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RULES AND REGULATIONS FOR INDIGO RESIDENTIAL COMMUNITY ASSOCIATION, INC.

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DELINQUENT ASSESSMENT POLICY AND FINE POLICY AND PROCEDURES

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RECORD RETENTION AND PRODUCTION POLICIES AND PROCEDURES

Adopted by the Board of Directors

June 2022

STEWART TITLE

30157039330

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ARTICLE I General Provisions

These Rules, as defined in Section 1.1 below, for, and exclusive to, Indigo Residential Community Association, Inc., a Texas nonprofit corporation, and the Property are established by the Board of Directors according to the rulemaking and rule enforcement authority granted to the Board of Directors under the Residential Governing Documents. The Rules are in addition to the terms, provisions, and covenants contained in the other Residential Governing Documents. If there is a conflict between these Rules and any other Residential Governing Document, the order of governing authority shall be as set forth in Section 2.4 of the Declaration. The Board of Directors is empowered to interpret, enforce, amend, and repeal all or any portion of these Rules.

The Association hereby grants a revocable license in favor of the Manager to interface with the Owners, the Occupants, and other Persons described in these Rules to effect the Association rights and obligations set forth herein, but not to grant any waivers, make any decisions, or otherwise make any independent elections whatsoever beyond the actions specifically authorized by the Association. If the Association, in its sole and absolute discretion, elects to terminate this license in whole or in part, then immediately upon giving notice to the Manager, the license granted thereto in the immediately preceding sentence shall terminate, and the Association may enforce its rights and obligations hereunder itself or through another designated Person. Any and all rules and requirements contained herein may be supplemented by the Board of Directors and shall become effective upon recording such new Rules in the Real Property Records of the County. According to Article IV of the Declaration, whenever these Rules contain a reference to an action by the Association, such reference means the Association acting through and based on decisions and direction of the Board.

These Rules are solely for the benefit of the Owners, Association, Board of Directors, and Manager, as well as their successors, assigns, and Designees, and are not for the benefit of and may not be relied upon in any manner by any other Person. These Rules do not intend to include or have enforced, and the Association, the Declarant, the Manager, the Board, and each of their respective successors, assigns, and Designees shall not include or enforce at any time in any manner, including by amendment or supplement, any provision in these Rules or any other Governing Document that would prohibit or restrict an Owner in any manner in violation of Chapter 202 of the Texas Property Code entitled *Construction and Enforcement of Restrictive Covenants*, as amended.

Rights and obligations of the Association arising hereunder may be delegated to and exercised by the Association's Designees, including the Manager pursuant to the Residential Governing Documents.

Section 1.1 <u>Definitions</u>.

The following terms are defined for use in these Rules. Any capitalized terms used in these Rules which are not expressly defined herein shall have the same meaning given to such term in the Declaration:

"Architectural Control Committee" or "ACC." The committee established according to Article XII, Section 12.2 of the Declaration.

"Architectural Guidelines." Procedural or substantive rules, guidelines, criteria, requirements, standards, and procedures set forth in Exhibit B to these Rules, and as otherwise adopted by the Declarant or the Board per Article XII of the Declaration, from time to time, which establish and include, without limitation, standards and requirements for design, development, construction, and planning for Improvements to be

Rules and Regulations for Indigo Residential Community Association, Inc. - 1

performed by Owners or which Owners shall cause to be performed on their Lots, as may be amended and supplemented.

"Association." The Indigo Residential Community Association, Inc., a Texas nonprofit corporation, and its successors and assigns, organized under Texas Nonprofit Corporation Law (TNCL) and created for the purposes and possessing the rights, powers, authority, and obligations set forth in the Residential Governing Documents, whose address for notice purposes is c/o Cohere, 7600 E. Doubletree Ranch Road, Suite 250, Scottsdale, Arizona 85258, as may be changed by the Association from time to time.

"Board of Directors." The Residential Board as further defined and described in the Declaration.

"Commercial Vehicle." Any vehicle exceeding 8,000 pounds in weight or seven feet (7') in height or that is otherwise prohibited from parking or placement on Lots or adjacent streets according to applicable Legal Requirements.

"Common Areas." Portions of the Residential Property, as further described in the Declaration, and including Neighborhood Common Areas.

"Community Wide Maintenance Standard." Good repair and attractive and clean condition for the Residential Property necessary to maintain the Common Areas and Lots and Improvements thereon in a condition reasonably suitable for their intended purpose.

"Contractor." Any party performing construction, repair, remodeling, or other services for an Owner, Occupant, or Association.

"Declarant." The Residential Declarant defined and described in the Declaration.

"<u>Declaration</u>." The Declaration of Covenants, Conditions, and Restrictions for Indigo Residential Community recorded on July 5, 2022, in the Real Property Records as Document No. 2022089355, as may be amended and supplemented from time to time.

"<u>Delinquent Assessment Policy</u>." That certain policy set forth in <u>Article II, Section 2.1</u> of these Rules, which establishes guidelines in accordance with the Act for the payment of delinquent assessments and other amounts owed to the Association, as may be amended and supplemented from time to time.

"<u>Fine Policy</u>." That certain policy set forth in <u>Article II</u>, <u>Section 2.2</u> of these Rules, which establishes guidelines and procedures in accordance with the Act for violations of the Residential Governing Documents and the levy of fines in connection with same, as may be amended and supplemented from time to time.

"Improvements." Any and all physical structures, facilities, alterations, or changes of any type, nature, or kind made to or on, or constructed or installed on any portion of the Residential Property, Common Areas, and Lots, including, without limitation, any man-made Improvements, buildings, and Townhome Buildings; Residences; Cottage Parking Areas; parking lots; parking structures; parking spaces; Shared Driveways; Alleys; driveways; roads; roadways; alleys (which are not part of the Alleys) or alleyways; ramps; loading areas; equipment; utilities; fencing; antennas; walls (including retaining walls); screens; landscaping; hardscape; streetscapes; electrical poles; grading and grading changes; park areas and equipment; walkways; bridges; Recreational Facilities; MUD Recreational Facilities; exterior lighting facilities; mailboxes, including cluster mailboxes; Drainage Facilities; sidewalks; curbs; and grates existing or in the future placed on any portion of the Residential Property, including all Systems.

Rules and Regulations for Indigo Residential Community Association, Inc. - 2

"Legal Requirements." Any Restrictive Covenants and any other matters of record and any and all then-current judicial decisions, statutes (including without limitation the Act and Chapters 202 and 207 of the Texas Residential Property Code, as may be amended), rulings, orders, rules, regulations, permits, certificates, or ordinances of any Governmental Authority in any way applicable to the Residential Property, Lots, or any Owner's use and enjoyment of any portion of the Residential Property or any Lot, including, without limitation, MUD requirements, Mineral Interests, Water Rights, Environmental Laws, zoning ordinances, subdivision and building codes, flood disaster laws, and applicable architectural barrier and health laws and regulations.

"Lot." A Residential Lot as defined and described in the Declaration.

"Maintenance Responsibility Chart." The chart attached to the Declaration as Exhibit B, which describes certain duties and obligations of the Association and Owners for maintenance, repair, upkeep, and replacement, as may be amended.

"Manager" or "Management Office." Any professional manager or management company that is engaged by the Association to perform any of the duties, powers, or functions of the Association.

"MUD Recreational Facilities." Those recreational facilities, excluding the Recreational Facilities located on the Residential Property and Improvements thereon, including Public Parks and Trails and recreational facilities financed, developed, and maintained by the MUD per Legal Requirements, and conveyed to the MUD for ownership and operation; provided, however, if the City dissolves the MUD, such Public Park(s) and Recreational Facilities will become the property of the City, as further explained in the Development Agreement.

"Occupant." A Residential Occupant as defined and described in the Declaration, entitled to the use and occupancy of any Lot and Residence thereon pursuant to an ownership right or any lease or other similar agreement granted by an Owner, including agreements for Permitted Short-Term Rentals, as defined in Section 1.5 of these Rules.

"OTARD." This term shall have the meaning assigned to such term in Article I, Section 1.6(g) of these Rules.

"Owner." A Residential Owner as further defined and described in the Declaration.

"Person." Any individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, joint venture, estate, trust, or unincorporated association, or any other legal entity, including any Governmental Authority.

"Posted Rules." Rules posted by the Association on the Property, including in Common Areas and Recreational Facilities, or on the Association's community website to which all Owners have access, which Posted Rules may include, without limitation, rules applicable to the use of a particular portion of the Recreational Facilities or Common Areas, and temporary, seasonal, or emergency rules intended for enforcement by the Association for any purposes, including for the health and well-being of Persons on the Property during a pandemic or during maintenance, repair, and construction activities.

"Property." The Residential Property as further defined and described in the Declaration, including Annexed Property.

"Real Property Records." The records of the office of the county clerk of the County where

Rules and Regulations for Indigo Residential Community Association, Inc. - 3

instruments concerning real property are recorded.

"Records Policy." That certain policy set forth in Article III of these Rules that establishes guidelines and procedures in accordance with the Act for the inspection, production, and copying of the books and records of the Association, as may be amended and supplemented from time to time.

"Recreational Facilities." Those certain facilities and amenities, excluding any MUD Recreational Facilities, located in the Common Areas or other portions of the Property, if any, intended for the use and enjoyment of Owners and Occupants and not open to the public, as further provided in this Declaration, and Improvements thereon, which may include, without limitation, certain trails, paths, swimming pools, clubhouses, playgrounds, play areas, mews, outdoor kitchen and cooking areas, parks, fitness facilities, sports facilities, ponds, and other areas designated for recreational activity.

"Residence." A building, dwelling, or other structure located on a Lot used for, or intended to be used for, single-family residential purposes including, without limitation, Clusters, Cottages, Duets, Townhomes, and any other architectural type of single-family housing.

"Residential Builder." An Owner, excluding the Declarant, who is in the business of constructing residences and residential improvements for resale to third parties and acquires a portion of the Property or Lots from the Declarant for the purpose of constructing Residences and other Improvements on Lots for resale to third-party Persons.

"Residential Governing Documents." The Governing Documents defined and described in Section 2.4 of the Declaration, which include, without limitation, these Rules and the Records Policy, Fine Policy, Delinquent Assessment Policy, and Architectural Guidelines attached to these Rules.

"Rules." These Rules and Regulations established for the Residential Association, Residential Property, Residential Owners and Residential Lots and recorded in the Real Property Records, as may be amended from time to time, which include, without limitation, the Delinquent Assessments Policy, the Fine Policy and the Records Policy.

Section 1.2 Compliance.

- a) <u>Compliance</u>. Each Owner; each Occupant; and all guests, visitors, and other Persons using or occupying a Lot belonging to an Owner or any other portion of property within the Property shall comply with the provisions of these Rules and other Residential Governing Documents and all Legal Requirements of the Property, any of which may be revised from time to time. Each Owner shall be liable for damages to any Person or property for violations of these Rules, whether the Owner commits the violation or guests, Occupants, or other visitors of such Owner commit the violation. The Rules contained within any specific section of these Rules shall not be interpreted to apply to the exclusion of other Rules contained in these Rules that would logically apply to the same subject matter.
- b) <u>Waivers and Variances</u>. Circumstances may warrant waiver or variance of any provision of these Rules. To obtain a waiver or variance to these Rules, an Owner must make written application to the Association. The Association will consider such request and respond to the Owner in accordance with these Rules. The Association will consider such request and respond to the Owner in accordance with these Rules. To obtain a variance to the Architectural Guidelines, an Owner must make a written application to the Architectural Control Committee as further explained in Article XII of the Declaration and <u>Exhibit B</u> hereof. If a variance application is approved, the waiver or variance must be in writing from the Association and/or

Architectural Control Committee, whichever is applicable, and may be conditioned or otherwise limited. The variance or waiver of any provision of these Rules or any of the Architectural Guidelines by the Association or the Architectural Control Committee, as applicable, for the benefit of any particular Owner shall not be construed as a waiver of any provision of these Rules or Architectural Guidelines in favor of any other Owner, nor shall any such waiver or variance prevent the Association or Architectural Control Committee, as applicable, from thereafter enforcing any provision of these Rules against any or all of the Owners.

c) <u>Right to Enforce</u>. The Association and the Architectural Control Committee have the right, but not the obligation, to enforce the Rules and/or Architectural Guidelines against any Person who owns or uses any portion of the Property, Lots, or Common Areas or any other portion of real property governed by the Association.

Section 1.3 Obligations of Owners.

- a) <u>Insurance</u>. Each Owner is responsible for insuring its, his or her Lot and Improvements thereon and any other personal property of such Owner per Article IX of the Declaration, and the Maintenance Responsibility Chart, if applicable.
- b) <u>Damage</u>. Subject to the insurance provisions set forth in Article IX of the Declaration, an Owner is responsible for any loss or damage the Owner causes to a Lot and the personal property of other Owners and Persons.
- c) <u>Property Insurance</u>. Owners and Occupants assume all risk for and possess sole responsibility for placing insurance on such Owners' and Occupants' real and personal property. Owners are required to carry insurance in accordance with the insurance provisions set forth in Article IX of the Declaration. Owners of Townhomes are subject to different insurance requirements than Owners who do not own Townhomes, as further explained in Article IX of the Declaration.
- d) <u>Reimbursement for Enforcement</u>. Each Owner shall reimburse the Association for any expense incurred by the Association to enforce these Rules or any other Residential Governing Documents against such Owner or such Owner's Occupant as provided in <u>Article II</u> of these Rules and the Act.
- e) Yard or Garage Sales. An Owner or Occupant may conduct on such Owner's Lot "yard" or "garage" sales no more than two times per calendar year, which may be advertised to the general public in accordance with, and which sales will be strictly subject to, applicable Legal Requirements. Additionally, any such yard or garage sales may occur only on those dates and during those times permitted by applicable Legal Requirements or as otherwise may be established by the Association in advance and communicated to Owners in order for the Association to address vehicular and pedestrian traffic concerns on the Property or otherwise coordinate the occurrence of any such sales with Association-sponsored events and activities to occur on the Property. Notwithstanding the foregoing, the Association may, but is not obligated to, conduct up to two community-wide yard or garage sale events on the Property in accordance with and subject to applicable Legal Requirements in which Owners and Occupants can participate. The Association may establish Posted Rules and policies in connection with any such community-wide sale events with which all participating Owners and Occupants must strictly comply.

f) <u>Landscape and Exterior Maintenance</u>.

i. Landscaping. Landscaping shall be installed on Lots in accordance with the Architectural Guidelines attached to these Rules as Exhibit B and maintained according to the

Community Wide Maintenance Standard following the Declaration, including the Maintenance Responsibility Chart attached as Exhibit B thereto. The Architectural Guidelines set forth the permitted plants, trees, shrubbery, and other landscaping materials permitted on Lots. Owners, or the Association if so provided in the Maintenance Responsibility Chart, will maintain attractive mowed and trimmed lawns, ground cover(s), and shrubs on all yard areas of the Lot visible from adjacent Property Roads, private drives, Alleys, or Common Areas and must promptly remove weeds and plant trimmings. Shrubs and trees shall be maintained in an attractive manner, and all dead or dying shrubs and trees will be promptly removed. Landscaped areas will be edged, planted, shaped, designed, and irrigated following the Maintenance Responsibility Chart and Architectural Guidelines. In order to avoid hazardous conditions caused by freezing temperatures, no Owner or Occupant will operate any sprinkler systems on a Lot or otherwise run water into any Property Roads, Shared Driveways, private drives, Alleys, Common Areas, or other portions of the Property when temperatures are or are predicted within 12 hours to be 32 degrees Fahrenheit or below. Motor-powered landscape maintenance equipment may be used during those hours permitted by applicable Legal Requirements and, in the absence thereof, between the hours of 8:00 a.m. and 8:00 p.m. Central Time.

