



# The State of Texas

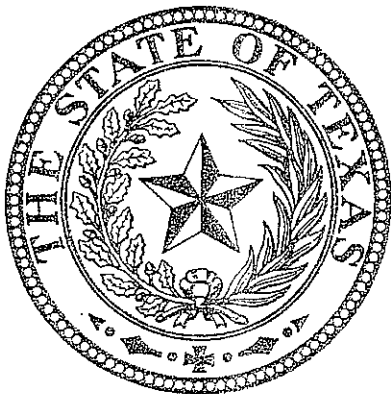
## SECRETARY OF STATE

The undersigned, as Secretary of State of the State of Texas, HEREBY CERTIFIES that the attached is a true and correct copy of the following described instruments on file in this Office:

THE WOODS ASSOCIATION OF OWNERS, INC.

ARTICLES OF INCORPORATION

MARCH 7, 1986



*IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in the City of Austin, this*

28th day of NOVEMBER, A. D. 19 88

ph

*Paul M. Reins*

Secretary of State

ARTICLES OF INCORPORATION

OF

THE WOODS ASSOCIATION OF OWNERS, INC. (Clerk E  
Corporations Section  
(A Texas Non-Profit Corporation)

FILED  
Office of the  
of Texas

MAR 0 : 1986

We the undersigned natural persons of the age of eighteen (18) years or more, at least two (2) of which are citizens of the State of Texas, acting as incorporators of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation for such Corporation.

ARTICLE I

Name

The name of the Corporation is THE WOODS ASSOCIATION OF OWNERS, INC., hereinafter called the "Association".

ARTICLE II

Non-Profit Corporation

The Association is a non-profit corporation.

ARTICLE III

Duration

The period of its duration is perpetual.

ARTICLE IV

Purposes

1. The purpose or purposes for which said Association is organized are to provide, construct, equip, furnish, maintain, own and operate private recreational facilities for the benefit and betterment of the residents and property owners of The Woods upon the Common Area within that certain tract of property known as The Woods Subdivision in Williamson County, City of Round Rock, Texas, being a part of the subdivided land described by metes and bounds on Exhibit "A" attached hereto and incorporated by this reference herein for all purposes, including subsequent sections or phases thereof, if any, (the "Property"), and to

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Articles

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promote the health, safety and welfare of the residents within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association to:

a. exercise all of the powers and privileges and perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions (the "Declaration") applicable to The Woods Subdivision and recorded or to be recorded in the Office of the County Clerk of Williamson County, Texas, and as same may be amended from time to time as therein provided;

b. fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association and to make disbursements, expenditures and payments on behalf of the Association's members as required by the Declaration and the By-Laws of the Association; and to hold as agent for said Association members' reserves for periodic repairs and capital improvements to be made as directed by the Association's members acting through the Board of Directors of the Association;

c. acquire by gift, purchase or otherwise, to own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or to otherwise dispose of real property in connection with the affairs of this Association subject to the limitations set forth in the Declaration;

d. borrow money, mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred subject to the limitations set forth in the Declaration;

e. dedicate, sell or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer.

f. participate in mergers and consolidations with other non-profit corporations organized for the same purposes or

annex additional residential property and common area as provided by the bylaws and the Declaration;

g. have and to exercise any and all powers, rights, and privileges which a corporation organized under the Non-Profit Corporation Act of the State of Texas by law may now or hereafter have or exercise; and

h. annex additional residential property and common area as provided in the Declaration, applicable to the property and recorded or to be recorded in the County Clerk's office of Williamson County, Texas, and as the same may be amended from time to time as therein provided.

2. The Association is a non-profit corporation, without capital stock, organized solely for the purposes specified in this Article IV; and no part of its property, whether income or principal, shall ever inure to the benefit of any Director, officer, or employee of the Association, or of any individual having a personal or private interest in the activities of the Association, nor shall any such Director, officer, employee or individual receive or be lawfully entitled to receive any profit from the operations of the Association except a reasonable allowance for salaries or other compensation for personal services actually rendered in carrying out one (1) or more of its stated purposes. The Association shall not engage in, and none of its funds or property shall be devoted to, carrying on propaganda or otherwise attempting to influence legislation.

## ARTICLE V

### Membership

Every person who is a record owner of any lot which is subject, by covenants of record, to assessment by the Association including contract sellers, shall be a voting member of the Association. Owners of lots in the land described on Exhibit "B" attached hereto, or any part thereof, shall also be Members of the Association if, as and when the property is developed with paved streets accepted by appropriate governmental authorities and once the property is served with utilities, as provided in the recorded Declaration of Covenants, Conditions & Restrictions for The Woods, to which reference is hereby made for all purposes. Every entity or multiple owners of any lot which is subject, by covenants of record, to assessment by the Association, including contract sellers, shall as a group be a voting member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be

separated from ownership of any lot which is subject to assessment by the Association. Any mortgagee or lienholder who acquires title to any lot which is a part of The Woods Subdivision, through judicial or non-judicial foreclosure, shall be a member of the Association.

#### ARTICLE VI

##### Voting Rights

The Association shall have two (2) classes of voting membership:

Class A: Class A members shall be all owners with the exception of the Nash Phillips/Copus, Inc. (the "Declarant"), a Texas corporation, and shall be entitled to one (1) vote for each lot owned. When more than one (1) person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any lot.

Class B: The Class B Member(s) shall be the Declarant, and its successors and assigns, and shall be entitled to three (3) votes for each lot owned, provided that the Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) until all of the land described on Exhibit "B", attached hereto and incorporated by reference herein for all purposes, has been platted, developed with paved streets accepted by the appropriate governmental authorities and served by utilities; or

(b) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(c) five years from the filing of the Declaration of Covenants, Conditions and Restrictions in the Deed Records of Williamson County, Texas.

ARTICLE VII

Registered Agent

The street address of the initial registered office of the Association is 7020 Hwy. 290 East, Austin, Texas 78723 and the name of its initial registered agent at such address is Tom Buffington.

ARTICLE VIII

Dissolution

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be held and owned by the members proportionately as tenants in common according to the number of lots owned. In the event owners representing ownership of at least sixty-seven percent (67%) of the assets agree, the assets of the Association shall be sold.

ARTICLE IX

Board of Directors

The number of Directors constituting the initial Board is three (3). The Directors need not be Members of the Association. The names, addresses and terms of the persons who are to serve as the initial Directors are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Tom Buffington	7020 Hwy 290 East Austin, Texas 78743
Jack Davis	P.O. Box 14508 Austin, Texas 78761
Bill Bullock	6300 La Calma, Suite 220 Austin, Texas 78752

ARTICLE X

Incorporators

The names and addresses of the incorporators are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Tom Buffington	7020 Hwy 290 East Austin, Texas 78743
Jack Davis	P.O. Box 14508 Austin, Texas 78761
Bill Bullock	6300 La Calma, Suite 220 Austin, Texas 78752

ARTICLE XI

Amendment

Amendment of these Articles shall require the assent of seventy-five (75%) of the votes of the Association.

ARTICLE XII

FHA/VA Approval

So long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, mergers and consolidations, mortgaging of Common Area, dissolution and amendment of these Articles.

IN WITNESS WHEREOF, we hereunto set our hands this 28<sup>th</sup> day of January, 1986.

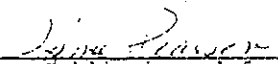
Tom Buffington  
Tom Buffington  
Jack Davis  
Jack Davis  
Bill Bullock  
Bill Bullock

THE STATE OF TEXAS )(

COUNTY OF TRAVIS )(

I, the undersigned authority, a notary public, do hereby certify that on this the 28<sup>th</sup> day of January, 1986, personally appeared Tom Buffington, Jack Davis, and Bill Bullock being by me first duly sworn, severally declared that they are the persons who signed the foregoing document as incorporators, and that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the date and year above written.

  
\_\_\_\_\_  
Notary Public in and for  
The State of Texas  
My Commission Expires: 6-25-88



BYLAWS

3541

OF

THE WOODS HOMEOWNERS' ASSOCIATION, INC.  
(A Non-Profit Corporation)

ARTICLE I

GENERAL

Section 1. Name. The name of the organization shall be the Woods Homeowners' Association, Inc.

Section 2. Applicability. These Bylaws provide for the self-government of (a) The Woods, Section 1, a subdivision in the City of Round Rock, Williamson County, Texas, according to the map or plat thereof recorded in Cabinet F, Slides 239-240 Plat Records, Williamson County, Texas (hereinafter referred to as the plat), (b) the Common Areas therein as described on Exhibit "A" attached hereto and incorporated by this reference for all purposes, and (c) the land described on Exhibit "B" attached hereto and incorporated by this reference herein for all purposes, which, if, as and when developed by Nash Phillips/Copus, Inc., shall be subject to the terms hereof.

Section 3. Compliance. Pursuant to the Declaration of Covenants, Conditions & Restrictions, (the "Declaration") for the Woods, Section 1, all present and future Lot Owners as well as their tenants, agents, patrons, employees, invitees, guests and any other person that might use Project facilities shall comply with these Bylaws. The mere acquisition or rental of any of the Lots in the Project or the mere act of use or occupancy will signify that these Bylaws are accepted, ratified and will be strictly followed.

ARTICLE 2

CORPORATE OFFICE

Section 1. Principal Office. The principal office of the Association shall be at 7020 Highway 290 East, Austin, Texas 78723 unless otherwise determined by the Board of Directors (sometimes hereinafter referred to as the "Board").

Section 2. Other Offices. The Association may also have offices at such other places, both within and without the State of Texas, as the Board of Directors may from time to time determine or the business of the Association may require.

Section 3. Registered Office and Registered Agent. The Association shall have and continuously maintain in the State of Texas a registered office, and a registered agent whose office is identical with such registered office, as required by the Texas Non-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office of the Association in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE 3

MEMBERS

Section 1. Classes of Members. The Association shall have two (2) classes of voting membership, and the classes shall be designated as Class A and Class B.

Section 2. Composition of Membership. All of the Owners of Lots contained within the boundaries of The Woods, Section 1, and the Owners of lots on land described on Exhibit "B" attached hereto and incorporated by this reference hereof for all purposes, or any part thereof, if, as and when developed with paved streets accepted by appropriate governmental authorities and once the property, or any portion thereof is served with utilities by Nash Phillips/Copus, Inc., as provided in the Declaration of Covenants, Conditions and Restrictions for The Woods of even date herewith, acting as a group in accordance with the Declaration and these Bylaws, shall constitute the "Association", who shall have the responsibility for administering the Common Area property, establishing the means and methods of collecting the assessments, arranging for the management of the Association, and performing all of the other acts that may be required to be performed by the Association and by the Declaration. Except as to those matters which the Declaration specifically requires to be performed by the vote of the Lot Owners or by their First Mortgagees, the administration of the foregoing responsibilities shall be performed by the Board of Directors as more particularly set forth in Article 5 hereof. Every person who is a record Owner of any Lot shall automatically become a "Member" of this Association and be subject to these Bylaws. Every entity or multiple owners of any Lot shall automatically become a Member of this Association and be subject to these Bylaws. Membership will cease, without any formal Association action, whenever such Member ceases to own a Lot in the Subdivision. It is understood that the Exhibit "B" land may be developed in phases or sections, and upon the completion of each such development by Nash Phillips/Copus, Inc. as to an individual section or phase,

such section or phase shall automatically become bound hereby and the lot owners thereof shall become Members hereof.

Section 3. Voting Rights. The Association shall have two (2) classes of voting membership:

3.1 Class A. Class A Members shall be all Lot Owners with the exception of the Nash Phillips/Copus, Inc., a Texas corporation. The Owner or Owners of each Lot shall be entitled to vote in the Association on the basis of one (1) vote for each Lot owned. Where there is more than one record Owner of a Lot ("Co-owners"), all of those Co-owners shall be Members and may attend any meeting of the Association, but only one of those Co-owners shall be entitled to exercise the vote to which the Lot is entitled. Co-owners owning the majority interests in a Lot shall from time to time designate in writing one of their number to vote. Fractional votes among the Co-owners owning a single Lot shall not be allowed. Where no voting Co-owner is designated or if the designation has been revoked, the vote for the Lot shall be exercised as the Co-owners owning majority interests in the Lot mutually agree. No votes shall be cast for any Lot if the majority of the Co-owners present in person or by proxy and representing such Lot cannot agree to said vote. The non-voting Co-owner or Co-owners shall be jointly and severally responsible for all of the obligations imposed upon the jointly-owned Lot and shall be entitled to all other benefits of ownership. All corporate Owners must deliver to the Board of Directors a resolution of the Board of Directors of the corporate Owner executed by an officer of such corporate Owner designating an agent to vote for such corporate Owner on Association matters. Any other Owner (except for an Owner who is a natural person) must deliver to the Board of Directors such documents as the Board of Directors may reasonably require to evidence the designation of an agent to vote for such Owner on Association matters. All agreements and determinations lawfully made by the Association in accordance with the voting allocations established herein or in the Declaration affecting the Property, shall be binding on all Owners, their heirs, administrators, successors and assigns.

3.2 Class B. The Class B Member(s) shall be Nash Phillips/Copus, Inc., its successors and assigns, and shall be entitled to three (3) votes for each Lot owned.

Provided, however, the Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

3.2.1 the land described on Exhibit "B", attached hereto and incorporated by reference herein for all purposes, has been platted, developed with paved streets accepted by the appropriate governmental authorities and served by utilities as provided in the Declaration of Covenants, Conditions and Restrictions for the Woods of even date herewith.

3.2.2 when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

3.2.3 five years from the filing of the Declaration in the Deed Records of Williamson County, Texas.

Section 4. Votes Required for Passage. At a meeting at which a quorum is present, the vote of the Members holding a majority of the votes represented in person or by proxy shall decide any question brought before the meeting, unless the question is one upon which the vote of a greater number is required by law, the Articles of Incorporation, the Declaration or these Bylaws. The Members present or represented at a meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

Section 5. Proxy. A Member may vote either in person or by proxy executed in writing by the Member or his duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution. Each proxy shall be revocable unless expressly made irrevocable on its face and unless otherwise made irrevocable by law; provided, however, notwithstanding the foregoing, every proxy shall be revocable and shall automatically terminate upon conveyance by a Member of his Lot. Each proxy shall be filed with the Secretary prior to or at commencement of the meeting.

Section 6. No Cumulative Voting. At each election for directors, each Class A Member entitled to vote shall have the right to vote, in person or by proxy, one vote for each Lot owned for each director to be elected and each Class B Member shall have three (3) such votes for each lot owned by it. Cumulative voting shall not be permitted.

Section 7. Voting Method. Voting on any question or in any election may be by voice vote or show of hands, unless the presiding officer shall order, or any Member shall

demand, that voting be by written secret ballot.

ARTICLE 4

MEETINGS OF MEMBERS

Section 1. Meeting Date. The first annual meeting of the Members, for the purpose of electing directors and transacting such other business as may properly be brought before the meeting, shall be held within one year from the date of incorporation of the Association, and subsequent annual meetings of the Members shall be held within one hundred twenty (120) days after the end of the fiscal year of the Association at such hour as shall be determined and stated in the notice of said meeting, if such day is not a Sunday or legal holiday in said state; if such day falls on a Sunday or legal holiday in said state, then such annual meeting shall be held on the first business day following which is not a legal holiday in said state.

Section 2. Meeting Place. All meetings of the Members shall be held at the principal office of the Association or at such other place, within the State of Texas, as may be stated in the notice of the meeting or in a duly executed waiver of notice thereof.

Section 3. Failure to Hold Annual Meeting. Failure to hold the annual meeting at the designated time shall not work a dissolution of the Association. In the event the Board of Directors fails to call the annual meeting at the designated time, any Member may make demand that such meeting be held within a reasonable time. Such demand shall be made in writing by certified mail directed to any officer of the Association. The annual meeting shall thereafter be called within sixty (60) days following such demand.

Section 4. Special Meetings. Special meetings of the Members for any purpose or purposes may be called by the President, the Board of Directors, or the holders of not less than one-tenth (1/10) of all the votes entitled to vote at the meetings. No business other than that specified in the notice of meeting shall be transacted at a special meeting.

Section 5. Notice of Meetings.

5.1 Written Notice. Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered at least fifteen (15) days before the date of the meeting, either personally or by mail, by

or at the direction of the President, the Secretary or the officer or person or persons calling the meeting, to each Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the membership rolls of the Association, with postage thereon prepaid.

5.2 Waiver. Notice may be waived in writing signed by the person or persons entitled to such notice. Such waiver may be executed at any time before or after the holding of such meeting. Attendance at a meeting shall constitute a waiver of notice, except where the person attends for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section 6. Informal Action By Members. Any action required by law to be taken at a meeting of the Members of the Association, or any action which may be taken at a meeting of the Members, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the Members entitled to vote with respect to the subject thereof. Such consent shall have the same force and effect as a unanimous vote of Members and may be stated as such in any articles or documents filed with the Secretary of State.

Section 7. Quorum. The Members holding thirty-three (33%) of the votes entitled to be cast at a meeting of the Members, represented in person or by proxy, as such votes are allocated pursuant to the provisions of these By-Laws and the Declaration, shall constitute a quorum at a meeting of the Members. If a quorum shall not be present or represented at any meeting of the Members, the Members entitled to vote, represented in person or by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present or represented. At such adjourned meeting at which a quorum is present or represented any business may be transacted which might have been transacted at the original meeting.

Section 8. Order of Business. The order of business at all meetings of the Association shall be as follows:

- (a) Roll Call;
- (b) Proof of Notice of Meeting or Waiver of Notice;
- (c) Reading of Minutes of Preceding Meeting;
- (d) Reports of Officers and Board of Directors;
- (e) Report of Management Agent, if any, and if present;
- (f) Report of Committees, if any;

- (g) Election of Members of the Board of Directors (when so required;
- (h) Unfinished Business;
- (i) New Business;
- (j) Consideration of adequacy of reserves; and
- (k) Adjournment.

Section 9. Conduct of Meeting. The President shall preside over all meetings of the Members and the Secretary shall keep the minutes of the meeting and record in a Minute Book of the Association such resolutions that are adopted by the Members as well as a record of all transactions occurring thereat. Roberts Rules of Order (latest edition) as modified by the Board of Directors shall govern the conduct of all meetings of the Association when not in conflict with the Declaration or these Bylaws.

## ARTICLE 5

### DIRECTORS

Section 1. Management. The business and affairs of the Association shall be managed by the Board of Directors.

Section 2. Number of Directors. The number of directors as of the date of the institution of these Bylaws shall be three (3). Thereafter, the number of directors may be increased or decreased, from time to time by amendment of these Bylaws upon a two-thirds (2/3) vote of the Members at the annual meeting or at a special meeting called for that purpose; provided, however the number of directors shall not be decreased to less than three (3). No decrease shall have the effect of shortening the term of any incumbent director. A director need not be an officer, director or designee of Nash Phillips/Copus, Inc., and need not be a Lot Owner, a mortgagee of Lots or a resident of the State of Texas.

Section 3. Election and Term of Office. At the first annual meeting of the Association, the term of office of one member of the Board of Directors shall be fixed at three years, the term of office of one member of the Board of Directors shall be fixed at two years and the term of office of one member of the Board of Directors shall be fixed at one year. The first Board of Directors shall be elected simultaneously with one ballot or election. The person receiving the highest number of votes shall be elected for a three-year term. The person receiving the next (second) highest number of votes shall be elected for a two-year term. The person receiving the next (third) highest number of votes shall be elected for the one-year term. At each annual meeting

thereafter, upon the expiration of the initial term of office of each respective member of the Board of Directors, the Members shall elect his successor to serve for a term of three years. Unless removed in accordance with these Bylaws, each director shall hold office for the term for which he is elected and until his successor shall have been elected and qualified.

Section 4. Powers and Duties. The Board of Directors has the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the Project, and it may do all such acts and things as are not by law, by these Bylaws or by the Declaration directed to be exercised and done exclusively by the Members. Without prejudice to such foregoing general powers and duties and such powers and duties as are set forth in the Declaration, the Board of Directors is vested with, and responsible for, the following powers and duties:

- (a) The power and duty to select, appoint and remove all officers, agents and employees of the Association, to prescribe such powers and duties for them as may be consistent with law, the Articles of Incorporation, the Declaration and these Bylaws; to fix their compensation and to require from them security for faithful service when deemed advisable by the Board;
- (b) The power and duty to conduct, manage and control the affairs and business of the Association; and to make and enforce such Rules and Regulations therefor consistent with law, with the Articles of Incorporation, the Declaration and these Bylaws, as the Board may deem necessary or advisable;
- (c) The power and duty to fix and levy from time to time Annual Assessments and Special Assessments upon the Members, as provided in the Declaration; to determine and fix the due date for the payment of such assessments, and the date upon which the same shall become delinquent; provided, however, that such assessments shall be fixed and levied only to provide for the payment of the authorized expenses of the Association and of taxes and assessments upon real or personal property owned, leased, controlled or occupied by the Association, or for the payment of expenses for labor rendered or materials or supplies used and consumed, or equipment and appliances furnished for the maintenance, improvement or development of such property or for the payment of any and all obligations in relation thereto, or in performing or causing to be performed, any of the purposes of the Association for the health, safety,



general benefit and welfare of its Members, in accordance with the provisions of the Declaration. Subject to any limitations imposed by the Declaration and these By-Laws, the Board of Directors shall have the power and duty to incur any and all such expenditures for any of the foregoing purposes and to provide, or cause to be provided, adequate funds for replacements as it shall deem to be necessary or advisable in the interest of the Association or welfare of its Members. The funds collected by the Board of Directors from the Members, attributable to replacement funds, for maintenance costs recurring less frequently than annually, and for capital improvements, shall at all times be held in trust for the Members and shall not be commingled with other assessments collected from the Members. Such Annual Assessments and Special Assessments shall be fixed in accordance with the provisions of these By-Laws and the Declaration. Should any Member fail to pay such assessments before delinquency, the Board of Directors in its discretion is authorized to enforce the payment of such delinquent assessments as provided herein and in the Declaration;

- (d) The power and duty to enforce the provisions of the Declaration covering the Project, the Restrictive Covenants, the Rules and Regulations, these Bylaws or other agreements of the Association;
- (e) The power and duty to contract for and pay fire, casualty, errors and omissions, blanket liability, malicious mischief, vandalism, and other insurance, insuring the Members, the Association, the Board of Directors and other interested parties, in accordance with the provisions of the Declaration, insuring, covering and protecting against such damages or injuries as the Board deems advisable (which may include without limitation, medical expenses of persons injured on the Property). The Board shall review, not less frequently than annually and in advance of expiration dates, all insurance policies and bonds obtained on behalf of the Association by the Board or by agents of the Association;
- (f) The power and duty to contract and pay for repairs, maintenance, gardening, utilities, materials and supplies, and services relating to the Property and to employ personnel necessary for the operation of the Property and to keep in good order, condition and repair, all of the Common Areas and all items of personal property used in the enjoyment of the entire

premises; including the power to contract and pay for legal and accounting services, and to contract for and pay for Improvements on the Common Area.

