201600307184 DEDICATION 1/52

CERTIFICATE FOR RECORDATION OF DEDICATORY INSTRUMENT OF CAMBRIDGE CONDOMINIUM OWNERS ASSOCIATION

STATE OF TEXAS

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KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF DALLAS

WHEREAS, Section 202.006 of the Texas Property Code requires that "A property owners' association shall file its dedicatory instruments in the real property records of each county in which the property to which the dedicatory instrument relates is located."; and

WHEREAS, Cambridge Condominium Owners Association, Inc., a Texas nonprofit corporation (the "Association") desires to comply with Section 202.006 by filing of record in the real property records of Dallas County, Texas, the attached instrument; and

WHEREAS, the attached instrument constitutes a "dedicatory instrument" as defined by Section 202.001 of the Texas Property Code; and

WHEREAS, the Condominium Declaration for Cambridge Condominium, an addition to the City of Dallas, Texas recorded on October 10, 1980 as Document Number 198002010925, in Volume 80201, Page 0641 et seq., Real Property Records of Dallas County, Texas, as same has been amended and supplemented (the "Declaration") subjected to the scheme of development therein certain land described in Exhibit "A" thereto located in Dallas County, Texas;

WHEREAS, IT IS FURTHER RESOLVED that these Policies and Resolutions replace and supersede in all respects all prior policies and resolutions with respect to Rules and Regulations; Collection of Assessments by the Association; Inspection, Copying and Retention of Records; and adds a new policy for Camera Access.

NOW, THEREFORE, the undersigned authorized representative of the Association hereby executes this Certificate to effect the recording of the dedicatory instrument attached hereto on behalf of the Association, and this is to certify that the foregoing policies were adopted by the Board of Directors at a meeting of same on October 27, 2016, and has not been modified, rescinded or revoked.

[Signature page follows.]

EXECUTED this 27th day of October, 2016.

Cambridge Condominium Owners Association, Inc.

a Texas non-profit corporation

By:

Roselind Van Jahnke, Secretary

STATE OF TEXAS

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COUNTY OF DALLAS

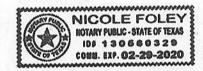
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This instrument was acknowledged before me on the 27th day of October, 2016, by Roselind Van Jahnke, Secretary of Cambridge Condominium Owners Association, Inc., a Texas non-profit corporation, on behalf of said corporation.

Notary Public, State of Texas

AFTER RECORDING RETURN TO:

Cambridge Condominium Owners Association, Inc. 5204 Village Creek, Suite 202 Plano, TX 75093



Cambridge Condominium Owners Association, Inc.

POLICIES, RULES & REGULATIONS

ADOPTED – EFFECTIVE DATE FEBRUARY 21, 2006 AMENDED – EFFECTIVE NOVEMBER 1, 2016

> Cambridge Condominium Owners Association, Inc. 11480 Audelia Road, Suite 200 Dallas, TX, 75243-9009 Phone: 214-343-0667

Fax: 214-343-0187

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General

- 1. Any person on becoming an Owner of a Condominium Unit ("Unit") shall automatically become a Member of the Association and shall be entitled to all rights and privileges of ownership and subject to all duties and responsibilities thereto. Owner is defined in the Condominium Declaration for Cambridge and refers to the person(s) or entity named as the Owner in the deed for the Unit.
- 2. Owners and their Unit's occupants or tenants, and guests or invitees of either, are subject to all of the requirements as set forth in the Condominium Declaration, the By-Laws, and the Community Policies, Rules, and Guidelines of the Association.
- 3. No Unit may be used for illegal or immoral purposes and Owners are fully responsible and liable for the conduct and action of their Unit's occupants and tenants and their guests or invitees.
- 4. The Association has the right to control the visual attractiveness of the property, including without limitation, the right to require Owners to eliminate objects which are visible from the Common Areas and which, in the Association's judgment, detract from the visual attractiveness of the property.
- 5. In the event the need for maintenance or repair is caused through the willful or negligent act, whether knowing or unknowing, of an Owner, his family, guests or invitees, or tenants, the cost of such maintenance shall be added to and become a part of the assessment to which such unit is subject.
- 6. Each Condominium Unit shall be used or leased by the Owner only as and for a residential dwelling for the Owner or his/her tenants. Operating a business or childcare service is strictly prohibited.
- 7. Each Owner shall comply with the provisions of the Declaration, the By-Laws, the Policies, Rules and Regulations, decisions, and resolutions of the Association adopted pursuant thereto, as the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for action by the Association to recover sums due for damages or for injunctive relief, or both, maintainable by the Association on behalf of the Owners.
- 8. As determined by the Board of Directors, a policy for fines for violation or noncompliance of the Owners, or their Unit's occupants or tenants, or the guests and invitees or either, with respect to The Declaration of Condominium, the By-Laws, and the Community Policies has been adopted by The Board of Directors and included herein.
- 9. Guest is defined as a person who is viewed, seen and/or witnessed as visiting a Unit for less than fourteen (14) consecutive calendar days. Anyone who is consistently viewed, seen and/or witnessed visiting the property as a guest for more than fourteen (14) consecutive calendar days will be considered a resident and subject to all residency requirements.

10. Right of Reasonable Access – In cases of fire and water emergencies, the Association shall be granted the right to enter a private residence.

Security Rules

The Association has no duty to provide security. While we have an access gate, controlled access buildings, and a courtesy patrol, this should not be mistaken for security. Unit occupants must assume that electronic or mechanical devices may malfunction from time to time. Each Owner, occupant, tenant, guest or invitee is responsible for his/her protection and safety and for that of their property. The Association is not an insurer or guarantor of the personal wellbeing or safety of an Owner, occupant, tenant, guest, or invitee. Each person should take whatever action he/she deems wise to guard against loss of property or threat of harm. It is to be expressly noted that none of our Community Policies or services constitute security. Each Owner should inform his/her tenants that the Association, its Board of Directors, committees and managements are not insurers and that each person using the property within the community assumes all risks for loss or damage to persons, to units, and to the contents of units resulting from acts of third parties. Proper and effective security requires the cooperation and attention of all residents.

- 1. GATE ACCESS AND CODES: Each Owner, occupant or tenant is responsible for acquiring an adequate number of gate entry clickers to properly enter through the front gate. Absolutely no tailgating is permitted to enter the property. Tailgating may result in gate and or automobile damage. Persons using unauthorized or improper entry procedures will be responsible for all damages incurred by such incidents. Properly identify persons seeking entry through the front gate or locked buildings. Do not permit strangers into the property or your building or allow them to follow you into the buildings. Door codes are strictly confidential and are for the sole use of Owners and residents. All guests and invitees are to use the call boxes at the front gate and lobby doors to gain entry onto the property and buildings.
- 2. EMERGENCY: Advise the police (911) and the office of any suspicious person or activity on the property. Please advise the police dispatcher of the building number and the gate entry code.
- 3. **KNOW YOUR NEIGHBORS**. Do not leave your vehicle unlocked. If you have T-tops or wheel covers, please, try to get your vehicle identification number or Texas driver's license etched onto, them. Do not leave your condominium unlocked while you go to the pool or the mailbox. While you are on vacation, stop delivery of your paper and mail, turn on your Unit alarm system, and have a neighbor check your unit. Report interior and exterior lights which are burned out to the office. Lock your deadbolt. If an unwanted solicitor knocks at your door, do not hesitate to call the police (911) and the-office. Climbing the outer perimeter (fences) is considered trespassing. It is recommended that each unit have:
 - · Keyless deadbolts on all entry doors
 - · Keyed deadbolts on all doors
 - Pinlocks on all sliding glass doors

· Doorviewers on all exterior doors

Occupants are requested to report common area lighting problems or hazardous conditions immediately to the Association's management company representative. The Association cannot and does not check exterior lighting on a daily basis. The Association generally must rely unit owners and residents to notify the Association's managing agent when lights are burned out or insufficient in some manner. Clever criminals can defeat almost any kind of crime deterrent. Unit occupants must assume that electronic or mechanical devices may malfunction from time to time.

Instructions in Case of Fire or Suspected Fire

- 1. Immediately call the Dallas Fire Department by dialing 911.
- 2. Activate a fire alarm box located at either end of each hallway. This will alert persons in the building. (Note: The fire alarm boxes DO NOT automatically notify the Fire Department.)
- 3. Call the office and page the manager.

Fire Equipment and Precautions

Alarm system: A fire extinguisher and alarm pulls are at the end of each hallway. The alarm system is activated by the smoke detectors in the hallway and by the alarm boxes at both ends of each hallway. The alarm system does not automatically notify the Fire Department. Call 911 to notify the Fire Department.

Kitchen: Your kitchen vent-a-hood should be cleaned periodically (once a month) to avoid a possible fire hazard. NEVER open your front door into the hallway to ventilate smoke from cooking or the fireplace. This will cause the alarm system to falsely activate.

Barbecue grills: Except for barbecue grills used in the designated picnic area, no exterior fires are permitted. Outside barbecue grills are available in the picnic area.

Individual equipment: Residents are required to maintain their units and patios within standard requirements of the city fire and health ordinances. Individual unit smoke alarms should be checked at least once per month to assure they are in working order.

Flammables and Explosives

The Dallas Fire Code prohibits the storage of flammable liquids in Units, except for maintenance purposes. There is to be no storage or use within a unit of any device fueled by a flammable liquid or gas for space heating or power generation. Storage of motorcycles in units, on patios, or under stairwells is prohibited. No fireworks may be stored or used anywhere on the property, according to Dallas City Ordinance.

Parking and Vehicular Regulations

- 1. Registration: All vehicles must be registered with the manager and must display an assigned parking sticker.
- 2. Speed: A speed limit of 10 miles per hour will be observed, unless posted differently.
- 3. Reserved parking: The carports and parking areas are for the sole use of owners and their tenants. Park only in your assigned parking space. Guests may not park in any covered parking space (except your own if you allow it). If you find another car in your assigned space, you may have it removed at its owner's expense by calling the towing company whose name is posted at various locations throughout the property. No parking at any time is allowed in fire lanes, dumpster pickup areas, and any other areas marked as "NO Parking." Violators will be subject to immediate towing at their expense without notice. Parking in handicapped spaces is reserved exclusively for vehicles with necessary plates and a current handicapped permit which identify the handicapped person.
- 4. Prohibited vehicles: All vehicles kept on the premises must be operable and maintained with current license and inspection sticker so as not to detract from the appearance of the property or present a hazard; otherwise, they will be considered illegally parked and removed at the Owner's expense. The only vehicles that may be kept on the property are those that can be parked entirely within the boundaries of a carport without damaging the carport or hanging over the fire lane. This means that the only permitted vehicles are private cars, private mini vans, private pick-up and panel trucks, private sport utility vehicles, and private cycles. The only exceptions to this policy are small commercial vehicles operated by residents, but these must always be parked in a covered carport, never in uncovered spaces, and boat trailers and other trailers may be kept only in the additional covered spaces that may be rented from the Association. This area is located on the west side of the tennis courts. Vehicles prohibited from being parked on the property at any time include, but are not limited to, buses, motor homes and other RV's, house trailers, eighteen wheelers, and other large commercial vehicles, tractors, and vehicles with more than two (2) axles. Any vehicle that is not used for an extended period of time should be parked away from heavily used areas.
- 5. Vehicle repair: Working on vehicles is permitted only for minor repairs, and only, on authorized vehicles of residents. Permitted activities include: checking tire pressure, checking fluid levels and adding small quantities of them, replacing flat tires, filters and emergency starting. Waxing of vehicles is permitted in assigned covered parking spaces only. Prohibited activities include: washing of any vehicle, engine repair and tune-ups, brake and transmission repairs, lubrication and changes of oil, transmission fluid, or coolant, body work and painting, any work on nonresident vehicles except emergency starting, or any other activity that would detract from the appearance of the property.
- 6. Gate access: Each Owner/Occupant will be responsible for acquiring an adequate number of gate entry clickers to properly enter through the front gate. (General rule:

A Clik Card for each vehicle, exceptions to be cleared with the manager). Absolutely NO TAILGATING is permitted to enter the property. Vehicles are not to use the exit side of the gate to enter at any time. (Automatic \$50.00 fine.) Violations may result in gate and/or automobile damage as well as fines being levied. Persons using unauthorized or improper entry procedures will be responsible for all damages incurred by such incident.

