to be made in writing on or before the 30th day after the date the notice was mailed to the Owner; and
- e. notice that the Owner may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act (50 U.S.C. App. Section 501 *et seq.*), if the Owner is serving on active military duty.

3.5. **Hearing Requested** – If a hearing is properly requested by the Owner, the hearing will be held not later than the 30th day after the date the Association receives the Owner's written request for a hearing. Notification of the date, time and place of the hearing will be sent not later than the 10th day before the hearing. If a postponement of the hearing is requested by either the Association or the Owner, a postponement must be granted for a period of not more than ten (10) days. Any additional postponement may be granted by agreement of the parties.

3.6. **Hearing Not Requested** – If a hearing is not properly requested by the Owner, the violation must be cured within the time frame set forth in the demand letter. Fines, suspension of the right to use the Common Area and Facilities, and other remedies available to the Association may be implemented after the expiration of the thirty (30) day time frame provided to the Owner to request a hearing.

3.7. **Remedies** – The Owner is liable for, and the Association may collect reimbursement of, reasonable attorney's fees and other reasonable costs incurred by the Association after the conclusion of a hearing, or, if a hearing is not requested, after the date by which the Owner must request a hearing. Additionally, the Association may, but is not obligated to, exercise any self help remedies set forth in the Declaration. Further, the right to use the Common Area and Facilities may be suspended.

In addition to charging fines, as provided in Section 6, the Association reserves the right under the Governing Documents and under Texas law to file a suit for the recovery of damages and/or injunctive relief.

A notice of violation may also be recorded in the real property records if the violation is not cured within the specified time frame.

Section 4. Enforcement – Uncurable Violations and/or Violations that Pose a Threat to Public Health or Safety. Upon initial verification of an uncurable violation and/or threat to public health or safety, a demand letter may be sent to the Owner. The demand letter must be sent by certified mail or by any method of mailing for which evidence of mailing is provided by the United States Postal Service or a common carrier. The demand letter must be sent to the Owner's last known address as shown in the Association's records, as well as by any other method that the Board determines will cause the demand letter to be received by the Owner.

4.1. **Content of the Demand Letter** – The demand letter will include the following:

- a. a description of the violation that is the basis for the enforcement action, suspension action, charge, or fine and any amount due the Association;
- b. notice that the Owner may request a hearing before the Board of Directors, such request to be made in writing on or before the 30th day after the date the notice was mailed to the Owner; and
- c. notice that Owner may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act (50 U.S.C. App. Section 501 et seq.), if the Owner is serving on active military duty.

4.2. **Hearing Requested** – If a hearing is properly requested by the Owner, the hearing must be held not later than the 30th day after the date the Association receives the Owner's written request for a hearing. Notification of the date, time and place of the hearing will be sent not later than the 10th day before the hearing. If a postponement of the hearing is requested by either the Association or the Owner, a postponement must be granted for a period of not more than ten (10) days. Any additional postponement may be granted by agreement of the parties.

4.3. **Remedies** – Regardless of whether the Owner requests a hearing, fines, suspension of the right to use the Common Area and Facilities, and other remedies available to the Association may be implemented after mailing the demand letter. The Owner is liable for, and the Association may collect reimbursement of, reasonable attorneys' fees and other reasonable costs incurred by the Association. Additionally, the Association may, but is not obligated to, exercise any self help remedies set forth in the Declaration. Further, the right to use the Common Area and Facilities may be suspended.

In addition to charging fines, the Association reserves the right under the Governing Documents and under Texas law, to file a suit for the recovery of damages and/or injunctive relief.

A notice of violation may also be recorded in the real property records should the violation not be cured within the specified time frame.

Section 5. Subsequent Violation. If an Owner has been given notice in accordance with Section 3 or Section 4 of this Policy in the preceding six (6) month period, notice is not required for the recurrence of the same or a similar violation. The Association may impose fines or suspend the Owner's right to use the Common Area and Facilities without first sending another demand for compliance.

Section 6. Fines. Subject to the notice provisions set forth in Section 3 or Section 4 of this Policy, as applicable, the Association may impose reasonable monetary fines against an Owner in accordance with the below schedule until the violation is cured if of a curable nature. The Board of

Directors of the Association may adopt and modify from time to time a schedule of fines for various types of violations. Any fine levied by the Association is secured by the lien established in Article 5 of the Declaration. A fine is also the personal obligation of the Owner.

Notice	Fine Amount
Courtesy Letter (if sent)	None
Violation Letter (if sent)	None
1 st Notice of Fine Letter (Demand Letter)	\$55.00
2 nd Notice of Fine Letter	\$75.00
3 rd Notice of Fine Letter	\$105.00
Subsequent Notice of Fine Letters	\$105.00
Fine Letter for Uncurable Violations	\$200.00

[The remainder of this page was intentionally left blank.]

I hereby certify that I am the duly elected and acting Secretary of the Association and that this Policy was approved by not less than a majority vote of the Board of Directors as set forth above and now appears in the books and records of the Association, to be effective upon recording in the Official Public Records of Real Property of Travis County, Texas.

TO CERTIFY which witness my hand this 30 day of September, 2019.

VISTANCIA OWNERS ASSOCIATION, INC.

By: [Signature]

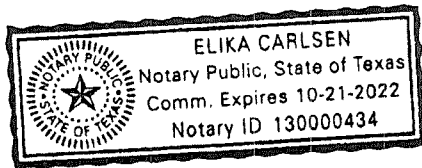
Printed: DAVID LOWRANCE

Its: Secretary

THE STATE OF TEXAS §

COUNTY OF Trans §

BEFORE ME, the undersigned notary public, on this 30 day of Sept, 2019 personally appeared David Lowrance, Secretary of Vistancia Owners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that s/he executed the same for the purpose and in the capacity therein expressed.



[Signature]
Notary Public in and for the State of Texas