- (g) The power, but not the duty, to delegate its powers according to law;
- (h) The power and the duty to grant and maintain easements where necessary for utilities, sewer facilities and other public purposes over the Property to serve the Project, subject, however, to the provisions of Article II, Section 2.1(c) of the Declaration;
- (i) The power and duty to adopt such Rules and Regulations as the Board may consider necessary for the management of the Project, which Rules and Regulations shall become effective and binding after (1) they are adopted by a majority of the Board at a duly called meeting, and (2) they are either mailed or otherwise delivered to each Member, and (3) they are posted in a conspicuous place on the Common Area, or recorded. Such Rules and Regulations may address, without limitation, use of the Common Area; signs; parking restrictions; minimum standards of property maintenance; and any other matter within the jurisdiction of the Association as provided in the Declaration; provided, however, that such Rules and Regulations shall be enforceable only to the extent that they are consistent with the Declaration, the Articles of Incorporation and these Bylaws, and the Rules and Regulations may not be used to amend any of said documents;
- (j) The power and duty to keep, or cause to be kept, a complete record of all acts and corporate affairs of the Association and to present a statement thereof to the Members at the annual meeting of the Members and at any other time that such statement is requested by Members representing at least fifty percent (50%) of the total voting power of the Association;
- (k) The power, but not the duty, to sell personal property of the Association; provided, however, that the prior vote or written approval of the Members entitled to cast at least a majority of the voting power of the Association must be obtained to sell, during any fiscal year, personal property of the Association;
- (l) The irrevocable right of access to each Lot at reasonable hours as may be necessary for the maintenance, repair or replacement of any improvements

to the Common Area to prevent damage to the Common Area;

(m) The irrevocable right of access of each Lot at any hour for the purpose of making emergency repairs necessary to prevent additional damage to the Common Area;

(n) The power, but not the duty, to borrow funds in order to pay for any expenditure or outlay required pursuant to authority granted by the provisions of the Declaration and these Bylaws, and to execute all such instruments evidencing such indebtedness as the Board of Directors may deem necessary. Such indebtedness shall be the several obligation of all of the Owners;

(o) The power and the duty to establish a bank account or accounts for the common treasury and for all separate funds which are required or may be considered advisable by the Board of Directors;

(p) The power and duty to make repairs, additions, alterations and improvements to the Common Area consistent with managing the Project in a manner in keeping with the character and quality of the neighborhood in which it is located, and consistent with the best interests of the Owners and the Declaration and these Bylaws;

(q) To protect and defend the entire Common Area from loss and damage by suit or otherwise;

(r) To keep and maintain full and accurate books and records showing all of the receipts, expenses or disbursements and to permit examination thereof at any reasonable time by each of the Owners and any First Mortgagee of a Lot, and to cause a complete audit of the books and accounts to be made by a competent accountant, once each year. The Association shall cause to be prepared and delivered annually to each Owner an audited statement showing all receipts, expenses or disbursements since the last such statement. Such audited financial statements shall be available to any First Mortgagee of a Lot, on request, within ninety (90) days following the fiscal year end of the Project; and

(s) In general, to carry on the administration of this Association and to do all of those things, necessary and reasonable, in order to carry out the communal aspect of the Common Area.

Directors, or any member thereof, of any responsibility imposed upon it or him by law. The executive committee shall keep regular minutes of its proceedings and report the same to the Board when required by the Board.

8.2 Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the Association may be designated and appointed by a resolution adopted by a majority of the directors at a meeting at which a quorum is present, or by the President thereunto authorized by a like resolution of the Board of Directors. Membership on such committees may, but need not be, limited to directors.

Section 9. Compensation. Directors, as such, shall not receive any salary for their services, but, by resolution of the Board a fixed sum, plus expenses of attendance, if any, may be paid for attendance at each regular or special meeting of the Board. Nothing herein shall be construed to preclude any director from serving the Association in any other capacity and receiving compensation therefor. Members of the executive committee may, by resolution of the Board of Directors, be allowed like compensation for attending committee meetings.

Section 10. Location of Meetings. The directors of the Association may hold regular or special meetings either within or without the State of Texas.

Section 11. Annual Meetings. The annual meeting of the Board of Directors shall be held without other notice than this bylaw, immediately after and at the same place as the annual meeting of the Members.

Section 12. Other Regular Meetings. The Board of Directors may provide, by resolution, the time and place for the holding of additional regular meetings without other notice than such resolution.

Section 13. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman, the President, or any two directors. Notice of the call of a special meeting shall be in writing and delivered for transmission to each of the directors not later than during the third day immediately preceding the day for which such meeting is called. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the director at his address as it appears in the records of the Association with postage thereon paid. Neither the business proposed to be transacted, nor the purpose of any special

meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 14. Telephonic Conferences. Subject to the provisions for notice required by these Bylaws and the Texas Non-Profit Corporation Act for notice of meetings, directors may participate in and hold a meeting by means of conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other. Participation in the meeting shall constitute presence in person at the meeting, except when a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section 15. Waiver of Notice. Notice of any special meeting may be waived in writing signed by the person or persons entitled to such notice. Such waiver may be executed at any time before or after the holding of such meeting. Attendance of a director at a special meeting shall constitute a waiver of notice of such special meeting, except where a director attends for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section 16. Quorum. A majority of the number of directors then in office shall constitute a quorum for the transaction of business. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless otherwise specifically required by law or these Bylaws. If a quorum is not present at any meeting of directors, the directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting until a quorum is present.

Section 17. Conduct of Meeting. The President shall preside over all meetings of the Board of Directors and the Secretary shall keep the minutes of the meeting and record in a Minute Book of the Board of Directors such resolutions that are adopted by the Board of Directors and a record of all transactions occurring thereat. Roberts Rules of Order (latest edition) as modified by the Board of Directors shall govern the conduct of all meetings of the Association when not in conflict with the Declaration or these Bylaws.

Section 18. Action Without Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors or any executive committee may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the members of the Board of Directors or executive committee then in office, as the case may be. Such

consent shall have the same force and effect as a unanimous vote at a meeting, and may be stated as such in any document or instrument filed with the Secretary of State.

Section 19. Chairman. The Board of Directors, by resolution adopted by a majority of the members then in office, may elect one from among their number to serve as chairman and preside at meetings of the Board. The chairman shall serve at the will of the Board of Directors. In absence of such election, the President shall preside at meetings of the Board of Directors.

Section 20. Fidelity Bonds. The Board of Directors shall require adequate fidelity bonds for all officers, directors, and employees of the Association handling or responsible for Association funds. The premiums of such bonds shall constitute an expense payable from assessment revenues.

## ARTICLE 6

### OFFICERS

Section 1. Designation of Officers. The officers of the Association shall be elected by the directors and shall be a president, a vice-president, a secretary and a treasurer. The Board of Directors may also elect additional vice-presidents, and one or more assistant secretaries and assistant treasurers. Any two or more offices may be held by the same person except that the offices of president and secretary shall not be held by the same person.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the Members. Vacancies or new offices may be filled at any meeting of the Board of Directors to serve until the next election of officers. Each officer shall hold office until his successor has been elected and qualifies, or until the death, resignation, or removal of the officer.

Section 3. Appointment of Other Officers and Agents. The Board of Directors may appoint such other officers and agents as it deems necessary. Such officers and agents shall be appointed for such term not to exceed one year and shall exercise such powers and perform such duties as may be determined from time to time by the Board.

Section 4. Compensation. The compensation of all officers and agents of the Association shall be fixed from time to time by the Board of Directors; provided, the Board

**Section 5. Managing Agent.** The Board of Directors may employ for the Association a professional Managing Agent at a compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize. Provided, however, that any such professional Management Contract may not be entered into for a term exceeding three (3) years, provided further that such Management Contract may be terminated with or without cause upon thirty (30) days' prior written notice.

**Section 6. Removal.** Any director may be removed either for cause or without cause at a special meeting of the Members called for that purpose. Removal shall be accomplished by the affirmative vote of a majority (based on vote) of the Owners' votes entitled to be cast and represented in person or by proxy at such meeting which are entitled to vote for the election of such director. However, unless the entire Board is removed, no individual director shall be removed without cause if the votes of one-fourth (1/4) of Lot Owners are cast against his removal, which if cumulatively voted in an election of the entire Board, would be sufficient to elect one or more directors.

**Section 7. Vacancy.** A vacancy on the Board of Directors may be filled either (1) by appointment at any meeting of the Board of Directors by a majority of the directors then in office, though less than a quorum, or (2) by election at a special meeting of the Members called for that purpose. Each successor director shall be elected or appointed for the unexpired term of his predecessor in office and shall serve until his successor shall be elected and shall qualify. Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting of the Members or at a special meeting of the Members called for that purpose. No action by the Board of Directors shall be invalid solely for the reason that there existed one or more vacancies on the Board of Directors at such time.

**Section 8. Committees.**

**8.1 Executive Committee.** The Board of Directors, by resolution adopted by a majority of the full Board of Directors, may designate from among its members an executive committee, which committee, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board of Directors in the business and affairs of the Association except where action of the Board of Directors is specified by the Texas Non-Profit Corporation Act or other applicable law, the Articles of Incorporation, or these By-Laws, but the designation of such committee and the delegation thereto of authority shall not operate to relieve the Board of

of Directors may delegate to the President or other chief operating officer the responsibility for establishing compensation, for all officers, other than the President, such compensation, however, to be subject to review and approval by the Board of Directors.

Section 5. Removal. Any officer or agent elected or appointed by the Board of Directors, or members of the executive committee, may be removed at any time, either for cause or without cause, by the affirmative vote of a majority of the whole Board of Directors. Such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment shall not of itself create any contract right.

Section 6. Duties of President. The president shall be the chief executive officer of the Association. The president shall preside at all meetings of the Members and, in the absence of an elected chairman of the Board, at all meetings of the Board of Directors. The president shall present at each annual meeting of the Members and of the Board of Directors a report of the condition of the Association. The president shall cause to be called the regular and special meetings of the directors and the Members in accordance with these Bylaws. The president shall appoint and remove, employ and discharge and fix the compensation of all agents and employees of the Association other than himself, subject to the approval of the Board of Directors. The president shall sign and make contracts and agreements in the name of the Association. The president shall see that the books, reports, statements, and certificates required by law are properly kept. The president shall enforce these Bylaws and perform all of the duties normally incident to the position and office of the president.

Section 7. Duties of Vice-President. In the absence of the president or in the event of his inability or refusal to act, the vice-president (or in the event there be more than one vice-president, the vice-presidents in the order designated, or in the absence of any designation, in the order of their election) shall perform the duties of the president, and when so acting, shall have all the powers of, and be subject to all the restrictions upon, the president. Each vice-president shall also have such powers and perform such other duties as from time to time may be assigned to him by the president or by the Board of Directors.

Section 8. Duties of Secretary. The secretary shall attend all meetings of the Members and of the Board of Directors. The secretary shall keep a true and complete record of the proceedings, including all votes and resolutions presented at these meetings, in a book to be kept for that



purpose. The secretary shall be custodian of the records and of the seal, if any, of the Association, and shall affix the same, if the Association so has a seal, to documents, the execution of which is duly authorized. The secretary shall give or cause to be given all notices required by law, the Declaration, the Restrictive Covenants or these Bylaws. The secretary shall also perform such other duties as may be prescribed by the Board of Directors or the President.

Section 9. Duties of Treasurer. The treasurer shall have the care and custody of and be responsible for the funds and properties of the Association and shall deposit such funds in the name of the Association in such depositories as the Board of Directors may from time to time designate. The treasurer shall sign, make and endorse in the name of the Association all checks, drafts, warrants, and orders for the payment of money and shall pay out and dispose of same and receipt therefor, under the direction of the president or the Board of Directors. The treasurer shall disburse funds as directed by resolution of the Board of Directors, provided, however, that a resolution of the Board of Directors is not necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board of Directors. The treasurer shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data. The treasurer shall exhibit at reasonable times and upon reasonable request his books and records of account to any director or Member of the Association. The treasurer shall cause an annual audit of the Association books to be made by a certified public accountant, or public accountant, at the completion of each fiscal year; and shall, with the Board of Directors, prepare an annual budget and a statement of income and expenditures to be presented to the Members at the annual meeting, and deliver a copy of each to the Members. The treasurer shall also render a statement of the condition of the financial affairs of the Association at each regular meeting of the Board of Directors and at such other times as he may be directed by the Board of Directors or by the president.

ARTICLE 7

LIABILITY AND INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1. Indemnification.

1.1 Indemnification. The Association shall indemnify every officer and director of the Association against any and all expenses, including counsel fees,

reasonably incurred by or imposed upon any officer or director in connection with any action, suit or other proceeding (including settlement of any suit or proceeding if approved by the then Board of Directors of the Association) to which he may be made a party by reason of being or having been an officer or director of the Association whether or not such person is an officer or director at the time such expenses are incurred. The officers and directors of the Association shall not be liable to the Owners for any mistakes of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The officers and directors of the Association shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be Owners of Lots) and the Association shall indemnify and forever hold each such officer and director free and harmless from and against any and all liabilities to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director of the Association or former officer or director of the Association may be entitled.

1.2 No Presumption. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

1.3 Advance Payment. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this section.

1.4 Determination to Indemnify. Indemnification hereunder shall be made only upon a determination in the specific case that indemnification is proper under the substantive standards established hereunder. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested

directors so directs, by independent legal counsel in a written opinion, or (3) by the Members.

1.5 Insurance. The Association shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Association, or is or was serving at the request of the Association as director, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this section.

Section 2. Common Interested Directors. The directors shall exercise their powers and duties in good faith and with a view to the interests of the Association. No contract or other transaction between the Association and one or more of its directors, or between the Association and any corporation, firm or Association (including the Declarant), in which one or more of the directors of the Association are directors or officers or are pecuniarily or otherwise interested, is either void or voidable because such director or directors are present at the meeting of the Board of Directors or any committee thereof which authorizes or approves the contract or transaction, or because his or their votes are counted for such purpose, if any of the conditions specified in any of the following subparagraphs exists:

- (a) the fact of the common directorate or interest is disclosed or known to the Board of Directors or a majority thereof or noted in the Minutes, and the Board authorizes, approves, or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or
- (b) the fact of the common directorate or interest is disclosed or known to the Members, or a majority thereof, and they approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or
- (c) the contract or transaction is commercially reasonable to the Association at the time it is authorized, ratified, approved, or executed.

Common or interested directors may be counted in determining the presence of a quorum of any meeting of the Board of Directors or committee thereof which authorizes, approves or ratifies any contract or transaction, and may vote thereat to

authorize any contract or transaction with like force and effect as if he were not such director or officer of such Association or not so interested.

ARTICLE 8  
COMMON EXPENSES AND ASSESSMENTS

Section 1. Determination of Common Expenses and Assessments.

1.1 Fiscal Year. The fiscal year of the Association shall consist of the twelve (12) month period which shall be designated by the Board of Directors.

1.2 Preparation and Approval of Budget. At least thirty (30) days before the end of each fiscal year the Board of Directors shall adopt a budget for the Association containing an estimate of the total amount which it considers necessary to pay the cost of common utility services (i.e., water and sewer, gas, and electricity), electrical services, maintenance, management, operation, repair and replacement of improvements to the Common Area, and personal property owned by the Association (except in the case of fire loss), and the cost of wages, materials, insurance premiums, services, supplies and any other expenses that may be declared to be Common Expenses by these Bylaws, the Declaration or a resolution of the Association, and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of the Common Area and the personal property owned by the Association, and the rendering to the Owners of all related services, such costs and expenses being referred to herein as the "Common Expenses". The budget may also include:

1.2.1. The cost of the maintenance or repair of any Lot or residence in the event such maintenance or repair is reasonably necessary, in the discretion of the Board of Directors, (i) because of excessive use or damage caused by willful or negligent acts by a Lot Owner or his guests, invitees, licensees, agents, employees or patrons, (ii) to protect the Common Areas, (iii) to preserve the appearance or value of the subdivision or, (iv) to protect the interest of the general welfare of all Owners; provided, however, that no such special maintenance or repair shall be undertaken without a resolution by the Board of Directors and not without reasonable written notice to the Owner of the Lots proposed to be maintained and provided further that the cost thereof shall be assessed against the Lots on which such maintenance or repair is performed; and, when so assessed, a statement for the amount thereof shall be rendered promptly to the then Owner of said Lots, at which time the

assessment shall become due and payable and a continuing lien and obligation of said Owner in all respects as provided in the Declaration; and

1.2.2 Any amount necessary to discharge any lien or encumbrance levied against the property or any portion thereof, which may, in the opinion of the Board of Directors, constitute a lien against the Association or any portion thereof.

1.3 Accounts. The Board shall establish no fewer than two (2) separate accounts (the "Maintenance Funds") into which shall be deposited all monies paid to the Association, and from which disbursements shall be made, as provided herein, in the performance of functions by the Association under the Declaration and these Bylaws. Each of the Maintenance Funds shall be established as separate trust savings or trust checking accounts at a federally insured banking or lending institution. The Maintenance Funds shall include: (1) an Operating Fund for current expenses of the Association, and (2) Capital Contribution Fund for replacements, and repairs of the Common Areas and other improvements within the subdivision to the extent necessary under the provisions of the Declaration and these Bylaws. The Board shall not commingle any amounts deposited into any other Maintenance Funds.

All amounts deposited into the Operating Fund and the Capital Contribution Fund must be used solely for the common benefit of all of the Owners for purposes authorized by the Declaration and these Bylaws as they may be amended from time to time. Disbursements from the Capital Contribution Fund shall be made by the Board only for the respective purposes specified in this Article VIII, the Declaration and/or Restrictive Covenants. Disbursements from the Operating Fund shall be made by the Board for such purposes as are necessary for the discharge of its responsibilities herein and under the said Declaration and Restrictive Covenants for the common benefit of all the Lot Owners, other than those purposes for which disbursements from the Capital Contribution Fund are to be used. No provision in these Bylaws shall be construed in such a way as to permit the Association to use any assessments to abate any annoyance or nuisance emanating from outside the physical boundaries of the Property. No provision contained herein shall limit, preclude or impair the establishment of other funds by the Association earmarked for specified purposes authorized by the Declaration and these Bylaws.

1.4 The Board of Directors shall send to each Lot Owner a copy of the budget, in a reasonable itemized form which sets forth the amount of the Common Expenses payable by each Lot Owner, at least thirty (30) days prior to the beginning

of the fiscal year to which the budget applies. The said budget shall constitute the basis for determining each Lot Owner's contribution for the Common Expenses of the Association.

1.5 The payment and collection of the assessment made pursuant to the foregoing provisions shall be in accordance with the terms providing for the payment and collection of assessments in these Bylaws and in the Declaration, including without limitation the right reserved to the Board to recover reasonable attorneys' fees, interest and costs.

1.6 Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt the annual budget for any fiscal year shall not constitute a waiver or release in any manner of the Lot Owner's obligation to pay his allocable share of the assessments as herein provided, whenever the same shall be determined, and in the absence of any annual budget or adjusted budget, each Lot Owner shall continue to pay the assessment at the then existing rate established for the previous fiscal period until the new annual or adjusted budget shall have been mailed or delivered.

1.7 Capital Contribution Fund. The Board of Directors shall build up and maintain reasonable capital contributions for working capital, operations, contingencies and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year shall be charged first against Capital Contribution Funds. If the Capital Contribution Funds are inadequate for any reason including non-payment of any Lot Owner's assessment, the Board of Directors may at any time levy a further assessment, which shall be assessed against the Lot Owners equally, and which may be payable in a lump sum or in installments as the Board of Directors may determine. The Board of Directors shall serve notice of any such further assessment on all Lot Owners by a statement in writing giving the amount and reason therefor, and such further assessment shall, unless otherwise specified in the notice, become effective with the next monthly payment. The payment and collection of the assessment made pursuant to the foregoing provisions shall be in accordance with the terms providing for payment and collection of assessments in these Bylaws and in the Declaration, including without limitation, the right reserved to the Board to accelerate payments of assessments and the right to recovery of reasonable attorney's fees, interest and costs.

Section 2. Collection of Assessment. The Board of Directors may take prompt action to collect any assessments due from any Owner which remain unpaid for more than thirty (30) days from the date due for payment thereof.

Section 3. Delinquency and Acceleration. Any installment of an assessment provided for in these Bylaws shall become delinquent if not paid on the due date as established by the Board of Directors of the Association, pursuant to the provisions hereof or pursuant to the Declaration. With respect to each installment of an assessment not paid within thirty (30) days after its due date, the Board of Directors may, at its election, require the delinquent Lot Owner to pay a reasonable late charge, together with interest at the maximum rate permitted by law on such delinquent sums, calculated from the date of delinquency to and including the date full payment is received by the Association. If any installment of an Annual Assessment is not paid within thirty (30) days after its due date, the Board may mail a notice, by certified mail return receipt requested, to the Lot Owner and to each first mortgagee of a Lot which has requested a copy of the notice. Such notice shall specify, in addition to any information required to be provided under the Declaration, (1) the fact that the assessment is delinquent; (2) the action required to cure the default; (3) a date, not less than thirty (30) days from the date the notice is mailed to the Lot Owner, by which such default must be cured; and (4) that failure to cure the default on or before the date specified in the notice may result in foreclosure by the Association against the Lot. If the delinquent installments of the assessments of whatever nature, and any charges thereon are not paid in full on or before the date specified in the notice, the Board at its option may declare all of the unpaid balance of the Annual Assessment for the then current fiscal year, attributable to that Lot Owner and his Lot(s) to be immediately due and payable without further demand and may enforce the collection of the full Annual Assessment and any other assessments and all charges thereon in any manner authorized by law, these Bylaws and the Declaration.