7. Towing: Vehicles parked in violation of these rules may be removed and stored without permission of the vehicle's owner or operator. Notice and removal shall be in accordance with state law. A unit Owner is liable for all costs of towing illegally parked vehicles of the unit Owner, his family, guests, or tenants. Any vehicle taking up more than one parking space can be removed without permission of the vehicles owner or operator.

Common Areas of the Property

The General Common Areas (i.e., the grounds, exterior walls, stairs, elevators, hallways, roofs, trees, and other landscaping) and the Limited Common Areas (i.e., the patios, balconies, storage closets, and covered spaces for each unit) are more particularly described in the Association Declaration. Specific declaration provisions govern the permissible uses and responsibilities for each common area. Owners and their tenants alike are charged with the knowledge of all provisions regulating conduct in these areas. No activities shall be carried on within these premises that interfere with the rights, comforts, and convenience of others, nor shall any alterations, improvements, or fixed conditions be maintained in these premises without the prior written consent of the Board of Directors. It shall be the responsibility of each owner or tenant to maintain the appearance, safety, and cleanliness of each Limited Common Area.

- Changes to common area: Should any owner or their unit's occupants or tenants
 make any unauthorized changes to any of the common elements, both limited and
 general, without the prior written approval of the Board of Directors, the Board may
 direct that the unauthorized changes be removed and/or corrected and the property
 returned to its original state. Please Note: patios and balconies are defined in the
 Declaration as a Limited Common Element.
- 2. Bicycles: No bicycles, scooters, shopping carts, or similar vehicles shall be left unattended anywhere on the property. Bicycling, skating, rollerblading, skateboarding, etc. is not permitted in any of the common areas (this includes driveways, parking areas, sidewalks, lobbies, hallways, stairwells, elevators, etc.)
- 3. Walkways: The City Fire Code provides that no articles or objects, including, but not limited to, children's toys and bicycles, shall be stored or placed in the walkways, stairwells, lobbies or hallways at any time.
- 4. Smoking: Smoking is not allowed in the lobbies, hallways, or elevators
- 5. *Play areas:* No resident or guest is allowed to play any game or sport anywhere on the property except in accordance with the rules described herein. Playing in the parking areas, driveways, hallways, elevators, or lobbies is not allowed.

6. Supervision of children: Children are to be supervised at all times by an adult who is responsible for their conduct.

Use of Common Area Utilities

Water from the outside faucets may not be used for car washing, construction or repair to individual units, or any other personal reasons. Common area faucets are for the use of the Association to maintain the common areas only. No resident may use the hallway outlets for his/her personal use. Water in the individual units must not be left running for an unreasonable or unnecessary length of time.

Swimming Pool Regulations

PLEASE NOTE: THE ASSOCIATION DOES NOT EMPLOY A LIFEGUARD AND ASSUMES NO RESPONSIBILITY FOR THE SAFETY OF ANY PERSONS USING THE POOL.

Parents and persons caring for children shall take extra care to make sure that their small children do not enter the pool and spa areas without an adult who can swim. Swimming pool rules are posted by the pool and are summarized below.

No lifeguard is on duty. Persons swim at their own risk.

No person under 12 may use pool or spa unless accompanied by an adult (a person over 18).

No pets or glass containers are permitted in the pool and spa areas.

Beverages containing alcohol are prohibited from the pool areas.

No diving, running, loud noises, or loud music are permitted.

No guest is allowed unless accompanied by the owner or tenant of a unit.

No more than four guests from a unit are permitted in the pool and spa areas at any one time unless prior written approval is obtained from the Board.

No private pool or spa parties are allowed. All residents may use the pool or spa anytime during normal hours of operation.

No walkways around the pool or spa may be obstructed by anyone.

No swimming is allowed before 9:00 a.m. or after 11:00 p.m.

All persons using the pools or hot tubs must be suitably dressed. No cutoffs allowed.

NEVER climb the fence or gates. Pool keys may be obtained by contacting the manager.

Contact the courtesy officer and/or the management office if persons using the pool are not abiding by the posted rules.

Pool furniture shall not be removed from the pool areas.

No one is allowed on the roof of the service building.

Use only plastic or paper containers in the pool areas. No glasses, bottles, or food are allowed. Cooking is prohibited in the pool areas. Barbecue grills are located in the picnic area by the tennis courts.

Leave the pool area clean! Pick up all trash and put it in the containers provided. Always close the gates securely and make certain it is latched behind you. Never prop the gate open.

Restrooms are provided at the pool area. Please leave them in a clean and orderly condition.

The owner will be held financially responsible for any damage or vandalism caused by himself/herself, tenants, or occupants, or by guests.

Tennis Court Regulations

The tennis courts are to be used exclusively for the playing of tennis. Football, baseball, basketball, volleyball, soccer, etc. are not allowed. Guests must be accompanied by a resident.

Skates, skateboards, bicycles, pets, and glass objects are not allowed on the courts.

Children under the age of twelve (12) must be accompanied by an adult while using the courts.

Only regulation tennis shoes may be worn on the playing surface.

Pulling and swinging on the nets and damaging the windscreen or their anchors are not allowed.

Owners will be responsible for any damages to the courts. (Also refer to the rules posted at the courts.)

Noises/Nuisances

TO REPORT NOISE AND DISTURBANCE VIOLATIONS, CONTACT THE PROPERTY COURTESY OFFICER AND/OR THE LOCAL POLICE DEPARTMENT (911).

1. Nuisances: No unsafe, noxious, offensive, or illegal activity, or odor is permitted on the property. No activity shall be conducted on the property which in the judgment of the Board of Directors might reasonably be considered as annoying to neighbors or ordinary sensibilities, or might be reasonably calculated to reduce the desirability of the property for quality of living. Violations will be subject to hearings before the Board of Directors and/or possible fines and other remedies. No exterior loudspeakers or flashing lights shall be allowed. No person may do anything that will increase insurance rates for the Property without the prior written consent of the Board or which may cause such improvements to the uninsurable or which may cause any policy to be canceled, suspended, or materially modified by the issuing company.

Stereos and televisions used in individual condominium units must be maintained at volume settings that do not annoy other residents. Be mindful that you live in a multifamily environment, and it is normal for some noises to carry from unit to unit. Please be considerate of your surrounding neighbors when using washers/dryers, vacuum cleaners, etc. during early and late hours.

- 2. Antennas and satellite dishes: The following antennas and satellite dishes are not permitted:
 - Antennas or dishes that only transmit signals;
 - Antennas or dishes that interfere with reception of video signals by other units:
 - Antennas or dishes located in common areas, common elements or unit entry areas; and
 - Dishes greater than one meter in diameter.

Unless prohibited above, an antenna or satellite dish may be installed only: (1) inside a living area of a unit; or (2) outside on a patio or balcony. Such installation is allowed only if the plans and specifications for locations, attachment, safety, and screening are approved in writing by the Board of Directors for compliance with the following standards:

The antenna or satellite dish must:

- Be properly bolted and secured to the concrete or wood desk, patio, or balcony which is either part of the unit or a limited common element to which the unit owner has exclusive use;
- Be screened by a fence, walls, landscaping, or potted plants to the greatest extent reasonably possible, in order to prevent the antenna or dish from being seen from any street, common area, or other unit; and
- Be located, within reason, in the least visible place on the least visible balcony, desk, or patio of the unit.

The association is not responsible for the maintenance or repair of any satellite dish or antenna—even if it is attached to a limited common element. The unit owner is liable for all damages to association property, personal property, animals, and persons caused by the owner's installation of an antenna or dish. The unit owner is responsible for restoring any limited common element to its pre-antenna/dish installation status upon removal of the antenna or dish.

These location, installation, and screening requirements are based on aesthetics, non-interference with reception by neighbors, preservation of property values, and safety, including avoidance of injury or property damage from improperly installed or otherwise dangerous antennas or dishes.

Moving

1. Permitted times: In consideration of your neighbors, moving into or out of any unit should not start before 8:00 a.m. and must be concluded by 9:00 p.m.

- 2. Damage: Owners and tenants must take extreme care in moving into and out of the community. The Association will repair any damage to the common areas of the property caused by an owner, their guests, or visitors at the expense of the owner.
- 3. Moving vehicles: Large vehicles used in moving that require more than one parking space will not be allowed to stay on the property overnight or for any extended period of time. Any vehicle found in violation is subject to be towed from the premises at the owners' expense.
- 4. *Trash:* Large boxes and moving materials are to be broken down so as not to block trash chutes and dumpsters. All trash must be disposed of in the trash chutes or the dumpsters. Boxes and moving materials are not to be left in the hallways, trash rooms, or next to dumpsters at any time.

Trash

- 1. Disposal: There are trash dumpsters located at the end of each hallway. Use these dumpsters for all trash and garbage. The Board of Directors and the Association Property Manager deem items (a), (g) and (j) below of special importance to the appearance, health, safety, and operation of the community. Violation of these particular items will result in the Unit Owner receiving an AUTOMATIC/INSTANT fine for the violation. If such violations continue by the Occupants of a Unit, the Board will have the discretion to increase the dollar amount of the fine for each new violation. In addition to fining the Unit Owner, the Association shall also have the discretion to have the items properly removed and charge the costs for such removal to the Unit Owner and/or the occupant.
 - a. If the dumpster is full, <u>wait</u> to dispose of your trash until it has been emptied. <u>Under no circumstances</u> should any trash, including moving boxes, be stacked or placed next to the dumpster. Do not leave trash in the trash chute closets.
 - b. During holidays, please cooperate by crushing boxes and compacting your trash so as not to overfill the dumpsters.
 - c. Odorous (smelly) materials MUST be placed in plastic bags and firmly secured.
 - d. All trash is to be firmly and properly secured before placing in the trash chutes and dumpsters. Loose trash and garbage is strictly prohibited.
 - e. Keep the trash chutes and dumpster doors closed at all times.
 - f. All trash, including papers and magazines, must be properly bagged before placing in the dumpster or trash chute in each building.
 - g. No trash or refuse is to be left in the hallways, elevators, lobbies, stairwells, or on the grounds at any time.
 - h. Fireplace and cooking coals and ashes must be checked carefully to ensure they are completely out before placing them in the dumpster or trash chute.
 - i. Lobby wastebaskets may not be used for household refuse.