- ii. Maintaining Site Distance at Intersections. All landscaped portions of Lots located adjacent to or near intersections of Property Roads, Alleys, and private drives must be maintained in a manner to always permit sight across the road corners. No fence, wall, hedge, or shrub planting shall be installed or permitted to remain where such items create a traffic or sight problem.
- iii. Exterior Maintenance. All Improvements upon any Lot will be maintained according to the Community-Wide Maintenance Standard and following the Declaration, including the Maintenance Responsibility Chart attached as Exhibit B thereto. Except as set forth in the Maintenance Responsibility Chart to the contrary, Owners are required to repair and repaint exterior portions of Residences and other Improvements, visible from Property Roads, private drives, Alleys, or Common Areas, which are substantially faded, mildewed, chipped, or cracked in comparison to the other exterior portions of the Improvement. "Substantially" shall mean in need of repair, replacement, or refurbishment as determined by the Manager, ACC, or Association, as applicable.
- iv. Yard Décor. All exterior portions of a Lot visible from Property Roads, private drives, Alleys, or Common Areas are subject to the landscaping, planting, and other provisions and requirements in these Rules and the Architectural Guidelines. The construction of arbors, patio covers, decks, or similar type items on any portion of the Lot without the prior written approval of the ACC is strictly prohibited. Notwithstanding the foregoing, certain decorative items may be temporarily placed in certain exterior portions of Lots ("Yard Décor") as may be designated by the ACC or otherwise set forth in the Architectural Guidelines. Yard Décor must, in the sole opinion of the ACC or Association, be tasteful in size, design, and material; of good quality; and designed for outdoor or landscaping use (collectively, the "Minimum Standards"). The following restrictions apply to Yard Décor:
 - A. <u>Statues and Other Accessories; Holiday Yard Décor</u>. No statue or other outdoor or landscape accessory or item of Yard Décor exceeding five feet (5') in overall height or width (the "<u>Maximum Size</u>") is permitted on any exterior portion of a Lot regardless of whether or not such item or accessory is ground-set or suspended; and,

any statue, lawn ornament, artifact, or similar object or accessory of Yard Décor an Owner desires to place on exterior portions of a Lot shall be subject to prior approval by the ACC or Association, as applicable. Holiday-themed Yard Décor that complies with the Minimum Standards, these Rules, and the Architectural Guidelines may be permitted temporarily for the time frame stated in <u>Article I, Section 1.6(1)</u>; provided, however, all of such holiday Yard Décor shall be limited in number to a maximum of five (5) total ornaments, statues, or accessories per Lot.

- B. Exclusions from Yard Décor. Items that are <u>not</u> considered Yard Décor per se but that are subject to the Minimum Standards established by this <u>Article I, Section 1.3(f)</u> and shall not exceed the Maximum Size include and are limited to the following:
 - I. Well-maintained flowerpots that contain visible and living plant material;
 - II. Garden hoses or garden hose reels or cabinets;
 - III. Wind chimes that do not violate Article I, Section 1.4(h);
 - IV. Flags and flagpoles that comply with Article I, Section 1.6(i); and
 - V. Custom residential address plaques that do not exceed nine (9) inches in height and fifteen (15) inches in width.
- v. Failure to Maintain. Failure by an Owner to comply, or cause compliance, with or maintain or repair Lots and Improvements thereon per these Rules, the Declaration, and any other Residential Governing Documents shall be considered a violation, and such Owner shall be subject to fines as set forth in the Fine Policy attached to these Rules in Article II, Section 2.2. Per Section 8.3 of the Declaration, after an Owner's failure to comply with their maintenance and repair obligations, the Declarant and the Association will have the right, but not the obligation, to enter upon the respective Lot and perform such obligations, the cost and expense of which the defaulting Owner shall be obligated to pay the Association.
- g) Hazardous Activities and Products; Fire Hazards. Chemical-based herbicides and pesticides are hazardous and are prohibited on all portions of the Property. No activities shall be conducted on a Lot or in or on Improvements on any Lot, Common Areas, or other portions of the Property that are, or might be, unsafe or hazardous to any Person or real or personal property. No firearm shall be unlawfully discharged on any portions of the Property. No fireworks shall be discharged upon any Lot; however, the Association or the Foundation, in accordance with Legal Requirements, may conduct firework shows or events periodically. For purposes of these Rules, "fireworks" mean devices containing combustible chemicals that, when ignited, cause explosions that produce striking displays of light and loud noises and are typically used in connection with celebrations of certain holidays such as Independence Day (July 4). Open fires are not permitted on any Lot, Common Areas, or other portions of the Property, including the burning of leaves or trash. Outdoor or indoor fires are permitted only in professionally designed and properly configured or installed outdoor or indoor fireplaces used only for their intended uses.
- h) <u>Drainage Facilities</u>. There shall be no interference with or obstruction to the Drainage Facilities on or serving any portion of the Property. <u>No approval granted by the ACC for any Improvement or other modification to a Lot of any nature or kind whatsoever shall relieve any Owner of this perpetual obligation.</u>

Owners shall maintain swales or culverts that are part of the Drainage Facilities located on or adjacent to their Lots, as applicable. If an Owner fails to properly maintain or obstructs or in any way interferes with or damages Drainage Facilities, the Declarant, during the Declarant Control Period, or the Association may undertake such actions or maintenance as the Declarant or the Association deems necessary, the costs of which actions and maintenance will be charged to the applicable Owner.

Section 1.4 Community Etiquette in the Property.

- a) <u>Courtesy</u>. Each Owner will, and will cause all of such Owner's visitors and guests, to use their Lot, Improvements thereon, personal property, Common Areas, Recreational Facilities, and any other portion of the Property available for use by Owners in a manner calculated to respect the rights and privileges of other Owners, Occupants, and users of the Property. Each Owner and Occupant will refrain from conduct that may reasonably be expected to materially endanger the health or safety of others or annoy, harass, inconvenience, embarrass, or offend the average person or other users of the Common Areas, including employees of the Manager and Association, or to reduce the desirability of the Property as a residential or mixed-use community.
- b) <u>Visitors; Guests</u>. Each Owner will endeavor to inform their guests and visitors of the Rules and cause such guests to use such Owner's Lot, the Common Areas, Recreational Facilities, and any other portion of the Property available for use by such guests and visitors in accordance herewith. As set forth in <u>Article I, Section 1.2(a)</u> of these Rules, the Owner shall be responsible for any violation of these Rules, other Residential Governing Documents, and damage caused by guests and visitors to any portion of the Property.
- c) <u>Code of Conduct</u>. All Owners will conduct themselves in a civil manner when dealing with the Declarant; the Association; the Board of Directors; the Manager; other Owners; Occupants; the ACC; and each of their respective employees, members, managers, agents, and representatives. In return, Owners are due the same courtesy and civility. The following actions are expressly prohibited: (i) verbal abuse; (ii) insults and derogatory name-calling; (iii) aggressive or threatening behavior; (iv) hostile touching or physical contact; (v) sexual harassment; (vi) public posting of correspondence that was intended to be private or that concerns private matters; and (vii) phone calls, emails, or other communications that are designed—by their tone, time, or frequency—to harass or intimidate.
- d) <u>Employees</u>. An Owner or Occupant may not instruct, direct or supervise, or interfere with the performance of duties by employees or agents of the Manager or Association, or of other Owners.
- e) <u>No Hiring of Employees</u>. The employees and agents of the Association and Manager are not permitted or authorized to render personal services to Owners and Occupants, including, but not limited to, performing services such as walking or caring for pets. Owners and Occupants will not request or encourage employees or agents of the Association or Manager to violate this provision.
- f) <u>Communications among Owners</u>. The Association balances the right of Owners to communicate with each other against the desire of Owners to be free of uninvited solicitations and misleading communications. To achieve that balance, oral and written communications that are intended for delivery to more than one Owner are subject to the following:
 - i. Without the Board of Directors' prior written permission, Owners, Occupants, and other Persons may not communicate with other Owners and Occupants in a manner that may give the impression of such communications having been approved or sanctioned by the Board or Association. In communicating with Owners and Occupants, the issuer should identify

- themselves and expressly state in the communication that the communication has not been sanctioned by the Board or Association.
- ii. Without the Board of Directors' prior written permission, Owners, Occupants, and other Persons may not distribute handbills, flyers, or brochures or hand-deliver any other written communications to Owner mailboxes, Residences, or car windshields within the Property.
- g) <u>Nuisance</u>. No Owner, Occupant, or any other Person shall cause a nuisance within the Property, including acts or conditions that i) unreasonably interfere with other Owners' or Occupants' use and enjoyment of Lots, Common Areas, Recreational Facilities, or any portion of the Property; or ii) impair the condition, value, or desirability of Lots or any other portion of the Property. Nuisances include, but are not limited to:
 - i. Exterior Light. Light sources on a Lot shall not be obtrusive; cause unreasonable spillover light onto neighboring Lots, as may be determined in the sole discretion of the ACC or Association; or create a glare onto neighboring Lots or any other portion of the Property. Lighting installed on a Lot shall comply with the Architectural Guidelines and these Rules.
 - ii. Noise and Odors. Subject to the provisions of these Rules allowing construction, Owners and Occupants will exercise reasonable care to avoid making or creating prolonged loud, disturbing, or objectionable noises or noxious odors that are likely to disturb other Owners within reason. No external horns, whistles, bells, or other sound devices, except for security systems used exclusively to protect the Residence, shall be placed or used on any Lot or Improvements. This paragraph shall not preclude the use of outdoor speakers on a Residence for hi-fis, stereos, or radios if the sound level is maintained at a reasonably low level with respect to adjoining Lots.
 - iii. Rubbish and Debris. No rubbish or debris shall be placed or permitted to accumulate and create odor on a Lot or any portion of the Property so as to render any portion of a Lot or the Property unsanitary, unsightly, offensive, or detrimental to any other portion of the Property or Owners.

Section 1.5 <u>Leases; Permitted Short-Term Rentals.</u>

- a) <u>Terms and Conditions for the Lease of a Lot and Residence</u>. Residences may be leased for single-family residential purposes; provided, however, all leases are subject to and all Owners and Occupants must comply with the following:
 - i. Rental Cap and Rental Community Restrictions. All Lots are subject to the Rental Cap and the Rental Community Restriction as further defined and described in Article I and Article III of the Declaration.
 - ii. Leasing Restrictions. All Residences are subject to the leasing restrictions described in Article III of the Declaration, this Article I, Section 1.5 of these Rules, any Posted Rules, other Residential Governing Documents, and Legal Requirements. Except for the Permitted Short-Term Rentals, hereinafter defined and described in Article I, Section 1.5(a)(iii) below, all Residence leases shall be for a term of no less than six (6) consecutive months, and shall be on a form substantially similar to the then-current form of residential lease for single-family residential dwellings promulgated by the Texas Association of Realtors or other similar professional lease agreement that complies with all Legal Requirements, which lease shall state

- and require all Occupants to comply with the Residential Governing Documents and Legal Requirements. Owners shall submit contact and other information for the lease agreement and the Occupants to whom the Owner leases their Residence and Lot per <u>Article I, Section 1.13(b)</u> of these Rules.
- iii. Prohibited Rental Activities; Permitted Short-Term Rentals. Except as expressly provided in this Article I, Section 1.5(a)(iii), no lease shall be made or entered into by any Owner or Occupant, and no Residence on any Lot in the Property shall be leased, licensed, used, advertised, or marketed in any manner, at any time, on any forum for transient or hotel purposes, short-term rentals, or vacation or corporate rentals or another similar type of temporary occupancy (collectively, "Prohibited Rental Activities"). To the exclusion of the foregoing, Cottages located in the Neighborhood immediately adjacent to the Commercial Property may be permitted to have short-term leases (each a "Cottage RBO") subject to the following requirements and conditions precedent (collectively, "Permitted Short-Term Rentals"):
 - A. Registration with Association—Owners of Cottages immediately adjacent to the Commercial Property desiring such Cottages to be qualified and approved as "Cottage RBOs" and to participate in Permitted Short-Term Rentals shall be registered in advance with the Association. Registration will require each such Owner's completion of forms provided by the Manager or other representative of the Association and the provision of any other documentation reasonably requested or required by the Association or its Manager in order to achieve Cottage RBO status. No Cottage or other Residence, except for Cottage RBOs qualified under and complying with this Article I, Section 1.5(a), shall be deemed a Cottage RBO. No Cottage or other Residence, except for a Cottage RBO qualified under and complying with this Article I, Section 1.5(a), is entitled to participate in Permitted Short-Term Rentals.
 - B. Compliance with Legal Requirements—Each Owner of a Cottage RBO participating in Permitted Short-Term Rentals will, and will cause their Occupants, invitees, guests, and visitors to, comply at all times with applicable Legal Requirements, these Rules, and the other Residential Governing Documents. Legal Requirements applicable to Owners of Cottage RBOs participating in Permitted Short-Term Rentals may include, without limitation, permits, payments of fees and taxes, and other requirements established by Governmental Authorities.
 - C. No Guarantee; Revocation—There is no guarantee that Permitted Short-Term Rentals contemplated by this Article I, Section 1.5(a) will be permitted at any time. Neither the Declarant nor the Association or any of their respective Owners, members, managers, directors, officers, employees, or agents makes any representation or warranty of any kind or nature whatsoever in connection with Permitted Short-Term Rentals, Cottage RBOs, or use of any Residence for short-term leasing or occupancy or otherwise. If Permitted Short-Term Rentals are permitted on the Property according to this Article I, Section 1.5(a), then the Declarant or the Association, at any time for any reason in the Declarant's or the Board's absolute and sole discretion, may revoke, without prior notice to any Person, including the Owner of a Cottage RBO, all or any portion of the rights set forth in this Article I, Section 1.5(a) in connection with Permitted Short-Term Rentals and Cottage RBOs, if granted. Owners engaging or participating in

Permitted Short-Term Rentals that are not Cottage RBOs shall be in violation of these Rules and subject to the penalties and processes of the Association applicable to such violations in addition to any penalties and processes of any applicable Governmental Authority. Owners or Occupants of Cottage RBOs that violate Legal Requirements or any of the Residential Governing Documents, including these Rules, shall immediately, upon the occurrence of such violation, be disqualified as a Cottage RBO and will be required to undergo the Cottage RBO approval process set forth in this Article I, Section 1.5(a), which approval may be denied or unreasonably withheld as a result of prior violation(s).

D. Rental Activity Disclaimer—THE DECLARANT, THE BOARD DIRECTORS, THE ASSOCIATION, AND THE MANAGER AND EACH OF THEIR RESPECTIVE MEMBERS, MANAGERS, OFFICERS, EMPLOYEES, REPRESENTATIVES, SUCCESSORS, ASSIGNS, DESIGNEES WILL NOT IN ANY MANNER BE LIABLE OR RESPONSIBLE FOR THE CONDUCT OF OR ACTIVITIES THAT OCCUR IN CONNECTION WITH PERMITTED SHORT-TERM RENTALS, AND THE DECLARANT, THE BOARD OF DIRECTORS, THE ASSOCIATION, AND THE MANAGER AND EACH OF THEIR RESPECTIVE MEMBERS, MANAGERS, OFFICERS, EMPLOYEES, AGENTS, REPRESENTATIVES, SUCCESSORS, ASSIGNS, AND DESIGNEES ARE NOT INSURERS OR GUARANTORS OF SAFETY OR SECURITY OF ANY KIND OR NATURE WITHIN THE PROPERTY IN CONNECTION WITH ANY COTTAGE RBO OR PERMITTED SHORT-TERM RENTALS AND RELATED ACTIVITIES AND SHALL NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE TO ANY PERSON OR PROPERTY ARISING OUT OF, WHETHER DIRECTLY OR INDIRECTLY, ANY OWNER OF A COTTAGE RBO, ANY OWNER ENGAGING IN PERMITTED SHORT-TERM RENTALS (WHETHER OR NOT PERMITTED TO DO SO ACCORDING TO THESE RULES OR THE RESIDENTIAL GOVERNING DOCUMENTS), OCCUPANTS, GUESTS, INVITEES, OR OTHER PERSONS OCCUPYING A COTTAGE RBO AND/OR PARTICIPATING \mathbf{IN} ANY **PERMITTED SHORT-TERM** RENTALS OR RELATED ACTIVITIES. ACCORDING TO SECTION 15.10 OF THE DECLARATION, NO REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE WHATSOEVER HAVE BEEN OR WILL BE MADE AS TO THE COTTAGE RBOS, PERMITTED SHORT-TERM RENTALS. OR ANY OTHER MATTERS OR ACTIVITIES IN CONNECTION THEREWITH. OWNERS, INCLUDING **OWNERS OF COTTAGE** OCCUPANTS, AND ANY PERSON ON THE PROPERTY, INCLUDING OCCUPANTS, INVITEES, VISITORS, AND GUESTS OF ANY COTTAGE RBO OR PARTICIPATING IN PERMITTED SHORT-TERM RENTALS IN ANY MANNER OTHERWISE AT ANY TIME ASSUME ALL RISK FOR LOSS, INJURY, AND DAMAGE TO SUCH PERSONS, THEIR PERSONAL PROPERTY, RESIDENCES, LOTS, AND IMPROVEMENTS THEREON, AND TO ANY OTHER PERSONAL PROPERTY ON THE PROPERTY. THE DECLARANT, THE BOARD OF DIRECTORS, THE ASSOCIATION. ALL OWNERS, AND THE MANAGER AND EACH OF THEIR RESPECTIVE MEMBERS. MANAGERS, OFFICERS, EMPLOYEES, AGENTS. REPRESENTATIVES. SUCCESSORS, ASSIGNS, AND DESIGNEES

EXPRESSLY DISCLAIM AND DISAVOW ANY AND ALL REPRESENTATIONS AND WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY COTTAGE, COTTAGE RBO, AND/OR THE PERMITTED SHORT-TERM RENTALS.