ARTICLE 9

JOINT OWNERSHIP

Membership may be held in the name of more than one person, corporation or other entity. In the event ownership is in more than one person, corporation or other entity, all of the joint owners shall be entitled collectively to only the vote in the management of the affairs of the Association as set forth in the Articles of Incorporation, in the Declaration, and these Bylaws, and said vote may not be divided between multiple owners.

ARTICLE 10

OBLIGATION OF MEMBERS

In addition to other obligations and duties set out in the Declaration and these Bylaws every Lot Owner shall:

(a) Pay all assessments levied by the Association as due and as provided in the Declaration.

(b) Maintain, repair and replace at his own cost and expense all portions of his Lot and residence requiring maintenance, repair, or replacement, as set forth in the Declaration and in the certain Restrictive Covenant instrument dated November 25, 1985, recorded in Volume 1276, Pages 235, 240 and 254, Real Property Records, Williamson County, Texas, and subject to the right of Architectural Control Committee to approve or disapprove alterations.

(c) Conform to and abide by the Bylaws and regulations in regard to the use of his Lot, residence and the Common Area which may be adopted in writing from time to time by the Board of Directors and the Association.

ARTICLE 11

NOTICE OF HEARING PROCEDURE

Section 1. Suspension of Privileges. In the event of an alleged violation of the Declaration, these Bylaws or any other such Rules and Regulations of the Association, and after written notice of such alleged failure is delivered in the manner prescribed in Section 2 of Article 11 hereof) to the Lot Owner or any agent of the Lot Owner (the "Respondent") alleged to be in default, the Board shall have the right, after affording the Respondent an opportunity for an appropriate hearing as hereinafter provided, and upon an affirmative vote of a majority of all directors on the Board, to take any one or more of the following actions: (1) levy a special assessment if so provided in the Declaration and these Bylaws; (2) suspend or condition the right of said Lot Owner to use any facilities owned, operated or maintained by the Association; (3) suspend said Lot Owner's voting privileges in the Association as a Lot Owner, as further provided in the Declaration and these Bylaws; or (4) record a notice of noncompliance encumbering the Lots and/or residence of the Respondent. Any such suspension shall be for a period of not more than thirty (30) days for any noncontinuing infraction, but in the case of a continuing infraction (including nonpayment of any assessment after the



same becomes delinquent) suspension may be imposed for so long as the violation continues. No action against a Lot Owner arising from the alleged violation shall take effect prior to the expiration of (a) fifteen (15) days after the Lot Owner's receipt of the complaint pursuant to Section 2, and (b) five (5) days after the hearing required herein. The failure of the Board to enforce any Rules and Regulations of the Association, these Bylaws or the Declaration shall not constitute a waiver of the right to enforce the same thereafter. The remedies set forth above and otherwise provided by these Bylaws, the Declaration, the Restrictive Covenants and the Articles of Incorporation shall be cumulative and none shall be exclusive. However, any individual Lot Owner must exhaust all available internal remedies of the Association prescribed by these Bylaws, or by any Rules and Regulations of the Association, provided, however, that the foregoing limitation pertaining to exhausting administrative remedies shall not apply to the Board or to any Lot Owner where the complaint alleges nonpayment of assessments.

Section 2. Written Complaint. A hearing to determine whether a right or privilege of the Respondent under the Declaration or these Bylaws should be suspended or conditioned, or whether a special assessment should be levied, shall be initiated by the filing of a written complaint by any Lot Owner or by any officer or member of the Board of Directors with the President of the Association or other presiding member of the Board. The complaint shall constitute a written statement of charges which shall set forth in ordinary and concise language the acts or omissions with which the Respondent is charged, and a reference to the specific provisions of the Declaration, these Bylaws or any Rules and Regulations of the Association which the Respondent is alleged to have violated. A copy of the complaint shall be delivered by the Association to the Respondent in accordance with the notice procedures set forth in these Bylaws together with a statement which shall be substantially in the following form:

"Unless a written request for a hearing signed by or on behalf of the person named as "Respondent" in the accompanying complaint is delivered or mailed to the Board of Directors within fifteen (15) days after the complaint was delivered to you, the Board of Directors may proceed upon the complaint without a hearing, and you will have thus waived your right to a hearing. The request for a hearing may be made by delivering or mailing the enclosed form entitled 'Notice of Defense' to the Board of Directors at the following address:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

You may, but need not, be represented by counsel at any or all stages of these proceedings. If you desire the names and addresses of witnesses or an opportunity to inspect any relevant writings or items on file in connection with this matter in the possession, custody or control of the Board of Directors, you may contact:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 The Respondent shall be entitled to a hearing on the merits of the matter if the Notice of Defense is timely filed with the Board. The Respondent may file a separate statement by way of mitigation, even if he does not file a Notice of Defense.

Section 3. Notice of Hearing. If the Notice of Defense is timely filed, the Board shall deliver in the manner prescribed by the notice procedures set forth in these Bylaws a notice of hearing, on all parties at least ten (10) days prior to the hearing, if such hearing is requested by the Respondent. The hearing shall be held no sooner than thirty (30) days, but not later than ninety (90) days after the complaint is mailed or delivered to the Respondent as provided in Section 2, above. The notice to the Respondent shall be substantially in the following form but may include other information:

"You are hereby notified that a hearing will be held before the Board of Directors of the Woods Homeowners' Association, Inc., at \_\_\_\_\_

\_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, at the hour of \_\_\_\_\_, upon the charges made in the complaint served upon you. You may be present at the hearing, may but need not be represented by counsel, may present any relevant evidence, and will be given full opportunity to cross-examine all witnesses testifying against you. You are entitled to request the attendance of witnesses and the production of books, documents or other items by applying to the Board of Directors."

Section 4. Hearing. If the Notice of Defense is timely filed, the hearing shall be held before the Board in executive session on the date specified in the notice of hearing delivered to the Respondent. If the Notice of Defense is not timely filed, the Respondent's right to a hearing shall be waived and the Board, in executive session, may proceed upon the complaint without a hearing. Prior to the effectiveness of any sanction hereunder, proof of notice, and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be

adequate if a copy of the notice together with a statement of the date and manner of delivery is entered by the officer or director or other person who mailed or delivered such notice. The notice requirement shall be considered satisfied if the Respondent appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

ARTICLE 12

MISCELLANEOUS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Funds. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 4. Checks. All checks or demands for money and notes of the Association shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 5. Fiscal Year. The fiscal year of the Association shall be fixed by resolution of the Board of Directors.

Section 6. Books and Records. The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors, and committees having any authority of the Board of Directors, and shall keep at the registered or principal office all books and records of the Association for inspection by any director or his agent or attorney for any proper purpose at any reasonable time.

Section 7. Inspection of Books. Any person who shall have been a record Lot Owner for at least 6 months immediately preceding his demand, upon written demand stating the purpose thereof, shall have the right to examine, in person

or by agent or attorney, at any reasonable time or times, for any proper purpose, the books and records of account, minutes and records of the Members of the Association. Such person shall have the right to make extracts therefrom.

Section 8. Financial Records.

8.1 Records. The Association shall maintain current true and accurate financial records with full and correct entries made with respect to all financial transactions of the Association, including all income and expenditures, in accordance with generally accepted accounting practices.

8.2 Annual Reports. Based on these records, the Board of Directors shall annually prepare or approve a report of the financial activity of the Association for the preceding year. The report must conform to accounting standards as promulgated by the American Institute of Certified Public Accountants and must include a statement of support, revenue, and expenses and changes in fund balances, a statement of functional expenses, and balance sheets for all funds.

8.3 Location of Financial Records and Reports. All records, books, and annual reports of the financial activity of the Association shall be kept at the registered office or principal office of the Association in this state for at least three years after the closing of each fiscal year and shall be available to all Lot Owners and their First Mortgagees for inspection and copying there during normal business hours. The Association may charge for the reasonable expense of preparing a copy of a record or report.

Section 9. Notices. All notices, demands, bills, statements or other communications under these Bylaws shall be in writing and shall be considered to have been duly given if delivered personally or if sent by U. S. first class, prepaid mail unless required to be sent by other methods in the Declaration or these Bylaws.

9.1 Owner. If to a Lot Owner, at the address which the Lot Owner shall designate in writing and file with the Secretary, or if no such address is designated, at the address of the residence of such Lot Owner; or

9.2 Association. If to the Association, the Board of Directors, or the Managing Agent, if any, at the principal office of one of them, or at such other address as shall be designated by the notice in writing to the Lot Owners pursuant to this Section.

Section 10. Invalidity. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws.

Section 11. Corporate Seal. The Board of Directors shall provide a seal of the Association, which seal shall include the full name of the Association.

### ARTICLE 13

#### AMENDMENTS

Section 1. Power to Amend. These Bylaws may be altered, amended, or repealed at any meeting of the Members at which a quorum is present, by the affirmative vote of a majority of the Members present at such meeting, provided notice of the proposed alteration, amendment, or repeal be contained in the notice of such meeting. Provided, however, during such period as Declarant owns any Lot in the subdivision, the affirmative vote of Declarant shall be required to effect any such amendment, and any such amendment shall require the approval of the Federal Housing Administration or the Veterans Administration. Any amendment to these Bylaws which would conflict with the provisions of the Articles of Incorporation, the Declaration or the Restrictive Covenants shall be ineffective unless and until the appropriate provisions of the Articles of Incorporation, the Declaration or the Restrictive Covenants, whether one or more, as the case may be, are so amended in accordance with their respective amendment procedures. Notwithstanding the above, the amendment hereto which (i) changes the method of determining the obligations, assessments, dues or other charges which may be levied against a Lot Owner, or (ii) changes, waives or abandons any scheme pertaining to architectural design or maintenance, or (iii) changes the manner in which insurance proceeds are used, shall have the additional approval of sixty-seven percent (67%) of the First Mortgagees (based upon one vote for each mortgage owned).

Section 2. Declarant reserves the right during the Construction and Sale Period, without joinder or consent of any Owner or Mortgagee, to amend these Bylaws for the purpose of resolving or clarifying any conflicts or ambiguities herein or any conflicts among these Bylaws and the Declaration, the Restrictive Covenants and the Articles of Incorporation, or correcting any inadvertent misstatement, errors or omissions herein, or to comply with the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Veteran's Administration or the Federal Housing Administration, provided that no such amendment shall change the vested property rights of any Lot Owner.

ARTICLE 14

CONFLICT

In the case of a conflict between the Articles of Incorporation and the Bylaws, the Articles shall control and in case of conflict between the Declaration and these Bylaws, the Declaration shall control.

IN WITNESS WHEREOF, we the Directors of The Woods Homeowners' Association, we have hereunto set our hands this 20th day of January, 1986.

T. L. Buffington

Tom Buffington

Jack Davis

Jack Davis

Bill Bulloch

Bill Bulloch

Bylaws ADOPTED January 20, 1986

T. L. Buffington

Secretary

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected Secretary of The Woods Homeowners' Association, Inc., a Texas Non-Profit Corporation, and,

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 20th day of January, 1986.

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IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 20th day of January, 1986.

T L Buffington

Secretary

STATE OF TEXAS )

COUNTY OF TRAVIS )

Tom Buffington, Jack Davis, and Bill Bulloch appeared before me, and after being duly sworn they acknowledged that they executed the foregoing Bylaws for the purposes expressed in the Bylaws on the January, 1986.



Tami Pearson

Notary Public State of Texas

TAMI PEARSON

Printed/Stamped Name of Notary

My Commission Expires: 6-25-88

## THE WOODS, SECTION 1

## DESCRIPTION

OF A 28.044 ACRE TRACT OF LAND OUT OF THE DAVID CURRY SURVEY, ABSTRACT NO. 130, WILLIAMSON COUNTY, TEXAS; SAID 28.044 ACRE TRACT BEING OUT OF 87.132 ACRE TRACT CONVEYED TO NASH PHILLIPS COPUS, INC. BY DEED RECORDED IN VOLUME 940 PAGE 692 OF THE DEED RECORDS OF WILLIAMSON COUNTY, TEXAS; SAID 28.044 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at a 3/4 inch iron rod found on the northeast right-of-way line of Sam Bass Road (County Road 175); said rod being the southernmost corner of said 87.132 acre tract and of this tract; said rod being N 70 degrees E approximately 958 feet from an interior corner of the David Curry Survey, Abstract No. 130;

THENCE the following five (5) course along the fenced northeasterly right-of-way line of Sam Bass Road (County Road 175):

- (1) N 46 degrees 06'01"W 42.66 feet to a nail found in a post;
- (2) N 57 degrees 32'52"W 23.36 feet to a nail found in a post;
- (3) N 65 degrees 42'12"W 405.84 feet to a nail found in a post;
- (4) N 68 degrees 41'24"W 24.33 feet to a nail found in a post;
- (5) N 72 degrees 25'53"W 778.26 feet to a 5/8 inch iron rod set at the westernmost corner of this tract;

THENCE N 16 degrees 30'54"E 21.23 feet to a 5/8 inch iron rod set at the point of curvature of a 25-foot property return;

THENCE northwesterly with a curve to the left having a radius of 25.00 feet, a central angle of 87 degrees 55'55", a chord bearing N 62 degrees 32'57"E 34.71 feet; an arc distance of 38.36 feet to a 5/8 inch iron rod set at the point of tangency;

THENCE N 18 degrees 34'59"E 629.30 feet to a 5/8 inch iron rod set on the fenced northwesterly line of said 87.132 acre tract;

EXHIBIT "A"



THENCE the following three (3) courses along said fenced northwesterly line:

- (1) N 70 degrees 57'24"E 268.22 feet to a nail found in a post;
- (2) N 70 degrees 32'34"E 603.61 feet to a nail found in a post;
- (3) N 70 degrees 44'48"E 407.94 feet to a 5/8 inch iron rod set at the northernmost corner of this tract;

THENCE S 18 degrees 34'59"W 1079.52 feet to a point;

THENCE S 71 degrees 25'01"E 180.00 feet to a point;

THENCE S 18 degrees 34'59"W 69.40 feet to a 5/8 inch iron rod set at the point of curvature of a curve to the left;

THENCE southwesterly along said curve to the left having a radius of 15.00 feet, a central angle of 90 degrees 00'00", a chord bearing S 26 degrees 25'01"E 21.21 feet, an arc distance of 23.56 feet to a 5/8 inch iron rod set at the point of tangency;

THENCE S 71 degrees 25'01"E 121.73 feet to a 5/8 inch iron rod set at the point of curvature of a curve to the left;

THENCE northeasterly along said curve to the left having a radius of 125.00 feet, a central angle of 38 degrees 24'20", a chord bearing N 89 degrees 22'49"E 82.23 feet; an arc distance of 83.79 to a 5/8 inch iron rod set at the point of tangency;

THENCE S 19 degrees 49'21"E 50.00 feet to a 5/8 inch iron rod set;

THENCE S 06 degrees 20'07"W 161.55 feet to a 5/8 inch iron rod set on the fenced southeasterly line of said 87.132 acre tract;

THENCE the following two (2) courses along said fenced line:

- (1) S 70 degrees 10'39"W 48.80 feet to a steel post with sign found;
- (2) S 70 degrees 07'02"W 239.21 feet to the POINT OF BEGINNING, containing 28.044 acres of land.

EXHIBIT "A"

## THE WOODS, SECTION 2

## DESCRIPTION

OF A 32.618 ACRE TRACT OF LAND OUT OF THE DAVID CURRY SURVEY, ABSTRACT NO. 130, WILLIAMSON COUNTY, TEXAS; SAID 32.618 ACRE TRACT BEING OUT OF 87.132 ACRE TRACT AND A 42.38 ACRE TRACT CONVEYED TO NASH PHILLIPS COPUS, INC BY DEED RECORDED IN VOLUME 940 PAGE 692 OF THE DEED RECORDS OF WILLIAMSON COUNTY, TEXAS; SAID 32.618 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at an iron rod set on the northern line of said 42.38 acre tract; said rod being the following two (2) courses from the northernmost corner of said 42.38 acre:

(1) S 71 degrees 27'25"W 438.08 feet;

(2) S 71 degrees 38'51"W 379.98 feet to the POINT OF BEGINNING, said rod also being S 18 degrees 30'E approximately 5750 feet and S 71 degrees 30'W approximately 9820 feet from the northeast corner of the David Curry Survey, Abstract No. 130;

THENCE S 38 degrees 19'43"E 162.51 feet to an iron rod set;

THENCE N 51 degrees 40'17"E 65.00 feet to an iron rod set at the point of curvature of a curve to the right;

THENCE northeasterly along said curve to the right having a radius of 175.00 feet, a central angle of 19 degrees 58'34", a chord bearing N 61 degrees 39'34"E 60.70 feet, an arc distance of 61.01 feet to an iron rod set;

THENCE S 18 degrees 21'09"E 50.00 feet to an iron rod set;

THENCE southwesterly along a curve to the left having a radius of 125.00 feet, a central angle of 00 degrees 38'58", a chord bearing S 71 degrees 19'38"W 1.42 feet, an arc distance of 1.42 feet to an iron rod set on said curve;

THENCE S 18 degrees 21'09"E 344.99 feet to an iron rod set at an angle point;

THENCE S 72 degrees 13'59"E 229.02 feet to an iron rod set at an angle point;

EXHIBIT "B"

THENCE N 71 degrees 38'51"E 388.65 feet to an iron rod set on the new westerly right-of-way line of the Georgetown Railroad Company;

THENCE S 13 degrees 34'21"E 738.71 feet along said right-of-way line to an iron pipe found at a corner of The Hermitage Section Two, an unrecorded subdivision in the City of Round Rock, Texas;

THENCE the following six (6) courses along the common line between said 42.38 acre tract and The Hermitage Section Two:

- (1) N 66 degrees 56'31"W 202.81 feet to an iron pipe found;
- (2) S 62 degrees 56'39"W 208.60 feet to an iron pipe found;
- (3) S 65 degrees 34'15"W 157.31 feet to an iron pipe found;
- (4) S 67 degrees 11'38"W 245.52 feet to an iron pipe found;
- (5) S 69 degrees 48'28"W 268.19 feet to a fence post;
- (6) S 69 degrees 36'35"W 363.07 feet to an iron rod set for the southernmost corner of this tract;

THENCE N 20 degrees 06'25"W 145.59 feet to an iron rod set;

THENCE S 69 degrees 53'35"W 30.00 feet to an iron rod set;

THENCE N 20 degrees 06'25"W 368.53 feet to an iron rod set at an angle point;

THENCE N 02 degrees 17'30"W 503.55 feet to an iron rod set;

THENCE N 87 degrees 42'30"E 40.00 feet to an iron rod set;

THENCE N 02 degrees 17'30"W 180 feet to a point;

THENCE N 87 degrees 42'30"E 65.00 feet to an iron rod set at the point of curvature of a curve to the left;

THENCE northeasterly along said curve to the left having a radius of 15.00 feet, a central angle of 90 degrees 00'00", a chord bearing N 42 degrees 42'30"E 21.21 feet, an arc distance of 23.56 feet to an iron rod set at the point of compound curvature of another curve to the left;

EXHIBIT "B"

THENCE northwesterly along said curve to the left having a radius of 370.00 feet, a central angle of 15 degrees 40'26", a chord bearing N 10 degrees 07'43"W 100.90 feet, an arc distance of 101.22 feet to an iron rod set at the point of tangency;

THENCE N 17 degrees 57'56"W 81.08 feet to an iron rod set on the northerly boundary line of said 42.38 acre tract;

THENCE the following two (2) courses along the common line between said 42.38 acre tract and a tract conveyed to Edgar E. Hoppe recorded in Volume 429, Page 485, Williamson County Deed Records:

(1) N 72 degrees 02'04"E 173.84 feet to a 60d nail found;

(2) N 71 degrees 38'51"E 250.84 feet to the POINT OF BEGINNING containing 32.618 acres of land.

EXHIBIT "B"

THE WOODS, SECTION 4

DESCRIPTION

OF A 20.538 ACRE TRACT OF LAND BEING OUT OF THE DAVID CURRY SURVEY, ABSTRACT NO. 130, IN WILLIAMSON COUNTY, TEXAS, BEING ALSO OUT OF A 42.38 ACRE TRACT OF LAND AS CONVEYED TO NASH PHILLIPS COPUS, INC. BY DEED RECORDED IN VOLUME 940 PAGE 692 OF THE DEED RECORDS OF WILLIAMSON COUNTY, TEXAS, SAID 20.538 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at an iron pin set in the common boundary line between a tract of land in the name of Edgar E. Hoppe of record in Volume 429, Page 485 of the Deed Records of Williamson County, Texas, and the above mentioned 42.38 acre tract, said iron pin set bears the following three calls from the most northern corner of said 42.38 acre tract:

- (1) S 71 degrees 27'25"W, a distance of 438.08 feet;
- (2) S 71 degrees 38'51"W, a distance of 630.82 feet;  
and
- (3) S 72 degrees 02'04"W, a distance of 173.84 feet;

and in addition, said iron pin set bears approximately S 42 degrees 12'00"W, a distance of 11,747 feet from the northeasterly corner of said David Curry Survey, said iron pin set, being the most northeasterly corner and POINT OF BEGINNING hereof;

THENCE, departing said common boundary line S 17 degrees 57'56"E for a distance of 81.08 feet to an iron pin set at a point of curvature in the easterly line hereof;

THENCE, with a curve to the right, having a radius of 370.00 feet, a central angle of 15 degrees 40'26", an arc distance of 101.22 feet and a chord which bears S 10 degrees 07'34"E for a distance of 100.90 feet to an iron pin set at a point of compound curvature in the easterly line hereof;

THENCE, with a curve to the right having a radius of 15.00 feet, a central angle of 90 degrees 00'00", an arc distance of 23.56 feet and a chord which bears S 42 degrees 42'30"W for a distance of 21.21 feet to an iron pin set for a point of tangency in the easterly line hereof;

EXHIBIT "B"

THENCE, S 87 degrees 42'30"W for a distance of 65.00 feet to an iron pin set for an inside ell corner in the easterly line hereof;

THENCE, S 02 degrees 17'30"E for a distance of 180.00 feet to an iron pin set for an outside ell corner in the easterly line hereof;

THENCE, S 87 degrees 42'30"W for a distance of 40.00 feet to an iron pin set for an inside ell corner in the easterly line hereof;

THENCE, S 02 degrees 17'30"E for a distance of 503.55 feet to an iron pin set for angle point in the easterly line hereof;

THENCE, S 20 degrees 06'25"E for a distance of 368.53 feet to an iron pin set for an inside ell corner in the easterly line hereof;

THENCE, N 69 degrees 53'35"E for a distance of 30.00 feet to an iron pin set for an outside ell corner in the easterly line hereof;

THENCE, S 20 degrees 06'25"E for a distance of 145.59 feet to an iron pin set in the common boundary line between "The Hermitage", a subdivision in Williamson County, Texas, and the above mentioned 42.38 acre tract for the most southeasterly corner hereof;

THENCE, with said common boundary line S 69 degrees 36'35"W for a distance of 544.95 feet to an iron pin set for an angle point in the southerly line hereof;

THENCE, continuing with said common boundary line S 70 degrees 23'11"W for a distance of 52.60 feet to an iron pin set for the southwesterly corner hereof;

THENCE, departing said common boundary line N 19 degrees 31'09"W for a distance of 1148.02 feet to an iron pin set for an inside ell corner in the westerly line hereof;

THENCE, S 70 degrees 28'51"W for a distance of 64.14 feet to an iron pin set for an outside ell corner in the westerly line hereof;

THENCE, N 19 degrees 31'09"W for a distance of 180.00 feet to an iron pin set in the common boundary line between said Edgar E. Hoppe Tract and said 42.38 acre tract for the most northwesterly corner hereof;

THENCE, with said common boundary line the following three calls:

POINT "B"

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- (1) N 70 degrees 28'52"E for a distance of 114.00 feet to an iron pin set;
- (2) N 69 degrees 24'44"E for a distance of 645.47 feet to an iron pin set;
- (3) N 72 degrees 02'04"E for a distance of 207.25 feet to the POINT OF BEGINNING hereof.