- j. No furniture, appliances, or similar large items may be placed in the dumpsters, hallways, stairwells, or anywhere on the property. Each individual owner, occupant, or tenant must arrange separate disposal of these items.
- 2. Dumpster emptying: The dumpsters are wheeled out of the first floor dumpster closets for emptying four times per week. Do not place trash down the trash chutes while the dumpster is wheeled out.

Pets

General rules: Dogs, cats, fish, birds, and other animals may be kept in accordance with Dallas City Code.

Pets are not allowed in or near the pool or tennis areas and may not exceed 25 pounds in weight full grown, except for guide animals for disabled persons.

Animals may not make excessive noise.

Animals may not be bred for commercial purposes.

Animals, except cats, must be kept on a leash when outside a unit and may only be walked in designated areas on the property. Leashes may not be tied to objects and must be held by a person who can control the animal at all times.

Animals may not be left alone outside a unit or alone on a patio.

Used cat litter must be disposed of only in closed bags in the trash dumpsters

Owners must keep their units in a sanitary condition and free from fleas, pet parasites, and noxious odors.

Condominium unit owners shall be liable for damage caused to common elements by pets of the owner or the owner's tenants, or guests.

The condominium owner and the owner's tenants and guests shall be responsible for immediate removal of pet defecation from common areas.

The Association may require permanent removal of any pet when the pet or its owner has repeatedly violated these rules or the pet has become objectionable in the opinion of the Board.

No sod or pet waste is to be left on patio's. Pet waste may not be thrown from the patios or balconies. It may not be swept or flushed from patios or balconies onto landscaping, grass, sidewalks, or drives.

Pets are to be walked only in designated areas on the property. Signs are posted throughout the property for this purpose.

Pets are not to be left on the patios or balconies during times when occupants are not home to supervise them.

In order to prevent Association and/or Personal property damage along with controlling pest and rodent infestation, the Association does not participate with Animal Rescue or Feral Cat programs. Individual resident owners are welcome to personally register with

animal adoption programs and formally notify the Association. Program participation must be formally documented and updates must be provided in writing on a monthly basis to the Property Manager along with a progress schedule. Otherwise, animals residing in the common areas of the property are subject to removal by the Association.

Residents are prohibited from providing food to any animals, regardless of domestic or feral description, in the common areas. As this is considered a health risk, an immediate fine will be imposed per violation.

Maintenance

- 1. General: The Association is responsible only for maintaining the original structure and common area equipment, and not for any alterations or additions in the individual condominium units. Maintenance responsibilities of the Association are outlined in the Declaration and Bylaws. A copy of these documents is available from the manager.
- 2. MAINTENANCE RESPONSIBILITIES OF OWNERS (partial list):
 - Tenants are to report any non-emergency maintenance problems to their unit owner. The unit owner then may request repairs that are the Association's responsibility.
 - Interior walls, ceilings, floor covering, electrical, hardware, appliances, etc. (including damage caused by external forces).
 - Patios and balconies (except damage to wood and screens due to weathering).
 - Plumbing serving only one unit or more than one but less than all units (including faucet leaks, washers, running commodes, stopped up toilets, water heaters, etc.).
 - Lighting in interiors.
 - Interior decorating.
 - Anything that results from misuse or negligence by the residents or any guests.

Malicious or intentional damage to patio screens requiring replacement will result in an automatic \$150 assessment to the owner.

- 3. Association access to units: No maintenance personnel shall enter any unit without prior knowledge and consent of the owner, except in an emergency. In case of an emergency and access is not available, the homeowner will be billed for the costs incurred by the Association to gain entry.
- 4. Insurance: To establish responsibility for payment for repairs of damages in or to individual condominium units regardless of cause, the Board of Directors has established this policy: THE ASSOCIATION WILL REPAIR THE DAMAGE ONLY WHEN IT IS COVERED BY THE ASSOCIATION'S COMMON INSURANCE.
- 5. Leaks: An owner shall be strictly liable, regardless of fault, for any damages anywhere by water leaks from the owner's dishwashers, bathtubs, showers, commodes, sinks, aquariums, waterbeds, washing machines, water heaters, and water furniture.

Plumbing Problems

- 1. *Maintenance*: Each individual unit owner is responsible for maintaining the plumbing in his/her unit. Tenants should report plumbing problems to their landlord or the agent representing their landlord.
- 2. Stoppages: In the event that toilets or tubs do not drain, check with your neighbors to see if they have a stoppage. If they do, call the management office to see if there is a result of a system problem. If the problem is in your unit only, contact a plumber or the party who can authorize a plumber to be called.
- 3. Sewer system: Only toilet paper and natural matter are to be flushed through the sewer system. Paper and fabric products other than toilet paper will not effectively dissolve. Any food flushed through the garbage disposal should have an ample amount of water to allow it to completely carry the matter into the mainline. Remember that you are sharing a sewer system with a neighbor and, consequently, it is much more prone to have a stoppage if the necessary care and precautions are not followed.

Insurance

The Association insures the buildings and common areas against loss by fire, windstorm, hail, and other perils. The Association carries liability insurance on all common areas as defined in the homeowner's documents. The Association does not insure residents' personal property against fire, theft, water damage, mysterious disappearances, vandalism, or malicious mischief, whether this property is locked in a condominium unit or in the common areas. The Association does not assume the risk or carry liability insurance for accidents than occur inside a condominium unit. A more detailed explanation of the insurance policy of the Association is available from the management office. Every resident is encouraged to obtain a comprehensive personal property and liability policy for his/her protection.

Regulations for Patios and Balconies

- 1. Only the following items are allowed on patios and balconies:
 - · Plants and hanging baskets of plants and flowers
 - Windsocks
 - Customary patio furniture
 - Outdoor carpeting
 - Temporary electrical holiday lighting (candles are not allowed)
 - Outdoor cooking, safely, without excessive smoke or flame
 - Firewood (neatly stacked)
- 2. No clothing or other linens may be hung from balconies. Nothing shall be hung, shaken, swept, or thrown from windows, balconies, or patios of the condominium units.

Other Regulations for Exteriors

- 1. Signs: No signs or advertisements shall be inscribed or exposed on or at any window or other part of the building, nor shall anything be projected out of any window or patio/balcony of the building.
- 2. Window coverings: All window and door shades, blinds, curtains, or drapes shall be of a white neutral shade that does not detract from the overall appearance of the property. No hanging of coverings such as bed linens, table linens, plastic trash bags, newspapers, aluminum foil or towels is allowed. Window fans are prohibited.
- 3. *General:* Pets are not to be left unattended on the patios or balconies. In placing articles on your patio or balcony, take precautions against high winds. Take measures to tape down or otherwise secure glass or glass top tables. Residents shall be responsible for all damage or injury caused to their own property.

Construction Alterations

- 1. Prior approval required: No permission for exterior alterations, including awnings, lighting, or other improvements will be granted unless the aesthetic and engineering parameters of the proposal are approved in writing by the Board of Directors. A set of plans showing all interior structural modifications of any condominium unit must be presented to the Board of Directors in writing for review before any such modifications are made. The modifications must then be made only according to the plans as approved by the Board. No supplementary air conditioning or heating systems may be installed without the written approval of the Board. No one shall make any repairs, alterations, modifications, or innovations to the air conditioning, electrical system, water system, within his/her condominium unit, or to any structure, service facility, or any other common appurtenance than might adversely affect other residents, unless such work is previously authorized by the Board in writing and is conducted under the direct supervision of the Association. Any unauthorized work affecting the common interest and deemed hazardous in any way will be corrected by the Association at the Owner's expense.
- 2. Construction and remodeling: In remodeling units, fire retardant materials must be used in all walls. All materials and work must be city code approved and authorized in writing by the Association. No tools belonging to the Association and no space in the common areas of the property may be used by either the owner or the contractor hired by the owner for remodeling projects. All such work must be done inside the condominium unit or off the premises. All work must be done between 8:00 a.m. and 5:00 p.m. The owner having the work done is legally responsible for keeping all areas clean. If the Association has to spend any time cleaning because of work done by the contractor, the owner will be fully charged, including all overtime pay, if any. Arrangements to use the trash bins by the contractor must be made with the property manager so that a charge can be made accordingly, or the owner will be charged for the full use of the bin.

Mailboxes

A mailbox for each unit is located at the entrance to the lobby for each building. Any damage, defacement, or alterations to these boxes will result in fines to the offending party. Keys and locks for each mailbox are the responsibility of each Owner and Tenant.

Pickups and Deliveries

Each resident must make his or her own arrangements for all pickup, deliveries, maid services, cable T.V., telephone, repair services, etc. THE ASSOCIATION WILL NOT ACCEPT DELIVERIES OR BE RESPONSIBLE FOR ADMITTING ANY OF THE ABOVE ONTO THE PROPERTY FOR RESIDENTS. Cambridge Park is a residential community. Traffic generated by commercial activities including, but not limited to, the buying or selling of goods is strictly prohibited.

Sale or Lease of Condominium Units

- 1. Documentation and information to be furnished: Not later than thirty (30) days after a unit owner acquires the unit, the owner must provide the Association with proof of ownership, the unit owner's mailing address, telephone number, and driver's license number, if any, the name and telephone number of any person occupying the unit other than the unit owner, the name, address, and telephone number of any person managing the unit as agent of the unit owner (the "Owner's Unit Manager"). This information is required by the Texas Uniform Condominium Act, Section 82.114(e). A unit owner must notify the Association not later than thirty (30) days after the date the owner has notice of change in any information required in this paragraph 2 and shall provide the information on request by the Association from time to time. The Association will not recognize the new unit owner if the information is not provided and the new unit owner will not be able to vote at any Association meetings. The Texas Uniform Condominium Act imposes specific obligations on a unit owner when selling the unit. Those obligations relate to documentation which must be furnished to the purchaser. The Act should be consulted by an owner before selling the unit. The purchaser of the unit may be liable for any delinquent sums owed by the selling unit owner to the Association.
- 2. Leasing: Requirements for an Owner to lease or rent his/her Unit are addressed in the Association's Leasing Rules which are attached hereto as Exhibit "A" and incorporated by reference as being a part of these Policies, Rules & Regulations.
- 3. Fees at Time of Sale: A working capital contribution of \$250 shall be due from the Owner who is selling the Unit and payable to the Association at the time of closing on the sale of a Unit. A new owner transfer fee of \$125.00 is due from the selling owner to the Association on/before the closing date of selling any unit. The new occupant change fee of \$10.00 is due to the Association upon any change of Owner/Occupant information. Owner/Resident Information Forms are available in your lobby area or from the manager.

Right of Reasonable Access

The Association has the right of reasonable access to any unit to protect or repair other units or the Common Property. Any owner failing to provide reasonable access may be held responsible for any Association expenses incurred in gaining emergency access.