- E. Release of Liability; Assumption of Risk—Each Owner, Occupant, visitor, guest, and invitee of a Cottage RBO or otherwise participating in the Permitted Short-Term Rentals shall be subject to the release of liability and assumption of risk provisions expressly set forth in Article I, Section 1.13 of these Rules as well as any release, risk, disclaimer, and indemnification provisions set forth in the registration forms required of Owners in order to obtain Cottage RBO status for such Owner's Cottage described in Article I, Section 1.5(a)(ii)(A) above, all of which form provisions are incorporated herein by this reference for all intents and purposes.
- b) <u>Subject to Documents</u>. The mere execution of a lease for a Residence subjects Occupants and related Persons to all pertinent provisions of the Residential Governing Documents to the same extent as if such Occupants and Persons were Owners; <u>provided that</u>, and notwithstanding the foregoing or any provision of the lease between an Owner and SUCH Owner's Occupant, an Owner shall not be relieved of any obligation under the Residential Governing Documents and shall remain primarily liable under and pursuant to the Residential Governing Documents. The Owner is responsible for providing such Owner's Occupant with the Residential Governing Documents and notifying such Occupant of any changes. The Association shall have no duty to notify Occupants concerning any Legal Requirements. The Association may, but is not obligated to, send notices of violations by an Occupant to both the Occupant and the Owner. Whether or not it is so stated in the lease, an Occupant's violation of the Residential Governing Documents is deemed to be a material default of the lease for which the Owner has all available remedies at law or equity.
- c) <u>Occupant Communications</u>. Owners shall instruct their Occupants to channel all communications concerning the leased Residence, Lot, lease, and Property to the Owner, except in cases of emergency matters, which shall be directed by the Occupant to the Manager.
- d) <u>For Lease Signs</u>. No sign may advertise any Residence Lot within the Property for lease or for rent, including signs displayed in the window of any Residence or vehicle.

Section 1.6 General Use of Lots.

- a) <u>Lots</u>. The permitted uses of the Property and for all Lots shall be per the Declaration, these Rules, and any other applicable provisions of the Residential Governing Documents.
- b) <u>Temporary and Accessory Structures</u>. No temporary dwelling, storage shed, shop, trailer, mobile home, outbuilding, or similar temporary, accessory, or auxiliary structures, including play structures, doghouses, and storage sheds, but excluding any type of equipment, shall be permitted on a Lot without the prior written approval of the ACC. Approved structures must be located in rear yard areas; located at least five feet (5') from any surrounding fencing; and maintained in a neat, clean, attractive, and well-kept condition.
- c) <u>Generator Policy</u>. This <u>Article I, Section 1.6(c)</u> of the Rules may be referred to as the "Generator Policy." In accordance with Section 202.019 of the Texas Property Code, as may be amended, the Association requires that any standby electric generator, as such term is defined in Section 202.019(a) of the

Texas Property Code (each a "<u>SEG</u>"), an Owner uses, maintains, or keeps on a Lot shall be subject to and will comply with the following:

- i. Each SEG, of any kind and in every respect, shall comply with this Generator Policy, all requirements set forth in Section 202.019 of the Texas Property Code, applicable Legal Requirements, and the Residential Governing Documents.
- ii. Each SEG, and every component thereof and connections thereto, shall be maintained in good condition and repair and shall be installed, used, operated, repaired, maintained, and disposed of in strict compliance with the applicable SEG manufacture specifications and applicable Legal Requirements; and any unsafe or deteriorated component of any SEG must be promptly repaired, replaced, or removed.
- iii. All Systems, including without limitation electrical, mechanical, and fuel lines, connections, components, and equipment required for any SEG, shall be installed only by licensed Contractors qualified and experienced in performing such installation work in accordance with applicable Legal Requirements.
- iv. All SEG liquefied petroleum gas fuel line connections, if any, shall be installed in accordance with the then-current rules and standards adopted by the Railroad Commission of Texas and any other applicable Legal Requirements.
- v. All nonintegral SEG fuel tanks approved for installation and maintenance on a Lot must comply with Legal Requirements.
- vi. SEGs shall only be located on the locations of Lots approved by the ACC or Association, whichever is applicable, and any SEG visible from adjacent Lots, roadways, and Common Areas shall be screened in accordance with the Architectural Guidelines or such other guidelines as may be established by the Association for same.
- vii. SEGs may be tested on a periodic basis consistent with the SEG manufacturer's guidelines, but no more than twice annually, only during the hours of 8:30 a.m. to 5:30 p.m. Central Time on weekdays, excluding any United States bank holidays.
- viii. SEGs are prohibited from generating all or substantially all electricity and electrical power serving a Residence except when utility-generated electrical power serving such Residence is unavailable or interrupted by a Governmental Authority or as a direct result of weather conditions or construction activities on the Property.
- ix. Except for the approved location on Lots provided for SEGs, SEGs are prohibited from being located, used, operated, repaired, or maintained on any other portion of the Property, including on any Common Areas.
- d) <u>Commercial Activities on Lots</u>. No professional, business, or commercial activity to which the general public is invited, including Prohibited Rental Activities but excluding Permitted Short-Term Rentals, shall be conducted in, on, or from any Residence or Lot in the Property. Notwithstanding the foregoing, an Owner or Occupant of a Residence may conduct business activities within a Residence so long as:
 - i. the existence or operation of the business activity is not apparent or detectable by sight, traffic, sound, or smell from outside the Residence;

- ii. the business activity conforms to all Legal Requirements and the Residential Governing Documents;
- iii. the business activity does not involve door-to-door solicitation of Owners within the Property;
- iv. the business does not, in the Board's judgment, generate a level of vehicular or pedestrian traffic or a number of vehicles parked within the Property or on a street adjacent to the respective Lot that is noticeably greater than that which is typical of Residences in which no business activity is being conducted; and
- v. the business activity is consistent with the residential character of the Lots and does not constitute a nuisance, or hazardous or offensive use, or threaten the security or safety of other Lot Owners in the Property, as may be determined in the sole discretion of the Board. This Article I, Section 1.6(d) shall not apply to any activity conducted by the Declarant or by any Residential Builder. In connection with the development of the Property, construction of Improvements, and sale of Lots, the Declarant and Residential Builders shall have the rights reserved in Section 3.8 of the Declaration, including the maintenance of temporary business or construction offices, material and equipment storage areas, trash bins, construction yards and equipment, signs, models, temporary sales offices, parking areas, and lighting facilities on Lots owned by such parties.
- e) <u>Water Features</u>. Nonpermanent or portable water features, including fountains, Jacuzzis, and inflatable pools, are allowed on Lots in fenced rear yard areas so long as each Owner or Occupant of such Lot routinely maintains such items to prevent mosquito and other insect infestation.
- f) <u>Report Malfunctions</u>. An Owner shall immediately upon discovery report any leak, damage, or other malfunction in the Recreational Facilities and Common Areas or any other portion of the Property to the Manager or Association.
- g) <u>Cable/Satellite</u>. In the exercise of rights arising under federal laws, an Owner who subscribes directly to cable or satellite service is solely responsible for the cost and maintenance of the subscription and the appurtenant equipment; provided that no antennas or satellite dishes may be installed except in compliance with these Rules and applicable Architectural Guidelines if any, antennas or satellite dishes shall only be installed in or on those portions of a Residence and Lot approved and designated by the ACC or Association. Notwithstanding the foregoing, the Association and ACC shall not prohibit the installation, maintenance, or use of antennas used to receive those video programming or fixed wireless services described in the Over-the-Air Reception Device Rule ("<u>OTARD</u>") adopted by the Federal Communications Commission, as may be amended. An Owner shall be permitted to install or maintain an OTARD-permitted antenna within those areas of such Owner's Lot that are in Owner's exclusive use and control, subject to reasonable safety rules established by the Association or the ACC from time to time and the Architectural Guidelines set forth in <u>Exhibit B</u> to these Rules.
 - i. Reception Interference. Owners and Occupants will avoid doing or permitting any action, activity, or equipment on the Property or on such Owner's Lot that may unreasonably interfere with the television, radio, telephonic, wireless, or electronic reception on other Lots, Common Areas, or other applicable areas within the Property.
 - ii. Cable/Satellite Device Minimum Standards. No dish-type device or antenna or any related mast (each a "Device") shall be erected, constructed, placed, or permitted to remain on any Lot

unless such installation strictly complies with the following minimum conditions (however, each minimum condition shall not apply if it unreasonably delays installation of the applicable device, antenna, or mast, or unreasonably increases the cost of such items or their installation, or precludes reception of an acceptable quality signal). No Device or related structures shall be erected on or fastened to any area other than on the roof of the Residence in the locations approved by the ACC and in such a manner to minimize visual intrusion from any adjacent Property Road and any adjacent Lot.

- A. The Device must be located to the rear one-half (1/2) of the Lot and must serve only the Residence and related Improvements on such Lot;
- B. The Device, including its base and anchoring structure, shall not extend above the roofline of the Residence and shall not be visible from the frontage of any Property Road or private roads or any adjoining Property Road or private road;
- C. The Device must be securely mounted to a base to be able to withstand the effects of high winds or other extraordinary weather conditions; however, no guy wires or similar mounting apparatus will be allowed;
- D. No advertising slogans, logos, banners, signs, or any other printing or illustration whatsoever shall be permitted upon or be attached to the Device;
- E. No Device shall ever be used to send or receive any ham radio signal;
- F. No Device shall be permitted to cause any distortion or interference whatsoever for any other electronic devices in the Property or Community Property;
- G. The Device shall be one solid color only, either white or black or shades of brown, gray, or tan to blend, whichever enables the least amount of color contrast between the roof shingles and the Device; and
- H. The Device shall be installed in compliance with applicable Legal Requirements.
- h) <u>Signage; Advertising</u>. Subject to the provisions of any permitted easements in the Property and the Signage Rights set forth in the Declaration, if any, no sign, advertisement, or notice shall be inscribed, painted, affixed, or placed on any Lot or Improvement thereon or within any other portion of the Property. Notwithstanding the foregoing, the following signage is allowed:
 - i. For Sale Signs. An Owner may erect one sign not more than six square feet in size advertising the Lot for sale in those locations that are approved by the Association. Signs for the lease of all or any portion of a Lot within the Property are strictly prohibited.
 - ii. Declarant and Residential Builder. Subject to the Signage Rights set forth in the Declaration, Signage may be erected by the Declarant and homebuilders in the Property without restriction.
 - iii. Political Signs. Political signs may be erected upon a Lot by the Owner of such Lot advocating the election of one or more political candidates, or the sponsorship of a political party, issue, or proposal, up to one sign for each candidate, party, issue, or proposal, provided that such signs shall not be erected more than ninety (90) days in advance of the

- respective election(s) to which they pertain and are removed within fifteen (15) days after the election. Political signs shall not exceed four feet (4') by six feet (6') in size.
- iv. Security Alarm Signs. An Owner may erect up to two security alarm signs in the front yard area, and up to one security alarm sign in the backyard area of such Owner's Lot as may be required by such Owner's security alarm provider, which signs will be of the standard size applicable to security alarm yard signage and will be placed in those locations that are required or otherwise approved by the Association.
- i) <u>Flags and Flagpoles</u>. An Owner is permitted to display certain flags pursuant to Section 202 of the Texas Property Code, as may be amended, subject to restrictions below or otherwise adopted by the ACC or Association, which shall include requirements for the size, number, and location of flags and flagpoles on which flags are displayed. Approval by the ACC or Association, whichever is applicable, is required prior to installing any vertical freestanding flagpole on any portion of a Lot.
 - i. Flagpoles. Flagpoles on Lots must be black in color, must be constructed of aluminum, and may not exceed the height of the Residence roof or twenty feet (20°), whichever is less. Flagpoles that attach to the façade of a Residence are also allowed subject to requirements set forth in the Architectural Guidelines. Only one flagpole is allowed per Lot. The location of a flagpole must be approved by the ACC prior to its installation on a Lot. Owners shall comply with Article I, Section 1.6(i)(ii) of these Rules with regard to any flags to be flown on a Lot.
 - ii. Flags. Each Owner has a right to fly certain flags on their Lot. A United States flag, a State of Texas flag, or an official or replica flag of any branch of the United States armed forces are the only flags allowed on a flagpole that comply with Article I, Section 1.6(i)(i), and such flags must be displayed in a respectful manner. Flags may not exceed three feet (3') by five feet (5') in size. Flag lighting (if any) shall be directed at the flag and may not cause or be a nuisance to neighboring Lots. All flags must be in good condition and flown in compliance with Legal Requirements applicable to public flags.
- j) Solar Energy Devices. No "solar energy device," as such term is defined in Section 202.010 of Chapter 202 of the Texas Property Code, as may be amended (each a "SED"), shall be permitted on any portion of the Property, including on Lots, which violates any Legal Requirements applicable to the Property or threatens public health or safety. SEDs are permitted to be installed by Owners on the Lots they own. All SEDs intended for a Lot shall be subject to prior review and approval by the ACC, and the location of any approved SED shall be limited to the roof of the subject Residence, the fenced backyard of the subject Lot, or such portion of the Lot as may be otherwise designated by the ACC; provided, however, no SED shall be permitted on any Lot which (i) extends higher than or beyond the roofline of the Residence; (ii) does not conform to the slope of the Residence roof or has a top edge that is not parallel to the roofline; (iii) has a frame, a support bracket, or visible piping or wiring that is not a standard color, such as black or silver; (iv) is taller than the fence line of the Lot; (v) if installed, voids any material warranties applicable to the Residence or Lot; (vi) was installed without prior written approval from the ACC or Association.
- k) <u>Rainwater Harvesting Systems</u>. Rain barrels or rainwater harvesting systems (each a "<u>Rainwater Harvesting System</u>") may be installed on a Lot with the advance written approval of the ACC or Association, whichever is applicable. The Owner shall provide the ACC or Association with information it reasonably requires or requests, which will include the proposed location and description (including the

color, dimensions, manufacturer model and type, and photographs) of the proposed Rainwater Harvesting System. Only those Rainwater Harvesting Systems that comply with the requirements established by the ACC or Association for size, type, color, location, collection method, shielding, and maintenance of and materials used to construct such systems in accordance with Chapter 202 of the Texas Property Code, as may be amended, shall be eligible for approval.