EXHIBIT "B"

## THE WOODS, SECTION 5

## DESCRIPTION

OF A 32.246 ACRE TRACT OUT OF THE DAVID CURRY SURVEY, ABSTRACT NO. 30, WILLIAMSON COUNTY, TEXAS; SAID 32.246 ACRE TRACT ALSO BEING OUT OF AN 87.132 ACRE TRACT CONVEYED TO NASH PHILLIPS COPUS, INC. BY DEED RECORDED IN VOLUME 940 PAGE 692, WILLIAMSON COUNTY, DEED RECORDS; SAID 32.246 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at an iron pin found on the southerly line of said 87.132 acre tract; said pin being the following two courses from an iron pin found at the southernmost corner of said 87.132 acre tract: (1) N 70 degrees 07'02"E, 239.21 feet; (2) N 70 degrees 10'39"E, 48.80 feet to the point of beginning; said pin also being the southeast corner of Lot 1, Block G, The Woods Section One, a subdivision in the City of Round Rock recorded in Cabinet F, Slides 239-240, Williamson County Plat. Records; said pin being N 70°E approximately 1246 feet from the interior corner of the David Curry Survey Abstract No. 130;

THENCE N 06 degrees 20'07"E, 161.55 feet along said Lot 1, Block G, The Woods Section One, to an iron pin found on the southerly right-of-way line of Cedar Bend Drive;

THENCE N 19 degrees 49'21"W, 50.00 feet crossing Cedar Bend Drive to an iron pin found on the northerly right-of-way line of said Cedar Bend Drive;

THENCE southwesterly along said right-of-way line with a curve to the right having a radius of 125.00 feet, a central angle of 38 degrees 24'20", a chord bearing S 89 degrees 22'49"W 82.23 feet, an arc distance of 83.79 feet to an iron pin found at the point of tangency;

THENCE N 71 degrees 25'01"W, 121.73 feet along said right-of-way line to an iron pin found at the point of curvature of a curve to the right;

THENCE northwesterly along said curve to the right having a radius of 15.00 feet, a central angle of 90 degrees 00'00", a chord bearing N 26 degrees 25'01"W 21.21 feet, an arc distance of 23.56 feet to an iron pin found at the point of tangency on the southeasterly right-of-way line of Woods Boulevard;

THENCE N 18 degrees 34'59"E, 69.40 feet along said right-of-way line to a point;

EXHIBIT "R"



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THENCE N 71 degrees 25'01"W, 60.00 feet crossing said Woods Boulevard to a point on the northwesterly right-of-way line of said Woods Boulevard;

THENCE S 18 degrees 34'59"W, 7.50 feet along said right-of-way line to an iron pin found at the easternmost corner of Lot 69, Block D, The Woods Section One;

THENCE N 71 degrees 25'01"W, 120.00 feet along the northeasterly line of said Lot 69, Block D to an iron pin found at the northernmost corner of said Lot 69, Block D;

THENCE N 18 degrees 34'59"E, 1087.02 feet along the common line between this tract and said The Woods Section One to an iron pin found at the northernmost corner of Section One;

THENCE the following two courses along the common line between this tract and a tract described in Volume 429, Page 485, Williamson County Deed Records; (1) N 70 degrees 44'47"E, 218.04 feet, and (2) N 70 degrees 28'51"E, 389.68 feet to an iron pin found at the westernmost corner of Lot 92, Block D, The Woods Section Four, an approved subdivision;

THENCE S 19 degrees 31'09"E, 180.00 feet to a point on the southerly right-of-way line of Woods Boulevard;

THENCE N 70 degrees 28'51"E, 64.14 feet along said right-of-way line to an iron pin found at the westernmost corner of Lot 31, Block G, said The Woods Section Four;

THENCE S 19 degrees 31'09"E, 1148.02 feet along the common line between this tract and said The Woods Section Four to an iron pin found at the southernmost corner of Lot 45, Block G, said The Woods Section Four;

THENCE S 70 degrees 23'11"W, 457.32 feet along the common line between this tract and The Hermitage, a subdivision recorded in Cabinet D, Slide 118, Williamson County Plat Records, to an iron pin found at a corner of said subdivision;

THENCE S 70 degrees 10'39"W, 675.91 feet along the common line between this tract and a 1.98 acre tract described in Volume 780, Page 511, Williamson County Deed Records to the POINT OF BEGINNING containing 32.246 acres of land.

EXHIBIT "B"

## THE WOODS, SECTION 6

## DESCRIPTION

OF A 9.204 ACRE TRACT OF LAND OUT OF THE DAVID CURRY THREE FOURTHS LEAGUE SURVEY, ABSTRACT NO. 130, IN WILLIAMSON COUNTY, TEXAS; BEING ALSO A PORTION OF A 42.376 ACRE TRACT OF LAND OF RECORD IN DEED VOLUME 940 PAGE 692 OF THE DEED RECORDS OF WILLIAMSON COUNTY, TEXAS; SAID 9.204 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING FOR REFERENCE at an iron pin found being in the westerly right-of-way line of the Georgetown Railroad being also an easterly corner of a tract of land in the name of Edgar Hoppe of record in Volume 429, Page 485, of the Deed Records of Williamson County, Texas, said iron pin found being also the northeasterly corner of the above-mentioned 42.376 acre tract of land, thence, S 71 degrees 27'25"W, for a distance of 5.03 feet to an iron pin set for the POINT OF BEGINNING, hereof and from which the northeast corner of said David Curry Survey bears approximately N 38 degrees 56'00"E a distance of 10,683 feet;

THENCE, with the curving right-of-way line of the Georgetown Railroad with a curve to the left, having a radius of 9113.99 feet, a central angle of 03 degrees 16'39", an arc distance of 521.34 and a chord which bears S 11 degrees 56'02"E for a distance of 521.28 feet to an iron pin set being a point of tangency in the easterly line hereof;

THENCE, continuing with the westerly right-of-way line of Georgetown Railroad S 13 degrees 34'21"E for a distance of 133.92 feet to an iron pin set for the most southeasterly corner hereof;

THENCE, departing said Railroad right-of-way line S 71 degrees 38'51"W for a distance of 388.65 feet to an iron pin set for the most southerly corner hereof;

THENCE, N 72 degrees 13'59"W for a distance of 229.02 feet to an iron pin set for an angle point hereof;

THENCE, N 18 degrees 21'09"W for a distance of 344.99 feet to an iron pin set in the curving southerly right-of-way line of a proposed street (50' width) to be known as Woods Blvd. for an angle point in the westerly line hereof;

THENCE, with the curving southerly right-of-way line of said Woods Blvd. with a curve to the right having a radius of 125.00 feet a central angle of 00 degrees 39'03", an arc distance of

RECORDED IN DEED RECORDS OF WILLIAMSON COUNTY, TEXAS, VOLUME 1304, PAGE 681

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1.42 feet and a chord which bears N 71 degrees 19'38"E for a distance of 1.42 feet to an iron pin set for a point of tangency hereof;

THENCE, departing said southerly right-of-way line N 18 degrees 21'09"W for a distance of 50.00 feet to an iron pin set in the northerly right-of-way line of said proposed street for a point of curvature in the westerly line hereof;

THENCE, with the northerly right-of-way line of said proposed street with a curve to the left having a radius of 175.00 feet, a central angle of 19 degrees 58'28", an arc distance of 61.01 feet and a chord which bears S 61 degrees 39'34"W for a distance of 60.70 feet to an iron pin set being a point of tangency in the westerly line hereof;

THENCE, continuing with the northerly right-of-way line of said proposed S 51 degrees 40'17"W for a distance of 65.00 feet to an iron set for an angle point in the westerly line hereof;

THENCE, departing the northerly right-of-way line of said proposed street N 38 degrees 19'43"W for a distance of 162.51 feet to an iron pin set, being in the common boundary line between said Edgar Hoppe tract and the previously mentioned 42.376 acre tract for the most westerly corner hereof;

THENCE, with said common boundary line N 71 degrees 38'51"E for a distance of 379.98 feet to a 60d nail found for an angle point in the northerly line hereof;

THENCE, continuing with said common boundary line N 71 degrees 27'25"E for a distance of 438.08 feet to the POINT OF BEGINNING and containing 9.204 acres of land.

STATE OF TEXAS COUNTY OF WILLIAMSON  
I hereby certify that this Instrument was FILED  
on the date and at the time stamped hereon  
by me; and was duly RECORDED, in the Volume  
and Page of the named RECORDS of Williamson  
County, Texas, as stamped hereon by me, on

JAN 29 1986



*James S. Boylston*  
COUNTY CLERK  
WILLIAMSON COUNTY, TEXAS

COUNTY CLERK

*James S. Boylston*

FILED FOR RECORD  
WILLIAMSON COUNTY, TX  
1986 JAN 28 PM 3:39

EXHIBIT "B"

DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS  
FOR  
THE WOODS [ 3540

THE STATE OF TEXAS  
COUNTY OF WILLIAMSON

KNOW ALL MEN BY THESE PRESENTS

THIS DECLARATION is made on the date hereinafter set forth  
by NASH PHILLIPS/COPUS, INC., a Texas corporation, hereinafter  
referred to as "Declarant", and is as follows:

WITNESSETH:

WHEREAS, Declarant is the Owner of certain property in the  
County of Williamson, State of Texas, more particularly  
described as:

THE WOODS, SECTION 1, a subdivision in the City of  
Round Rock, Williamson County, Texas, according to  
the map or plat thereof recorded in Cabinet F, Slides  
239-240, Plat Records, Williamson County, Texas.

Declarant is also the owner of the Common Area described in  
Article I, Section 1.2 hereof.

NOW THEREFORE, Declarant hereby declares that all of the  
Property described above shall be held, sold and conveyed  
subject to the following easements, restrictions, covenants and  
conditions, all of which are for the purpose of enhancing and  
protecting the value, desirability and attractiveness of the  
real property. These easements, covenants, restrictions and  
conditions shall run with the real property and be binding on  
all parties having or acquiring any right, title or interest in  
the above described Property or any part thereof, their heirs,  
successors and assigns, and shall inure to the benefit of each  
Owner thereof.

ARTICLE I

DEFINITIONS

1.1 ASSOCIATION. "Association" shall mean and refer to  
THE WOODS HOMEOWNERS' ASSOCIATION, INC, its successors and  
assigns.

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1.2 COMMON AREA. "Common Area" shall mean that portion of the Property owned by the Association for the common use and enjoyment of the Members of the Association including, but not limited to, all recreational facilities, community facilities, swimming pools, cabana, pumps, trees, landscaping, sprinkler systems, pavement, streets (to the extent not owned by appropriate governmental authorities), walkways, parking lots, pipes, wires, conduits and other public utility lines situated thereon (to the extent not owned by appropriate governmental authorities or by local utility companies). The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows:

Lots 46 and 66, Block D, The Woods, Section 1 a subdivision in Williamson County, Texas, as shown on the recorded subdivision Maps or Plats thereof recorded in Cabinet F, Slides 239-240, Plat Records, Williamson County, Texas.

1.3 CONSTRUCTION AND SALE PERIOD. "Construction and Sale Period" shall mean that period of time during which Declarant is developing the Premises (including the land described on the said Exhibit "B") and selling the residences, which time period shall extend from the date hereof until such time as the Declarant transfers title to all of the Lots.

1.4 LIENHOLDER OR FIRST MORTGAGE. "Lienholder" or "First Mortgage" shall mean the holder of a first mortgage lien on any residential structure in the subdivision.

1.5 LOT. "LOT" shall mean and refer to any of the lots (exclusive of the Common Area) shown on the above referenced subdivision plat and more particularly shown on Exhibit "A" attached hereto and incorporated by this reference herein for all purposes, and to any of the lots in future phases and sections of The Woods upon the land described on Exhibit "B" attached hereto and incorporated by this reference herein for all purposes, on which there is or will be constructed a single-family residence which is to be individually and separately owned. Declarant shall be the Owner of all of said Lots SAVE AND EXCEPT only those particular Lots which Declarant

conveys in fee simple title by recordable deed from and after the date hereof.

1.6 MEMBER. "Member" shall mean and refer to every person or entity who holds membership in the Association.

1.7 OWNER. "Owner" shall mean and refer to the record Owner, whether one (1) or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including sellers under Contracts for Deed, but excluding those having such interest merely as security for the performance of an obligation. However, the term "Owner" shall include any Mortgagee or Lienholder who acquires fee simple title to any Lot which is a part of the Property, through a deed in lieu of foreclosure or through judicial or non-judicial foreclosure.

1.8 PROPERTY, PREMISES OR DEVELOPMENT. "Property" shall mean and refer to that certain real property hereinbefore described, and such additional or annexations thereto as may hereafter be brought within the jurisdiction of the Association.

1.9 RESIDENCE. "Residence" shall mean a single-family residential Unit constructed on a Lot.

## ARTICLE II

### PROPERTY RIGHTS

2.1 OWNER'S EASEMENTS OF ENJOYMENT. Every Owner shall have a right and easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- a. the right of the Association to charge reasonable admission and other fees for the use of any recreational or storage facility upon the Common Area;
- b. the right of the Association to suspend a Member's voting rights and right to the use of recreational or other facilities owned or operated by the Association for any period during which any assessment against his Lot remains unpaid as provided in the By-Laws of The Woods Homeowners' Association,

Inc., (the "By-Laws") as the same may be amended from time to time, and for a period of 60 days for any infraction of its published rules and regulations;

c. the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless (i) an instrument of agreement to such dedication or transfer, signed by two-thirds (2/3) of each class of Members entitled to vote is properly recorded, in the Deed Records of Williamson County, Texas, and (ii) written notice of proposed action under this provision is sent to every Owner and Lienholder not less than thirty (30) days, nor more than sixty (60) days in advance of said action;

d. the right of the Association to limit the number of guests of Members;

e. the right of the Association, in accordance with its Articles of Incorporation, the By-Laws and this Declaration, to borrow money for the purpose of improving the Common Area and facilities and, subject to the consent of all Lienholders, to mortgage said property; however, the rights under such improvement mortgage shall be subordinate and inferior to the rights of the Owners hereunder;

f. the right of the Association to designate excess parking as "guest" parking for the exclusive use of bona fide guests of Owners; and

g. the right of the Association to make rules and regulations relating to traffic flow, on street parking, and other uses of the streets and drives in the subdivision.

2.2 DELEGATION OF USE. Any Owner may delegate his right of enjoyment to the Common Area and facilities to the members of his family, his tenants or contract purchasers who reside on the Property, and such family members, tenants and contract purchasers shall be bound to the provision of this Declaration. The Owners hereby covenant that any lease executed on a Lot shall be in writing and contain provisions binding any lessee thereunder to the terms of the Restrictive Covenants, rules and regulations applicable to the Property, and further providing that noncompliance with the terms of the lease shall be a default thereunder.

2.3 TITLE TO THE COMMON AREA. The Declarant hereby covenants for itself, its successors and assigns, that it will convey fee simple title to the Common Area to the Association, free and clear of all encumbrances and liens. The Common Area shall remain undivided and shall at all times be owned by the Association or its successors, it being agreed that this restriction is necessary in order to preserve the rights of the Owners with respect to the operation and management of the Common Area.

ARTICLE III.

MEMBERSHIP AND VOTING RIGHTS

3.1. MEMBERSHIP. Every person or entity who is a record Owner of a fee or undivided fee interest in any Lot which is subject, by covenants of record, to assessment by the Association, including contract sellers, shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from any ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership. Any Mortgagee or Lienholder who acquires title to any Lot which is a part of the Property, through judicial or



non-judicial foreclosure, shall be a Member of the Association. It is understood that the Exhibit "B" land may be developed in phases or sections, and upon the completion of development of each individual section or phase by Nash Phillips/Copus, Inc., such completed section or phase shall automatically become bound hereby and a part hereof, provided, however, that no provision herein shall be construed to require the development of the Exhibit "B" land by Nash Phillips/Copus, Inc., and, in the event that Nash Phillips/Copus shall sell the Exhibit "B" land to a unrelated third party purchaser without having first developed the same, such third party shall have the right to elect whether or not it desires the Exhibit "B" land to become a part hereof and bound hereby.

3.2 VOTING RIGHTS. The Association shall have two (2) classes of voting membership:

a. Class A. Class A Members shall be all Owners, with the exception of NASH PHILLIPS/COPUS, INC., a Texas corporation, the Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds such interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised, as they among themselves determine as provided in the By-Laws, but in no event shall more than one (1) vote be cast with respect to any Lot.

b. Class B. The Class B Member(s) shall be NASH PHILLIPS/COPUS, INC., a Texas corporation, the Declarant, and its successors and assigns, and shall be entitled to three (3) votes for each lot owned by it, provided that the Class B membership shall cease and be converted to Class A membership (subject to reversion back to Class B membership of additional land) on the happening of either of the following events, whichever occurs earlier:

(1) the complete development of the land described on Exhibit "B" attached hereto;

(2) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(3) five (5) years from the filing date hereof in the Deed Records of Williamson County, Texas.

3.3 NO CUMULATIVE VOTING. There shall be no cumulative voting in any meetings of the Owner's Association.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

4.1 CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be expressed in any such deed or other instrument of conveyance, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessment to be fixed, established and collected as hereinafter provided. The annual and special assessments, together with such interest thereon, costs of collection thereof and reasonable attorney's fees, as hereinafter provided, shall be a charge on the land and shall be secured by a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to an Owner's successors in title unless expressly assumed by them.

4.2 PURPOSE OF ASSESSMENTS. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the Property and in particular for the improvement and maintenance of the Property, the Common Area and services and facilities relating to the use and enjoyment thereof. Assessments shall include, but are not limited to, funds to cover actual Association costs for all taxes, insurance, repair, replacement and maintenance of the Common Area, as herein authorized or as may from time to time be authorized by the Board of Directors; legal and accounting fees; costs incurred in any condemnation hearing, as provided in Paragraph 6.7; any fees for management services; the cost of other facilities and service activities, including, but not limited to, Common Area maintenance, mowing grass, grounds care, sprinkler system, landscaping, swimming pool, cabana, walkways, maintenance and repair and replacement of the perimeter fence surrounding the boundary of the Property, street and parking lot maintenance and other charges required by this Declaration of Covenants, Conditions and Restrictions or which the Board of Directors of the Association shall determine to be necessary to meet the primary purpose of the Association, including the establishment and maintenance of a reserve for repair, maintenance, taxes and other charges as specified herein.

4.3 BASIS AND MAXIMUM OF ANNUAL ASSESSMENTS.

a. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be payable in monthly installments of \$15.00 per Lot.

b. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be set effective January 1 of each year without a vote of the membership by an amount not to exceed one hundred five percent (105%) of the assessment of the preceding year.

c. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be set above one hundred five percent (105%) of the previous assessment only by the written approval of the Owners entitled to cast two-thirds (2/3) of the votes of the Members of each class.

d. After consideration of current maintenance costs and future needs of the Association, the Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

4.4. SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENT. In addition to the annual assessment authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction or unexpected repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the written approval of two thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

4.5 NOTICE QUORUM FOR ANY ACTION AUTHORIZED UNDER PARAGRAPHS 4.3 AND 4.4. Written notice of any meeting called for the purpose of taking any action authorized under Paragraphs 4.3 and 4.4 shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership entitled to be cast by the Members of the Association shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the

required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. In lieu of a meeting, a door to door canvass may be used to obtain the written consent of two-thirds (2/3) of the Class A Owners and two-thirds (2/3) of the Class B Owners.

4.6 UNIFORM RATE OF ASSESSMENT. Both annual and special assessments shall be fixed at a uniform rate for all Lots regardless of size, value or location, and shall commence and be due in accordance with the provisions of Paragraph 4.7 hereof. Assessment may be collected on a monthly basis.

4.7 DATE OF COMMENCEMENT OF ANNUAL ASSESSMENT; DUE

DATES.

a. The annual assessments on the Lots shall commence on the first day of the month following the conveyance of the Common Area to the Association.

b. As long as Declarant holds any Class B voting rights as set out in Article III, Paragraph 3.2 herein, Declarant shall be liable for annual assessments, on each lot owned by it, equal to twenty-five percent (25%) of the assessments as set out in Paragraph 4.3a of this Article IV. The obligation to pay assessments on lots owned by Declarant shall commence on the sixtieth (60th) day following conveyance of the first lot in the subdivision.

c. The annual assessment shall be due and payable in advance by each Owner to the Association in monthly installments.

d. The annual assessment for the first assessment year shall be fixed by the Association prior to the sale of the first Lot to an Owner. Except for the first assessment year, the Association shall fix the amount of the annual assessment at least thirty (30) days in advance of each assessment year, which shall be the calendar year; provided, however,

that the Association shall have the right to adjust the annual assessment upon thirty (30) days' prior written notice given to each Owner, as long as any such adjustment does not exceed the maximum permitted hereunder. Written notice of the annual assessment shall be sent as soon as is practicable to every Owner subject thereto. The Association shall, upon demand at any time, furnish a certificate in writing signed by an officer of the Association setting forth whether the annual and special assessments on a specified Lot have been paid and the amount of any delinquency. A reasonable charge may be made by the Association for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid, and same shall be binding on the Association as of the date of its issuance.