Miscellaneous

- 1. Garage sales: No "garage sale" type sales are permitted on the premises. (This is to keep strangers from wandering the property.)
- 2. Freezers: A resident is allowed to install and use a deep-freezer, provided the resident pays for any necessary electrical wiring required by the City of Dallas Code.
- 3. Community information: The lobby bulletin boards are for the exclusive use of the residents and the Association. No commercial material is allowed. There is a Community Information Center located next to the office. You may obtain information of common interest and concern from this area.
- 4. Electrical service: All unoccupied units must have electrical service from November 15 to April 15, and the temperature of said units must be maintained at a minimum 55 degrees F, during that period to prevent damage to the plumbing, as required by our insurance policy.
- 5. Additional parking and storage: There are additional storage and parking spaces available at an extra charge. Contact the office for availability and locations.
- 6. *Play areas:* Running, roller skating, roller blading, or playing in the hallways or lobbies is not allowed. Playing in the parking areas, driveways, or climbing around patios or equipment areas is prohibited.
- 7. Businesses: Operating a business or childcare service on the property is prohibited.
- 8. *Pest Control*: The Association does not have responsibilities for pest control inside units. However, the Association shall have the right to enter and exterminate an owner's unit, at the owner's expense, if the Owner's failure to control pests inside his unit is adversely affecting other units.
- 9. Criminal acts: While on the Condominium Property, no person may violate any criminal laws, health codes, or other applicable laws. No tampering with water, lighting, sprinklers, pool equipment, or other Common Elements. Such act will be deemed a violation of the Association's restrictions, policies, and rules.
- 10. Eviction: See the Leasing Rules attached hereto as Exhibit "A".

Rules Applicable Primarily to Owners

1. Assessments: Assessment payments are due on the first day of each month. Late fees will be charged if payments are not made by the 15th of the month and will also be charged for each subsequent month that balance is outstanding. The charge for late payment of monies to the Association shall be a \$40.00 up to \$50.00 per month

- charged on unpaid balances, plus any handling costs. This is to cover the administrative cost, hassle, and overhead of collection (excluding attorney's fees).
- 2. No assessment items first: Any monies received by the Association will be applied first to non-assessment obligations (such as late charges, returned check charges, fines, damages, etc.) Then to current assessments owed regardless of notations on checks.
- 3. Hot checks and other fees: The charge for returned checks is \$25.00 plus any late fees due to the Association, plus bank charges incurred by the Association. The Board may recover from any unit owner attorney's fees, court costs, or other expenses incurred by the Association in collecting monies, preparing or recording lien notices, foreclosure liens, prosecuting lawsuits, and otherwise enforcing the Declaration, Bylaws, Community Policies, or other laws against the owner and the owner's family, guests, or tenants.

Fines and Charges

- 1. Fines: The Board may assess fines against an owner for violations of restrictions or standards of conduct contained in the Declaration or Association Rules which have been committed by an owner, and occupant or the owner's unit, or the owner or occupant's family, guest, employees, contractors, agents, tenants, or invitees. Each day of violation may be considered a separate violation if the violation continues after written notice to the owner.
- Damages: The Board may assess damage charges against an owner for pecuniary loss to the Association from property damage or destruction of common areas, common elements, or common facilities by the owner or the owner's family, guests, agents, occupants, or tenants.
- 3. Notices: The Association manager shall have authority to send notices to alleged violators, informing them of their violations and asking them to comply with the Rules and/or informing them of potential or probable fines or damage assessments. The Board may from time to time adopt a schedule of fines for minor or recurring violations, but the Board may vary the fine depending on the special circumstances of each case.
- 4. *Procedure:* Unless otherwise stated herein, such as automatic/instant fines for certain trash violations, the procedure for assessment of fines will be as follows:
 - FIRST OFFENSE: A written warning to the unit owner. The warning must describe the violation or damage, time frame to correct the violation and the amount of the possible fine or the damage. Warnings shall not be necessary for damage charges. Owners are responsible for all damages caused by themselves, their occupants, tenants, or guests.
 - SECOND OFFENSE: Written notice with an automatic fine assessed to the owners account in the amount of \$100.00 made payable to the Association.

- THIRD OFFENSE (AND ALL SUCCESSIVE OFFENSES): Written notice with an automatic fine of at least \$250.00 made payable to the Association.
- RIGHT OF APPEAL: Each owner assessed or penalized for any infraction of these Policies and Guidelines, for violation(s) of the Declaration or the Bylaws of the Association, is entitled to appear in person before the Board of Directors at any regularly schedules meeting thereof. Within thirty (30) days, the owner has the right to request a review of any prior action taken by the Board with regard to his or her particular unit, or to address the Board with any evidence contrary to that upon which the Board's prior decision was based. Request to appear must be in writing and presented to the Board, through the Cambridge Park office, at least seventy-two (72) hours before the Board meeting at which the owner wishes to appear.
- 5. Due date: Fine and/or damage charges are due immediately after the expiration of the 30 day period for requesting a hearing or if a hearing is requested, such fines or damage charges shall be due immediately after the Board's decision at such hearing, assuming that a fine or damage charge of some amount is confirmed by the Board at such hearing.
- Board's right to amend procedures: The Board reserves the right to amend these
 procedures without notice on a case-by-case basis for occurrences within the Board's
 sole discretion are egregious.

Landlord & Investors (LI)

See the Leasing Rules attached hereto as Exhibit "A".

The Management for Cambridge Condominiums and Association Board of Directors are striving to provide a safe, inviting place to live for all residents and to keep property values high. Historically, LIs have not been enforcing the rules & regulations against the LI's tenants, and many LIs appear to placing anyone in these Units with no accountability. NO MORE. ACCOUNTABILITY begins with the adoption of these Rules.

APPROVED on October 27, 2016

[EXHIBIT(S) BEGIN ON NEXT PAGE]

EXHIBIT "A"

LEASING RULES

Article V, Section 5.3(b) of the Association Bylaws and Section 82.102(a) of the Texas Uniform Condominium Act (Texas law) authorize the Board of Directors to adopt rules regulating the occupancy and leasing of Units located in the Cambridge Condominiums community.

- 1. Purpose. The Board of Directors deem it necessary, and in the best interests of the Association and its Members, to adopt and enforce the following rules, policies, and procedures governing the leasing (rental) of Units in order to protect, among other things, the equity of the individual Unit Owners, to preserve the character and desirability of Cambridge Condominiums as a single-family residential condominium community, to preserve the quality of life of the residents, to address the obligations of non-Owner residents, and to promote the leasing and/or occupancy of Units by responsible individuals. Occupants living in a leased Unit are welcomed but are expected to meet the same standards of conduct and courtesy as Owners who reside in their Unit. The following rules, policies, and procedures are to be known as the Association's "Leasing Rules" and are intended to supplement and clarify existing restrictions set forth in the Declaration and the Bylaws.
- 2. **Definitions.** Unless otherwise stated in these Leasing Rules, capitalized terms have the same meaning as used in the Declaration. The following terms have the meanings specified below when used in these Leasing Rules.
 - a. "Leasing" is defined as the regular and exclusive occupancy of a Condominium Unit by any person other than the Unit Owner for which the Owner, or a representative of the Owner, receives any consideration or benefit, including, but not limited to, money, a service, or a gratuity. Leasing shall be considered the same as "renting." A "lease-to-purchase" agreement is considered a lease governed by these Leasing Rules and by the Association's other Governing Documents. If a Unit is owned by a trust and the beneficiary of the trust is living in the Unit, that Unit is considered Owner-occupied rather than leased.
 - b. "Lease" when capitalized in these Leasing Rules refers to the leasing or rental agreement between the Unit Owner and the person(s) who is leasing/renting the Unit. These Leasing Rules require that such an agreement be in writing and signed by the Unit Owner and the person(s) who will be leasing/renting the Unit.

- c. "Lessee" refers to the person(s) or entity with whom the Unit Owner has a lease or rental agreement. A Lessee who occupies the Unit is also a Tenant.
- d. "Occupant" is defined in the Declaration as a person or persons in possession of a Unit, regardless of whether the person is a Unit Owner. For purposes of these Leasing Rules, Occupant also includes anyone who lives in (occupies) the Unit. Occupant and Tenant are the same for purposes of these Leasing Rules.
- e. "Tenant" also refers to the person(s) who occupy the Unit, to include the Lessee. Tenant and Occupant are the same for purposes of these Leasing Rules. Tenant is more commonly used to refer to someone who occupies a Unit under a lease/rental agreement. There may be more Tenants/Occupants than just the Lessee.
- f. "Governing Documents" means the Declaration, the Bylaws, the Articles of Incorporation, the Policies, Rules and Regulations adopted by the Board of Directors, all of which govern Cambridge Condominiums, to include any duly adopted amendments or supplements to the foregoing documents.
- g. "Owner's Unit Manager" refers to the person or business entity that a Unit Owner might choose to retain to manage the Unit(s) that Owner leases. For purposes of these Leasing Rules, an Owner's Unit Manager does not mean the same as someone who has legal power of attorney to act on behalf of the Unit Owner for all Association matters concerning the Owner's Unit. See Paragraph 16 of these Leasing Rules.

3. Leasing Restrictions Generally.

- a. An Owner may lease his/her Unit so long as doing so complies with these Leasing Rules and with the Association's other Governing Documents.
- b. All leases must be for an initial term of not less than twelve (12) months.
- c. Units cannot be rented for short-term hotel or transient purposes, which is defined as a period of less than thirty (30) days and which includes such short-term rental provided through online Internet services such as Airbnb. For example, Units cannot be rented for a weekend or for a week. Units are intended for use as a primary residence.
- d. Units must be leased in their entirety. Individual rooms, such as individual bedrooms, may not be leased separately. See Paragraph 4 below regarding Occupancy.

- e. Units cannot be "subleased," which means that the Lessee or any other Tenant cannot lease or rent the Unit to another person. Only leases executed by the Unit Owner and a Lessee will be deemed valid.
- f. The Lessee named in the lease must reside in the Unit. By way of example, a parent may not lease a Unit so that it can be occupied by the parent's child, even if the child is an adult.
- g. All leases MUST BE IN WRITING AND A COPY MUST BE PROVIDED TO THE ASSOCIATION PROPERTY MANAGER before the Lessee and any other Tenants of the Unit move in. See Paragraph 5 below.
- h. The Unit Owner shall be the primary contact for matters concerning the Unit and is the party responsible for the conduct of the Unit's Occupants.
 - All correspondence from the Association regarding the Unit and/or its Occupants will be sent to the Unit Owner at the Owner's address that is on file with the Association.
 - ii. Failure of the Tenant or the Owner's Unit Manager (if any) to inform the Owner of information or actions taken by the Association with regard to the Unit or any matter of common concern, will <u>not</u> relieve the Owner of any responsibility or liability incurred.
 - iii. Neither the Board of Directors nor the Association Property Manager is under any obligation to deal with or negotiate with an Owner's Tenant or the Owner's Unit Manager (if any).
- i. The Unit Owner is responsible for paying the Association's new Occupant change fee of \$10.00 upon any change of Occupant information. Owner/Resident Information Forms are available in the lobby area or from the Association Property Manager.
- j. The Unit Owner must make available to the Lessee (the party leasing the Unit) copies of the Declaration, Bylaws, and the Rules and Regulations of the Association. The Owner is responsible for ensuring that <u>all</u> Occupants of the Unit understand the purpose of the Association Governing Documents and how they apply to the Occupants.
- k. The Unit Owner and/or the Lessee are responsible for maintaining appropriate insurance coverage(s) for the personal belongings and contents of the Unit. It is the responsibility of the Unit Owner to confirm with the Association Property Manager what insurance the Association does or does not have and the scope of such insurance coverage and to inform the Owner's Lessee.