- l) Exterior Decorations. Lot Owners may display religious, cultural, and holiday decorations in and on Residences subject to the Minimum Standards and other requirements established in Article I, Section 1.3(f) of these Rules, and the Association's right to regulate the time, place, and manner of such displays according to the Act and Chapter 202 of the Texas Property Code. Holiday decorations may be displayed no earlier than thirty (30) days before and no later than ten (10) days after the occurrence of such holidays.
- m) <u>Sharing Stations</u>. "Little free libraries," plant propagation stations, and similar sharing stations (each a "<u>Sharing Station</u>") installed by Owners are permitted on Lots subject to the Minimum Standards established in <u>Article I, Section 1.3(f)</u> of these Rules, other requirements as may established by the ACC for the aesthetic characteristics of each Sharing Station (i.e., size, location, design, and materials from which the station is constructed), and the Association's right to reasonably regulate the type, kind, and nature of items to be shared in each Sharing Station. All Sharing Stations shall strictly comply with Legal Requirements and the Residential Governing Documents, and no items or substances that are illegal or unlawful to sell, trade, or possess shall be included in any Sharing Station at any time.
- n) Trash Disposal. Owners, Occupants, and all Persons will endeavor to keep the Lots, Common Areas, Recreational Facilities, and all portions of the Property clean; will dispose of all refuse and trash in the required receptacles; will not litter; will place lit or smoldering items, including cigarettes where smoking is permitted, only in designated containers (and not in general trash receptacles or bags); and will not store trash in a manner that unreasonably permits the spread of fire, odors, or seepage or encourages vermin. Owners and Occupants must place trash in a sealed or tied container or bag, whichever is required or specified by the City or County, as applicable, waste collection services. Prior to collection, trash and trash bags must be stored in the enclosed Residence garages or behind fencing on Lots out of public view. Trash bags and containers may be placed on those portions of Lots as required by the waste collection services or designated by the Association for collection no earlier than 8:00 p.m. Central Time of the day immediately prior to trash collection day. Trash containers must be returned to Residence garages or behind Lot fencing out of public view no later than 8:00 p.m. Central Time on trash collection day. Trash bags and containers may not be left on any portion of the Lot or Property on any other day for any other reason.
- o) <u>Infestation</u>. No Owner shall permit, promote, or suffer a condition on a Lot or in any Improvement that encourages infestation by pests, insects, rodents, or other vermin. Owners shall perform or cause the performance of measures necessary to eradicate the infestation, including extermination of pests, insects, rodents, or other vermin. In the event Owner fails to perform these measures, and the Association is made aware of infestation and possible harm it may cause to other portions of the Property or Common Areas, the Association shall have the right, but not the obligation, to eradicate such infestation, in which case the Owner will be liable for all resulting costs and expenses incurred by the Association.
- p) <u>Driveways; Shared Driveways; Garages</u>. The driveways, including Shared Driveways, on any Lot may not be used for any purpose that interferes with their ongoing use as a route of vehicular access to a garage. A driveway may not be used (i) for storage purposes, including storage of boats, trailers, and inoperable vehicles; or (ii) for repair or restoration of vehicles. Driveways must be maintained free of potholes, cracks, stains, and hazards and according to the Architectural Guidelines. In no event shall the

storing of personal items contemplated herein create unsafe or hazardous conditions for any person or property. Garage doors may remain open for a reasonable period during which an Owner is on their Lot and is performing routine maintenance to the Lot or Residence; however, in no event shall leaving any such garage doors open contribute to an unsafe environment or compromise the general safety of the Property and neighboring Lots. In connection with Shared Driveways, no Owner of a Lot on which any portion of a Shared Driveway exists will overwater or underwater soil surrounding Shared Driveways or allow the placement of heavy equipment on such Shared Driveways.

- q) <u>No Mailboxes</u>. The Property will have freestanding cluster box units for the delivery of mail to Owners and Occupants. No Owner is permitted to install any type of mailbox on a Lot or any Improvements thereon.
- r) <u>Maximum Occupancy</u>. The maximum number of people permitted per Residence shall comply with applicable Legal Requirements.
- s) <u>Surveillance Cameras</u>. Installation of surveillance video cameras on Lots shall be subject to any requirements as may be set forth in the Architectural Guidelines. Surveillance video cameras may not, at any time, be aimed in a manner that will directly view any other Residence. This <u>Article I, Section 1.6(t)</u> does not apply to a doorbell camera, such as those sold by Ring, Nest, Skybell, and similar providers, which will be installed by an Owner at the entry area of a Residence and will be used for its intended purposes.
- t) <u>Sidewalks</u>. Sidewalks, including the portions thereof that cross private driveways on Lots, shall be kept free of obstructions that would prevent normal use of the sidewalks by pedestrians or other permitted users. No persons shall park vehicles or place other obstructions on sidewalks. Association-Maintained Sidewalks shall be maintained by the Association according to the Declaration. All other sidewalks that are located on Lots shall be maintained and kept clean and free of obstruction by the respective Lot Owner. All other portions of sidewalks located in Common Areas shall be maintained by the Association unless such sidewalks are dedicated or owned by the City or County, in which case such Governmental Authority may be responsible to maintain them.
- u) <u>Basketball Goals</u>. A Lot may have no more than one basketball goal, whether temporary or permanent, on any portion of the Lot at any time. Basketball goals may not be placed at the curb, in the street, or at any other location that encourages play in the street or on sidewalks or trails intended for use by other Owners and Occupants. Basketball goals that are not maintained or are unsightly must be removed. Permanent basketball goals are permitted only if installed on Residence garages that face Alleys, and not streets. Temporary basketball goals should be stored in garages or on those portions of the driveway closest to the Residence on such Lot when not in use.
- v) Mining and Drilling. Except for existing drill site locations and water wells on the Property permitted according to the Restrictive Covenants, and the Mineral Interests and Water Rights granted or other rights that may be granted to parties in connection with same, no portion of a Lot or the Property shall be used for mining, drilling, boring, exploring for, or removing water, oil, gas or other hydrocarbons, minerals of any kind, rocks, stone, sand, gravel, aggregate, or earth.

Section 1.7 General Use of Common Areas and Recreational Facilities.

a) Access Controls. Access to certain Common Areas or Recreational Facilities may require access devices, in which case such devices will be provided to Owners by the Association. Access devices are

personal to the Owner to whom they are issued and may not be transferred or assigned by Owners except to Occupants, provided that such transfer or assignment has been registered with and approved by the Association through its Manager and all required documentation has been completed and submitted by the Owner to the Management Office. Any Person in possession of an access device will, upon request of the Manager or other duly authorized representative of the Association, produce a valid driver's license or another form of satisfactory identification. An access device found in the possession of a Person to whom it is not issued or who is not authorized to use such device will be confiscated. Replacement of a lost or confiscated access device or the purchase of additional access devices may require payment of fees established by the Association or Manager. The Association may designate the days and hours of access to and operation of the Common Areas and Recreational Facilities and deactivate access devices during the times such areas or facilities are not open for use. Owners, Occupants, their guests, and other authorized Persons using the Recreational Facilities and Common Areas must, at all times, respect the rights and privileges of others using such facilities and areas. The Association may suspend an Owner's right to use Common Areas and Recreational Facilities for violations of Residential Governing Documents subject to the notice requirements set forth in Article II of these Rules.

- b) Guests. The use of Recreational Facilities within the Property is limited to Owners, Occupants, their guests, and other Persons authorized by the Association, and such facilities are available on a first-come, first-served basis on the days and during the hours established by the Association for access and use. Users of the Recreational Facilities may be required to furnish identification demonstrating Lot ownership or such other right of access in connection with the use of the Recreational Facilities. In the event an Owner desires to host a private event using any Recreational Facility designated for such purpose, such Owner must submit an application and any other requested information to the Association for prior approval to hold such event, and any such approval may be conditioned upon the payment of a deposit or other funds and certain other requirements and limitations as the Association deems necessary or appropriate. The right of an Owner to share the use of Recreational Facilities with their guests is at all times subject to immediate termination by the Association or Manager if the Residential Governing Documents are violated or if such termination is deemed by the Association or its Manager to be in the Association's best interests. Guests must be accompanied by an Owner at all times while using Recreational Facilities, and Owners are responsible for any loss or damage caused by their guests.
- c) <u>Fire and Safety</u>. Except in the event of a relevant emergency, no Owner, Occupant, or Person may use, tamper with, pry open, or modify any fire or safety equipment within the Property or Improvements thereon. Owners and Occupants must be familiar with fire, safety, and evacuation plans made available for the Property.
- d) <u>Common Area and Association-Maintained Landscaping</u>. No Owner shall harm, mutilate, alter, litter, uproot, or remove any of the landscaping installed within the Common Areas, Maintenance Areas, portions of Lots maintained by the Association per the Maintenance Responsibility Chart, or any other portion of the Property. Digging, planting, pruning, and climbing by Owners, Occupants, and their guests in any landscaped areas on the Property that the Association maintains is expressly prohibited.
- e) <u>Disturbances Prohibited</u>. Making, producing, and engaging in any conduct or activity, and use of electronic, audio, and musical equipment in Recreational Facilities that is loud, disruptive, or disturbing to other users is prohibited.
- f) <u>Swimming Pools in Common Areas</u>. All Owners, Occupants, and their guests shall observe and use any swimming pools located in Common Areas according to Posted Rules, the Residential Governing Documents, and any Legal Requirements.

- Reserves and Nature Areas. All Owners, Occupants, and their guests shall observe and use g) Public Parks and Trails and any other reserves, parks, fields, greenbelts, greenways, paths and trails, trail areas, open space, and other similar nature areas, if available, in the Common Areas and on the Property following the Posted Rules, these Rules, the Residential Governing Documents, and applicable Legal Requirements. Public Parks and Trails constructed on the Property are limited to uses such as running, walking, roller skating, and nonmotorized biking; provided, however, the Association and its Manager and their respective employees are permitted to use motorized vehicles on trails and paths in the performance of the duties and obligations of the Association subject to applicable Legal Requirements. Safety and caution must be exercised at all times by all Persons using these paths and trails, and cyclists must yield to all other trail users. Certain portions of the Common Areas located in nature settings may be habitat areas for certain species of animals, reptiles, and insects. Users of these areas are advised to exercise caution and vigilance while using these areas as they may encounter wildlife, and such users are required to exercise care not to damage or destroy natural habitat areas for wildlife. The following rules apply to trails and surrounding open spaces areas on the Property. All pets permitted in these Common Areas must be on a leash, and pet waste must be removed and deposited in pet waste receptacles provided on the Property. Littering, dumping, unlawful discharging of firearms, and fires of any type, including ground fires and contained wood or charcoal fires, are prohibited in all portions of these Common Areas and portions of the Property.
- h) <u>Lakes and Ponds</u>. All Owners, Occupants, and their guests shall observe and use any ponds, lakes, or other bodies of water that may be located on the Property, if applicable, according to the Posted Rules, the Residential Governing Documents, and any Legal Requirements.

Section 1.8 <u>Health and Well-Being; Safety Disclaimer.</u>

For the health, well-being, and enjoyment of all Owners, the following safety disclaimer, limitations, and restrictions will be observed:

SAFETY DISCLAIMER. CERTAIN PERSONS MAY, BUT ARE NOT OBLIGATED TO, MAINTAIN OR SUPPORT CERTAIN ACTIVITIES WITHIN THE PROPERTY DESIGNED TO MAKE THE PROPERTY LESS ATTRACTIVE TO INTRUDERS. THE DECLARANT, THE BOARD OF DIRECTORS, THE ASSOCIATION, ALL OWNERS, AND THE MANAGER AND EACH OF THEIR RESPECTIVE MEMBERS, MANAGERS, OFFICERS, EMPLOYEES, AGENTS, REPRESENTATIVES, SUCCESSORS, ASSIGNS, OR DESIGNEES WILL NOT IN ANY WAY BE CONSIDERED AN INSURER OR GUARANTOR OF SAFETY OR SECURITY WITHIN THE PROPERTY, AND MAY NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE TO ANY PERSON OR PROPERTY BECAUSE OF FAILURE TO PROVIDE ADEQUATE SECURITY OR SAFETY OR INEFFECTIVENESS OF SECURITY OR SAFETY MEASURES UNDERTAKEN OR NOT UNDERTAKEN IN OR ON ALL OR ANY PORTION OF THE PROPERTY. ACCORDING TO SECTION 15.10 OF THE DECLARATION, NO REPRESENTATION OR WARRANTIES HAVE BEEN OR WILL BE MADE AS TO THE NATURE, CONDITION, APPEARANCE, USE, AND ALL OTHER MATTERS PERTAINING TO ANY REAL PROPERTY ADJACENT TO ANY REAL PROPERTY AND IMPROVEMENTS THEREON THAT ARE ADJACENT TO THE PROPERTY OR COMMUNITY PROPERTY, INCLUDING ANY JAIL, PRISON, DETENTION CENTER, OR CORRECTIONAL FACILITIES LOCATED ADJACENT TO OR IN THE VICINITY OF THE PROPERTY. EACH OWNER, OCCUPANT, PERSON, GUEST, AND VISITOR ON THE PROPERTY AT ANY TIME ASSUMES ALL RISK FOR LOSS OR DAMAGE TO SUCH OWNER, OCCUPANT, PERSON, GUEST, AND VISITOR AND THEIR PERSONAL PROPERTY; TO SUCH OWNER'S LOT; TO THE CONTENTS OF SUCH OWNER'S LOT AND IMPROVEMENTS; AND TO ANY OTHER PROPERTY ON THE PROPERTY. THE DECLARANT, THE BOARD OF

DIRECTORS, THE ASSOCIATION, ALL OWNERS, AND THE MANAGER AND EACH OF THEIR RESPECTIVE MEMBERS, MANAGERS, OFFICERS, EMPLOYEES, AGENTS, REPRESENTATIVES, SUCCESSORS, ASSIGNS, AND DESIGNEES EXPRESSLY DISCLAIM AND DISAVOW ANY AND ALL REPRESENTATIONS AND WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY SECURITY SYSTEMS, SECURITY, OR SAFETY EQUIPMENT OR MEASURES RECOMMENDED, INSTALLED, OR UNDERTAKEN ON OR WITHIN ALL OR ANY PORTION OF THE PROPERTY.

Section 1.9 Construction and Architectural Control of Improvements.

- a) Architectural Guidelines. The Architectural Guidelines and restrictions included in Exhibit B to these Rules, which supplement Article XII of the Declaration, include only the initial rules, guidelines, criteria, standards, and procedures established by the Declarant. During the Development Period, the Declarant may amend or supplement Exhibit B to these Rules and adopt new Architectural Guidelines in place thereof. After the expiration or earlier termination of the Development Period, the Association or Architectural Control Committee, according to Article XII of the Declaration and the Residential Governing Documents, may amend or supplement Exhibit B to these Rules and any other Architectural Guidelines established at such time. Any new guidelines or changes to existing Architectural Guidelines shall not be inconsistent with the provisions of the applicable Legal Requirements, the Declaration, other provisions in these Rules, or other Residential Governing Documents. In the event conflicts or any inconsistencies exist between the Architectural Guidelines in Exhibit B and provisions of other Residential Governing Documents, the documents shall control in the order that is set forth for the Residential Governing Documents in Section 2.4 of the Declaration.
- b) <u>Prohibited Changes to Improvements</u>. Except as set forth below or as otherwise outlined in the Declaration, without the prior written approval of the ACC or Association, no Owner may construct, add, alter, improve, change, or make any structural alterations or other modifications to a Residence or any other Improvement on a Lot. Changes that may be regulated by the ACC are outlined in the Declaration, the Architectural Guidelines, and the Rules. Items subject to the Architectural Guidelines may not be changed without the approval of the Architectural Control Committee.
- c) Changes Exempt from ACC Approval. Except where the Association is obligated to perform such maintenance according to the Maintenance Responsibility Chart or otherwise in the Declaration, approval to paint or stain, as applicable, the exterior of a Residence or other Improvement located on a Lot with the original paint or stain colors for such Improvements does not require prior approval of the Architectural Control Committee so long as such paint and stain colors remain the approved colors. Notwithstanding the foregoing, every Owner is required to verify the then-current paint or stain colors to ensure compliance with this Article I, Section 1.9 and the Architectural Guidelines before painting or staining any exterior portions of a Residence or other Improvements on a Lot.
- d) Applications for ACC Approval. As part of the application to the Architectural Control Committee for written consent for any alteration or modification to Improvements described hereunder or in Article XII of the Declaration, an Owner must submit to the ACC the complete plans and specifications and such other information and documentation, as well as a deposit, if applicable, as may be required or requested pursuant to the processes and procedures in Article XII of the Declaration. The Association may establish and levy fee(s) to applicable Owners in connection with administrating and processing ACC applications.