4.8 EFFECT OF NON-PAYMENT OF ASSESSMENTS; REMEDIES OF THE ASSOCIATION.

a. All payments of the assessments shall be made to the Association at its principal place of business in Williamson County, Texas, or at such other place as the Association may otherwise direct or permit. Payment shall be made in full regardless of whether any Owner has any dispute with the Declarant, the Association, any other Owner or any other person or entity regarding any matter to which this Declaration relates or pertains. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot. Payment of the assessments shall be both a continuing affirmative covenant personal to the Owner (other than the Declarant) and a continuing covenant running with the land. Each Owner, and each prospective Owner, is

hereby placed on notice that such provision may operate to place upon him the responsibility for the payment of assessments attributable to a period prior to the date he purchased his residence.

b. Any assessment provided for in this Declaration which is not paid when due shall be delinquent, and may be subject to late charges and interest thereon. If any such assessment is not paid within thirty (30) days after the date of delinquency, the assessment shall, if so determined by the Board of Directors, bear interest from the date of delinquency, until paid, at the maximum rate permitted by law. The Association may, at its option, bring an action at law against the Owner personally obligated to pay the same; or, upon compliance with the notice provisions set forth in Subparagraph "c" of this Paragraph 4.8, foreclose the lien against the Lot, as provided in Subparagraph "d" of this Paragraph 4.8. There shall be added to the amount of such assessment, the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include, without limitation, said interest thereon as aforesaid, a reasonable attorney's fee, together with costs of action. Each Owner vests in the Association or its assigns, the right and power to bring all actions at law to initiate lien foreclosure proceedings against such Owner or the collection of such delinquent assessments. Under no circumstances, however, shall the Declarant or the Association be liable to any Owner or to any other person or entity for failure or inability to enforce or attempt to enforce any assessments or the lien securing its payment. In addition, to the extent permitted by law, Declarant reserves and assigns to the Association, without recourse, a vendor's lien

against each Lot to secure payment of a common assessment and special assessment which is levied pursuant to the terms hereof. Such liens may be enforced by appropriate judicial proceedings and the expenses incurred in connection therewith, including interest, costs and reasonable attorney's fees shall be chargeable to the Owner in default.

c. No action shall be brought to foreclose said assessment lien or to proceed under the power of sale herein provided within less than thirty (30) days after the date a notice of claim of lien is deposited with the postal authority, certified or registered, postage prepaid, to the Owner of said Lot, and a copy thereof is recorded by the Association in the Office of the County Clerk of Williamson County, Texas; said notice of claim must cite a good and sufficient legal description of any such Lot, the record Owner or reputed Owner thereof, the amount claimed (which may, at the Association's option, include interest on the unpaid assessment at the highest legal rate, plus reasonable attorney's fees and expenses of collection in connection with the debt secured by said lien), and the name and address of the claimant.

d. Any such sale provided for above is to be conducted in accordance with the provisions applicable to the exercise of powers of sale in mortgages and deeds of trust, as set forth in Section 51.002 of the Texas Property Code, as amended by Acts 1983, 68th Leg., Ch. 915 (Sec. 3810 Revised Civil Statutes), or in any other manner permitted by law. Each Owner, by accepting a deed to his Lot, expressly grants to the Association a power of sale, as set forth in said Section 51.002, in connection with the assessment lien. The Association, through duly authorized agents, shall have the power to bid on the Lot at

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foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

e. Upon the timely curing of any default for which a notice of claim was filed by the Association, the officers of the Association are hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment by the defaulting Owner of a fee, to be determined by the Association, but not to exceed Fifteen Dollars (\$15.00), to cover the costs of preparing and filing or recording such release.

f. Upon written request by a First Mortgagee, the Association shall provide the Mortgagee with written notice of any default by the Owner-Mortgagor in the performance of such Owner's obligations hereunder, including payment of assessments, which is not cured within thirty (30) days after default; provided that any such requirement of notice shall not impair or affect any rights or remedies of the Association, including exercise of the same, provided for in this Declaration.

g. The assessment lien and the right to foreclosure sale hereunder shall be in addition to and not in substitution for all other rights and remedies which the Association and its successors or assigns may have hereunder and by law, including a suit to recover a money judgment for unpaid assessments, as above provided.

4.9 SUBORDINATION OF THE LIEN TO MORTGAGES. The lien securing the assessments provided for herein shall be subordinate to the lien of any duly recorded purchase money or first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any mortgage, pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of

foreclosure thereof, shall extinguish the lien of such assessments as to payment thereof which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessment thereafter becoming due, according to the terms herein provided.

4.10 EXEMPT PROPERTY. All properties dedicated to, and accepted by, a local public authority and all properties owned by a charitable or non-profit organization exempt from taxation under the laws of the State of Texas shall be exempt from the assessments created herein, except, no land or improvements devoted to dwelling use shall be exempt from said assessments.

4.11 MANAGEMENT AGREEMENTS. Each Owner of a Lot hereby agrees to be bound by the terms and conditions of all management agreements entered into by the Association. A copy of all such management agreements shall be available to each Owner. Any and all management agreements entered into by the Association shall provide that said management agreement may be cancelled with or without cause and without penalty by either party with thirty (30) days' prior written notice. Such termination will be authorized by a majority vote of Members of the Association. In no event shall such management agreement be cancelled prior to execution by the Association or its Board of Directors of a new management agreement unless the new management agreement will become operative immediately upon the cancellation of the preceding management agreement. It shall be the duty of the Association or its Board of Directors to effect a new management agreement prior to the expiration of any prior management agreement. Any and all management agreements shall be for a term not to exceed three (3) years and shall be made with a professional and responsible party or parties with proven management skills and experience managing a project of this type. The Members of the Association may terminate the professional management of the Property and assume self-management by the Association upon written agreement executed by Members entitled to cast sixty-seven percent (67%)

of the votes of the Association and First Mortgagees which have mortgages on Lots holding fifty-one percent (51%) of the votes of the Association.

4.12 INSURANCE REQUIREMENTS.

a. Each Owner shall be required to furnish annually to the Association, and to the complete satisfaction of the Board of Directors, proof of insurance coverage on his residence by a reputable insurance company acceptable to the Association and licensed to do business in the State of Texas in an amount equal to the replacement costs of the residence, affording protection against loss or damage from fire or other hazards covered by the standard extended coverage endorsement. In the event of damage or destruction of a residence, the Owner thereof shall repair or rebuild such residence to its former condition. In the event said Owner fails or refuses to do so, the Association is hereby authorized, but not required, to undertake to rebuild or repair the residence and to assess said Owner for the cost of such repair or replacement; such an assessment shall become the personal obligation of said Owner and shall be enforceable as if it were a Special Assessment as herein provided.

b. The Association through the Board of Directors, or its duly authorized agent, shall obtain the following types of insurance policies covering the Common Area and covering all damage or injury caused by the negligence of the Association or any of its agents or Members:

- (1) property insurance in an amount equal to the full replacement value of the common facilities owned by the Owners Association (including all building service equipment and the like) with an "Agreed

Amount Endorsement" or its equivalent, a "Demolition Endorsement" or its equivalent, and, if necessary, an "Increased Cost of Construction Endorsement" or "Contingent Liability from Operation of Building Laws Endorsement" or the equivalent, affording protection against loss or damage by fire and other hazards covered by the standard extended coverage endorsement, and by sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm and water damage and any such other risks as shall customarily be covered with respect to projects similar in construction, location and use, including, without limitation, flood insurance if the Common Area lies within any flood plain;

(2) a comprehensive policy of public liability insurance covering all of the Common Area located in the Project insuring the Association, with such limits as it may consider acceptable (and not less than One Million Dollars (\$1,000,000) covering all claims for personal injury and/or property damage arising out of a single occurrence), such coverage to include protection against water damage liability, liability for non-owned and hired automobiles, liability for property of others and any other coverage the Association deems prudent and which is customarily carried with respect to projects similar in construction, location and use; and

(3) a policy of fidelity coverage to protect against dishonest acts on the part

of officers, Directors, trustees and employees of the Association and all others who handle or who are responsible for handling funds of the Association. Such fidelity bonds shall be in an amount not less than three (3) months' assessments plus reserves;

c. Premiums for all such insurance authorized by Subparagraph 4.12b shall be paid by the Association out of property assessments. Liability and personal property insurance for Lots and the contents of residences shall be the responsibility of and the expense of each respective Owner. In the event of damage or destruction by fire or other casualty to any property in the Common Area ("Common Area facility") covered by insurance and written in the name of the Association, the Board of Directors shall, upon receipt of the insurance proceeds, contract to rebuild or repair such damaged or destroyed portions of the Property to their former condition. All such insurance proceeds shall be deposited in a bank or other financial institution in which the accounts are insured by a Federal government agency, with the provision agreed by said bank or institution that such funds may be withdrawn only by signature of at least one-third (1/3) of the members of the Board of Directors, or by an agent duly authorized by the Board of Directors. The Board of Directors shall advertise for sealed bids with any licensed contractors, and then may negotiate with any contractor, who shall be required to provide a full performance and payment bond for the repair, reconstruction or rebuilding of such destroyed Common Area facilities building or buildings. In the event the insurance proceeds are insufficient to pay all costs of repairing and/or

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rebuilding the Common Area facilities to its formerly existing condition, the Board of Directors shall levy a special assessment against all Owners, as herein provided, to make up any deficiency.

d. Upon written request to the Association, First Mortgagees shall be notified of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

e. Any decision to not maintain fire and extended coverage insurance on Common Areas on a current replacement cost basis of one hundred percent (100%) of the insurable value shall require the approval of two-thirds (2/3) of the First Mortgagees (based upon one vote for each mortgage owned).

#### ARTICLE V

##### NOTICE OF RESTRICTIVE COVENANTS, EASEMENTS AND ARCHITECTURAL CONTROL

All purchasers of Lots or residences in the subdivision are hereby notified of the provisions of that certain instrument entitled "Restrictive Covenants" dated November 25, 1985, executed by Nash Phillips/Copus, Inc., recorded in Volume 1276, Page 235, 240, 245 and 254, Real Property Records, Williamson County, Texas, and to matters shown on the above referenced plat, to which instrument and plat reference is hereby made and incorporated herein for all purposes. Said instrument and plat restrict size of dwellings; require the use of certain building materials; provide for utility and use easements; establish minimum set-back requirements for buildings; restrict nuisances, temporary structures, signs, unsightly objects, oil, gas and mineral development, and commercial use of the property except by Nash Phillips/Copus, Inc., its successors or agents; provide for the type of animals permitted in the subdivision; provide for disposal of garbage and refuse; limit the placement of certain fences, walls and hedges; preclude existing dwellings

from being moved onto any lot in the subdivision; and provide for the formation of and prior approval by the Architectural Control Committee of all plans and specifications for any building to be erected, altered or removed in the subdivision, including, without limitation, exterior design, height, building materials, color scheme and location. Each and every purchaser of a Lot or residence in the subdivision, by acceptance of a deed therefor, and each and every tenant, by acceptance of a lease thereof, agrees to be bound by said Restrictive Covenants instrument and all matters shown by the said plat; accordingly, EACH PURCHASER AND TENANT IS ADVISED THAT, PRIOR TO PURCHASE OR LEASE OF A LOT OR RESIDENCE IN THE SUBDIVISION, THEY SHOULD READ THE AFOREMENTIONED "RESTRICTIVE COVENANTS" AND PLAT, AND THAT THEY SHOULD CONSULT AN ATTORNEY OF THEIR SELECTION.

ARTICLE VI

ANNEXATION OF ADDITIONAL PROPERTY

6.1 ANNEXATION. Additional land, within the areas described by metes and bounds on Exhibits "B-1", "B-2", "B-3" and "B-4", all of which exhibits are attached hereto and incorporated by this reference herein for all purposes, may be annexed herein by Declarant, at Declarant's sole judgment and discretion, without the consent of members within five (5) years from the date of recording of this instrument in accordance with the following plan:

a. No provision herein shall be construed to require Declarant to annex into the provisions hereof and into the subdivision any such additional land or any portion thereof.

b. In the event any portion of such additional land is so annexed herein, such section or phase shall contain not more than the number of Lots shown on the table which follows:

<u>Land Described On</u>	<u>Section</u>	<u>Maximum No. of Lots</u>
Exhibit "B-1"	2	49
Exhibit "B-2"	4	75

Exhibit "B-3"  
Exhibit "B-4"

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123  
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c. No such annexation shall be accomplished unless and until the property sought to be annexed has been platted, developed with paved street accepted by appropriate governmental authorities, and served by utilities.

d. Such an annexation shall be effective upon the recordation of a Declaration of Annexation, in the appropriate records maintained by the County Clerk of Williamson County, Texas, executed by Declarant, and setting forth (1) a description of the land annexed into the subdivision, (2) words of ratification of this instrument, the Articles of Incorporation and the By-Laws for the Association, and (3) the number of Lots contained in the annexed land.

e. The annexed property shall be subject to restrictive covenants set forth in instruments dated November 25, 1985, recorded in Book 1275, Pages 235, 240, 245 and 254, Real Property Records, Williamson County, Texas.

f. Declarant is authorized but not required to dedicate Common Areas on the annexed or additional land, but if Declarant does make such a dedication, the Owners and Members of all land and Lots subject to the provisions hereof shall have the right of use and enjoyment of such Common Areas. The Lot Owners in such additional and annexed land shall have the right of use and enjoyment of the Common Areas described in Article I, Paragraph 1.2, above, shall be bound to the provisions of this instrument shall be entitled to vote in Association affairs as any other Lot Owner, and shall be responsible for payment of Assessments hereunder in accordance with the provisions hereof, including, without limitation, the provisions of Subparagraph g, below.



g. Assessments on annexed lots shall commence (I) in respect of Lots which are sold to other than Declarant, on the date of conveyance, on the sixtieth (60th) day following the conveyance of fee simple title to an unrelated Owner of the first Lot in such annexed area. The amount of assessments to be charged against Lots owned by Declarant shall be twenty-five percent (25%) of the Assessments attributable to all other Lots in the entire project.

h. Lots owned by Declarant in such annexed areas shall have appurtenant thereto, the Class B membership and vote set forth in Article III, Paragraph 3.2, above. In the event Declarant's Class B membership shall have temporarily been converted to Class A membership prior to annexation, all Lots owned by Declarant upon annexation in all phases or sections or phases made a part hereof shall be entitled to Class B membership provided that the number of votes attributable to the Class B membership exceed the number of votes attributable to the Class A membership.

i. The right reserved by Declarant to annex additional land as aforesaid, shall expire, if not previously exercised, within five (5) years from the date of recording hereof.

ARTICLE VII

GENERAL PROVISIONS

7.1 ENFORCEMENT. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration, the By-Laws and Articles of Incorporation, and by the above referenced Restrictive Covenants instrument. Failure by the

Association or by an Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

7.2 SEVERABILITY. Invalidation of any one (1) of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

7.3 AMENDMENT.

a. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot or residence subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by Owners of not less than ninety percent (90%) of the Lots now in the Development and thereafter by any instrument signed by Owners of not less than seventy-five (75%) of the Lots now in the development. Any amendment must be properly recorded in the Deed Records of Williamson County, Texas.

b. However, notwithstanding the above, any amendment hereto or to the By-Laws or to the Articles of Incorporation hereof (i) to change the method of determining the obligations, assessments, dues or other charges which may be levied against a Lot Owner, or (ii) to change, waive, or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior maintenance of the Lots and improvements thereon, the maintenance of

Common Areas or the upkeep of lawns and plantings, or (iii) to use hazard insurance proceeds for losses to the Common Areas for other than the repair, replacement or reconstruction of that Common Area, shall have the additional approval of sixty-seven percent (67%) of the First Mortgagees (based upon one vote for each mortgage owned). No approval is necessary; however, for any amendment to annex additional land pursuant to rights reserved by Declarant in Article VI hereof.

c. Any material amendment, including amendment affecting any of the following, but excluding amendments to annex additional land as set forth in Article VI hereof, must have the additional approval of fifty-one percent (51%) of the First Mortgagees (based upon one vote for each mortgage owned):

- (1) Voting;
- (2) Reserves for maintenance, repair and replacement of the Project;
- (3) Insurance or fidelity bonds;
- (4) Rights to use of the Common Area;
- (5) Responsibility for maintenance of the Property;
- (6) Expansion or contraction of the Project or the addition or withdrawal of property to or from the Project;
- (7) Boundaries of any Lot;
- (8) The interests in the Common Area;
- (9) Imposition of any right of first refusal or similar restriction on the right of an Owner to sell, transfer, or otherwise convey his or her Lot;
- (10) A decision by the Owner's Association to establish self management when professional management had been

required previously by an eligible mortgage holder;

(11) Restoration or repair of the Project (after a hazard damage or partial condemnation) in a manner other than that specified in the documents;

(12) Any action to terminate the legal status of the Project after substantial destruction or condemnation occurs; and

(13) Any provisions which are for the express benefit of mortgage holders, or eligible insurers or guarantors of a first mortgage on Lots.

d. The Declarant reserves the right during the Construction and Sale Period, without joinder or consent of any Owner or Mortgagee, to amend this Declaration or the By-Laws by and instrument in writing duly signed, acknowledged and filed for record, for the purpose of resolving or clarifying any ambiguities or conflicts herein, or correcting any inadvertent misstatements, errors or omissions herein, or to comply with the requirements of the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Veteran's Administration, U.S. Department of Housing and Urban Development, or Federal Housing Administration, provided that no such amendment shall change the vested property rights of any Owner.

7.4 COMMON AREA ALIENATION. Except as to the Owners Association's right to grant easements for utilities and similar or related purposes, the Common Area and facilities may not be alienated, released, abandoned, partitioned, subdivided, transferred or otherwise encumbered without the approval of sixty-seven percent (67%) of the First Mortgagees (based upon one vote for each mortgage owned).

**7.5 MORTGAGEE RIGHTS.**

a. Upon written request to the Owners Association any holder of a first mortgage lien will be entitled to: (i) inspect the books and records of the Association during normal business hours, (ii) receive annual financial statements audited and otherwise, within ninety (90) days following the end of the Association's fiscal year, (iii) receive notice of the Association's meetings and designate a representative to attend such meetings, (iv) receive notice of any default in the performance of its mortgagor of any obligation under this Declaration or the By-Laws which is not cured within sixty (60) days, and (v) receive notice of any proposed action which requires the consent of a specified percentage of eligible mortgage holders.

b. The Association shall immediately reimburse First Mortgagees who may, jointly or singly pay taxes or other charges which are in default and which may or have become a charge against the Common Area, or who may pay overdue premiums on hazard insurance policies on the Common Area, or who may secure new hazard insurance coverage on the lapse of a policy on the Common Area.

**7.6 LEASES.** Any lease agreement between an Owner and a lessee shall be in writing and provide that the terms of the lease are subject to the provisions of this Declaration, the By-Laws, the Articles of Incorporation and the Restrictive Covenants, and any violation of any provisions of said document will be a default under the terms of the lease.

**7.7 CONDEMNATION.** If all or any part of the Common Area taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether permanent or temporary), the Association and each Owner shall be entitled to participate in proceedings incident thereto at their respective expense.

The Association shall give timely written notice of the existence of such proceedings to all Owners and to all First Mortgagees known to the Association to have an interest in any Lot. The expense of participation in such proceedings by the Association shall be borne by the Association out of its treasury. The Association is specifically authorized to obtain and pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses and other persons as the Association in its discretion deems necessary or advisable to aid or advise it in matters relating to such proceedings. All damages or awards for such taking shall be deposited with the Association, and such damages or awards shall be applied as provided herein. In the event that an action in eminent domain is brought to condemn a portion of the Common Area, the Association, in addition to the general powers set out herein, shall have the sole authority to determine whether to defend or resist any such proceeding, to make any settlement with respect thereto, or to convey such Property to the condemning authority in lieu of such condemnation proceeding. With respect to any such taking, all damages and awards shall be determined for such taking as a whole and not for each Owner's interest therein. After the damages or awards for such taking are determined, such damages or awards shall be paid to the account of each Owner and First Mortgagee, if any, as their interests may appear. The Association, if it deems advisable, may call a meeting of the Owners, at which meeting the Owners, by a majority vote, shall decide whether to replace or restore as far as possible, the Common Area so taken or damaged. In the event it is determined that such Common Area should be replaced or restored by obtaining other land or building additional structures, this Declaration and the Map attached hereto, shall be duly amended by instrument executed by the Association on behalf of the Owners.

7.8 GENDER AND GRAMMAR. The singular wherever used herein shall be construed to mean the plural when applicable,

and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individual, men and women, in all cases shall be assumed as though fully expressed in each case.

7.9 FVA/VA APPROVAL. As long as there is Class B membership, the following actions shall require the prior approval of the Federal Housing Administration or the Veteran's Administration if said agencies have guaranteed any loans within the Project: Annexation of additional properties, Dedication of Common Area, and any amendments hereto.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereto set its hand and seal this 20th day of January, 1986.

NASH PHILLIPS/COPUS, INC.

NO SEAL

By: T. L. Buffington  
Tom Buffington

ATTEST:

By: T. L. Buffington  
Secretary

THE STATE OF TEXAS )  
COUNTY OF TRAVIS )

BEFORE ME, the undersigned authority, on this day personally appeared Tom Buffington, Vice-President of Nash Phillips/Copus, Inc., known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of such corporation for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL of office this 20th day of January, 1986.