- 1. These Leasing Rules are in addition to, and supplement, the provisions of the Declaration and the Association's Rules & Regulations regarding the leasing and occupancy of Units, as each may be amended and/or supplemented from time to time. In the case of conflict between the provisions of the Declaration and these Leasing Rules, the provisions of the Declaration will control.
- 4. Occupants of the Leased Unit. <u>ALL</u> Occupants of a Unit that is leased must meet the qualifications for occupancy set forth in these Leasing Rules and must comply with these Leasing Rules and the Association's Governing Documents. By way of example and not limitation:
 - a. Occupancy of a Unit is limited solely to those person(s) authorized by the written Lease. Any transient or unauthorized Occupants will constitute a violation of these Leasing Rules and will authorize the Association to initiate enforcement action.
 - b. No Unit may be occupied by more than one (1) single-family, which is defined as any number of persons related by blood, adoption, or marriage living with not more than one person who is not so related as a single household unit, or no more than two persons who are not so related living together as a single household unit, and the household employees of either such household unit; provided, however, nothing herein shall be interpreted to restrict the ability of one or more persons meeting the definition of a single family from residing with any number of person(s) under the age of eighteen (18) over whom such person has legal custody.
- 5. **Documentation Required by the Association.** Any Unit Owner who leases his Unit must provide the following to the Association Property Manager within ten (10) business days after the date the lease/rental agreement becomes effective:
 - a. A copy of the lease/rental agreement signed by the Unit Owner and the Lessee.
 - b. Information regarding the Occupants on a form to be provided by the Association, which will include:
 - (i) the names and ages of all persons (adults and children) authorized by the Unit Owner to occupy the Unit; and
 - (ii) the vehicle license plate number and state issuing the license plate for all vehicles that the Occupants will park within the Cambridge Condominiums community.
 - c. A photocopy of the driver's license or other government identification for all Occupants 18 years of age or older.

- d. If the lease is a Section 8 housing lease, the Unit Owner must submit a completed Section 8 Addendum (available from the Association Property Manager).
- e. Any additional information as may be required by the Board of Directors.

The following sensitive personal information may be blocked out: (i) social security number, (ii) driver's license number, (iii) government issued identification number, (iv) lease financial terms, and (v) financial account, credit card, or debit card number.

- 6. Screening Potential Tenant(s). It shall be the responsibility of the Unit Owner to interview and screen the prospective Tenant(s) to evaluate whether there are factors in the applicant's history or personality that would reasonably indicate that the Lessee and other Occupants of the Unit are likely to have difficulty complying with the rules and regulations that govern all residents of Cambridge Condominiums and/or difficulty adjusting to living in a community of individually-owned condominiums, as opposed to apartment living. Such screening shall include, but is not limited to, the following:
 - a. Determining whether the prospective Occupants have previously been a resident in a condominium community. It shall be the Owner's responsibility to ensure that the prospective Lessee and all Occupants understand that a condominium community is different from an apartment community and to explain the Association Governing Documents to the prospective Occupants.
 - Conduct a criminal background check on all adults who will occupy the Unit (for all states, not just Texas). See Paragraph 7 below.
 - c. Conduct a prior eviction history report for the adults who will occupy the Unit (for all states, not just Texas).
- 7. Criminal Background Check. A Unit Owner shall obtain, at the Unit Owner's sole expense, a criminal background check for each adult Occupant of the Unit to ensure that each adult Occupant complies with Paragraph 8 below. Failure of the Unit Owner to comply with Paragraph 8 shall be deemed a violation of these Leasing Rules and will authorize the Association, acting by and through the Board of Directors, to proceed with enforcement action against the Unit Owner as authorized by the Governing Documents and by these Leasing Rules, to include eviction if the Board deems such action to be in the best interests of the Association based on the facts and circumstances.

THE REQUIREMENT ABOVE DOES NOT CONSTITUTE A GUARANTEE OR REPRESENTATION TO OTHER OWNERS AND RESIDENTS OF CAMBRIDGE CONDOMINIUMS THAT PERSONS RESIDING WITHIN CAMBRIDGE CONDOMINIUMS HAVE NOT BEEN CONVICTED OF A CRIME OR ARE NOT SUBJECT TO DEFERRED ADJUDICATION FOR A CRIME.

- 8. **Tenant With Criminal Background.** To reduce the risk of physical harm to others, damage to common element property, and/or disruption of other residents' quiet and peaceful enjoyment of their residence, an Owner may not lease to, or allow to reside in or Occupy a Unit, any person who:
 - a. within the past ten (10) years, has been <u>convicted</u> in any jurisdiction (not limited to Texas) of a felony or misdemeanor crime involving rape; sexual offense involving a minor; manufacture, distribution, or sale of illegal drugs/controlled substances; prostitution; arson; terrorism or terroristic threats; burglary; aggravated robbery; assault with a deadly weapon; assault against a law enforcement officer; murder or attempted murder; two or more convictions of driving while intoxicated or driving under the influence; kidnapping; or hate crime.
 - b. is a <u>registered sex offender</u>. For purposes of this Rule, a "registered sex offender" is a person who is registered as a Level 3 (High Risk) or Level 2 (Moderate Risk) sex offender pursuant to Chapter 62 of the Texas Code of Criminal Procedure (Sex Offender Registration Program as it now exists or as it may be amended in the future), or pursuant to any other law of the State of Texas, or any local municipal or county ordinance, or pursuant to any other state or federal law or regulation. "Registered sex offender" for purposes of this Section also includes a person who is required to register as a sex offender and who is required to have a risk assessment but who has not been assigned a risk assessment level by the applicable authority or for whom such a risk assessment level is not yet available to the public via the applicable registry program. The identity of Sex Offenders can be obtained from various public access Internet web sites, such as the Texas Department of Public Safety web site at http://records.txdps.state.tx.us.
- 9. Content of the Lease Agreement. All leases shall be in writing and may be in any format of the Owner's choosing; provided, however, that the lease must state that it is subject in all respects to the provisions of the Declaration, the Bylaws and the Rules and Regulations, and shall provide that any failure by the Tenant to comply with the terms and provisions of the Governing Documents shall constitute a default under such lease. Pursuant to these Leasing Rules, each Owner acknowledges and agrees that any lease of his/her Unit shall be deemed to contain the following language and that, if such language is not expressly contained in the lease, then such language shall be deemed to be incorporated into

the lease by reference by the existence of these Leasing Rules. By occupying a Unit at Cambridge Condominiums, each Lessee is deemed to have agreed to that the following language is incorporated by reference into the lease:

The lessee and all occupants shall comply with all provisions of the Declaration, Bylaws, policies, rules and regulations of the Association (the "Governing Documents") and shall control the conduct of all guests of the leased Unit in order to ensure their compliance. Lessee has received a copy of the Governing Documents from the Unit Owner.

Any violation of the Governing Documents or violation of federal or state law or local ordinance by the lessee or by any occupant or any person living with the lessee, is deemed to be a default under the terms of the lease and authorizes the Unit Owner (the landlord) to terminate the lease without liability and to evict the lessee in accordance with Texas law. The Unit Owner, by entering into a lease, hereby delegates and assigns to the Association, acting through the Board of Directors, the power and authority of enforcement against the lessee and any occupant for breaches resulting from the violation of the Governing Documents, federal or state law, or local ordinance including the power and authority, as the attorney-in-fact on behalf of and for the benefit of the Unit Owner, to pursue eviction proceedings against the lessee and/or any other occupant of the Unit.

The Unit Owner transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to use the common elements of the Condominium Project including, but not limited to, the use of all recreational facilities and other amenities.

If the Unit Owner fails to fulfill the payment of any and all financial obligations to the Association, the lessee agrees to be personally obligated, to the extent of lessee's rental payment obligation under the lease, for the payment of all assessment, fines, and other charges levied against the Owner which become due during the term of the lease and any other period of occupancy by the lessee or which become due as a consequence of the lessee's activities including, but not limited to, activities which violate provisions of the Governing Documents. This provision, however, shall not be construed to release the Unit Owner from any obligation, including the obligation for assessments, for which he/she would otherwise be responsible.

Upon request by the Board of Directors, and upon the Owner's default in the payment of assessments and related charges and fines, the lessee shall pay rent to the Association up to the amount in default; provided,

however, the lessee need not make such payments to the Association in excess of or prior to the due dates for rental payments unpaid at the time of the Board's request. All such payments made by the lessee shall reduce, by the same amount, the lessee's obligation to make rental payments to the Owner.

10. Responsibility and Liability of the Unit Owner.

- a. The Unit Owner shall be responsible for ensuring that all Occupants and guests of the Unit comply with the Governing Documents, and the Owner shall be responsible for all violations and all losses or damage resulting from violations by the Occupants, notwithstanding the fact that the Occupants are fully liable and may be personally sanctioned for any violation.
- b. The Unit Owner shall be responsible and liable for any and all costs for damages caused by any of the Unit's Occupants to (i) any common element, (ii) any property or items owned by the Association, and/or (iii) another Owner's Unit or personal property

11. Non-Compliance by the Tenants and/or Unit Owner.

- a. Any lease entered into without complete and full compliance with the Governing Documents, to include these Leasing Rules, shall be deemed void and of no force and effect and shall confer no interest in a Unit to the purported Lessee, except as may be otherwise provided in the Declaration.
- b. Each Owner shall fully and truthfully respond to any and all requests by the Association for information regarding the Occupancy of the Owner's Unit which in the judgment of the Board are reasonable and necessary to monitor compliance with the leasing and Occupancy restrictions set forth in the Governing Documents.
- c. If a resident engages in conduct that is deemed by the Board of Directors to be unreasonably disturbing and puts other residents or property in danger, the Board shall have the authority to demand that the Unit Owner evict the Occupant.
- 12. Fines for Violations. If a Unit Owner violates these Leasing Rules, the Association will serve the Unit Owner with written notice of the violation. If the Owner fails to correct the violation within the time specified in the notice, the Board of Directors shall have the authority to impose the following fines, in addition to any and all remedies for enforcement available to the Association, to include deeming the lease to be void and pursuing eviction. The Unit Owner will

also be responsible for any costs incurred by the Association in pursuing enforcement of these Leasing Rules as set forth at Paragraph 13.

- a. \$300 for failure to provide any of the following required documentation before the date the Lessee and Occupants move into the Unit. The fine will be levied against the Unit Owner and the Unit and an additional \$10 per day fine will be levied for each calendar until the required documentation is provided to the Association Property Manager <u>and</u> the Association Property Manager verifies that all required documentation has been received. It may take up to seventy-two (72) hours (weekends not included) for the Association Property Manager to verify that the documentation is complete. Fines may continue to accrue until the Association Property Manager verifies that all required documentation has been received.
 - (i) Signed copy of the lease in compliance with Paragraph 5.
 - (ii) Copy of the additional information required by Paragraph 5.
- b. \$500 for leasing/renting the Unit on a short-term transient basis in violation of Paragraph 3.c. The \$500 fine will be levied against the Unit Owner and the Unit each time the Unit is leased in violation of Paragraph 3.c.
- c. \$300 for allowing the Unit to be occupied by a person(s) not authorized to occupy the Unit under these Leasing Rules. The \$300 fine will be levied against the Unit Owner and the Unit every thirty (30) days until the unauthorized Occupant is removed by the Unit Owner.
- d. \$300 for violation of any other provision of these Leasing Rules, with such fine being subject to being levied against the Unit Owner and the Unit every thirty (30) days until the violation is corrected.
- e. \$300 for failure to properly screen the Lessee and all Occupants of the Unit in violation of Paragraph 6 of these Leasing Rules, with such fine being subject to being levied against the Unit Owner and the Unit every thirty (30) days until the Occupant(s) that would have been prevented from occupying the Unit if properly screened is permanently removed from the Unit.
- 13. **Cost of Enforcement.** The Association shall have the right for reimbursement from the Owner for the costs incurred by the Association to enforce the Governing Documents, including attorney's fees and court costs.
- 14. Existing Leases. Any Owner who is leasing his Unit at the time of the adoption of these Leasing Rules and who has not previously provided a copy of the

documentation required by these Leasing Rules to the Association Property Manager shall provide the documentation within thirty (30) calendar days after the Association publishes these Leasing Rules to the Association Members. Additionally, if an existing lease and/or occupancy of a Unit does not comply with these Leasing Rules, it shall be the responsibility of the Unit Owner to meet with the Association Property Manager to discuss what action, if any, may be required by the Unit Owner.