Section 1.10 Vehicle Restrictions

- Authorized Vehicles. Authorized vehicles operating on the Property must be fully operable and a) must display a current license tag and inspection sticker. For purposes of these Rules, unless otherwise determined by the Association or applicable Legal Requirements, permitted vehicles include automobiles that are not Commercial Vehicles, and motorcycles, motorized bicycles, scooters, and mopeds (collectively, "Permitted Vehicles"). Prohibited Vehicles are defined and described in Article I, Section 1.10(a) below. No Permitted Vehicle shall be parked on any portion of the Property other than in designated parking areas for Lots and on Property Roads per Legal Requirements; provided, however, Permitted Vehicles are not allowed to be parked on Property Roads overnight or for any greater amount of time. Permitted Vehicles are allowed to park in Shared Driveways, private driveways, and garages located on Lots at any time but on no other portion of a Lot. The Association reserves the right to establish parking rules and Posted Rules for parking Permitted Vehicles in addition to the parking rules included in this Article I, Section 1.10. Motorcycles, scooters, and bicycles may not be chained to buildings, fences, or any other portion of a Lot or the Property unless such area is designated for that purpose. Property Roads, private drives, Alleys, parking spaces, parking areas, garages, Shared Driveways, and other driveways on the Property shall only be used for parking of Permitted Vehicles. Permitted Vehicles that become inoperable shall not remain parked in a driveway or Shared Driveway and shall be promptly repaired or permanently removed from the Property.
- b) <u>Prohibited Motorized Vehicles and Equipment</u>. Commercial Vehicles, recreational vehicles (RVs), golf carts, all-terrain vehicles, trailers, motorized boats, watercraft, and unauthorized machinery or equipment (collectively, "<u>Prohibited Vehicles</u>") are prohibited, at all times, on any portion of the Lots, Common Areas, Property Roads, private drives, Shared Driveways, Alleys, Common Areas, or any other portion of the Property.
- c) <u>Nonmotorized Vehicle Prohibitions</u>. All nonmotorized vehicles (e.g., bicycles, skateboards, rollerblades) must be stored in garages, Residences, or other Improvements on a Lot unless otherwise specified by the Association.
- d) <u>Vehicle Nuisances</u>. Each Permitted Vehicle must comply with all applicable Legal Requirements and be maintained and operated to minimize noise, odor, and oil emissions. The use of car horns is discouraged, except for the judicious use of a horn for right of way. Permitted Vehicles that become inoperable shall not remain parked in a driveway, Shared Driveway, or any other portion of the Property and shall be promptly repaired or, without repair, permanently removed from the Property.
- e) <u>Fire Lanes/Obstructions</u>. No vehicle may be parked in a manner that violates Legal Requirements or otherwise impedes or prevents ready access to any Lot, Common Areas, mailboxes by mail carriers, fire hydrants by firefighters, Systems by authorized utility service providers, school bus stops by school buses, or any other portion of Property, including driveways, Shared Driveways, parking areas, and curb cuts designated for use by disabled persons. No vehicle may obstruct the flow of traffic, constitute a nuisance, or otherwise create a safety hazard. No vehicle may be parked, even temporarily, in any area designated as "No Parking" or in fire lanes.
- f) <u>Vehicle Towing</u>. Prohibited Vehicles or any Permitted Vehicle located on any portion of the Property outside of a Lot that is in violation of these Rules, Residential Governing Documents, or Legal Requirements may be stickered, wheel-locked, towed, or otherwise removed at the vehicle Owner's expense. The Board of Directors, the Association, all Owners, the Manager, and the Declarant and each of their respective members, managers, directors, officers, employees, successors, assigns, and Designees expressly

disclaim any and all liability for damage to Prohibited Vehicles and Permitted Vehicles resulting from such vehicle's removal from the Property pursuant to this Article I, Section 1.10(f).

Section 1.11 Pets.

- (a) <u>Subject to Rules</u>. Owners may not keep or permit on any property within the Property an animal of any kind, at any time, except a pet permitted by these Rules, the Residential Governing Documents, and Legal Requirements, which pets shall also be registered and vaccinated according to applicable City and County animal ordinances. Pets may be kept only in Residences or in fenced backyard areas on a Lot.
- (b) Permitted Pets. An Owner may keep in such Owner's Residence or on such Owner's Lot the maximum number of household pets permitted by and in compliance with applicable Legal Requirements. Permitted household pets are limited to domesticated dogs, cats, aquarium fish, caged birds, and hens described in this Article I, Section 1.11. Up to six (6) hens are allowed only on Lots greater than four thousand five hundred (4,500) square feet in a coop no larger than sixty-four (64) square feet in size provided that (a) they are not kept, bred, or maintained for commercial purposes; (b) they do not create a nuisance under the Legal Requirements or otherwise constitute an unreasonable nuisance to other Owners, as determined by the Board, in its sole discretion; and (c) they are not in violation of any applicable Legal Requirements, these Rules, or any other applicable Residential Governing Documents. The Association, acting through the Board, shall have the right to prohibit maintenance of any hen that, in the sole opinion of the Board, is not being maintained in compliance with Legal Requirements, these Rules, or any other applicable Residential Governing Documents. Roosters are not allowed on any Lot, regardless of size.
- (c) <u>Prohibited Pets.</u> No dangerous animals, including "dangerous dogs," as such term is defined and qualified in applicable City or County animal ordinances, may be kept on any Lot or other portion of the Property. Any animal that poses an imminent safety or health threat to any Person, Owner, or portion of the Property shall be promptly reported to the applicable Governmental Authorities and may be removed from the Property according to the applicable City or County animal ordinance. No pet may be kept, bred, or maintained for any commercial purpose.
- (d) <u>Leashes</u>. Owners must keep pets leashed while on any portion of the Property outside of the Owner's Lot where required according to Legal Requirements or Posted Rules.
- (e) <u>Disturbance</u>. Pets must be kept in a manner that does not disturb another Owner's peaceful enjoyment of such Owner's Residence and Lot or any Person elsewhere in the Property. No pet may be permitted to bark, howl, whine, screech, or make other loud noises for extended or repeated periods, or to create a nuisance, odor, unreasonable disturbance, or noise.
- (f) <u>Damage</u>. Each Owner is responsible and liable for any real or personal property damage, injury, death, or disturbance such Owner's pet(s) may cause to any Owner, Occupant, or other Person, or to or on any Lot, Improvement, or other portion of the Property. Every Owner, Occupant, and Person with a pet on the Property agrees to release from all liability and indemnify and hold harmless the Declarant; the Board of Directors; the Association; other Owners, Occupants, and Persons; the Manager; and each of their respective members, managers, officers, employees, agents, representatives, successors, assigns, and Designees from any and all claims, loss, damage, lawsuits, legal proceedings, actions, costs, and expenses (including reasonable attorney's fees and court costs) of any kind, character, or nature whatsoever arising out of (whether directly or indirectly) or resulting from any action of such Owner's, Occupant's, or other Person's pet or action or inaction of the pet owner in connection with such pet, keeping or maintaining such pet on a Lot or at the Property, and/or Owner's, Occupant's, or other Person's failure

to strictly comply with the Residential Governing Documents and all Legal Requirements applicable to such pet(s), including, without limitation, the applicable City and County animal ordinances.

- (g) <u>Pet Waste Removal</u>. Pet owners are responsible for the removal of pet waste from all portions of the Property in accordance with the Legal Requirements for pet waste removal.
 - (h) Compliance. All pets must conform to any applicable Legal Requirements for animal control.

Section 1.12 Moving.

- (a) <u>Notice</u>. All Owners, Occupants, and other Persons must return access devices granting access to Common Areas and Recreational Facilities, where applicable, to the Manager upon selling a Lot and moving from the Property.
- (b) Storage. Any storage devices permitted for moving purposes shall not be stored in any Common Area or other portion of Property other than on a Lot and may temporarily be placed on a Lot or any area as may be designated by the ACC or Association. Temporary storage facilities for moving must be removed from a Lot within fourteen (14) days from their initial delivery and placement on a Lot.

Section 1.13 Miscellaneous.

- (a) Owner Information Registration. Within ten (10) days of taking ownership of a Lot, each Owner shall register with the Association and Manager, in the manner prescribed or required by the Association, the following information, which shall collectively be referred to as the "Owner Information" for purposes of this Article I, Section 1.13:
 - (i) the physical address of such Owner's Lot and any mailing address other than the Lot address to which Owner desires to direct their mail from the Association;
 - (ii) a current telephone number at which Owner can be reached;
 - (iii) a current email address for such Owner; and
 - (iv) any other information the Association may reasonably request or require, including but not limited to such Owner's military status in the United States military as authorized under the Service Members Civil Relief Act, if applicable.

Changes to all or any portion of the Owner Information must be registered with the Association in the same manner as the initial registration of such information within ten (10) days following the occurrence of the information change. Correspondence to the Association or its Manager from an email address is not sufficient to register such an email address or to change an email already registered with the Association. The Association has no duty or obligation to keep all or any portion of Owner Information current, and such duty and obligation belong exclusively to the Owners. All notices required to be sent to Owners according to the Residential Governing Documents will be sent to the most recent mailing or email address of the Owner shown in the Association records. If an Owner fails to provide updated mailing or forwarding addresses, the address of such Owner's Lot shall be deemed effective for all purposes of delivery.

(b) <u>Lease Occupant Information</u>. If an Owner leases their Residence per <u>Article I, Section 1.5(a)</u>, such Owner shall be obligated to provide to the Association, before the commencement date of the lease, the

full name, mailing address, phone number, and email address of each Occupant who will reside in the Residence, and the commencement date and term of the lease.

- (c) <u>No Waiver; Severability</u>. The failure of the Association to enforce a provision of these Rules, Policies, or Architectural Guidelines does not constitute a waiver of the right of the Association to enforce any such provision in the future or to treat Owners differently in enforcing same. If any term or provision of these Rules is held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding will not affect any other term or provision of these Rules.
- (d) Amendment of Rules, Policies, and Architectural Guidelines. These Rules and the Policies herein contained may be revised, replaced, amended, or supplemented by the Declarant during the Development Period according to the Act. These Rules may be amended from time to time by a majority of the Board during or after the expiration of the Declarant Control Period in accordance with the Act, and amendments shall be effective upon the recordation of same in the Real Property Records. The Architectural Guidelines may be amended according to Section 1.9(a) of these Rules, and such amendments shall be effective upon the recordation of same in the Real Property Records.
- (e) <u>Complaints</u>. Any complaints about violations of these Rules shall be made in writing to the Association or the Manager, whichever is applicable, and shall identify the type of infraction and the date of the infraction and must be signed by the witness to the infraction. Any additional evidence, such as photographs, can be submitted with any complaint.
- (f) Other Rights. These Rules are in addition to all rights of the Association under the other Residential Governing Documents and the laws of the State of Texas.
- Release. All Owners release liability and hold harmless the Board of Directors, the Association, (g) all other Owners, the Manager, and the Declarant and each of their respective members, managers, officers, employees, agents, representatives, successors, assigns, and Designees (collectively, "Released Parties") from any and all liability, claims, lawsuits, losses, damages, and actions arising out of or in connection with Permitted Short-Term Rentals, Cottage RBOs, and the use of any of the Common Areas, Recreational Facilities, MUD Recreational Facilities, or any other portion of the Property, and the mere participation in the Permitted Short-Term Rentals or ownership or occupancy of a Lot by itself, or use of the Common Areas, Recreational Facilities, MUD Recreational Facilities, or any other portion of the Property at any time shall constitute a full and complete release and indemnification of the Released Parties arising out of (whether directly or indirectly) or in connection with Permitted Short-Term Rentals, Cottage RBOs, and the use of any of the Common Areas, Recreational Facilities, MUD Recreational Facilities, or any other portion of the Property, Improvements thereon, and activities conducted thereon. THE RELEASED PARTIES EXPRESSLY DISCLAIM AND DISAVOW ANY AND ALL REPRESENTATIONS AND WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF FITNESS OR SAFETY FOR ANY PARTICULAR PURPOSE, RELATIVE TO PERMITTED SHORT-TERM RENTALS, COTTAGE RBOS, AND ANY OF THE COMMON AREAS, RECREATIONAL FACILITIES, MUD RECREATIONAL FACILITIES, AND ANY OTHER PORTION OF THE PROPERTY ASSOCIATED WITH PERMITTED SHORT-TERM RENTALS OR WITH THE COMMON AREAS, RECREATIONAL FACILITIES, MUD RECREATIONAL FACILITIES, OR ACTIVITIES CONDUCTED THEREON AND THEREIN.
- (h) <u>Risk</u>. Each Owner, each Occupant, and any other Person that uses the Common Areas, Recreational Facilities, MUD Recreational Facilities, any other portion of the Property, or any Improvements thereon, including a Residence on a Lot (which includes any Cottage RBO on a Lot), shall be at each such

Owner's, Occupant's, and Person's own risk. Cottage RBOs, Common Areas, MUD Recreational Facilities, and Recreational Facilities are unattended and unsupervised. EACH OWNER, EACH OCCUPANT, AND ANY OTHER PERSON PARTICIPATING IN PERMITTED SHORT-TERM RENTALS OR USING COMMON AREAS, RECREATIONAL FACILITIES, MUD RECREATIONAL FACILITIES, OR ANY OTHER PORTION OF THE PROPERTY AND IMPROVEMENTS THEREON IS SOLELY RESPONSIBLE FOR SUCH OWNER'S, OCCUPANT'S, OR PERSON'S SAFETY. THE BOARD OF DIRECTORS, THE ASSOCIATION, ALL OTHER OWNERS, THE MANAGER, AND THE DECLARANT AND EACH OF THEIR RESPECTIVE MEMBERS, MANAGERS, OFFICERS, EMPLOYEES, AGENTS, REPRESENTATIVES, SUCCESSORS, ASSIGNS, AND DESIGNEES DISCLAIM ANY AND ALL LIABILITY OF ANY KIND OR NATURE WHATSOEVER, AND RESPONSIBILITY FOR PROPERTY DAMAGE, INJURY TO PERSONS OR PROPERTY, AND DEATH OCCURRING FROM OR ARISING OUT OF PERMITTED SHORT-TERM RENTALS OR USE OF ANY COTTAGE RBO, THE COMMON AREAS, RECREATIONAL FACILITIES, MUD RECREATIONAL FACILITIES, OR ANY OTHER PORTION OF THE PROPERTY AND IMPROVEMENTS THEREON.