Tami Pearson  
Notary Public in and for the State of Texas

My Commission Expires: 6-28-88

TAMI PEARSON  
Typed/Printed Name of Notary

THE WOODS, SECTION 1

DESCRIPTION

OF A 28.044 ACRE TRACT OF LAND OUT OF THE DAVID CURRY SURVEY, ABSTRACT NO. 130, WILLIAMSON COUNTY, TEXAS; SAID 28.044 ACRE TRACT BEING OUT OF 87.132 ACRE TRACT CONVEYED TO NASH PHILLIPS COPUS, INC. BY DEED RECORDED IN VOLUME 948 PAGE 692 OF THE DEED RECORDS OF WILLIAMSON COUNTY, TEXAS; SAID 28.044 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at a 3/4 inch iron rod found on the northeast right-of-way line of Sam Bass Road (County Road 175); said rod being the southernmost corner of said 87.132 acre tract and of this tract; said rod being N 70 degrees E approximately 958 feet from an interior corner of the David Curry Survey, Abstract No. 130;

THENCE the following five (5) course along the fenced northeasterly right-of-way line of Sam Bass Road (County Road 175):

- (1) N 46 degrees 06'01"W 42.66 feet to a nail found in a post;
- (2) N 57 degrees 32'52"W 23.36 feet to a nail found in a post;
- (3) N 65 degrees 42'12"W 405.84 feet to a nail found in a post;
- (4) N 68 degrees 41'24"W 24.33 feet to a nail found in a post;
- (5) N 72 degrees 25'53"W 778.26 feet to a 5/8 inch iron rod set at the westernmost corner of this tract;

THENCE N 16 degrees 30'54"E 21.23 feet to a 5/8 inch iron rod set at the point of curvature of a 25-foot property return;

THENCE northeasterly with a curve to the left having a radius of 25.00 feet, a central angle of 87 degrees 55'55", a chord bearing N 62 degrees 32'57"E 34.71 feet; an arc distance of 38.36 feet to a 5/8 inch iron rod set at the point of tangency;

THENCE N 18 degrees 34'59"E 629.30 feet to a 5/8 inch iron rod set on the fenced northwesterly line of said 87.132 acre tract;

THENCE the following three (3) courses along said fenced northwesterly line:

- (1) N 70 degrees 57'24"E 268.22 feet to a nail found in a post;
- (2) N 70 degrees 32'34"E 603.61 feet to a nail found in a post;
- (3) N 70 degrees 44'48"E 407.94 feet to a 5/8 inch iron rod set at the northernmost corner of this tract;

THENCE S 18 degrees 34'59"W 1079.52 feet to a point;

THENCE S 71 degrees 25'01"E 180.00 feet to a point;

THENCE S 18 degrees 34'59"W 69.40 feet to a 5/8 inch iron rod set at the point of curvature of a curve to the left;

EXHIBIT "A"



THENCE southwesterly along said curve to the left having a radius of 15.00 feet, a central angle of 90 degrees 00' 00", a chord bearing S 26 degrees 25' 01" E 21.21 feet, an arc distance of 23.56 feet to a 5/8 inch iron rod set at the point of tangency;

THENCE S 71 degrees 25' 01" E 121.73 feet to a 5/8 inch iron rod set at the point of curvature of a curve to the left;

THENCE northeasterly along said curve to the left having a radius of 125.00 feet, a central angle of 38 degrees 24' 20", a chord bearing N 89 degrees 22' 49" E 82.23 feet, an arc distance of 83.79 feet to a 5/8 inch iron rod set at the point of tangency;

THENCE S 19 degrees 49' 21" E 50.00 feet to a 5/8 inch iron rod set;

THENCE E 06 degrees 20' 07" W 161.55 feet to a 5/8 inch iron rod set on the fenced southeasterly line of said 87.132 acre tract;

THENCE the following two (2) courses along said fenced line:

- (1) S 70 degrees 10' 39" W 48.80 feet to a steel post with sign found;
- (2) S 70 degrees 07' 02" W 239.21 feet to the POINT OF BEGINNING, containing 28.044 acres of land.

EXHIBIT "A"

THE WOODS, SECTION 2

DESCRIPTION

OF A 32.618 ACRE TRACT OF LAND OUT OF THE DAVID CURRY SURVEY, ABSTRACT NO. 130, WILLIAMSON COUNTY, TEXAS; SAID 32.618 ACRE TRACT BEING OUT OF 87.132 ACRE TRACT AND A 42.38 ACRE TRACT CONVEYED TO NASH PHILLIPS COPUS, INC. BY DEED RECORDED IN VOLUME 940 PAGE 692 OF THE DEED RECORDS OF WILLIAMSON COUNTY, TEXAS; SAID 32.618 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at an iron rod set on the northern line of said 42.38 acre tract; said rod being the following two (2) courses from the northernmost corner of said 42.38 acres:

- (1) S 71 degrees 27'25"W 438.08 feet;
- (2) S 71 degrees 38'51"W 379.98 feet to the POINT OF BEGINNING, said rod also being S 18 degrees 30'E approximately 5750 feet and S 71 degrees 30'W approximately 9820 feet from the northeast corner of the David Curry Survey, Abstract No. 130;

THENCE S 38 degrees 19'43"E 162.51 feet to an iron rod set;

THENCE N 51 degrees 40'17"E 65.00 feet to an iron rod set at the point of curvature of a curve to the right;

THENCE northeasterly along said curve to the right having a radius of 175.00 feet, a central angle of 19 degrees 58'34", a chord bearing N 61 degrees 39'34"E 60.70 feet, an arc distance of 61.01 feet to an iron rod set;

THENCE S 18 degrees 21'09"E 50.00 feet to an iron rod set;

THENCE southwesterly along a curve to the left having a radius of 125.00 feet, a central angle of 00 degrees 38'58", a chord bearing S 71 degrees 19'38"W 1.42 feet, an arc distance of 1.42 feet to an iron rod set on said curve;

THENCE S 18 degrees 21'09"E 344.99 feet to an iron rod set at an angle point;

THENCE S 72 degrees 13'59"E 229.02 feet to an iron rod set at an angle point;

THENCE N 71 degrees 38'51"E 388.65 feet to an iron rod set on the new westerly right-of-way line of the Georgetown Railroad Company;

THENCE S 13 degrees 34'21"E 738.71 feet along said right-of-way line to an iron pipe found at a corner of The Hermitage Section Two, an unrecorded subdivision in the City of Round Rock, Texas;

THENCE the following six (6) courses along the common line between said 42.38 acre tract and The Hermitage Section Two:

- (1) N 66 degrees 56'31"W 202.81 feet to an iron pipe found;
- (2) S 62 degrees 56'39"W 208.60 feet to an iron pipe found;
- (3) S 65 degrees 34'15"W 157.31 feet to an iron pipe found;

EXHIBIT "B"

(4) S 67 degrees 11'38"W 245.52 feet to an iron pipe found;

(5) S 69 degrees 48'28"W 268.19 feet to a fence post;

(6) S 69 degrees 36'35"W 363.07 feet to an iron rod set for the southernmost corner of this tract;

THENCE N 20 degrees 06'25"W 145.59 feet to an iron rod set;

THENCE S 69 degrees 53'35"W 30.00 feet to an iron rod set;

THENCE N 20 degrees 06'25"W 368.53 feet to an iron rod set at an angle point;

THENCE N 02 degrees 17'30"W 503.55 feet to an iron rod set;

THENCE N 87 degrees 42'30"E 40.00 feet to an iron rod set;

THENCE N 02 degrees 17'30"W 180 feet to a point;

THENCE N 87 degrees 42'30"E 65.00 feet to an iron rod set at the point of curvature of a curve to the left;

THENCE northeasterly along said curve to the left having a radius of 15.00 feet, a central angle of 90 degrees 00'00", a chord bearing N 42 degrees 42'30"E 21.21 feet, an arc distance of 23.56 feet to an iron rod set at the point of compound curvature of another curve to the left;

THENCE northwesterly along said curve to the left having a radius of 370.00 feet, a central angle of 15 degrees 40'26", a chord bearing N 10 degrees 07'43"W 100.90 feet, an arc distance of 101.22 feet to an iron rod set at the point of tangency;

THENCE N 17 degrees 57'56"W 81.08 feet to an iron rod set on the northerly boundary line of said 42.38 acre tract;

THENCE the following two (2) courses along the common line between said 42.38 acre tract and a tract conveyed to Edgar E. Hoppe recorded in Volume 429, Page 485, Williamson County Deed Records:

(1) N 72 degrees 02'04"E 173.84 feet to a 60d nail found;

(2) N 71 degrees 38'51"E 250.84 feet to the POINT OF BEGINNING containing 32.618 acres of land.

EXHIBIT "B"

## THE WOODS, SECTION 4

## DESCRIPTION

OF A 20.538 ACRE TRACT OF LAND BEING OUT OF THE DAVID CURRY SURVEY, ABSTRACT NO. 130, IN WILLIAMSON COUNTY, TEXAS; BEING ALSO OUT OF A 42.38 ACRE TRACT OF LAND AS CONVEYED TO NASH PHILLIPS COPUS, INC. BY DEED RECORDED IN VOLUME 940 PAGE 692 OF THE DEED RECORDS OF WILLIAMSON COUNTY, TEXAS; SAID 20.538 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at an iron pin set in the common boundary line between a tract of land in the name of Edgar E. Hoppe of record in Volume 429, Page 485 of the Deed Records of Williamson County, Texas, and the above mentioned 42.38 acre tract, said iron pin set bears the following three calls from the most northern corner of said 42.38 acre tract:

- (1) S 71 degrees 27'25"W, a distance of 438.08 feet;
- (2) S 71 degrees 38'51"W, a distance of 630.82 feet;  
and
- (3) S 72 degrees 02'04"W, a distance of 173.84 feet;

and in addition, said iron pin set bears approximately S 42 degrees 12'00"W, a distance of 11,747 feet from the northeasterly corner of said David Curry Survey, said iron pin set, being the most northeasterly corner and POINT OF BEGINNING hereof;

THENCE, departing said common boundary line S 17 degrees 57'56"E for a distance of 81.08 feet to an iron pin set at a point of curvature in the easterly line hereof;

THENCE, with a curve to the right, having a radius of 370.00 feet, a central angle of 15 degrees 40'26", an arc distance of 101.22 feet and a chord which bears S 10 degrees 07'34"E for a distance of 100.90 feet to an iron pin set at a point of compound curvature in the easterly line hereof;

THENCE, with a curve to the right having a radius of 15.00 feet, a central angle of 90 degrees 00'00", an arc distance of 23.56 feet and a chord which bears S 42 degrees 42'30"W for a distance of 21.21 feet to an iron pin set for a point of tangency in the easterly line hereof;

THENCE, S 87 degrees 42'30"W for a distance of 65.00 feet to an iron pin set for an inside all corner in the easterly line hereof;

THENCE, S 02 degrees 17'30"E for a distance of 180.00 feet to an iron pin set for an outside all corner in the easterly line hereof;

THENCE, S 87 degrees 42'30"W for a distance of 40.00 feet to an iron pin set for an inside all corner in the easterly line hereof;

THENCE, S 02 degrees 17'30"E for a distance of 503.55 feet to an iron pin set for angle point in the easterly line hereof;

THENCE, S 20 degrees 06'25"E for a distance of 368.53 feet to an iron pin set for an inside all corner in the easterly line hereof;

EXHIBIT "B"

THENCE, N 69 degrees 53'35"E for a distance of 30.00 feet to an iron pin set for an outside ell corner in the easterly line hereof;

THENCE, S 20 degrees 06'25"E for a distance of 145.59 feet to an iron pin set in the common boundary line between "The Hermitage", a subdivision in Williamson County, Texas, and the above mentioned 42.38 acre tract for the most southeasterly corner hereof;

THENCE, with said common boundary line S 69 degrees 36'35"W for a distance of 544.95 feet to an iron pin set for an angle point in the southerly line hereof;

THENCE, continuing with said common boundary line S 70 degrees 23'11"W for a distance of 52.60 feet to an iron pin set for the southwesterly corner hereof;

THENCE, departing said common boundary line N 19 degrees 31'09"W for a distance of 1148.02 feet to an iron pin set for an inside ell corner in the westerly line hereof;

THENCE, S 70 degrees 28'51"W for a distance of 64.14 feet to an iron pin set for an outside ell corner in the westerly line hereof;

THENCE, N 19 degrees 31'09"W for a distance of 180.00 feet to an iron pin set in the common boundary line between said Edgar E. Hoppe Tract and said 42.38 acre tract for the most northwesterly corner hereof;

THENCE, with said common boundary line the following three calls:

- (1) N 70 degrees 28'52"E for a distance of 114.00 feet to an iron pin set;
- (2) N 69 degrees 24'44"E for a distance of 645.47 feet to an iron pin set;
- (3) N 72 degrees 02'04"E for a distance of 207.25 feet to the POINT OF BEGINNING hereof.

EXHIBIT "B"

THE WOODS, SECTION 5

DESCRIPTION

OF A 32.246 ACRE TRACT OUT OF THE DAVID CURRY SURVEY, ABSTRACT NO. 30, WILLIAMSON COUNTY, TEXAS; SAID 32.246 ACRE TRACT ALSO BEING OUT OF AN 87.132 ACRE TRACT CONVEYED TO NASH PHILLIPS COPUS, INC. BY DEED RECORDED IN VOLUME 940 PAGE 692, WILLIAMSON COUNTY, DEED RECORDS; SAID 32.246 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at an iron pin found on the southerly line of said 87.132 acre tract; said pin being the following two courses from an iron pin found at the southernmost corner of said 87.132 acre tract: (1) N 70 degrees 07'02"E, 239.21 feet; (2) N 70 degrees 10'39"E, 48.80 feet to the point of beginning; said pin also being the southeast corner of Lot 1, Block G, The Woods Section One, a subdivision in the City of Round Rock recorded in Cabinet F, Slides 239-240, Williamson County Plat Records; said pin being N 70°E approximately 1246 feet from the interior corner of the David Curry Survey Abstract No. 130;

THENCE N 06 degrees 20'07"E, 161.55 feet along said Lot 1, Block G, The Woods Section One, to an iron pin found on the southerly right-of-way line of Cedar Bend Drive;

THENCE N 19 degrees 49'21"W, 50.00 feet crossing Cedar Bend Drive to an iron pin found on the northerly right-of-way line of said Cedar Bend Drive;

THENCE southwesterly along said right-of-way line with a curve to the right having a radius of 125.00 feet, a central angle of 38 degrees 24'20", a chord bearing S 89 degrees 22'49"W 82.23 feet, an arc distance of 83.79 feet to an iron pin found at the point of tangency;

THENCE N 71 degrees 25'01"W, 121.73 feet along said right-of-way line to an iron pin found at the point of curvature of a curve to the right;

THENCE northwesterly along said curve to the right having a radius of 15.00 feet, a central angle of 90 degrees 00'00", a chord bearing N 26 degrees 25'01"W 21.21 feet, an arc distance of 23.56 feet to an iron pin found at the point of tangency on the southeasterly right-of-way line of Woods Boulevard;

THENCE N 18 degrees 34'59"E, 69.40 feet along said right-of-way line to a point;

THENCE N 71 degrees 25'01"W, 60.00 feet crossing said Woods Boulevard to a point on the northwesterly right-of-way line of said Woods Boulevard;

THENCE S 18 degrees 34' 59"W, 7.50 feet along said right-of-way line to an iron pin found at the easternmost corner of Lot 69, Block D, The Woods Section One;

THENCE N 71 degrees 25'01"W, 120.00 feet along the northeasterly line of said Lot 69, Block D to an iron pin found at the northernmost corner of said Lot 69, Block D;

THENCE N 18 degrees 34'59"E, 1087.02 feet along the common line between this tract and said The Woods Section One to an iron pin found at the northernmost corner of Section One;

THENCE the following two courses along the common line between this tract and a tract described in Volume 429, Page 485, Williamson County Deed Records; (1) N 70 degrees 44'47"E, 218.04 feet, and (2) N 70 degrees 28'51"E, 389.68 feet to an iron pin

found at the westernmost corner of Lot 22, Block D, The Woods Section Four, an approved subdivision;

THENCE S 19 degrees 31'09"E, 180.00 feet to a point on the southerly right-of-way line of Woods Boulevard;

THENCE N 70 degrees 28'51"E, 64.14 feet along said right-of-way line to an iron pin found at the westernmost corner of Lot 31, Block G, said The Woods Section Four;

THENCE S 19 degrees 31'09"E, 1148.02 feet along the common line between this tract and said The Woods Section Four to an iron pin found at the southernmost corner of Lot 45, Block G, said The Woods Section Four;

THENCE S 70 degrees 23'11"W, 457.32 feet along the common line between this tract and The Hermitage, a subdivision recorded in Cabinet D, Slide 118, Williamson County Plat Records, to an iron pin found at a corner of said subdivision;

THENCE S 70 degrees 10'39"W, 675.91 feet along the common line between this tract and a 1.98 acre tract described in Volume 780, Page 511, Williamson County Deed Records to the POINT OF BEGINNING containing 32.246 acres of land.

EXHIBIT "R"

THE WOODS, SECTION 6

DESCRIPTION

OF A 9.204 ACRE TRACT OF LAND OUT OF THE DAVID CURRY THREE FOURTHS LEAGUE SURVEY, ABSTRACT NO. 130, IN WILLIAMSON COUNTY, TEXAS; BEING ALSO A PORTION OF A 42.376 ACRE TRACT OF LAND OF RECORD IN DEED VOLUME 940 PAGE 692 OF THE DEED RECORDS OF WILLIAMSON COUNTY, TEXAS; SAID 9.204 ACRE TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING FOR REFERENCE at an iron pin found being in the westerly right-of-way line of the Georgetown Railroad being also an easterly corner of a tract of land in the name of Edgar Hoppe of record in Volume 429, Page 485, of the Deed Records of Williamson County, Texas, said iron pin found being also the northeasterly corner of the above-mentioned 42.376 acre tract of land, thence, S 71 degrees 27'25"W, for a distance of 5.03 feet to an iron pin set for the POINT OF BEGINNING, hereof and from which the northeast corner of said David Curry Survey bears approximately N 38 degrees 56'00"E a distance of 10,683 feet;

THENCE, with the curving right-of-way line of the Georgetown Railroad with a curve to the left, having a radius of 9113.99 feet, a central angle of 03 degrees 16'39", an arc distance of 521.34 and a chord which bears S 11 degrees 56'02"E for a distance of 521.28 feet to an iron pin set being a point of tangency in the easterly line hereof;

THENCE, continuing with the westerly right-of-way line of Georgetown Railroad S 13 degrees 34'21"E for a distance of 133.92 feet to an iron pin set for the most southeasterly corner hereof;

THENCE, departing said Railroad right-of-way line S 71 degrees 38'51"W for a distance of 388.65 feet to an iron pin set for the most southerly corner hereof;

THENCE, N 72 degrees 13'59"W for a distance of 229.02 feet to an iron pin set for an angle point hereof;

THENCE, N 18 degrees 21'09"W for a distance of 344.99 feet to an iron pin set in the curving southerly right-of-way line of a proposed street (50' width) to be known as Woods Blvd. for an angle point in the westerly line hereof;

THENCE, with the curving southerly right-of-way line of said Woods Blvd. with a curve to the right having a radius of 125.00 feet a central angle of 00 degrees 39'03", an arc distance of 1.42 feet and a chord which bears N 71 degrees 19'38"E for a distance of 1.42 feet to an iron pin set for a point of tangency hereof;

THENCE, departing said southerly right-of-way line N 18 degrees 21'09"W for a distance of 50.00 feet to an iron pin set in the northerly right-of-way line of said proposed street for a point of curvature in the westerly line hereof;

THENCE, with the northerly right-of-way line of said proposed street with a curve to the left having a radius of 175.00 feet, a central angle of 19 degrees 58'28", an arc distance of 61.01 feet and a chord which bears S 61 degrees 39'34"W for a distance of 60.70 feet to an iron pin set being a point of tangency in the westerly line hereof;

THENCE, continuing with the northerly right-of-way line of said proposed S 51 degrees 40'17"W for a distance of 65.00 feet to an iron set for an angle point in the westerly line hereof;

EXHIBIT "B"



THENCE, departing the northerly right-of-way line of said proposed street N 38 degrees 19'43"W for a distance of 162.51 feet to an iron pin set, being in the common boundary line between said Edgar Hoppe tract and the previously mentioned 42.376-acre tract for the most westerly corner hereof;

THENCE, with said common boundary line N 71 degrees 38'51"E for a distance of 379.98 feet to a 60d nail found for an angle point in the northerly line hereof;

THENCE, continuing with said common boundary line N 71 degrees 27'25"E for a distance of 438.08 feet to the POINT OF BEGINNING and containing 9.204 acres of land.

STATE OF TEXAS COUNTY OF WILLIAMSON  
I hereby certify that this instrument was FILED  
on the date and at the time stamped hereon  
by me; and was duly RECORDED, in the Volume  
and Page of the named RECORDS of Williamson  
County, Texas, as stamped hereon by me, on



JAN 29 1986  
*James S. Rappelton*  
COUNTY CLERK  
WILLIAMSON COUNTY, TEXAS

*James S. Rappelton*  
COUNTY CLERK

FILED FOR RECORD  
WILLIAMSON COUNTY, TX.  
1986 JAN 28 PM 3:38

EXHIBIT "B"

44581

RESTRICTIVE COVENANTS

THE STATE OF TEXAS

THE COUNTY OF WILLIAMSON

KNOW ALL MEN BY THESE PRESENTS:

That Nash Phillips/Copus, Inc. being the sole owner of all lots in The Woods, Section 1, a subdivision in the City of Round Rock, Williamson County, Texas, according to the map or plat of said subdivision recorded in the Cabinet E Slide(s) 239-240, Plat Records of Williamson County, Texas hereby imposes the following covenants, conditions, and restrictions upon all of said property:

1) LAND USE AND BUILDING TYPE. Except for Lots 46 and 66, Block "D", no lot shall be used except for residential purposes. Except as herein after provided, no building shall be erected, altered, placed, or permitted to remain on any lot, other than one detached single family dwelling not to exceed two and one-half stories in height, and a private garage for not more than three cars.

2) DWELLING COST, QUALITY AND SIZE. The total floor area of any single family structure or dwelling, exclusive of one-story open porches and garages or carports, built on any lot in said subdivision shall contain not less than 900 square feet and shall cost not less than \$60,000 based upon cost levels prevailing on the date these covenants are recorded. Not less than fifteen percent (15%) of the exterior wall area of any single family residence shall be of masonry veneer construction; provided, however, that a minor deviation from the 15% masonry requirement may be allowed if a specific waiver as to a particular lot is approved by the Architectural Control Committee. In computing the area to be covered by masonry veneer, door and window openings on a wall shall be considered to be masonry. The area to be covered by masonry veneer shall be measured from the top of the slab to the top of standard door and window openings and shall not include the gable. It is the intention and purpose of this covenant to assure that all such dwellings shall be of the quality of workmanship and materials substantially the same or better than that which can be produced on the date these covenants are recorded at the minimum cost herein for the minimum permitted dwelling size.