15. Exceptions / Approved Waiver. The Board of Directors shall have the authority, but not the obligation, to consider and grant a waiver, variance, or exception to these Leasing Rules. Any such waiver, variance, or exception shall be determined by the vote a majority of all Directors and under conditions and/or limitations which a majority of all Directors deem appropriate. If a Director must recuse him/herself from such a vote, the majority of Directors will be determined based upon the number of remaining Directors.

These Leasing Rules will not apply to any leasing transaction entered into by the holder of any first mortgage on a Unit who becomes the Owner of a Unit through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such mortgage; provided, however, that these Leasing Rules will apply to any Lease executed by anyone who purchases the Unit from such mortgagee and any successor to such a purchaser.

- 16. Owner's Unit Manager. Unless the Association has been provided with documentation acceptable to the Association's attorney confirming that the Unit Owner has granted certain or all legal powers and authority to a person or entity to act on behalf of the Unit Owner as a Member of the Association, all communications and action by the Association concerning the Unit will be directed to Unit Owner of record, despite the known existence of an Owner's Unit Manager. It shall be the responsibility of the Owner to communicate with his/her Unit Manager concerning matters related to the Unit. By way of example, and not limitation, if the Unit needs a repair that is the responsibility of the Association, the Owner's Unit Manager shall inform the Unit Owner, who shall be responsible for communicating the matter to the Association's Board of Directors and/or the Association Property Manager.
- 17. Owner's Obligation to Ask. If an Owner who wants to lease, or who is currently leasing, is uncertain about what he must do to be in compliance with these Leasing Rules, it is the Unit Owner's responsibility to contact the Association Property Manager or Board of Directors to request clarification. An Owner's argument that "I did not know" will not prevent the Board from pursuing appropriate enforcement action against the Owner.

- 18. *Unit Owner's Goal.* An objective of the Unit Owner shall be to be a good neighbor and to ensure that all Occupants of the Owner's Unit are good neighbors.
- 19. **Recommended New Tenant Orientation.** The Board of Directors recommend and strongly encourage the Unit Owner and/or the Unit Owner's Manager, along with the Lessee, to meet with the Association Property Manager before the Tenants move into the Unit. At that time:
 - a. The Owner can submit the new Occupant information sheet and all other documentation required by these Leasing Rules and provide payment for the \$10.00 fee to cover the expense of coding the phone number into the front gate as well as the door to the building in which the leased Unit is located.
 - b. The Association Property Manager will give the Owner and/or Lessee:
 - i. a copy of the relevant Governing Documents;
 - ii. a sticker for each vehicle to be parked at Cambridge Condominiums; and
 - iii. a gate opener (available for purchase at a \$50.00 fee for each opener)
 - c. The meeting will provide an opportunity for the Association Property Manager and the Lessee to meet and to briefly go over these Leasing Rules and the other Governing Documents and discuss what the Lessee/Tenant can expect from the Association and what the Association expects from the Lessee and all Occupants of the Unit.

APPROVED on October 27, 2016

EXHIBIT "B"

ASSESSMENT COLLECTION POLICY

WHEREAS, Cambridge Condominium Owners Association, Inc. ("Association") has authority pursuant to Article V of the Condominium Declaration for Cambridge Condominium ("Declaration") to levy assessments against Owners of Lots located within Cambridge Condominiums, a planned community located in Dallas, Dallas County, Texas (the "Development"); and

WHEREAS, in order to facilitate the timely collection of assessments and other amounts owed by Owners, and in order to comply with the Declaration and state law regarding the collection of unpaid amounts, the Board desires to establish certain procedures for the collection of assessments that remain unpaid beyond the prescribed due dates.

NOW, THEREFORE, IT IS RESOLVED that the following procedures and practices are established for the collection of assessments owing and to become owing by Owners in the Development and the same are to be known as the "Assessment Collection Policy" ("Policy") for the Association:

- 1. Generally. The steps and procedures contained in this Policy serve as a general outline of the Association's collection process. The Association is not bound to follow these exact procedures in every collection matter except as required by the Declaration and the laws that govern collection of assessments. The procedures below are not intended to constitute a prerequisite or condition precedent to the Association's legal ability to collect unpaid assessments and other amounts except as required by the Declaration or law.
- 2. <u>Delegation to Management</u>. To facilitate cost-effective and timely collection of all amounts owed by owners, including but not limited to assessments, dues, charges and/or related costs, the Association may delegate to management those duties determined by the Board in its sole discretion to be necessary to assist collection efforts.
- 3. Ownership Interests. As used in this Policy, (i) the term "Delinquent Owner" refers to that person who held title to a Lot on the date an assessment became due, and (ii) the term "Current Owner" refers to that person who then holds title to a Lot. Unless expressly denoted otherwise, the "Owner" of a Lot refers to the Delinquent Owner or the Current Owner or both, as may be appropriate under the circumstances in question.
- 4. <u>Due Dates</u>. Pursuant to Section 5.1 of the Declaration, the Board has determined that the due date for the monthly assessment is the first day of each month. The due date for a specific assessment is the date stated in the notice of assessment or, if no date is stated, within fifteen (15) days after the notice of the assessment is given. The due date for any assessment shall be collectively referred to in this Policy as the "Due

Date". Any assessment which is not paid in full on the Due Date is delinquent (the "Delinquency Date") and shall be assessed late fees, handling charges and interest as provided in Paragraphs 6, 7 and 8 below.

- 5. Written Notice of Default. The Association and/or its managing agent may send various notification letters to a Delinquent Owner regarding a delinquency. Prior to sending a delinquent account to the Association's legal counsel or managing agent for collection, the Association will send written notice of default to the Owner via certified mail, return receipt requested (the "Default Notice"). The Default Notice shall include the following information: (i) a statement of the total amount owed; and (ii) a statement that the Owner has a period of at least thirty (30) days to cure the delinquency before further collection action is taken.
- 6. <u>Interest</u>. In the event any assessment, or any portion thereof, is not paid in full on or before the Due Date, interest on the principal amount due may be assessed against the Owner, the rate of said interest to be the lesser of the maximum rate permitted by law or ten percent (10%) per annum and shall accrue from the Due Date until paid. Such interest, as and when it accrues hereunder, will become part of the assessment upon which it has accrued and, as such, will be subject to recovery in the manner provided herein for assessments.
- 7. Late Charges. In the event any assessment, or any portion thereof, is not paid in full on or before fifteen (15) days after the Due Date, a late charge in the amount of up to \$50.00 may be assessed against the Owner and the Owner's Lot, plus any handling costs. The Board may, from time to time, without the necessity of seeking approval of the Association Members, change the amount of the late charge. Such late charge, as and when levied, will become part of the assessment upon which it has been levied and, as such, will be subject to recovery in the manner provided herein for assessments. The Board may, in its sole discretion, waive the collection of any late charge; provided, however, that the waiver of any late charge shall not constitute a waiver of the Board's right to collect any future assessments or late charges.
- 8. <u>Handling Charges and Return Check Fees</u>. In order to recoup for the Association and/or its managing agent the costs incurred because of the additional administrative expenses associated with collecting delinquent assessments, collection of the following fees and charges are part of this Policy:
- a. Any handling charges, administrative fees, collection costs, postage or other expenses incurred by the Association or its managing agent in connection with the collection of any assessment or related amount owing beyond the Delinquency Date for such assessment will become due and owing by the Delinquent Owner.
- b. A charge of up to \$50.00 per item will become due and payable for any check tendered to the Association which is dishonored by the drawee of such check,

the charge being in addition to any other fee or charge which the Association is entitled to recover from an Owner in connection with collection of assessments owing with respect to such Owner's Lot.

- c. Any fee or charge becoming due and payable pursuant to this Paragraph will be added to the amount then outstanding and is collectible to the same extent and in the same manner as the assessment, the delinquency of which gave rise to the incurrence of such charge, fee or expense.
- 9. <u>Application of Funds Received</u>. All monies received by the Association will be applied to amounts outstanding to the extent of and in the following order unless an Owner has placed a restrictive notation on the check or other form of payment or in correspondence accompanying the payment that a payment is to be applied in another specified manner:
 - a. First, to interest;
 - b. Next, to late fees;
 - Next, to handling charges, returned check fees and collection costs incurred by the Association;
 - d. Next, to attorney's fees and related costs advanced by the attorney for and on behalf of the Association;
 - e. Next, to delinquent supplemental or reimbursement assessments;
 - Next, to delinquent special assessments;
 - g. Last, to outstanding monthly assessments, though same may not then be delinquent.
- 10. Ownership Records. All collection notices and communications will be directed to those persons shown by the records of the Association as being the Owner of a Lot for which assessments are due and will be sent to the most recent address of such Owner solely as reflected by the records of the Association. Any notice or communication directed to a person at an address, in both cases reflected by the records of the Association as being the Owner and address for a given Lot, will be valid and effective for all purposes pursuant to the Declaration and this Policy until such time as there is actual receipt by the Association of written notification from the Owner of any change in the identity or status of such Owner or its address or both.
- 11. <u>Notification of Owner's Representative</u>. Where the interests of an Owner in a Lot have been handled by a representative or agent of such Owner or where an Owner has otherwise acted so as to put the Association on notice that its interests in a Lot

have been and are being handled by a representative or agent, any notice or communication from the Association pursuant to this Policy will be deemed full and effective for all purposes if given to such representative or agent.

12. Remedies and Legal Actions. If an Owner fails to cure the delinquency within the thirty (30) day period stated in the Default Notice (as provided for above), the Association may, at its discretion and when it chooses, refer the delinquency to legal counsel or managing agent for the Association. Any attorney's fees and related charges incurred by virtue of legal action taken will become part of the Owner's assessment obligation and may be collected as such as provided herein.