ARTICLE II <u>Delinquent Assessment and Collection; Fining</u>

- Section 2.1 <u>Delinquent Assessment Collection Policies and Procedures</u>. This <u>Article II</u>, <u>Section 2.1</u> of the Rules shall be referred to as the "Delinquent Assessment Policy" of the Association and includes the alternative payment plan and other required procedures further described in the Act. If the Act or any other Legal Requirement applicable to the collection of Assessments by the Association is hereafter amended or changed, this Delinquent Assessment Policy shall be interpreted in a manner that conforms to the provisions of the Act or such other Legal Requirements.
- (a) <u>Insufficient Fund Charge</u>; <u>Late Fees</u>. The Association may levy a charge in an amount of no less than thirty-five dollars (\$35.00), or such greater amount as may be established and duly adopted by the Board of Directors from time to time, against an Owner if a check or other form of payment made to the Association for any Assessment or other charge due and owing to the Association is returned as a result of "insufficient funds" or the equivalent. Any Assessment not paid on the Due Date, hereinafter defined, shall bear interest at the Past Due Rate as further described in Article VI of the Declaration. The Association shall also have the right to levy a late fee for unpaid Assessments in an amount equal to or greater than twenty-five dollars (\$25.00) per month, and which late fee may be levied after the Delinquent Date, hereinafter defined, and each consecutive month thereafter until the Delinquent Amounts, hereinafter defined, are paid in full or until the Plan Date, as defined in <u>Article II, Section 2.1(e)</u> below, if applicable.
- (b) <u>Delinquent Assessments</u>. Regular Assessments and Neighborhood Assessments are due on those dates established in accordance with Article VI of the Declaration, and Special and Individual Assessments are due and payable on the date specified by the Association in the notice imposing such Assessment (collectively, "<u>Due Date</u>"). Assessments are considered delinquent if payment, in full, is not received by the Association on the Due Date ("<u>Delinquent Date</u>").
- (c) <u>Notice of Delinquent Amounts</u>. The Association will notify an Owner within thirty (30) days of the Delinquent Date that such Owner's account is delinquent, which notice will, at a minimum:
 - i. State each delinquent Assessment amount owed by the Owner and the total amount owed to the Association, including any late fees and interest that may be levied according to Article VI

- of the Declaration and this Delinquent Assessment Policy, in order to make the Owner's account current ("Delinquent Amounts");
- ii. Include a description of the actions Owner may take to avoid their account being turned over to an attorney or agency for collection, including the availability of the Payment Plan, hereinafter defined;
- iii. Provide thirty (30) days for the Owner to pay the Delinquent Amounts and bring the Owner's account current before further collection actions are taken by the Association; and
- iv. State that, until the Delinquent Amounts are paid or the delinquent Owner enters into a Payment Plan for same, any Assessments that become due and owing after the notice is delivered to the delinquent Owner that are not paid by the Owner on the Due Date shall be included in the Delinquent Amount.

The notice requirement set forth in this Article II, Section 2.1(c) is required by the Act. If the Association, or its Manager, decides to send any type of "courtesy" notice or letter to an Owner after the Due Date has passed, but prior to the notice required by this Article II, Section 2.1(c), such courtesy notice shall not be deemed sanctioned or required by the Association; is strictly of a courtesy nature only; and establishes no past, current, or future obligation on the Association, or its Manager, to provide courtesy notices at any time. The sending of these type of courtesy notices may be ceased at any time without prior notice to any Owner. The written notice expressly required by this Article II, Section 2.1(c) shall be the only notice required by the Delinquent Assessment Policy (in accordance with the Act) to be delivered by the Association to the Owner in connection with the Delinquent Amounts.

- (d) <u>Delinquent Assessment Payment Plan</u>. The Act requires the Association to provide an alternative payment plan for Delinquent Amounts owed to the Association (a "<u>Payment Plan</u>"). Once the Association has provided the requisite written notice to an Owner for Delinquent Amounts owed to the Association in accordance with <u>Article II, Section 2.1(c)</u> above, and subject to eligibility requirements for the Payment Plan, as further described in <u>Article II, Section 2.1(f)</u> below, the delinquent Owner may enter into a Payment Plan with the Association to pay Delinquent Amounts. The Association is not obligated to offer the Payment Plan to any Delinquent Owner after the thirty (30)-day time period in <u>Article II, Section 2.1(c)(iii)</u> has expired.
- (the "Plan Date"), the Owner will begin making partial payments to the Association each month, in equal payment amounts, according to the Payment Plan until Delinquent Amounts are paid in full. The first payment due and owing under any Payment Plan shall be no more than thirty (30) days following the Plan Date. If the Due Date of any payment under the Payment Plan falls on a United States bank holiday or a weekend day, such payment will be due the next following Business Day. From and after the Plan Date, additional monetary charges, including late fees, fines, penalties, and interest, may not be charged against any Owner who participates in a Payment Plan. The foregoing monetary charges do not include reasonable costs associated with administering the Payment Plan or interest on the Delinquent Amounts. Payment Plans may be customized to meet the needs of individual Owners so long as any customization does not violate this Delinquent Assessment Policy, the Residential Governing Documents, or the Act. In no event will any Payment Plan be offered for a term of fewer than three months or greater than 18 months from the Plan Date.
- (f) <u>Eligibility for Payment Plan</u>. The Association is not required to enter into a Payment Plan with any Owner more than once in any twelve (12)-month period or with any Owner who failed to honor the terms

of a prior Payment Plan entered into by such Owner and the Association for a period of two years following such Owner's default under the previous Payment Plan. When an Owner is not eligible for a Payment Plan, all Delinquent Amounts owed to the Association must be paid in full pursuant to the written notice provided to the Owner pursuant to Article II, Section 2.1(c). The Association shall not be required to accept any partial or installment payments of Delinquent Amounts from the date of the institution of an action to enforce the payment thereof to the time that all Delinquent Amounts are paid in full.

- (g) <u>Application of Payments</u>. Except as otherwise set forth in the Act, including when an Owner is in default of a Payment Plan, payments made under a Payment Plan shall be applied to Owner accounts in the following order of priority:
 - 1. Delinquent Assessments
 - 2. Current Assessments
 - 3. Attorney's fees or third-party collection costs
 - 4. Fines
 - 5. Other amounts owed to the Association
- (h) <u>Default on Payment Plan</u>. If any partial payment on the Payment Plan is not paid on the Due Date specified in such Payment Plan, and after written notification of such missed payment is delivered to the Owner (the "<u>Payment Plan Default Notice</u>"), the Owner fails to make the partial payment under the Payment Plan within the specified time frame stated in the Payment Plan Default Notice, the Owner shall be deemed in default of the Payment Plan. Once an Owner is in default of a Payment Plan, the Association may declare the entire remaining unpaid portion of the Delinquent Amounts immediately due and payable by written notice to the Owner, and the Association may commence collection proceedings to collect such amounts without regard to the Payment Plan.
- (i) No Response to Payment Plan. In the event an Owner refuses to participate in a Payment Plan either by express refusal or by providing no response in the 30-day period set forth in the notice per Article II, Section 2.1(c), then the Association may declare the Delinquent Amounts immediately due and payable by written notice to the Owner and commence collection proceedings to collect such amounts.
- (j) <u>Foreclosure of Assessment Lien</u>. So long as the Association complies with the Act and other Legal Requirements with regard to the collection of Delinquent Amounts, including but not limited to the requirements set forth in this <u>Article II</u>, <u>Section 2.1</u>, the Assessment liens created for Lots in Article XII of the Declaration may be foreclosed on or enforced according to the Declaration and by any means available at law or in equity.
- (k) <u>Notice to Lien Holders</u>. The Association may not foreclose an Assessment lien unless the Association has provided the required notice to any record lien holder on an Owner's Lot per the Act and provided such lien holder an opportunity to cure the Delinquent Amounts.
- (l) <u>Judicial Foreclosure Required</u>. The Association shall strictly follow the rules for expedited foreclosure proceedings of assessment liens adopted by the Texas Supreme Court, as may be amended.
- (m) <u>Notice to Owners and Military Servicemembers</u>. Owners who are military servicemembers may be afforded special protection in the event of foreclosure. In order to ensure that the Association affords such persons this protection and follows all applicable laws in addition to the Act related to defaulted Owners and foreclosure of real property, the Association will comply with the following provisions:

- 1. The Association shall strictly comply with the Act and Chapter 51 of the Texas Property Code, as amended, and deliver all notices and follow all procedures required therein as the same may apply to foreclosures resulting from Owners' failure to pay Delinquent Amounts.
- 2. Notices served upon Owners pursuant to Chapter 51.002(b)(3) and (d) of the Texas Property Code, (b)(3) (relating to a required written notice of sale) and (d) (relating to written notice that a debtor is in default), must state the name and address of the sender of the notice and contain the following statement in conspicuous, boldface or underlined type:
 Assert and protect your rights as a member of the armed forces of the United States. If you are or your spouse is serving on active military duty, including active military duty as a member of the Texas National Guard or the National Guard of another state or as a member of a reserve component of the armed forces of the United States, please send written notice of the active-duty military service to the sender of this notice immediately.
- 3. Pursuant to Chapter 51.015 of the Texas Property Code, foreclosure of an assessment lien created before the date on which a servicemember's active-duty military service commences may not be conducted during the military servicemember's period of active-duty military service or during the nine (9) months after the date on which that service period concludes unless the foreclosure is conducted under a court order or the military servicemember waived his or her rights pursuant to and in accordance with Chapter 51.015(e) of the Texas Property Code.
- (n) <u>Notification of Credit Bureau</u>. The Association may file a report on an Owner who has defaulted in his or her Assessment obligations and is delinquent in the payment of Assessments with one or more credit reporting services, subject to any restrictions set forth in the Act.
- (o) <u>Form of Payment</u>. The Association may require that payment of Delinquent Amounts be made only in the form of cashier's check or certified funds.
- (p) Partial and Conditioned Payment. Except as otherwise set forth in the Payment Plan, the Association (with respect to Assessments) may refuse to accept partial payment (i.e., less than the full amount due and payable) and payments to which the payor attaches conditions or directions contrary to the Board of Directors' policy for applying payments. The Association's endorsement and deposit of such payment do not constitute acceptance. Instead, acceptance by the Association occurs when the Association posts such payment to the Owner's account. If the Association does not accept such payment at that time, it will promptly refund such payment to the payor. A payment that is not refunded to the payor within thirty (30) days after being deposited by the Association may be deemed accepted. Except as otherwise set forth in the Payment Plan, if applicable, the acceptance by the Association of partial payment of Delinquent Amounts does not waive the Association's right to pursue or to continue pursuing its remedies for payment in full of all outstanding Delinquent Amounts or the Association's right to apply payments per the Act.
- (q) <u>Payment Notification of Credit Reporting Agency</u>. If the Association (with respect to an Assessment) receives full payment of Delinquent Amounts after reporting the defaulting Owner to a credit reporting service, the Association will report receipt of full payment to that credit reporting service.
- (r) <u>Waiver</u>. Properly levied collection costs, late fees, and interest may not be waived by the Board of Directors (with respect to Delinquent Amounts or other Assessments) unless, by a majority vote of the Directors, the Board determines that extraordinary circumstances warrant an adjustment to an Owner's account, in which case the adjustment must be described in detail in the minutes of the Board of Directors'

meeting or in a written consent executed by the requisite number of Directors pursuant to the Bylaws evidencing such decision of the Board. Because of the potential for inadvertently effecting a waiver of the provisions of this Delinquent Assessment Policy, the Board of Directors will exercise extreme caution in granting adjustments to any Owner's account.

- (s) <u>Effective Date of Delinquent Assessment Policy</u>. The Delinquent Assessment Policy contained in this <u>Article II</u>, <u>Section 2.1</u> will become effective upon recordation of these Rules.
- (t) <u>Amendment of Delinquent Assessment Policy</u>. These terms and conditions of the Delinquent Assessment Policy in this <u>Article II, Section 2.1</u> will remain in effect until the Association amends such policy in the same manner as required or permitted for an amendment to the Rules set forth in <u>Article I, Section 1.13(d)</u> of the Rules and records such amendment in the Real Property Records of the County.
- **Section 2.2** Fining Rules and Procedure. This Article II, Section 2.2 of the Rules shall be referred to as the "Fine Policy" of the Association and includes the policies and procedures for violations of the Residential Governing Documents and the levy of fines in connection with same. If the Act or any other Legal Requirement applicable to violations and fining by the Association is hereafter amended or changed, this Fine Policy shall be interpreted in a manner that conforms to the provisions of the Act or such other Legal Requirements.
- (a) <u>Policy</u>. The Association uses fines to discourage violations of the Residential Governing Documents and to encourage present and future compliance when a violation does occur. Fines are not intended to punish violators or generate revenue for the Association.
- (b) Owners Liable. An Owner is liable for fines levied by the Association for violations of the Residential Governing Documents, which include property damage caused to any portion of the Common Areas, Recreational Facilities, or Improvements thereon, subject to Section 15.16 and Section 15.17 of the Declaration, whether the Owner commits the violation or Occupants, guests, or other visitors of such Owner commit the violation. Regardless of who commits the violation, the Association will direct its communications to the Owner, although the Association may also send copies of its notices to the actual violators.
- (c) <u>Violation Notice</u>. Before levying a fine, the Association will deliver, by verified mail, as such term is defined in the Act, to the Owner a written violation notice that will contain the following content: (i) the date the violation notice is prepared; (ii) a description of the violation(s); (iii) a reference to the rule(s) or provision(s) of the Residential Governing Documents violated; (iv) a description of the action required to cure the violation(s) (if the violation is curable according to Section 209.006 of the Act) and a reasonable time period in which to cure; (v) the amount of the fine applicable to the violation(s) if not cured in the requisite time period; (vi) a statement that not later than the thirtieth (30th) day after the date of the violation notice, the Owner may request a hearing before the Board of Directors; and (vii) a statement that the Owner may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act (50 U.S.C. App. Section 501 et seq.), if the Owner is serving on active military duty.
- (d) <u>First Violation</u>. If the Owner was <u>not</u> given a proper violation notice and a reasonable opportunity to cure a similar violation within the preceding six (6) months, the violation notice will state a specific date by which the violation must be cured to avoid a fine <u>if</u> the violation is ongoing or continuous. If the violation is not ongoing but is instead sporadic or periodic, the notice must state that any future violation of the same rule may result in the levy of a fine.

- (e) <u>Repeat Violation</u>. In the case of a repeat violation, the violation notice will state that, because the Owner was given a violation notice and a reasonable opportunity to cure the same or substantially similar violation within the preceding six (6) months, the fine attaches from the date of the violation notice.
- Right to Hearing. An Owner may request in writing a hearing by the Board of Directors regarding an alleged breach of the Residential Governing Documents. The Board of Directors shall have ten (10) days after receiving the Owner's request for a hearing to give the Owner notice of the time, place, and date of the hearing. The hearing must be scheduled for a date within thirty (30) days from the date the Association receives the Owner's hearing request and should be scheduled to provide a reasonable opportunity for the Board of Directors and the Owner to attend. The Board or the Owner may request a postponement, and, if requested, a postponement shall be granted for a period of not more than ten (10) days. The Owner's request for a hearing suspends only the levy of a fine. Not later than ten (10) days before the Association holds a hearing, the Association shall provide to the Owner a packet containing all documents, photographs, and communications relating to the matter the Association intends to introduce at the hearing. If the documents, photographs, and communications are not provided, then the Owner is entitled to an automatic fifteen (15)-day postponement of the hearing. The hearing will be held in a closed or executive session of the Board, and the Owner or the Board may make an audio recording of the meeting. During the hearing, a member of the Board or the Association's designated representative shall first present the Association's case against the Owner. An Owner or the Owner's designated representative is entitled to present the Owner's information and issues relevant to the violation or dispute thereof, and the Board of Directors will consider the information and facts and circumstances surrounding the violation.
- (g) <u>Fine Amounts</u>. The Association may set fine amounts on a case-by-case basis, provided the fine is reasonable in light of the nature, frequency, and effects of the violation. The Association may establish schedules of fines for certain types of violations. The amount and cumulative total of a fine must be reasonable in consideration of the violation, and fine amounts should be uniform for similar violations of the Residential Governing Documents. Fine amounts and schedules of fines are not required to be recorded to be enforceable. Amounts charged to an Owner for property damage shall be subject to Section 15.16 and Section 15.17 of the Declaration.
- (h) <u>Type of Levy</u>. If the violation is ongoing or continuous, the fine may be levied periodically, but no more than once per month, after the violation notice was delivered for the first violation and the cure period therein expired. If the violation is not ongoing but is instead sporadic or periodic, the fine may be levied on a per-occurrence basis.
- (i) <u>Collection of Fines</u>. The Association is not entitled to collect a fine from an Owner to whom it has not given a violation notice and an opportunity to be heard according to this Fine Policy. The Association may not foreclose its Assessment lien on a debt consisting solely of fines. Except as expressly permitted by the Declaration or the Act, the Association may not charge interest or late fees for unpaid fines.
- (j) <u>Effective Date of Fine Policy</u>. The Fine Policy contained in this <u>Article II, Section 2.2</u> will become effective upon recordation of these Rules.
- (k) <u>Amendment of Fine Policy</u>. These terms and conditions of the Fine Policy in this <u>Article II</u>, <u>Section 2.2</u> will remain in effect until the Association amends such policy in the same manner as required or permitted for an amendment to the Rules set forth in <u>Article I</u>, <u>Section 1.13(d)</u> of the Rules and records such amendment in the Real Property Records of the County.