3) UTILITY AND USE EASEMENTS. Public utility easements are reserved as shown on the recorded plat and over the rear seven and one-half (7 1/2) feet of each lot. These easements are reserved for installation and maintenance of public utilities and public drainage facilities, and they are also reserved in each block as needed for adequate surface drainage of all lots within each block. Easements five feet in width are also reserved on each side of all side lot lines as needed for adequate surface drainage of all other lots within the block. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may change the direction of flow in the drainage channels or swales in the easements or which may obstruct or retard the flow of water through the drainage channels or swales in the easements; provided, however, that a brick return of two (2) feet maximum extension and a fireplace originally constructed as part of the residence shall be allowed on each residence within this easement if adequate surface drainage is maintained. The easement area in each lot and all improvements in it shall be maintained by the owner of the lot except for those improvements for which a public authority or utility company is responsible.

4) BUILDING LOCATION. No building shall be located on any lot nearer to the front lot line or nearer to the side street line than the

minimum building set back lines shown on the recorded plat. In any event, no building shall be located on any lot nearer than 25 feet minimum, 35 feet maximum, to the front lot line, or nearer than 10 feet to any side street line. No building shall be located nearer than 5 feet to an interior lot line, except that no side yard shall be required for a garage or other permitted accessory building located 50 feet or more from the minimum building set back lines. No dwelling shall be located on any interior lot nearer than 7 1/2 feet to the rear lot line. For the purposes of this covenant, eaves, steps, open porches, and the two-foot (2') brick returns and fireplaces mentioned in Section 3 above, shall not be considered as part of the building; provided, however, that this shall not be construed to permit any portion of a building on a lot to encroach upon another lot.

5) NUISANCES. No noxious or offensive activity shall be carried upon any lot, nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood. No vehicle or motor repair work, other than minor emergency repair, shall be conducted on any lot or in the street or streets adjoining any lot. No "A" frame, hoist or other device for lifting vehicle or parts thereof, and no disabled vehicle shall be stored or parked in the open on any lot or any street adjoining any lot. Notwithstanding any of the above, no vehicle of any type shall be parked in the open on a portion of any lot other than a private driveway constructed with the approval of the Architectural Control Committee.

6) TEMPORARY STRUCTURES. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other out-building shall be placed or used on any lot at any time as a residence either temporarily or permanently.

7) SIGNS. No sign of any kind shall be displayed to the public view on any single family residential lot except one professional sign of not more than one square foot, one sign of not more than five square feet advertising the property for sale, or rent, or signs used by a builder to advertise the property during the construction and sales period.

8) UNSIGHTLY OBJECTS. Motorboats, campers, trucks or trailers, and other unsightly vehicles or objects, including satellite dish receivers, shall be parked, stored or installed in the back of the front wall line of the house and shielded by a solid wood or masonry privacy fence or an enclosed building, which screens such objects from ordinary public view; provided, however, that any such fencing and/or enclosures shall comply with all applicable state, county and municipal regulations.

9) OIL AND MINING OPERATIONS. No oil drilling, oil development operation, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, crude oil tanks, tunnels, mining excavations, or shafts be permitted upon or in any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained, or permitted upon any lot.

10) COMMERCIAL USE. No part of any of said property shall ever be used for a business or commercial purpose or for carrying on any trade or profession, except that N. SH PHILLIPS/COPUS, INC., its successors, or agents may erect and maintain sales offices and exhibit houses in said subdivision.

11) RESUBDIVISION. The owner or owners of any two or more adjacent lots shall have the right, without the consent of the remaining property owners in the subdivision, to resubdivide provided such resubdivision is approved by the Architectural Control Committee.

12) LIVESTOCK AND POULTRY. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any lot, except that dogs, cats, or other household pets may be kept provided that they are not kept, bred, or maintained for commercial purposes.

13) GARBAGE AND REFUSE DISPOSAL. No lot shall be used or maintained as dumping ground for rubbish. Trash, garbage, or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

14) SIGHT DISTANCE AT INTERSECTIONS. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two and six feet above roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting them at points 25 feet from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the street property lines extended. The same sight line limitation shall apply on any lot within 10 feet from the intersections of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sightlines.

15) FENCES, WALLS, AND HEDGES. Fence, walls and hedges shall not be built or maintained forward of the front wall of the house erected on that lot, except for trellises and/or decorative fences included in the architectural design of the house. Those decorative fences shall be allowed to extend no more than fifteen feet in front of the front wall line of the house. Side yard fences on corner lots may be built on the property line as limited by the provisions of Paragraph 13.

16) EXISTING DWELLINGS. No existing dwelling shall be moved onto any lot in this subdivision.

17) ARCHITECTURAL CONTROL:

A) No building shall be erected or placed on any lot in said subdivision nor shall any existing structure be altered or removed until the building plans and specifications showing exterior design, height, building material and color scheme thereof, and a plot plan showing the location of the structure and driveways have been submitted to and approved in writing by the Architectural Control Committee.

B) The Architectural Control Committee is composed of Bill Bulloch, Tom Buffington and Mark Elbrecht. A majority of the Committee may designate a representative to act for it. In the event of death or resignation of any member of the Committee, the remaining members shall have full authority to designate a successor. Neither the members of the Committee, nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant. At any time, Nash Phillips/Copus, Inc. shall have the option of changing the membership of the Committee.

C) The Architectural Control Committee shall exercise its best judgement to see that all improvements and structures in the subdivision conform to and harmonize with the existing surrounding structures, and that trees and environment are reasonably protected; and when, in the opinion of the Committee, a waiver or modification of any of these restrictive covenants would not impair or detract from the high quality of the subdivision, it may by written instrument in recordable form waive or modify any such restriction. In the same manner, it shall have the power to approve or disapprove

resubdivisions of parts of the subdivisions and to permit in the resubdivided areas, the creation of residential Planned Unit Developments as now defined as Residential Cluster Housing. The Architectural Control Committee shall serve without compensation and shall not be liable in damages to anyone for any action taken or any failure to act.

D) If said building plans, specifications, and plot plan are not approved or disapproved within thirty days following the date on which the same are submitted for approval, or if no injunction suit shall have been commenced prior to the completion of the work, then proper approval of the building plans, specifications and plot plans shall be conclusively presumed to have been had and obtained.

18) TERM. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of thirty years from the date these covenants are recorded after which time said covenants shall be automatically extended for successive periods of ten years, unless an instrument signed by a majority of then owners of lots in said subdivision has been recorded, agreeing to change said covenants, conditions and restriction, in whole or in part.

19) ENFORCEMENTS. Enforcement shall be by proceedings at law or in equity against any persons violating or attempting to violate any covenant either to restrain violation or to recover damages.

20) SEVERABILITY. Invalidation of any one of these covenant by judgment or a court order shall in no way affect any of the other provisions which shall remain in full force and effect.

WITNESS its hand this 19th day of November, 1985.

NASH PHILLIS/COPUS, INC.

By Tom Buffington  
Tom Buffington  
President, Single Family Division

THE STATE OF TEXAS §

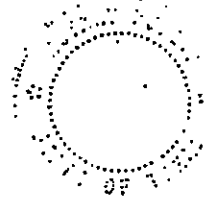
THE COUNTY OF WILLIAMSON §

BEFORE ME, the undersigned authority, on this day personally appeared Tom Buffington known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and conditions therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 19th day of November, 1985.

Rosalyn Peterson  
Notary Public in and for The State of Texas

My Commission Expires: \_\_\_\_\_  
ROSALYN PETERSON  
Notary Public State of Texas  
Commission Exp. 6-21-88



ROSALYN PETERSON  
NPC LAND MANAGEMENT  
4412 SHELWOOD, I-701  
DALLAS TEXAS 78759



STATE OF TEXAS

COUNTY OF WILLIAMSON

**THE WOODS HOMEOWNERS ASSOCIATION  
NEIGHBORHOOD RULES, REVISED 2005**

The Declaration of Covenants, Conditions and Restrictions for The Woods was recorded in Volume 1304, Page 602, of the Official Records of Williamson County, Texas. The bylaws of The Woods Homeowners Association, Inc. were recorded in Volume 1304, Page 640, of the Official Records of Williamson County, Texas. These documents allow the Board of Directors of the Association to adopt rules and regulations. The Board has in the past adopted rules and regulations, the most recent of which are recorded in Document #2004048101.

The Board wishes to amend these rules to reflect recently passed legislation related to political signage, so the "Neighborhood Rules" (Exhibit A to the document recorded in Document #2004048101) is amended by amending the paragraph regarding "Signs" to read as follows, as a total replacement of the previous language:

**"SIGNS:** Only professional signs advertising homes for sale or rent, and political signs as described below, are allowed. No other signage is allowed.

Political signs are allowed under the following criteria: The only type of political signage that is allowed are signs no greater than four feet by six feet in size (and is no greater than 24 square feet total) that are ground-mounted. An owner may only display political signs on property owned by him (signs are forbidden in the common area) and a maximum of one sign per each candidate or ballot item may be displayed on any lot. Political signs may only be displayed during the following time period: On or after the 90<sup>th</sup> day before the date of the election to which the sign relates, and they must be taken down no later than the ninth day after the election date.

However, the following signs are absolutely prohibited, even if they contain material regarding a candidate or ballot item:

- Any sign containing roofing material, siding, paving materials, natural or artificial flowers or other landscaping items
- One or more balloons
- Lighting
- Any building, landscaping, or non-standard decorative components

- Signs that are attached in any way to landscaping/plant material, a traffic control device, a light, a trailer, a vehicle, or any other existing structure or object (signs must be ground-mounted only)
- Signs that involve painting of architectural surfaces
- Signs that threaten the public health or safety (for example, signs that block a driver's view inordinately)
- Signs that contain language, graphics, or any display that would be offensive to the ordinary person
- Signs accompanied by music or other sounds, or by streamers, or that are otherwise distracting to motorists

The Association may promptly remove, without notice, a sign displayed in violation of this rule."

Executed on the date noted below.

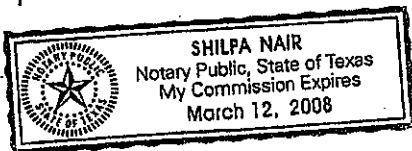
The Woods Homeowners Association, Inc.

By: *John Latchford*  
 Title: *President*

STATE OF TEXAS

COUNTY OF ~~TRAVIS~~ *Williamson*

This instrument was acknowledged before me on the 20<sup>th</sup> day of September, 2005, by John Latchford in the capacity stated above.



*Shilpa Nair*  
 Notary Public, State of Texas

**FILED AND RECORDED**  
 OFFICIAL PUBLIC RECORDS 2005077333

*Nancy E. Rister*

09/29/2005 10:22 AM

MARY \$20.00

NANCY E. RISTER, COUNTY CLERK

WILLIAMSON COUNTY, TEXAS

FileServer:CLIENTS:Woods:NeighborhoodRulesRev05

After recording, please return to:  
 Niemann & Niemann, L.L.P.  
 Attorneys At Law  
 Westgate Building, Suite 313  
 1122 Colorado Street  
 Austin, Texas 78701

(1)



STATE OF TEXAS

COUNTY OF WILLIAMSON

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§  
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THE WOODS HOMEOWNERS ASSOCIATION  
SUPPLEMENTAL NEIGHBORHOOD RULES

The Declaration of Covenants, Conditions and Restrictions for The Woods was recorded in Volume 1304, Page 602 of the Official Records of Williamson County, Texas. The Bylaws of The Woods Homeowners Association, Inc., were recorded in Volume 1304, Page 640 of the Official Records of Williamson County, Texas. These documents allow the Board of Directors of the Association to adopt rules and regulations. The Board has in the past adopted rules and regulations, such rules and regulations being recorded in Document Number 2002102749 of the Official Records of Williamson County, Texas. The rules attached as Exhibits B, and C hereto are additional rules adopted by the Board effective July 1, 2003. The rules attached as Exhibit A revise and replace the rules previously recorded in Document Number 2002102749.

Executed on the date noted below.

The Wood Homeowners Association, Inc.

By: John Latchford  
Title: President

- Exhibit A: Neighborhood Rules
- Exhibit B: Violation and Fine Policy
- Exhibit C: Violation Procedure

STATE OF TEXAS  
COUNTY OF TRAVIS

This instrument was acknowledged before me on March 15, 2004  
by John Latchford, in the capacity stated above.

Haley K. Young  
Notary Public, State of Texas

After recording, please return to:  
Niemann & Niemann, LLP  
Attn: Connie Heyer





## Neighborhood Rules

The Woods HOA Board has adopted these rules to maintain a quality neighborhood. The purpose of this policy is to establish rules for some of the frequent types of violations addressed in the Deed Restrictions. It is not intended to be a complete list of all violations. For more complete information, refer to the Declaration of Covenants, Conditions and Restrictions of the Woods, henceforth referred to as CCR's. These rules will be fairly administered and enforced.

**Homeowners and Residents are responsible for compliance with these rules.**

**YARD MAINTENANCE:** Includes the following being performed on a basis frequent enough for the yard to be considered well kept in the sole discretion of the Board; mow, edge (walks, curbs, driveway, fence lines, flower beds, etc); blow/sweep (walks, driveway, street gutters); weed abatement (yard, driveways, sidewalks & flower beds), dead plant/grass removal/replacement.

**LANDSCAPING & TREES:** Trimmed, pruned and maintained. Dead or deteriorated plants & trees must be removed. Fallen leaves must be raked and removed in a timely fashion. Gardens must be contained and maintained free of weeds.

**FENCES:** Maintained in secure, upright fashion and repaired with material consistent with existing fence. Maximum height allowed is 6 foot.

**STORAGE:** Enclosed in approved & maintained storage building or garage. No trailers, campers, boats, watercraft, non-operational autos or miscellaneous items stored in driveways or in public view. No storage may be in front of fence line.

**TRASH CANS:** Stored out of public view with secure lids or secured trash bags. Brought to and removed from curb within one evening of trash day.

**PARKING:** Oversized autos must be parked in driveways. Commercial vehicles (including any vehicles bearing signage other than a reasonable number of bumper stickers on the bumper or a reasonable number of decals on the windshields) may not be parked in public view. Do not block sidewalks. For the safety of our children we request all vehicles park in either garages or driveways.

**PETS:** No animals are permitted to roam freely. Barking dogs must not be allowed to become a nuisance to the neighborhood and cause complaints. Owners are responsible for cleanup of pets outside.

**HOME MAINTENANCE:** Exterior surfaces must be kept clean and painted. Damaged or deteriorated materials must be promptly replaced. Homes must be painted in exterior colors that coincide with surrounding homes. Color schemes are subject to review and approval by HOA Board.

**SIDEWALKS:** Kept clear for pedestrian traffic and trees trimmed to a height to meet City of Round Rock code.

**SIGNS:** Only professional signs advertising homes for sale or rent.

**WINDOW TREATMENTS:** No paper, foil or similar treatments are allowed in public view. Appropriate window treatments include blinds, shades, shutters, and lined curtains in public view. Windows in public view must have appropriate window treatments.

**COMMERCIAL USE OF PROPERTY:** All homes are intended for single-family use and are restricted from commercial or business purposes for any trade or profession.

**PLAYSCAPES, SWING SETS & SHEDS:** Maintained in a working and stable condition behind the fence line. Sheds should be enclosed and painted or stained to match home.

**HOLIDAY LIGHTS:** Installed and removed within one month of holiday.

## THE WOODS VIOLATION AND FINE POLICY

April 2003

The purpose of this policy is to establish guidelines for some of the frequent types of violations addressed in the Deed Restrictions and the Neighborhood Rules that were adopted by The Woods Homeowners Board.

It is not intended to be a complete list of all possible violations. For more complete information, refer to the **RESTRICTIVE COVENANTS & NEIGHBORHOOD RULES** in the **HOMEOWNERS MANUAL** for **THE WOODS SUBDIVISION** (henceforth referred to as **HOA RULES**).

### VIOLATIONS:

Violation notices will be sent for all properties that are not being kept in a neat and well-maintained appearance. Homeowners will be given a notice with ample time to provide corrective actions. While the property manager is providing regular monthly inspections, notices for corrections and re-inspections will occur more than a monthly basis. Failure to respond with corrective action within the specified period will result in another violation notice.

**Yard maintenance needed:** Yards must be maintained on a basis frequent enough to maintain an overall well kept appearance. This includes:

- Mowing:** includes front yard and side yard of corner lots; all backyards must be mowed
- Edging:** sidewalk, driveway and curb, etc.
- Weed control:** weed abatement in grass, flowerbeds, and cracks; weed eating at fences, etc.,
- Grass replacement:** adding sod or re-seeding where grass has died
- Blowing or sweeping up:** grass and clippings must be removed after maintenance
- Removing dead plants, shrubs, trees and leaves** in a timely manner

**Trash receptacles in view:** All trash containers must be hidden from general view except for trash pick-up day. It is acceptable to put containers by the curb at dusk on the day before pick-up and to return to being stored out of view by dusk the day of pick-up. If containers can be seen from the street, they are not out of view. A screen such as lattice with vines growing on it is an example of a measure of appropriate screening if you do not want the containers in your garage or your back yard.

**Fence/gate repairs needed:** Replace broken/missing pickets; repair/replace broken or hanging gate, straighten/secure leaning or bowing fence, etc.

**Unapproved exterior changes:** All changes to the exterior of the residence, the addition of any structure, fence replacement or painting, major landscape modifications must be approved in writing by the Woods Board.

**Animals:** All pets must be leashed and under control of the person holding the leash. Dogs may not be allowed to cause a nuisance or disturbance by barking incessantly either in the day or at night. Pets may not use the bathroom on another owner's property. If an accident occurs, the pet's owner must immediately remove the feces from the property. This also applies to the association's common areas.

**Vehicles:** Applicable to vehicles that are inoperable, unregistered or stored in driveways. Vehicles may not be parked on the grass or on sidewalks at any time. Oversized vehicles must be parked in driveways. Commercial vehicles exceeding 9 foot in height may not be parked in the neighborhood overnight.

**Boats, trailers, etc:** Boats, trailers, campers, RV's are not to be stored in driveways or on streets. **ANY BOAT, TRAILER ETC. STORED IS SUBJECT TO AN IMMEDIATE FINE OF \$25 PER DAY, WITHOUT NOTICE.**

**Home Maintenance:** Repairs to deteriorated surfaces, caulking and re-painting of exterior painted surfaces. Roofing and guttering must be kept in a good condition.

**Other:** Examples of additional things that could incur violations are: generally unkempt appearance of the property including; skateboard ramps and other structures in front of the front building line and storage of miscellaneous items in public view.

## **FINES**

The Board of Directors is given express power in the Association's By Laws to adopt and publish rules and regulations to enforce the protective covenants. In order to enforce these rules the HOA Board has also adopted a fining policy to address repeat violations.

The fines collected will be added to the Woods HOA account and used to offset the cost of management and enforcement of the neighborhood rules. The Property Manager will provide uniform enforcement and tracking of homeowner violations. The Manager will provide regular updates to the HOA Board on homeowner communications and status of violation notices.

The standard procedure shall be that the 3<sup>rd</sup> violation notice for a violation, or the third violation of a similar kind will result in a \$25 fine *and* legal cost incurred with sending notification from the HOA Attorney. Each subsequent similar violation will incur another \$25 fine through the end of the year. Example: 3 notices of "Yard Maintenance Needed" will receive a \$25 fine. This can be any combination of mowing, edging, weed control etc...(not 3 notices to mow or 3 notices to edge, etc.)

When a fine is assessed, the owner will receive the notice of violation along with an invoice showing the fine has been added to their assessment account. An owner will have the opportunity to contest any fine that is assessed against the assessment account. Homeowners can request a meeting with a quorum of the HOA Board of Directors within ten days to discuss the violation notice and assessed fine.

The Board reserves the right to alter and accelerate the fining process and enforcement process for all violations in its sole discretion provided that all statutory requisites are met.

## **TIMELINES**

Establishing a timeline for notification and period allowed for corrective action will assist the Property Manager and the Board with consistent and fair enforcement.

The regular monthly drive thru inspections will initiate the first notification of violations.

Re-inspections and follow-up violation notifications:

- 1 week – Lawn Maintenance, Unsightly objects in public view
- 1 month – Shrub & Tree pruning, Lawn replacement, Fence repairs
- 6 months – Exterior home repairs, House painting

The follow-up to 1 month and 6 month re-notifications will not allow another 1 month or 6 month period for correction. These follow-ups should occur weekly after the initial period has expired and result in \$25 fines for each weekly violation notice.

The Board reserves the right to alter and accelerate the fining process and enforcement process for all violations in its sole discretion provided that all statutory requisites are met.

## **Summary:**

The goal of adopting this policy for violation notification is to make homeowners aware of ongoing problems that affect their neighbors and the overall quality of the neighborhood. The violation process includes multiple notifications, ample time to take corrective actions and fair enforcement by an objective third party.

The establishment of a timeline for corrective actions and re-notification of violations will help clarify a policy for homeowners that regular enforcement and a fair period for corrections is established and enforced.

The fining policy is to provide an incentive to homeowners to address ongoing problems that are going without correction. Refusal to take corrective actions when notified must be followed up with a monetary penalty that is contributed to the process of improvement for our neighborhood.

## VIOLATION PROCEDURE

**Section 1. Suspension of Privileges/Fines.** In the event of a violation of the Declaration, these Bylaws, or any rules and regulations of the Association, the Board of Directors, acting on behalf of the Association, in addition to any other remedies provided by the Declaration, Bylaws, or rules and regulations and remedies available pursuant to State statute or other law, may (1) suspend or condition the right of said Lot Owner to use any facilities owned, operated, or managed by the Association; (2) suspend said Lot Owner's voting privileges in the Association as a Lot Owner, as further provided in the Declaration and Bylaws; (3) record a notice of non-compliance encumbering the Lot; (4) levy a damage assessment against a Lot; and/or (5) assess a fine against the Lot Owner for the violation in an amount to be determined by the Board of Directors.