At the direction of Management and/or the Board, legal counsel or managing agent for the Association may pursue any and all available legal remedies with regard to the delinquencies referred to it including, but not limited to, the following:

- a. <u>Notice Letter</u>. As the initial correspondence to a Delinquent Owner, counsel or managing agent will send a notice letter (the "Notice Letter") to the Owner advising the Owner of the Association's claim for all outstanding assessments and related charges, adding to the charges the attorney's fees and costs incurred for counsel's or managing agent's services.
- b. Notice of Lien. If an Owner fails to cure the delinquency indicated in the Notice Letter, upon being requested to do so by the Board and/or Management, counsel or managing agent may prepare and record in the Real Property Records of Dallas County, a written notice of lien (referred to as the "Notice of Lien") against the Lot. A copy of the Notice of Lien will be sent to the Owner, together with an additional demand for payment in full of all amounts then outstanding.
- c. <u>Foreclosure</u>. In the event that the Owner fails to cure the delinquency within sixty (60) days of the Due Date, the Board may direct legal counsel or managing agent to pursue foreclosure of the lien. In any foreclosure proceedings, the Owner shall be required to pay the costs and expenses of such proceedings, including reasonable attorney's fees.
- d. <u>Lienholder Notification</u>. The Board may direct legal counsel or managing agent to provide a notice letter to lienholders.
- e. <u>Lawsuit for Money Judgment</u>. The Association may file suit for a money judgment in any court of competent jurisdiction.
- f. <u>Bankruptcy</u>. Upon notification of a petition in bankruptcy, the Association may refer the account to legal counsel or managing agent.

- g. <u>Suspension of Rights to Use Recreational Facilities</u>. If authorized by the Declaration, Bylaws or rules and regulations, the Association may suspend an Owner's privileges to use the Association's recreational facilities.
- h. <u>Remedies Not Exclusive</u>. All rights and remedies provided in this Policy and hereinabove are cumulative and not exclusive of any other rights or remedies that may be available to the Association, whether provided by law, equity, the Association's governing documents or otherwise.

13. Owner Request, Dispute, and/or Allegation.

a. In certain circumstances, the Association incurs fees when investigating an Owner's request, dispute and/or allegation. To protect the Association, the Board may, in its sole discretion, assess any fees, including, but not limited to, managing agent and attorney's fees, incurred by the Association in the investigation of an Owner's request, dispute, and/or allegation. The Association may assess all fees incurred from the time the Association receives such request, dispute, and/or allegation until such request, dispute, and/or allegation is resolved. The determination that any request, dispute, and/or allegation should be referred to counsel or managing agent for a response or research is in the sole estimation of the Board. Any assessment of fees incurred by the Association in the investigation of an Owner's request, dispute, and/or allegation shall become a part of the Owner's assessment obligation, and be subject to the Association's Collection Policy.

Owner Litigation.

- a. The Association incurs fees as a result of Owner-initiated litigation wherein the Association must defend itself. Therefore, if the Association is the prevailing party to Owner-initiated litigation, the Association may, in its sole discretion, assess any fees, including, but not limited to, attorney's fees, incurred as a result of the necessary defense against the litigation. The Association may assess any fees incurred from the date the litigation is filed until the litigation is concluded. Any fees assessed under this provision shall become a part of the Owner's assessment obligation, and be subject to the Association's Collection Policy.
- Lock Boxes. The Association may establish a lock box for the receipt of 15. assessment payments. PAYMENTS MADE TO THE LOCK BOX ARE DEPOSITED IN REGARD **ACCOUNT** WITHOUT ASSOCIATION'S BANK COMMUNICATIONS OR OTHER NOTICES ENCLOSED WITH OR STATED ON THE PAYMENT. ANY NOTICE OR COMMUNICATION (INCLUDING, WITHOUT LIMITATION, A DISPUTE OF THE DEBT) ENCLOSED WITH OR STATED ON THE PAYMENT TO THE LOCK BOX WILL BE INEFFECTIVE AND NOT BINDING ON THE ASSOCIATION. ANY DISPUTE OF AN ASSESSMENT OR RELATED CHARGE, ANY PROPOSED TENDER OF AN AMOUNT LESS THAN THE ENTIRE AMOUNT CLAIMED TO BE DUE WHICH IS INTENDED TO SATISFY THE OWNER'S DEBT IN FULL, OR ANY CHANGE IN THE IDENTITY,

STATUS OR ADDRESS OF AN OWNER, MUST BE IN WRITING, SENT TO AND RECEIVED BY MANAGEMENT AT THE ADDRESS LISTED ON THE ASSOCIATION'S MOST RECENT MANAGEMENT CERTIFICATE.

- of collection of delinquent assessments owed to the Association, the Board may, at any time, compromise or waive the payment of any assessment, interest, late charge, handling charge, collection cost, legal fee or any other applicable charge. The Association may, at its option, notify the Internal Revenue Service of the waiver or forgiveness of any assessment obligation.
- 17. Severability and Legal Interpretation. In the event that any provision herein shall be determined by a court with jurisdiction to be invalid or unenforceable in any respect, such determination shall not affect the validity or enforceability of any other provision, and this Policy shall be enforced as if such provision did not exist. Furthermore, in the event that any provision of this Policy is deemed by a court with jurisdiction to be ambiguous or in contradiction with any law, this Policy and any such provision shall be interpreted in a manner that complies with an interpretation that is consistent with the law. In the event any provision of this Policy conflicts with the Declaration, the Declaration controls. In the event any provision of the Declaration related to collection of assessments conflicts with Chapter 82 of the Texas Property ("Code"), the Code controls.

APPROVED on October 27, 2016

EXHIBIT "C"

POLICIES AND PROCEDURES FOR INSPECTION, COPYING, AND RETENTION OF RECORDS

Article V, Section 5.3(k) of the By-Laws of Cambridge Condominium Owners Association, Inc. ("Association") and Section 82.114 of the Texas Uniform Condominium Act authorize Members of the Association to have access to the Association's records, subject to certain limitations. Additionally, Section 82.102(a)(21) of the Texas Uniform Condominium Act authorizes the Board of Directors to exercise those powers necessary and proper for the operation of the Association.

The Board of Directors deem it necessary and in the best interests of the Association and its Members to adopt and enforce the following policies and procedures governing the inspection, copying, and retention of the Association's books and records.

The Board of Directors believe that the rules and procedures set forth in this Policy reasonably balance the rights of Members to inspect and copy the Association's books and records with the rights of the Board of Directors and the Association managing agent to conduct their duties without unreasonable interference from Members who may make unreasonable demands on their time and to protect the privacy interests of the Members.

RECORDS DEFINED

The Association's "books and records" are those designated by the Texas condominium statutes (Texas Condominium Act; Texas Uniform Condominium Act) and the provisions of the Texas Business Organizations Code governing Texas nonprofit corporations, as each of said statutes may be amended from time to time, and includes a reasonable interpretation of the records addressed in the statutes. The Condominium Declaration for Cambridge Condominiums and the Association's By-Laws do not provide a specific definition or list of items that are deemed to be the Association's "books and records" that are subject to inspection by a Member. By way of example, and not limitation, the Association books and records include those items listed at Exhibit "A" attached to this Policy. The files and records of the Association's attorney relating to the Association are not records of the Association and are not subject to inspection by the Members.

PERSONS ENTITLED TO INSPECT OR COPY

A Member of the Association has the right to inspect and/or copy the Association's records in compliance with the rules and procedures contained in this Policy. A Member may authorize, in writing, an attorney or other designated representative to conduct the inspection or make copies on the Member's behalf. Any such authorized representative shall be considered a "Member" for purposes of this Policy.

WRITTEN REQUEST REQUIRED

Inspection or copying shall be limited to those records specifically requested in advance, in writing. A Member who wants to inspect or copy the Association's records must submit a *written* request to the Association Manager. The request *must*:

- specify the particular record(s) desired, including pertinent dates or time periods of the records;
- state the purpose of the request;
- be sufficiently detailed to allow the Manager to retrieve the record(s) requested;
 and
- be sufficiently detailed to allow the Board of Directors to determine that the records requested are relevant to the purpose specified for the request.

Pursuant to the Nonprofit Corporations Chapter of the Texas Business Organizations Code, a Member may inspect the books and records for a proper purpose, and the records requested must be relevant to the purpose stated in the request.

RECORDS THAT MAY BE WITHHELD FROM INSPECTION AND COPYING

The Association may withhold from inspection and copying any records that, in the reasonable business judgment of the Board of Directors, would:

- constitute an unwarranted invasion of privacy, to include an unwarranted invasion of the privacy of an owner or resident;
- constitute privileged information under the attorney-client privilege, to include legal opinions provided to the Board of Directors by the Association's attorney;
- involve pending or anticipated litigation;
- · involve pending contract negotiations; and/or
- involve the employment, promotion, discipline or dismissal of a specific Board Member or employee.

To protect the privacy of a Member's vote on Association matters, the Association may withhold from inspection the voting ballots and directed proxies (proxies that instruct the proxy holder how to vote; sometimes referred to as a "proxy ballot") executed by a Member. However, pursuant to Section 82.114 of the Texas Uniform Condominium Act, the Association may make available for inspection the voting ballots and directed proxies of Members relating to an amendment to the Declaration. General proxy forms that do not identify the Member's vote preference are subject to inspection. A Member may inspect his/her own voting ballot(s) and directed proxies.

By way of example, and not limitation, <u>Exhibit "B"</u> attached to this Policy lists books and records of the Association that are *NOT* subject to inspection or copying, except as may be authorized by the Board of Directors after consultation with the Association's attorney.

INSPECTION RULES

- a. A Member may not submit more than one (1) written request for inspection and/or copying in a thirty (30) day period.
- b. A Member may not request an inspection of more than twenty (20) records at any one time, nor shall the Association be required to produce more than two hundred (200) pages of records at any one time. If the Member's request exceeds either of these limitations, the Association shall provide records for inspection in the order requested by the Member up to the limiting factor. The Member shall then make written requests for additional sessions until the Member has inspected all the records originally requested. Requests for additional sessions are subject to the same rules and restrictions as any other inspection request.
- c. All inspections shall take place at the Association's management office or at such other location as the Association designates.
- d. A Member shall not remove original records from the location where the inspection is taking place.
- e. Members shall not alter the original records in any way during the inspection. For example, a Member may not make any notations on the record, highlight any part of the record, or separate the records as they are kept in the normal course of business.
- f. The Association shall make records available for inspection on or before the tenth (10th) business day after the Association actually received the written inspection request. This time frame may be extended upon the Member's written request, or if the records requested are so voluminous or in such condition as to render this time frame unreasonable. The Association shall notify the Member by email, in writing, or in person that the records are available and specify the date, time and place for the inspection.
- g. If the Association is unable to produce the requested books and records by the 10th business day after the date the Association receives the request, the Association will provide written notice to the Member that (i) the Association is unable to produce the information by the 10th business day, and (2) state a date by which the information will be either sent or available for inspection that is not later than fifteen (15) business days after the date of this notice to the Member.
- h. Inspections shall be by appointment only during the normal business hours of the Association's management office.
- i. The Association may produce the records for inspection in hard copy, electronic, or other format reasonably available to the Association Manager. The Association

shall not be required to produce records in a particular format requested by the Member unless the Association Manager can reasonably accommodate such a request.

COPYING RULES

- a. If a Member wants a copy of any record, the Member shall designate in writing the specific record (or portion of a record) desired.
- b. During an inspection, the Member may designate such record by use of a tab, clip or post-it note upon the page(s) desired.
- c. Copies will be available within five (5) business days after receipt of the request, unless the voluminous nature or condition of the records make this time frame impractical. In such cases, the copies will be made available as soon as practical.
- d. The Association may produce the records in hard copy, electronic, or other format reasonably available to the Association Manager. The Association shall not be required to produce records in a particular format requested by the Member unless the Association Manager can reasonably accommodate such a request.