ARTICLE III Record Retention and Production Policies and Procedures

This <u>Article III</u> of the Rules shall be referred to as the "Records Policy" of the Association. If the Act or TNCL is hereafter amended or changed, this Records Policy shall be interpreted in a manner that conforms to the provisions of the Act or the TNCL, whichever is applicable with respect to books and records of property owner associations.

Section 3.1 Record Retention.

- (a) <u>Required Records</u>. Except as otherwise required by the Act, the Association will, at a minimum, retain the following Association Records, in the manner and for the length of time as follows:
 - (i) <u>Residential Governing Documents</u>—The Residential Governing Documents of the Association shall be kept permanently and may be kept in electronic format, in the Minute Book, and in any other suitable manner as determined by the Board.
 - (ii) <u>Financial Books and Records</u>—Financial books and records of the Association shall be retained for at least seven (7) years and may be kept in electronic format, in the Minute Book, and in any other suitable manner as determined by the Board.
 - (iii) Owner Account Records—Records of accounts of Owners shall be maintained by the Association for at least five (5) years and may be kept in electronic format and in any other suitable manner as determined by the Board.
 - (iv) <u>Lists</u>—Current lists of the names and addresses of Members, Board members, officers, and Architectural Control Committee or other committee members of the Association shall be maintained at all times by the Association and may be kept in electronic format, in the Minute Book, and in any other suitable manner as determined by the Board.
 - (v) <u>Contracts</u>—Contracts with a term of one (1) year or more shall be retained for at least four (4) years after the expiration of the contract term and may be kept in electronic format and in any other suitable manner as determined by the Board.
 - (vi) <u>Member and Board of Directors Meeting Minutes</u>—The meeting minutes of all Member and Board of Directors meetings shall be kept permanently and shall always be placed in the Minute Book. The Association may also keep meeting minutes in electronic format or in any other suitable manner as determined by the Board.
 - (vii) <u>Tax Returns</u>—Annual tax returns filed for the Association shall be retained for at least seven (7) years and may be kept in electronic format, in the Minute Book, and in any other suitable manner as determined by the Board.
 - (viii) <u>Architectural Control Committee</u>—Applications, approvals, variances, and other related documentation issued by the Architectural Control Committee shall be retained for at least five (5) years and may be kept in electronic format and in any other suitable manner as determined by the Board.
- (b) Other Records. The Association will maintain certain other documents and records as required and in the appropriate manner established by the TNCL or other Governmental Authority, as well as any other

Rules and Regulations for Indigo Residential Community Association, Inc. - 32

books and records of the Association required by the Residential Governing Documents and as the Board deems necessary.

Section 3.2 Requests for Record Inspection. The Association shall make the Association Records open and reasonably available for inspection at all times in accordance with the Act.

- (a) Requests. All requests to inspect and/or copy Association Records must 1) be in writing and signed by the requesting Owner or by a person designated in a writing signed by the Owner as the Owner's agent, 2) contain sufficient detail of the Association Records to be inspected, 3) be mailed by certified mail to the mailing address of the Association or other authorized representative as reflected on the most current management certificate filed of record for the Association, 4) elect to inspect the Association Records prior to obtaining copies or have the Association forward copies of the requested Association Records. The Association shall respond as appropriate to the Owner pursuant to the written request and in accordance with the Act on or before the tenth (10th) Business Day after the Association receives such request.
- (b) <u>Inspection Location</u>. If an inspection is required or requested, the inspection shall take place at a mutually agreed-upon time during normal business hours.

Section 3.3 Record Production and Costs.

- (a) <u>Delivery</u>. If an Owner identifies certain Association Records in its written request, and the Association is in possession, custody, or control of such records, the Association shall produce the requested Association Records on or before the tenth (10th) Business Day after the date the Association receives the request. If the Association is unable to produce the requested Association Records during such time period, then the Association must notify the requestor that the Association is unable to produce the information on or before the tenth (10th) Business Day after the date the Association received the written request (the "<u>Production Notice</u>") and set forth a date in the Production Notice by which the Association will send, or make available, the requested Association Records, which date shall not be later than the fifteenth (15th) Business Day after the date the Production Notice is given.
- (b) <u>Format</u>. The Association may produce requested Association Records in hard copy, electronic format that prohibits alteration of the documents, or another format reasonably available to the Association.
- (c) <u>Costs of Production</u>. The Association reserves the right to charge, and the Owner is responsible for paying charges, for the compilation, production, and reproduction of requested Association Records, including all reasonable costs for materials, labor, and overhead up to the maximum amounts set forth in Title 1, Section 70.3 of the Texas Administrative Code, as may be amended, a copy of which is attached to the Rules as <u>Exhibit A</u> and is incorporated herein by reference for all intents and purposes. The Association may require advance payment of estimated charges to produce Association Records pursuant to a written request, and any shortfalls or overpayments of such estimated charges versus the actual costs to produce shall be settled in accordance with the Act.
- (d) <u>Privacy</u>. Except as otherwise provided by the Act, the Association is not required to release or allow inspection of any Association Records that 1) identify the violation history of an Owner; 2) include an Owner's personal financial information, including any nonpayment of Assessments; or 3) provide information related to an employee of the Association, including personnel files. Information released in accordance with this Records Policy may be provided in a summary manner in order to protect the privacy of an Owner, and requested Association Records may be redacted to protect confidential, privileged, personal, or protected information that is not required to be disclosed by the Act. Notwithstanding the foregoing, the Association,

the Board, the Declarant, or any of their officers, directors, employees, agents, or representatives shall not be liable for damages to an Owner, or a third party, as the result of identity theft or other breach of privacy because of the failure to withhold or redact an Owner's information unless the failure to withhold or redact the information was intentional, willful, or grossly negligent.

(e) <u>Limitations on Use</u>. The Association Records provided to an Owner pursuant to this Records Policy may not be sold or used for any commercial purposes or any other purpose not directly related to an Owner's interest as a Member of the Association and as an Owner. The Association may bring an action against any person who violates this <u>Article III, Section (e)</u> for injunctive relief and for actual damages to the Association caused by such violations and may recover reasonable costs and expenses, including reasonable attorney's fees, in a successful action to enforce its rights hereunder.

Section 3.4 Other Matters for Records Policies.

- (a) <u>Effective Date of Records Policy</u>. The Records Policy contained in this <u>Article III</u> will become effective upon recordation of these Rules.
- (b) <u>Amendments to Records Policy</u>. These terms and conditions of the Records Policy in this <u>Article III</u> will remain in effect until the Association amends such policy in the same manner as required or permitted for an amendment to the Rules set forth in <u>Article I, Section 1.13(d)</u> of the Rules and records such amendment in the Real Property Records of the County.

[Remainder of Page Intentionally Left Blank – Signature Page to Follow.]

Adopted by the Board of Directors pursuant to that certain Consent in Lieu of an Organizational Meeting executed by the Board of Directors on June 24, 2022.

INDIGO RESIDENTIAL COMMUNITY ASSOCIATION, INC., a Texas nonprofit corporation

a Texas honprotit corporation

Clayton Gargett Secretar

THE STATE OF TEXAS

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COUNTY OF HARRIS

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This instrument was acknowledged before me on the day of January, 2023, by Clayton Garrett, Director and Secretary of the Board of Directors of INDIGO RESIDENTIAL COMMUNITY ASSOCIATION, INC., a Texas nonprofit corporation, on behalf of said corporation.

EMILY REED

Notary Public, State of Texas

Comm. Expires 03-02-2026

Notary ID 131473564

(SEAL)

Notary Public State of Texas

EXHIBIT A

TO

RULES AND REGULATIONS FOR INDIGO RESIDENTIAL COMMUNITY ASSOCIATION, INC.

COSTS FOR RECORD PRODUCTION UNDER THE RECORDS POLICY

Title 1, Section 70.3 of the Texas Administrative Code

The charges in this section to recover costs associated with providing copies of public information are based on estimated average costs to governmental bodies across the state. When actual costs are 25% higher than those used in these rules, governmental bodies other than agencies of the state may request an exemption in accordance with Section 70.4 of this title (relating to Requesting an Exemption).

Copy charge.

Standard paper copy. The charge for standard paper copies reproduced by means of an office machine copier or a computer printer is \$0.10 per page or part of a page. Each side that has recorded information is considered a page.

Nonstandard copy. The charges in this subsection are to cover the materials onto which information is copied and do not reflect any additional charges, including labor, that may be associated with a particular request. The charges for nonstandard copies are:

Diskette--\$1.00;

Magnetic tape--actual cost;

Data cartridge--actual cost;

Tape cartridge--actual cost;

Rewritable CD (CD-RW)--\$1.00;

Non-rewritable CD (CD-R)--\$1.00;

Digital video disc (DVD)--\$3.00;

JAZ drive--actual cost;

Other electronic media--actual cost;

VHS video cassette--\$2.50;

Audio cassette--\$1.00;

Oversize paper copy (e.g.: 11 inches by 17 inches, greenbar, bluebar, not including maps and photographs using specialty paper--See also §70.9 of this title)--\$.50; or

Specialty paper (e.g.: Mylar, blueprint, blueline, map, photographic--actual cost.

EXHIBIT A – Costs for Record Production under the Records Policy Rules and Regulations for Indigo Residential Community Association, Inc.

Labor charge for programming. If a particular request requires the services of a programmer in order to execute an existing program or to create a new program so that requested information may be accessed and copied, the governmental body may charge for the programmer's time.

The hourly charge for a programmer is \$28.50 an hour. Only programming services shall be charged at this hourly rate.

Governmental bodies that do not have in-house programming capabilities shall comply with requests in accordance with §552.231 of the Texas Government Code.

If the charge for providing a copy of public information includes costs of labor, a governmental body shall comply with the requirements of §552.261(b) of the Texas Government Code.

Labor charge for locating, compiling, manipulating data, and reproducing public information.

The charge for labor costs incurred in processing a request for public information is \$15 an hour. The labor charge includes the actual time to locate, compile, manipulate data, and reproduce the requested information.

A labor charge shall not be billed in connection with complying with requests that are for 50 or fewer pages of paper records, unless the documents to be copied are located in:

Two or more separate buildings that are not physically connected with each other; or

A remote storage facility.

A labor charge shall not be recovered for any time spent by an attorney, legal assistant, or any other person who reviews the requested information:

To determine whether the governmental body will raise any exceptions to disclosure of the requested information under the Texas Government Code, Subchapter C, Chapter 552; or

To research or prepare a request for a ruling by the attorney general's office pursuant to §552.301 of the Texas Government Code.

When confidential information pursuant to a mandatory exception of the Act is mixed with public information in the same page, a labor charge may be recovered for time spent to redact, blackout, or otherwise obscure confidential information in order to release the public information. A labor charge shall not be made for redacting confidential information for requests of 50 or fewer pages, unless the request also qualifies for a labor charge pursuant to Texas Government Code, §552.261(a)(1) or (2).

If the charge for providing a copy of public information includes costs of labor, a governmental body shall comply with the requirements of Texas Government Code, Chapter 552, §552.261(b).

For purposes of paragraph (2)(A) of this subsection, two buildings connected by a covered or open sidewalk, an elevated or underground passageway, or a similar facility, are not considered to be separate buildings.

Overhead charge.

Whenever any labor charge is applicable to a request, a governmental body may include in the charges direct and indirect costs, in addition to the specific labor charge. This overhead charge would cover such costs as depreciation of capital assets, rent, maintenance and repair, utilities, and administrative overhead. If a governmental body chooses to recover such costs, a charge shall be made in accordance with the methodology described in paragraph (3) of this subsection. Although an exact calculation of costs will vary, the use of a standard charge will avoid complication in calculating such costs and will provide uniformity for charges made statewide.

An overhead charge shall not be made for requests for copies of 50 or fewer pages of standard paper records unless the request also qualifies for a labor charge pursuant to Texas Government Code, §552.261(a)(1) or (2).

The overhead charge shall be computed at 20% of the charge made to cover any labor costs associated with a particular request. Example: if one hour of labor is used for a particular request, the formula would be as follows: Labor charge for locating, compiling, and reproducing, $$15.00 \times .20 = 3.00 ; or Programming labor charge, $$28.50 \times .20 = 5.70 . If a request requires one hour of labor charge for locating, compiling, and reproducing information (\$15.00 per hour); and one hour of programming labor charge (\$28.50 per hour), the combined overhead would be: $$15.00 + $28.50 = $43.50 \times .20 = 8.70 .

Microfiche and microfilm charge.

If a governmental body already has information that exists on microfiche or microfilm and has copies available for sale or distribution, the charge for a copy must not exceed the cost of its reproduction. If no copies of the requested microfiche or microfilm are available and the information on the microfiche or microfilm can be released in its entirety, the governmental body should make a copy of the microfiche or microfilm. The charge for a copy shall not exceed the cost of its reproduction. The Texas State Library and Archives Commission has the capacity to reproduce microfiche and microfilm for governmental bodies. Governmental bodies that do not have in-house capability to reproduce microfiche or microfilm are encouraged to contact the Texas State Library before having the reproduction made commercially.

If only a master copy of information in microfilm is maintained, the charge is \$.10 per page for standard size paper copies, plus any applicable labor and overhead charge for more than 50 copies.

Remote document retrieval charge.

Due to limited on-site capacity of storage documents, it is frequently necessary to store information that is not in current use in remote storage locations. Every effort should be made by governmental bodies to store current records on-site. State agencies are encouraged to store inactive or non-current records with the Texas State Library and Archives Commission. To the extent that the retrieval of documents results in a charge to comply with a request, it is permissible to recover costs of such services for requests that qualify for labor charges under current law.

If a governmental body has a contract with a commercial records storage company, whereby the private company charges a fee to locate, retrieve, deliver, and return to storage the needed record(s), no additional labor charge shall be factored in for time spent locating documents at the storage location by the private company's personnel. If after delivery to the governmental body, the boxes must still be searched for records that are responsive to the request, a labor charge is allowed according to subsection (d)(1) of this section.

Computer resource charge.

The computer resource charge is a utilization charge for computers based on the amortized cost of acquisition, lease, operation, and maintenance of computer resources, which might include, but is not limited to, some or all of the following: central processing units (CPUs), servers, disk drives, local area networks (LANs), printers, tape drives, other peripheral devices, communications devices, software, and system utilities.

These computer resource charges are not intended to substitute for cost recovery methodologies or charges made for purposes other than responding to public information requests.

The charges in this subsection are averages based on a survey of governmental bodies with a broad range of computer capabilities. Each governmental body using this cost recovery charge shall determine which category(ies) of computer system(s) used to fulfill the public information request most closely fits its existing system(s) and set its charge accordingly. Type of System--Rate: mainframe--\$10 per CPU minute; Midsize-\$1.50 per CPU minute; Client/Server--\$2.20 per clock hour; PC or LAN--\$1.00 per clock hour.

The charge made to recover the computer utilization cost is the actual time the computer takes to execute a particular program times the applicable rate. The CPU charge is not meant to apply to programming or printing time; rather it is solely to recover costs associated with the actual time required by the computer to execute a program. This time, called CPU time, can be read directly from the CPU clock, and most frequently will be a matter of seconds. If programming is required to comply with a particular request, the appropriate charge that may be recovered for programming time is set forth in subsection (d) of this section. No charge should be made for computer print-out time. Example: If a mainframe computer is used, and the processing time is 20 seconds, the charges would be as follows:

10/3 = 3.33; or $10/60 \times 20 = 3.33$.

A governmental body that does not have in-house computer capabilities shall comply with requests in accordance with the §552.231 of the Texas Government Code.

Miscellaneous supplies. The actual cost of miscellaneous supplies, such as labels, boxes, and other supplies used to produce the requested information, may be added to the total charge for public information.

Postal and shipping charges. Governmental bodies may add any related postal or shipping expenses which are necessary to transmit the reproduced information to the requesting party.

Sales tax. Pursuant to Office of the Comptroller of Public Accounts' rules sales tax shall not be added on charges for public information (34 TAC, Part 1, Chapter 3, Subchapter O, §3.341 and §3.342).

Miscellaneous charges: A governmental body that accepts payment by credit card for copies of public information and that is charged a "transaction fee" by the credit card company may recover that fee.

These charges are subject to periodic reevaluation and update.

EXHIBIT B

TO

RULES AND REGULATIONS FOR INDIGO RESIDENTIAL COMMUNITY ASSOCIATION, INC.

ARCHITECTURAL GUIDELINES FOR RESIDENTIAL PROPERTY

The following Architectural Guidelines apply to Owners, not to any Residential Builders, and include rules, guidelines, criteria, standards, and procedures regarding the architecture, design, standards, development, planning, and construction of Improvements on Lots in the Property, which may be amended from time to time. The Architectural Guidelines have been established by the Declarant for the Property pursuant to Article XII of the Declaration and other Residential Governing Documents. These Architectural Guidelines do not intend to include or have enforced, nor shall the Association, the Declarant, the Manager, the Board of Directors, the Architectural Control Committee (also called the ACC), and each of their respective successors, assigns, or Designees include in the future by amendment or supplement or enforce any provision in the Architectural Guidelines that would prohibit or restrict an Owner in any manner in violation of Chapter 202 of the Texas Property Code, entitled Construction and Enforcement of Restrictive Covenants, as amended. Capitalized terms not otherwise defined herein shall have the meanings for such terms set forth in the Rules and Regulations for Indigo Residential Community Association, Inc., to which these Architectural Guidelines are attached, as may be amended and supplemented from time to time (the "Residential Rules").

The term "Architectural Vision Book," as used in these Architectural Guidelines, means the initial design criteria and guidelines established by the Declarant applicable to the Property for the design, development, construction, and planning of Residences and other Improvements on Lots initially constructed by Residential Builders, as may be amended and supplemented. The term "Residential Landscape Guidelines," as used in these Architectural Guidelines, means the initial landscape design guidelines established by the Declarant applicable to the Property for landscaping and the permitted trees, shrubs, and plant materials for Lots and other portions of the Property initially installed by Residential Builders, as may be amended and supplemented. The Manager shall cause the most recent versions of the Architectural Vision Book and Residential Landscape Guidelines to be available for review by Owners on the website established by the Association for Owners for Residential Governing Documents as required by Section 207.006 of Chapter 207 of the Texas Property Code, as may be amended (the "Residential Community Website").

I. Procedural Matters Regarding Applications to and Approval by the ACC.

- A. Requirements. Per Section 12.1 of the Declaration, plans of an Owner, excluding the Declarant, for initial construction of any Improvements must first be submitted to and approved in writing by the Architectural Control Committee prior to the commencement of any work on such Improvements. The ACC may require other information to be submitted with applications as further described in these Architectural Guidelines. Forms that must be completed by Owners in connection with the application, review, and approval process will be made available on the Residential Community Website or otherwise provided by the Manager.
- B. <u>Submission of Plans</u>. The ACC may require that Owner applications be accompanied by the payment of fees for application processing. Plans required include, as applicable to the respective planned Improvements, the plot plans, drainage plans, elevation drawings, construction plans, specifications, and plans showing exterior design, height, materials, colors, the location of the proposed and existing Improvements (plotted horizontally and vertically), and a certification letter from the Owner's architect stating that such drawings, plans, and

specifications conform with these Architectural Guidelines, as well as such other materials and information as may be required by the ACC.

C. Other Requirements. The ACC may require the submission of additional plans, specifications, or other information before approving or disapproving any application. Until receipt by the ACC of all required materials in connection with the proposed Improvement to the Property, the ACC may postpone the review of any materials submitted. Additionally, if the applicant Owner is in default of any covenants, conditions, or restrictions imposed by the Declaration, Restrictive Covenants, or other Residential Governing Documents, any review shall be suspended until such default is cured to the satisfaction of the ACC, in its sole discretion. All contractors, builders, subcontractors, and other persons performing work on a Lot shall be required to carry insurance in the types, in the amounts, and per the requirements established by the Association or ACC, as applicable.

The ACC shall exercise its reasonable judgment to the end that all renovations, remodels, additions, and changes subject to regulation of the ACC comply with the requirements of the Declaration and the Architectural Guidelines. The ACC may approve any proposed Improvement to the Property if it deems in its reasonable discretion that the change to the Property meets the criteria set forth in the Declaration and the Architectural Guidelines.

D. Reply and Communication. Except during those times involving a force majeure or other catastrophic event where the review and approval process has been suspended by the Association or ACC, as applicable, within 30 days after the full completion of applications and submittals of all information requested and required by the ACC relating to a proposed Improvement, the ACC may respond to the Owner applicant in writing in one of the following ways: (1) approval as submitted, (2) approval with conditions, (3) deferral of action pending receipt and review of further information required by the ACC, or (4) disapproval. If no action is taken in the 30-day period, the ACC shall be deemed to have approved the application. Subject to the provisions of Article XII of the Declaration concerning the appeal rights of Owners, the decision of the ACC shall be final on all matters submitted.

All communications and submittals shall be addressed to the ACC in writing and submitted to the Management Office or such other address as the ACC may designate, which address(es) may be shown on the applicable ACC application form.

The ACC owes no duty to any Person, Owner, or Occupant other than the Owner applicant to provide, keep, or make available any information or documentation relating to any application, and any approvals granted by the ACC shall be granted solely for the benefit of the Owner applicant with respect to the application being approved and shall not be construed as an approval for any other Person, Owner, or Occupant planning to perform the same or similar type construction, architectural change, or other Improvement for which an application would be required according to Article XII of the Declaration and these Architectural Guidelines.

In the event the Architectural Control Committee denies the application of an Owner, a notice of denial must be delivered by certified mail, hand delivery, or electronic delivery to the respective Owner and must (a) include a detailed description of the basis of the denial and changes, if any, to the application or proposed Improvements required as a condition to approval; and (b) inform the Owner that they may request a hearing with the Board on or before

the 30th day after the date the denial notice was mailed to the Owner, as further described in Section 12.7 of the Declaration.

- E. <u>Variances</u>. Variances may be granted by the Declarant, the ACC, or the Board in certain circumstances to overcome practical difficulties and unnecessary hardships arising by reason of strict application of the Architectural Guidelines. Variances may be granted in accordance with Article I, Section 1.2(b) of the Residential Rules, but in no event shall any variance granted be injurious to one or more other Lots or any other portion of the Property or Common Areas or deviate substantially from the general intent and purpose of the Architectural Guidelines, Rules, or other Residential Governing Documents. No variance or adjustment granted by the ACC shall be deemed to apply to any Person, Improvement, Residence, or Lot other than the Owner, the Owner's Residence, and the Owner's Lot to which the variance applies. A variance granted to an Owner and such Owner's Lot does not obligate the ACC to grant the same or any similar variance to any other Owner or Lot.
- F. Notice of Completion; ACC Inspection. Upon completion of the ACC-approved Improvements to a Lot, the applicable Lot Owner shall give written notice of completion to the ACC. The ACC or its duly authorized representative shall have the right, but not the obligation, to inspect the completed Improvements, as well as to inspect any Improvement prior to its completion, provided that the right of inspection shall terminate 60 days after the ACC receives the notice of completion from the Owner.
- G. Obtaining Governmental Approvals; Compliance with Legal Requirements. In addition to the requisite approvals described herein and Article XII of the Declaration, prior to the commencement of any work on or construction of any Improvements, an Owner shall obtain all approvals and permits required by any Governmental Authority and shall comply with all applicable Legal Requirements throughout the performance of such work and construction until final completion, and final inspection by any Governmental Authority (if applicable), of all such Improvements.

II. Architectural Standards, Materials, and Requirements for Lot Improvements.

- A. <u>Residence Sizes</u>. The sizes of Residences shall be the same or substantially the same as the sizes established in the Architectural Vision Book.
- B. Exterior Materials and Specifications. The specifications for permitted materials used on exterior surfaces of Residences and other Improvements on Lots shall be the same or substantially the same as the exterior surface specifications set forth in the Architectural Vision Book.
- C. <u>Setback Requirements</u>. Setback requirements shall comply with the Plat and any other applicable Residential Governing Document. No Improvement shall be located on any Lot nearer to any side or rear property line, or nearer to any Property Road or Alley than as may be indicated on the Plat. No Improvement on a Lot, or any part thereof, shall encroach upon any utility easement.
- D. Roofs.

- i. Shingles. Each Owner may install shingles on the roof of such Owner's Residence and other related Improvements located upon the Lot that are designed primarily to
 - a. be wind and hail resistant;
 - b. provide heating and cooling efficiencies greater than those provided by customary composite shingles; and/or
 - c. provide solar generation capabilities.

Provided, however, such shingles, when installed, must visually be the same or substantially the same as the original shingles for Residences described in the Architectural Vision Book, must be of equal or superior quality to the shingles described in the Architectural Vision Book, and must match the aesthetics not only of the subject Residence but also the Residences on surrounding Lots.

- ii. Roof Maintenance. Roofs must be free from discoloration, missing generator shingles, and stains. Any roof which is substantially discolored, stained, or damaged shall require repair or replacement, whichever is appropriate and required, according to the Maintenance Responsibility Chart, these Architectural Guidelines, and any other applicable Residential Governing Documents.
- E. <u>Driveways</u>. Private driveways and Shared Driveways shall be maintained, repaired, and replaced to ensure such driveways remain the same or substantially the same as described in the Architectural Vision Book.
- F. <u>Air Conditioning Equipment</u>. Prior written approval by the Architectural Control Committee is required for all air conditioning equipment, including evaporative coolers (e.g., swamp coolers) and attic ventilators. No heating, air conditioning, air movement (e.g., swamp coolers), or refrigeration equipment shall be placed or installed on rooftops or extended from windows. Ground-mounted or exterior wall air conditioning equipment installed in the side yard must be installed in a manner to minimize visibility from adjacent Property Roads and private drives and any noise to adjacent Lots and must be screened or enclosed with like materials used on the Residence or with approved plant material.
- G. <u>SEG Screening</u>. Owners who desire to have a SEG installed on their Lot must first submit to the ACC the SEG specifications, including all Systems to be installed for the SEG and the licensed Contractor chosen to perform such installations, the proposed SEG screening and screening materials, and any other information as the ACC or Association may reasonably request or require in connection therewith (collectively, the "<u>SEG Plans</u>") to ensure compliance of the SEG and its installation with the Generator Policy described in <u>Article I, Section 1.6(c)</u> of the Residential Rules; provided, however, neither the ACC nor the Association shall be liable, and such parties' liability is expressly limited in connection with review of the SEG Plans, as further provided in Article XII and Article XV of the Declaration.

III. Landscaping and Landscape Materials; Exterior Improvements.

- A. <u>Landscaping Guidelines and Permitted Trees, Shrubs, Grass, and Plants</u>. The plants, trees, grass, and shrubs permitted on Lots, including those which may be utilized for drought-resistant landscaping pursuant to Section 202.007 of Chapter 202 of the Texas Property Code, are initially included in the Residential Landscape Guidelines; provided, however, the ACC may establish additional landscaping guidelines at any time and from time to time that the Association will adopt and record in the Real Property Records as an amendment or supplement to these Architectural Guidelines.
- B. <u>Decks</u>. No decks of any material shall be erected or installed on any Lot without prior written approval of the Architectural Control Committee. The deck must be constructed of wood or composite-type decking products approved by the Architectural Control Committee and may not be larger than one hundred fifty (150) square feet. The decking material must be either wood in color or of a color that matches one of the exterior paint colors or the masonry on the home. Maintenance-free (composite) decking products may be used if the decking material is either wood in color or of a color that matches one of the exterior paint colors or masonry on the Residence.
- C. Fencing. No chain link, chicken wire, other wire, or plastic fences will be permitted on any Lot. No fence or wall shall be erected on any Lot in front of the Residence. Except for perimeter walls and perimeter fencing located in the Common Areas and the Association-Maintained Fences described in the Declaration and depicted on Exhibit C to the Declaration, title to any wall or fence installed on a Lot shall pass to the Owner of such lot. Except for the Association-Maintained Fences, the Owner of the Lot upon which any fence or wall is located is responsible for maintaining, repairing, replacing, and upkeeping such fence or wall according to the Maintenance Responsibility Chart and Article VIII of the Declaration. Replacement fencing shall be the same or substantially the same as the original fencing installed on Lots and described in the Residential Landscape Guidelines or Architectural Vision Book, whichever is applicable, and any other fencing criteria and guidelines that may be established by the ACC and adopted and recorded by the Association in the Real Property Records as an amendment or supplement to these Architectural Guidelines (collectively, the "Fencing Standards"). Changes to or deviations from the Fencing Standards will require prior approval of the Architectural Control Committee.
- D. <u>Outdoor Cooking Equipment</u>. All barbecue grills, smokers, and outdoor cooking or heating equipment must be kept and maintained in the rear fence yard of a Lot or within an enclosed structure such as a garage and shall not be visible from the front yard areas surrounding a Residence. Installations of permanent outdoor barbecue grills, smokers, and outdoor cooking or outdoor kitchen areas must be approved in writing by the Architectural Control Committee prior to the commencement of any work, construction, or installation.
- E. Swimming Pools on Lots. No aboveground swimming pools shall be erected, constructed, or installed on any Lot. In-ground swimming pools and swimming pool enclosures must comply with applicable Legal Requirements in all respects, and the location of the swimming pool, pool equipment, and screening must be approved in advance in writing by the Architectural Control Committee prior to the commencement of any work, construction, or installation of the in-ground swimming pool.

- F. <u>Window Treatments</u>. No window in any Residence or other Improvement on a Lot that is visible from any other Lot, a Property Road, an Alley, or a private drive may be covered with aluminum foil or any other type of reflective material.
- H. Exterior Light Fixtures. All exterior lighting of any nature or kind to be installed on Lots and Improvements thereon shall be the same or substantially the same as the exterior lighting included in the Architectural Vision Book; otherwise, exterior lighting is subject to prior approval of the ACC. Exposed bulbs, plastic fixtures, and colored lighting are prohibited. Exterior lighting must not create a nuisance of any kind, including nuisances described in Article I. Section 1.4(h)(i) of the Residential Rules. The use of motion detector spotlights, highwattage spotlights or floodlights, or ballasted fixtures (sodium, mercury, multi-vapor, fluorescent, metal halide, etc.) is prohibited. All Lots are further subject to the requirements and rules established by the County under the Dark Skies Program, as may be amended.
- I. Construction Staging Requirements for Lots. Owners are prohibited from storing or placing construction materials, for any length of time, on Property Roads, Common Areas, or any portion of the Property outside of such Owner's Lot. Construction materials may be temporarily stored on a Lot during the conduct of such Owner's permitted construction activities, and upon the completion of such construction, the Owner shall promptly cause any remaining construction materials to be removed from the Lot. Construction materials permitted to be temporarily stored on a Lot must be stored in those locations not visible from any adjacent Property Roads and must be screened from view to adjacent Lots.
- J. Repair and Replacement. Subject to Article X and Article XII of the Declaration, in the event of a catastrophic event requiring substantial repair or replacement of a Residence, the design and construction for such repair or replacement must be consistent with applicable guidelines for the same type of Residence in the Architectural Vision Book and set forth in new plans and specifications, which must be submitted to the ACC for approval prior to the commencement of any work, including grading or construction, to occur in connection with the damaged Residence.