COSTS FOR INSPECTION AND COPYING

- a. The Association may charge the requesting Member for the costs associated with compiling, producing, and copying/reproducing records. Exhibit "C" attached to this Policy provides a summary of such costs.
- b. Upon receipt of a request to inspect and/or copy documents, the Association may require the Member to pay the estimated costs associated with production and copying in advance. If the estimated cost of compilation, production and reproduction is different from the actual cost, the Association shall submit a final invoice to the Member on or before the 30th business day after the Association has produced and/or delivered the requested information. If the actual cost is greater than the estimated amount, the Member must pay the difference to the Association within thirty (30) business days after the date the invoice is sent to the owner, or the Association will add such additional charges as an assessment against the Member's Unit. If the actual cost is less than the estimated amount, the Association shall issue a refund to the owner within thirty (30) business days after the date the invoice is sent to the owner.

MANNER OF INSPECTION OR COPYING

a. Members shall not exercise their inspection or copying rights in order to harass any other Member or resident or to harass the Association Manager, Officers, or Directors.

- b. All persons inspecting or requesting copies of records shall conduct themselves in a business-like manner and shall not interfere with the operation of the office or such other location where the inspection or copying is taking place. The Association office, or place of inspection or copying, may assign one (1) staff person to assist in and/or monitor the inspection. All requests for further assistance and copying during an inspection shall be directed only to that staff person.
- c. The inspection is not to be conducted as an opportunity for the Member to question or interrogate the Manager concerning the subject of the records being inspected.
- d. The Association shall maintain a log detailing:
 - i. the date the written request was received;
 - ii. the name of the requesting party;
 - iii. a list of the requested records;
 - iv. the date the Association notified the Member that the records were available;
 - v. the date the records were made available;
 - vi. the date of actual inspection and copying; and
 - vii. the signature of the Member acknowledging receipt of, or access to, the records
- e. Every person inspecting or receiving copies of records must sign said log or a comparable receipt prior to inspection or receipt of copies.

ENFORCEMENT OF INSPECTION AND COPYING RULES

- a. Any violation of this Policy by a Member shall cause the immediate suspension of that Member's right to inspect or copy books and records until further notice by the Board of Directors.
- b. The Association will not honor any requests for inspection or copying which do not comply with this Policy. Within ten (10) working days of receiving a noncompliant request, the Association shall send a written notice to the person who made the request indicating the nature of any noncompliance. An Association representative who receives an oral request for inspection or copying shall refer the person making the request to this policy, and the Association will have no further obligation to respond until it receives a written request.
- c. The Board of Directors shall have the discretion to confer with the Association's attorney regarding the response to a request.

d. The Board of Directors may take any available legal action to enforce these rules, including the levying of fines.

RETENTION OF ASSOCIATION BOOKS AND RECORDS

The Association, acting by and through the Board of Directors in cooperation with the Association Manager, shall keep the following records for no less than the minimum times periods stated below.

PERMANENTLY: The Association's Articles of Incorporation or Certificate of Formation, the By-Laws, the Condominium Declaration, and any and all other governing documents, guidelines, rules, regulations and policies and all amendments thereto as recorded in the Real Property Records of Dallas County and that are effective against any Owner and/or Member of the Association. "Permanent" means records which are not to be destroyed.

FOUR (4) YEARS: Copies of the final, executed contracts with a term of one (1) year or more entered into by the Association with a third party, and any related correspondence, including any proposal that resulted in the contract and all other supporting documentations. The four (4) year retention period begins upon expiration of the contract term.

FIVE (5) YEARS: Account records of each Owner, which include debit and credit entries associated with amounts due and payable by the Owner to the Association, and written or electronic records related to the Owner and produced by the Association in the ordinary course of business. Violation records concerning Owners. Records of fines assessed against Owners.

SEVEN (7) YEARS: Financial books and records produced in the ordinary course of business, tax returns and audits of the Association. Copies of all bills paid by the Association or to be paid, The Association's checkbooks and check registers. Minutes of all meetings of the Board of Directors, of the Association Members, and of any committees.

Except for contracts with a term of one (1) year or more, a retention period starts on the last day of the year in which the record is created and ends on the last day of the year of the retention period. For example, if a record is created on June 14, 2012, and the retention period is five (5) years, the retention period begins on December 31, 2012 and ends on December 31, 2017. If the retention period for a record has elapsed and the record will be destroyed, the record should be shredded or otherwise safely and completely destroyed. Electronic files should be destroyed to ensure that data cannot be reconstructed from the storage mechanism on which the record resides.

This policy for the retention of documents applies to all physical records generated in the course of the Association's operation, including both original documents and

reproductions. It also applies to electronic copies of documents. Any electronic files that fall under the scope of one of the document types listed above will be maintained for the appropriate amount of time. Documents that are not listed, but are substantially similar to those listed, should be retained for a similar length of time.

Should the Association retain the services of a new management company, it shall be the responsibility of the Board of Directors to ensure that all books and records of the Association, to include electronic records, that are in the possession of the outgoing management company are transferred to the new management company.

In the event the Association is served with any subpoena or request for documents or the Association becomes aware of a governmental investigation or audit concerning the Association or the commencement of any litigation against or concerning the Association, all documents relating or pertaining to such investigation, claim or litigation shall be retained indefinitely, and any further disposal of documents shall be suspended and shall not be reinstated until conclusion of the investigation or lawsuit, or until such time as the Board of Directors, with the advice of the Association's attorney, determines otherwise.

DEFINITIONS

The definitions contained in the Association's Declaration and By-Laws are incorporated into this Policy by reference.

APPROVED on October 27, 2016

[EXHIBITS "C-1", "C-2", & "C-3" ARE ATTACHED]

EXHIBIT "C-1"

By way of example, and not limitation, the "books and records" of the Association include the following:

- Association governing documents (dedicatory instruments) as recorded in the Real Property Records of Dallas County (e.g. Condominium Declaration, By-Laws, Rules)
- Association Management Certificate as recorded in the Real Property Records of Dallas County
- · financial records, to include records of receipts and expenditures
- annual audit of the financial records
- annual budget
- name and mailing address of each Unit Owner
- list of Members eligible to vote at a meeting of the Association Members
- name and mailing address of each member of the Board of Directors
- name and mailing address of each member of a Committee of the Association
- correspondence, voting records, and proxies related to amendments to the declaration
- notices of meetings of the Association Members
- minutes of meetings of the Association Members
- sign-in sheets/rosters for meetings of the Association Members
- final summary/tabulation of voting results of votes cast by Members
- final summary/tabulation of voting results of votes cast by Members
- the requesting Member's own voting ballot(s)
- minutes of meetings of the Board of Directors (open, general session meeting)
- notices of meetings of the Board of Directors
- · resolutions adopted by the Board of Directors
- contracts executed by the Association
- video recorded by Association surveillance cameras [see note below]
- policies of insurance obtained by the Association
- the requesting Member's own personal account with the Association
- the requesting Member's own personal voting ballot(s)
- the requesting Member's own personal violation history and enforcement action history

See also Exhibit "C-2" attached to this Policy regarding books and records that may be withheld from inspection and copying.

Inspection of video recorded by the Association's surveillance cameras (if any) is also governed by the Association's policy for access to, and use of, the recordings, which may be amended by Board resolution.

EXHIBIT "C-2"

By way of example, and not limitation, the following are "books and records" of the Association that are NOT subject to inspection or copying except as may be authorized by the Board of Directors after consultation with the Association's attorney:

- the telephone number and email address of the Members of the Association
- the voting ballots and directed proxies of other Members of the Association
- other Members' accounts with the Association
- the violation history and enforcement action related to individual Members or residents
- any matter requested in writing by a Member or resident to be deemed confidential
- records that would constitute an unwarranted invasion of privacy, to include an unwarranted invasion of the privacy of a Member or resident
- confidential and/or privileged information under the attorney-client privilege, to include legal opinions provided to the Board of Directors by the Association's attorney
- records related to pending or threatened litigation
- pending contract negotiations
- records involving the employment, promotion, discipline or dismissal of an employee
- minutes of the closed, executive session of a meeting of the Board of Directors

A Member may inspect his/her own account with the Association, voting ballot, violation history, and enforcement action history.

EXHIBIT "C-3"

Costs for complying with a Member's request to inspect and/or copy Association records are set forth below.

Copying charges

Standard paper copy: The charge for standard paper copies reproduced by means of an office machine copier or a computer printer is \$0.15 per page or part of a page. Each side that contains 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 will be at actual cost.

Labor charges

Charges for locating, compiling, manipulating data, and reproducing information are:

The charge for labor costs incurred in processing a request for information is \$40.00 an hour. The labor charge includes the actual time to locate, compile, manipulate data, and reproduce the requested information.

When confidential information is mixed with non-confidential 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 information.

If the charge for providing a copy of information includes costs of labor, the requesting Member may require that the Association provide a written statement as to the amount of time that was required to produce and provide the copy, signed by an officer of the Association. A charge may not be imposed for providing the written statement to the requestor.

Overhead charge

Whenever any labor charge is applicable to a request, the Association 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 the Association chooses to recover such costs, a charge shall be made in accordance with the methodology described below. 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.

The overhead charge shall be computed at twenty percent (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, $$40.00 \times .20 = 8.00).

Postal and shipping charges

The Association may add any related postal or shipping expenses which are necessary to transmit the reproduced information to the requesting Member.

BOARD OF DIRECTORS POLICY RESOLUTION FOR PROPERTY CAMERA ACCESS EXHIBIT "D"

WHEREAS, the CAMBRIDGE OWNER'S ASSOCIATION has By-Laws, Condominium Declaration, Conditions and Restrictions; and Rules of Regulations, and,

WHEREAS, Article V: "BOARD OF DIRECTORS", Paragraphs 5.2 "POWERS AND DUTIES" and 5.3 "OTHER POWERS AND DUTIES" of the By-Laws, empowers the Board of Directors to enforce the Declaration, Bylaws, and Rules and Regulations, and,

WHEREAS, the By-Laws and applicable Texas law invests in the Board of Directors of the Association the authority to make and publish reasonable rules for the administration and enforcement of the restrictive covenants contained in its governing documents; and,

WHEREAS, the Board of Directors' goal for installing cameras was not to eliminate or reduce crime, but to assist in enforcing Rules and Regulations of the Association, the Association assumes no liability whatsoever for security at the Association and/or recordings obtained by and retained in memory of the property cameras and its associated equipment.

NOW THEREFORE, BE IT RESOLVED THAT the Board does hereby ADOPT the following RULES relating to access requests to the camera recording(s):

- A. The Association is not and shall not be responsible for security of the property.
- B. The Association shall not be responsible for retention of or intentional/unintentional deletion or loss of video/audio data at the property.
- C. Neither the Board of Directors, nor the Managing Agent shall provide access or copies of the recording directly to a member, resident or visitor requesting review of the recording(s) or real-time access to the cameras.
- D. Any member, resident or visitor requesting review of the recording(s) must do so through the Dallas Police Department or a Court having the proper jurisdiction over the matter.
- E. Any costs of complying with a request, shall be borne solely by the requestor.
- F. The Association assumes no liability for the use of data obtained by law enforcement or court order after release to such agency or jurisdiction.

APPROVED on October 27, 2016

Filed and Recorded
Official Public Records
John F. Warren; County Clerk
Dallas County, TEXAS
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