Before the Association may suspend an Owner's right to use a common area, file suit against an Owner (other than a suit to collect regular or special assessments or foreclose under an Association lien), charge an Owner for property damage, or levy a fine for a violation of the restrictions (including Declaration, Bylaws, or rules), the Association must give certified mail, return receipt requested notice to the last known address of the Lot Owner.

Any amounts charged to an owner under these procedures may be collected in the same manner as regular assessments under the Declaration, including lien and foreclosure rights to the extent permitted by law.

**Section 2. Notice Requisites.** The notice will be sent certified mail, return receipt requested, to the last known address of the Lot Owner in the Association records. The notice must (1) describe the violation or property damage that is basis for the suspension action, charge, or fine and state any amounts due the Association from the Lot Owner; (2) inform the Owner that the Owner is entitled to a reasonable period to cure the violation to avoid the fine or suspension, unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six months; and (3) inform the Owner that he may request a hearing before the Board of Directors on or before the 30<sup>th</sup> day after the date the Owner received the notice (or 30 days after the date on which the first attempted delivery was made to the Owner).

If the hearing is to be held before a committee, the notice must state that the Owner has the right to appeal the committee's decision to the Board of Directors by written notice to the Board. The Association will hold any hearing not later than the 30<sup>th</sup> day after the date the Board receives the Owner's request for a hearing, and will notify the Owner of the date, time, and place of the hearing at least ten days before the hearing date.

**Section 3. Attorneys Fees.** The Association may assess reasonable attorneys fees to an Owner's account for nonpayment of amounts due or other violations of the Declaration, Bylaws, or rules only if the Lot Owner is provided a written notice that attorneys fees and costs will be charged to the Owner if the delinquency or violation continues after a certain date. Regardless, attorneys fees may not be charged to an Owner's account until after any Owner-requested hearing allowed pursuant to these procedures is held, or, if the Owner does not request a hearing, before the date by which the Owner must request a hearing. For repeat violations within six months, attorneys fees may be assessed to an account after the first hearing request deadline date has passed or after the first hearing, as appropriate.

The failure of the Association to enforce any provisions of the Declaration, Bylaws, rules, or procedures shall not constitute a waiver of the right to enforce the same thereafter. All remedies in the Declaration, Bylaws, and rules are cumulative and not exclusive.

This notice and hearing procedure is intended to mirror the requisites of Texas Property Code Chapter 209. Notwithstanding any language to the contrary, the Board of Directors shall have the power, upon majority vote of the Board of Directors, to amend any provision of these rules or bylaws as may be necessary to comply with Chapter 209 and any subsequent amendments.

**Section 4. Application of Payments.** The Association in its discretion and without notice to the Owner may apply amounts received from Owners to non-assessment items or other amounts due and owing the association regardless of Owners' notations on checks or otherwise.

**IMPORTANT PLEASE READ AND RETAIN WITH YOUR NEIGHBORHOOD RULES**

Dear Woods Resident,

The Woods HOA Board has worked for the last two years to address issues affecting the quality and appearance of The Woods neighborhood. It is our pleasure to say that the majority of Woods residents maintain their property in a proper and attractive manner as was promised to The Woods HOA when they purchased their homes. The majority of residents responded in a positive way to steps being taken to address issues requiring attention. To those property owners who have made efforts as a responsible, good neighbor -THANK YOU!

While many corrected problems noted in the violation notices that were sent by the Property Manager, there are some property owners that choose not to comply with the Restrictive Covenants, the Neighborhood Rules or the Violation Notices. They ignore multiple notices and refuse to address issues that require attention. Continuing to send violation notices with no consequences to these homeowners is no guarantee compliance will be made.

The Woods HOA Board of Directors has reviewed all options to address these problems fairly and uniformly. We approved processes to clearly define the issues, to provide ample notice to homeowners of problems requiring attention and to follow-up with notifications that make homeowners aware of the issues not being addressed. Recently, The Woods HOA Board of Directors discussed and adopted the enclosed Violation and Fine Policy. This contains information on Violation Notices, their Timelines and Fining Policies, placed in order to enforce rules when residents do not comply.

The Woods Neighborhood Rules were mailed to every Woods property owner in January 2003. The Property Management Company began documentation and mailing of violation notices of the new Neighborhood Rules to property owners in March 2003. THE FINING POLICY goes into effect JULY 1, 2003.

Our goal and responsibility is to protect the property values of all property owners in The Woods. It is the intention of The Woods Board of Directors through the services of the Property Manager to enforce the Neighborhood Rules with Violations Notices, Timelines and Fining Policies to protect all property values as well as the quality of the Woods subdivision.

The Board of Directors urges all property owners to be considerate of your neighbors and correct any and all violations of the Neighborhood Rules and Restrictive Covenants. Property owners who receive Violation Notices should have these corrected within the timeframe posted in the timelines to avoid fines and possibly legal costs.

See the attached Woods Violation and Fine Policy for more information. Please combine the Woods Violation and Fine Policy in your Woods Manual with The Woods Neighborhood Rules.

Again, thank you to all who have been responsible in following the Restrictive Covenants, Neighborhood Rules and maintaining your properties. You have attributed not only to your own property value but also add to your neighbor's property values as well. This helps make The Woods a more favorable and attractive neighborhood in which to live and you truly are a good neighbor!

Thank You,

The Woods HOA Board of Directors

## THE WOODS VIOLATION AND FINE POLICY

April 2003

The purpose of this policy is to establish guidelines for some of the frequent types of violations addressed in the Deed Restrictions and the Neighborhood Rules that were adopted by The Woods Homeowners Board.

It is not intended to be a complete list of all possible violations. For more complete information, refer to the **RESTRICTIVE COVENANTS & NEIGHBORHOOD RULES** in the **HOMEOWNERS MANUAL** for **THE WOODS SUBDIVISION** (henceforth referred to as **HOA RULES**).

### VIOLATIONS:

Violation notices will be sent for all properties that are not being kept in a neat and well-maintained appearance. Homeowners will be given a notice with time to provide corrective actions. While the property manager is providing regular monthly inspections, notices for corrections and re-inspections will occur more than a monthly basis. Failure to respond with corrective action within the specified period will result in another violation notice, which may include notice of further enforcement action.

**Yard maintenance needed:** Yards must be maintained on a basis frequent enough to maintain an overall well kept appearance. This includes:

- Mowing:** includes front yard and side yard of corner lots; all backyards must be mowed
- Edging:** sidewalk, driveway and curb, etc.
- Weed control:** weed abatement in grass, flowerbeds, and cracks; weed eating at fences, etc.,
- Grass replacement:** adding sod or re-seeding where grass has died
- Blowing or sweeping up:** grass and clippings must be removed after maintenance
- Removing dead plants, shrubs, trees and leaves** in a timely manner

**Trash receptacles in view:** All trash containers must be hidden from general view except for trash pick-up day. It is acceptable to put containers by the curb at dusk on the day before pick-up and to return to being stored out of view by dusk the day of pick-up. If containers can be seen from the street, they are not out of view. A screen such as lattice with vines growing on it is an example of a measure of appropriate screening if you do not want the containers in your garage or your back yard.

**Fence/gate repairs needed:** Replace broken/missing pickets; repair/replace broken or hanging gate, straighten/secure leaning or bowing fence, etc.

**Unapproved exterior changes:** All changes to the exterior of the residence, the addition of any structure, fence replacement or painting, landscape modifications must be approved in writing by the Woods Board.

**Animals:** All pets must be leashed and under control of the person holding the leash. Dogs may not be allowed to cause a nuisance or disturbance by barking incessantly either in the day or at night. Pets may not use the bathroom on another owner's property. If an accident occurs, the pet's owner must immediately remove the feces from the property. This also applies to the association's common areas.

**Vehicles:** Vehicles that are inoperable, unregistered or stored in driveways are prohibited from public view. Vehicles may not be parked on the grass or on sidewalks at any time. Oversized vehicles must be parked in driveways. Commercial vehicles exceeding 9 foot in height may not be parked in the neighborhood overnight.

**Boats, trailers, etc:** Boats, trailers, campers, RV's are not to be stored in driveways or on streets. **ANY BOAT, TRAILER, ETC. STORED IS SUBJECT TO A FINE OF \$25 PER DAY.**

**Home Maintenance:** Repairs must be made to deteriorated surfaces, including caulking and re-painting of exterior painted surfaces of all homes. Roofing and guttering must be kept in a good condition.

**Other:** Examples of additional things that could incur violations are: generally unkept appearance of the property including; skateboard ramps and other structures in front of the front building line and storage of miscellaneous items in public view.

## **FINES**

The Board of Directors is given express power in the Association's By Laws to adopt and publish rules and regulations to enforce the protective covenants. In order to enforce these rules, the HOA Board has also adopted a fining policy to address repeat violations.

The fines collected will be added to the Woods HOA account and used to offset the cost of management and enforcement of the neighborhood rules. The Property Manager will provide uniform enforcement and tracking of homeowner violations. The Manager will provide regular updates to the HOA Board on homeowner communications and status of violation notices.

The 3<sup>rd</sup> violation of a similar kind will result in a minimum \$25 fine plus legal costs incurred with sending notification from the HOA Attorney. Each subsequent similar violation will incur another minimum \$25 fine through the end of the year. Example: 3 notices of "Yard Maintenance Needed" will receive a minimum \$25 fine. This can be any combination of mowing, edging, weed control etc...(not 3 notices to mow or 3 notices to edge, etc.)

When a fine is assessed, the owner will receive the notice of violation along with an invoice showing the fine has been added to their assessment account. An owner will have the opportunity to contest any fine that is assessed against the assessment account. Homeowners can request a meeting with a quorum of the HOA Board of Directors within ten days to discuss the violation notice and assessed fine.

## **TIMELINES**

Establishing a timeline for notification and period allowed for corrective action will assist the Property Manager and the Board with consistent and fair enforcement.

The regular monthly drive thru inspections will initiate the first notification of violations.

Re-inspections and follow-up violation notifications:

- 1 week – Lawn Maintenance, Unsightly objects in public view
- 1 month – Shrub & Tree pruning, Lawn replacement, Fence repairs
- 6 months – Exterior home repairs, House painting

The follow-up to 1 month and 6 month re-notifications will not allow another 1 month or 6 month period for correction. These follow-ups should occur weekly after the initial period has expired and result in \$25 fines for each weekly violation notice.

## **Summary:**

The goal of adopting this policy for violation notification is to make homeowners aware of ongoing problems that affect their neighbors and the overall quality of the neighborhood. The violation process includes multiple notifications, ample time to take corrective actions and fair enforcement by an objective third party.

The establishment of a timeline for corrective actions and re-notification of violations will help clarify a policy for homeowners that regular enforcement and a fair period for corrections is established and enforced.

The fining policy is to provide an incentive to homeowners to address ongoing problems that are going without correction. Refusal to take corrective actions when notified must be followed up with a monetary penalty that is contributed to the process of improvement for our neighborhood.

## VIOLATION PROCEDURE

Section 1. **Suspension of Privileges/Fines.** In the event of a violation of the Declaration, these Bylaws, or any rules and regulations of the Association, the Board of Directors, acting on behalf of the Association, in addition to any other remedies provided by the Declaration, Bylaws, or rules and regulations and remedies available pursuant to State statute or other law, may (1) suspend or condition the right of said Lot Owner to use any facilities owned, operated, or managed by the Association; (2) suspend said Lot Owner's voting privileges in the Association as a Lot Owner, as further provided in the Declaration and Bylaws; (3) record a notice of non-compliance encumbering the Lot; (4) levy a damage assessment against a Lot; and/or (5) assess a fine against the Lot Owner for the violation in an amount to be determined by the Board of Directors.

Before the Association may suspend an Owner's right to use a common area, file suit against an Owner (other than a suit to collect regular or special assessments or foreclose under an Association lien), charge an Owner for property damage, or levy a fine for a violation of the restrictions (including Declaration, Bylaws, or rules), the Association must give certified mail, return receipt requested notice to the last known address of the Lot Owner.

Any amounts charged to an owner under these procedures may be collected in the same manner as regular assessments under the Declaration, including lien and foreclosure rights to the extent permitted by law.

Section 2. **Notice Requisites.** The notice will be sent certified mail, return receipt requested, to the last known address of the Lot Owner in the Association records. The notice must (1) describe the violation or property damage that is basis for the suspension action, charge, or fine and state any amounts due the Association from the Lot Owner; (2) inform the Owner that the Owner is entitled to a reasonable period to cure the violation to avoid the fine or suspension, unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six months; and (3) inform the Owner that he may request a hearing before the Board of Directors on or before the 30<sup>th</sup> day after the date the Owner received the notice (or 30 days after the date on which the first attempted delivery was made to the Owner).

If the hearing is to be held before a committee, the notice must state that the Owner has the right to appeal the committee's decision to the Board of Directors by written notice to the Board. The Association will hold any hearing not later than the 30<sup>th</sup> day after the date the Board receives the Owner's request for a hearing, and will notify the Owner of the date, time, and place of the hearing at least ten days before the hearing date.

Section 3. **Attorneys Fees.** The Association may assess reasonable attorneys fees to an Owner's account for nonpayment of amounts due or other violations of the Declaration, Bylaws, or rules only if the Lot Owner is provided a written notice that attorneys fees and costs will be charged to the Owner if the delinquency or violation continues after a certain date. Regardless, attorneys fees may not be charged to an Owner's account until after any Owner-requested hearing allowed pursuant to these procedures is held, or, if the Owner does not request a hearing, before the date by which the Owner must request a hearing. For repeat violations within six months, attorneys fees may be assessed to an account after the first hearing request deadline date has passed or after the first hearing, as appropriate.

The failure of the Association to enforce any provisions of the Declaration, Bylaws, rules, or procedures shall not constitute a waiver of the right to enforce the same thereafter. All remedies in the Declaration, Bylaws, and rules are cumulative and not exclusive.

This notice and hearing procedure is intended to mirror the requisites of Texas Property Code Chapter 209. Notwithstanding any language to the contrary, the Board of Directors shall have the power, upon majority vote of the Board of Directors, to amend any provision of these rules or bylaws as may be necessary to comply with Chapter 209 and any subsequent amendments.

Section 4. **Application of Payments.** The Association in its discretion and without notice to the Owner may apply amounts received from Owners to non-assessment items or other amounts due and owing the association regardless of Owners' notations on checks or otherwise.



**The Woods Homeowner's Association Neighborhood Rules**

The Declaration of Covenants, Conditions and Restrictions for the Woods, recorded Vol. 1304, Page 602 of the Official Records of Williamson County, Texas and the Bylaws of the Woods Homeowner's Association, Inc., recorded in Vol. 1304 page 640 of the official Records of Williamson County, Texas, authorize the Board of Directors of the Association of the Association to adopt rules and regulations. The board of directors hereby adopts these Rules and Regulations. Owners and potential purchasers should always contact the Association's managing agent for the most current version of the governing documents, including these Rules and Regulations.

The Woods HOA Board has adopted these rules to maintain a quality neighborhood. The purpose of his policy is to establish rules for some of the frequent types of violations addressed in the Deed Restrictions. It is not intended to be a complete list of all violations. For more complete information, refer to the Declaration of Covenants, Conditions and Restrictions of the Woods, henceforth referred to as CCR's. These rules will be fairly administered and enforced.

**Homeowners and Residents are responsible for compliance with these rules.**

**YARD MAINTENANCE:** Includes the following being performed on a basis frequent enough for the yard to be considered well kept; mow, edge (walks, curbs, driveway, fence lines, flower beds, etc); blow/sweep (walks, driveway, street gutters); weed abatement (yard, driveways, sidewalks & flower beds), dead plant/grass removal/replacement.

**LANDSCAPING & TREES:** Trimmed, pruned and maintained. Dead or deteriorated plants & trees should be removed. Fallen leaves should be raked and removed in a timely fashion. Gardens should be contained and maintained free of weeds.

**FENCES:** Maintained in secure, upright fashion and repaired with material consistent with existing fence.

Maximum height allowed is 6 foot.

**STORAGE:** Enclosed in approved & maintained storage building or garage. No trailers, campers, boats, watercraft, non-operational autos or miscellaneous items stored in driveways or in public view. No storage may be in front of fence line.

**TRASHCANS:** Stored out of public view with secure lids or secured trash bags. Brought to and removed from curb within one evening of trash day.

**PARKING:** Oversized autos must be parked in driveways. Commercial vehicles may not be parked in public view. Do not block sidewalks. For the safety of our children we request all vehicles park in either garages or driveways.

**PETS:** No animals are permitted to roam freely. Barking dogs must not be allowed to become a nuisance to the neighborhood and cause complaints. Owners are responsible for cleanup of pets outside.

**HOME MAINTENANCE:** Exterior surfaces should be kept clean and painted. Damaged or deteriorated materials must be promptly replaced. Homes should be painted in exterior colors that coincide with surrounding homes. Color schemes are subject to review and approval by HOA Board.

**SIDEWALKS:** Kept clear for pedestrian traffic and trees trimmed to a height to meet City of Round Rock code.

**SIGNS:** Only professional signs advertising homes for sale or rent.

**WINDOW TREATMENTS:** No Paper, foil or similar treatments are allowed in public view. Appropriate window treatments include blinds, shades, shutters, and lined curtains in public view. Windows in public view must have appropriate window treatments.

**COMMERCIAL USE OF PROPERTY:** All homes are intended for single-family use and are restricted from commercial or business purposes for any trade or profession.

**PLAYSCAPES, SWINGSETS & SHEDS:** Maintained in a working and stable condition behind the fence line. Sheds should be enclosed and painted or stained to match home.

**HOLIDAY LIGHTS:** Installed and removed within one month of holiday.

The Woods Homeowner's Association, Inc.

By: John Latchford

Title: President

Date: December 23, 2002

State of Texas

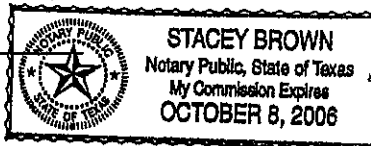
County of Williamson

This instrument was acknowledged before me on the 23 day of December, 2002 by

JOHN LATCHFORD in the capacity stated above.

Stacey Brown

Notary public for the State of Texas



FILED AND RECORDED  
OFFICIAL PUBLIC RECORDS

JOHN LATCHFORD  
1904 BLACKBERRY LANE  
ROUND ROCK, TX 78681-2141

Nancy E. Rister

12-27-2002 12:49 PM 2002102749  
NSTANLEY \$11.00  
NANCY E. RISTER, COUNTY CLERK  
WILLIAMSON COUNTY, TEXAS

## Woods Neighborhood Restriction Violation Report

Date of Violation \_\_\_\_\_ Date of Report \_\_\_\_\_

Address \_\_\_\_\_

**Violations Noted:**

\_\_\_ YARD MAINTENANCE: Maintenance performed on a basis frequent enough for the yard to be considered kept up. Mowing, Edging, blow/sweep, weed abatement, plants maintained & leaf removal.

\_\_\_ TRASH RECEPTICAL IN VIEW ON NON-TRASH DAY

\_\_\_ FENCE REPAIRS FRONT \_\_\_ SIDE \_\_\_ BACK \_\_\_ GATE REPAIRS \_\_\_

\_\_\_ ANIMALS: DOGS BARKING & CAUSING NUISANCE \_\_\_ NOT ON LEASH \_\_\_  
LEAVING FECES IN UNAUTHORIZED PLACE \_\_\_ NOT CLEANING UP AFTER PET \_\_\_  
CAT(S) ROAMING & CAUSING NUISANCE \_\_\_

\_\_\_ UNAPPROVED EXTERIOR CHANGES: Nature \_\_\_\_\_

\_\_\_ VEHICLES: Inoperable \_\_\_ (must be drivable & have valid registration & inspection stickers).

Parked in Yard \_\_\_ Improperly Parked \_\_\_

LICENSE# \_\_\_\_\_ DESCRIPTION \_\_\_\_\_ PARKED WHERE \_\_\_\_\_

\_\_\_ BOATS \_\_\_ TRAILERS \_\_\_ COMMERCIAL VEHICLE ON PROPERTY OVERNIGHT \_\_\_

\_\_\_ BASKETBALL GOAL ON PUBLIC ACCESS

\_\_\_ MISCELLANEOUS PROPERTY REPAIRS NEEDED AS FOLLOWS: \_\_\_\_\_

\_\_\_ SIGNS DISPLAYED \_\_\_\_\_

\_\_\_ UNSIGHTLY OBJECTS IN PUBLIC VIEW: \_\_\_\_\_

\_\_\_ COMMERCIAL USE OF PROPERTY: \_\_\_\_\_

\_\_\_ OTHER: \_\_\_\_\_

DETAILS OF VIOLATION: \_\_\_\_\_

Name & Contact number of person filing complaint: \_\_\_\_\_

(Complaints filed must have contact name and can be kept confidential. You may be contacted for further information.)

Phone No. \_\_\_\_\_

E-mail \_\_\_\_\_

the Association, in the same manner as set forth in the Declaration, to secure collection of the Assessments provided for, authorized and contemplated by the Declaration.

EXECUTED this 30 day of December, 2002.

3406, LTD., a Texas limited partnership  
By: DH REAL ESTATE INVESTMENT COMPANY,  
a Texas corporation, d/b/a DH Investment Company,  
its General Partner

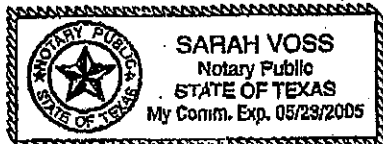
By: [Signature]  
David A. Hill, President

TANO MANAGEMENT CORP., a Texas corporation

By: [Signature]  
Barry Kendrick, President

THE STATE OF TEXAS §  
COUNTY OF ANGELINA §

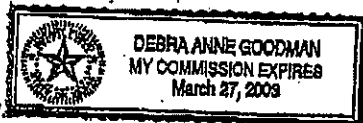
This instrument was acknowledged before me on the 30 day of December, 2002, by David A. Hill, President of DH Real Estate Investment Company, a Texas corporation d/b/a DH Investment Company, General Partner of 3406, LTD., a Texas limited partnership, on behalf of such limited partnership.



[Signature]  
Notary Public, State of Texas

THE STATE OF TEXAS §  
COUNTY OF TRAVIS §

This instrument was acknowledged before me on the 23rd day of October, 2002, by Barry Kendrick, President of Tano Management Corp., a Texas corporation, on behalf of such corporation.



[Signature]  
Notary Public, State of Texas

AUS: 1914187

14294.88798  
3406 Ltd.  
PO Box 702.  
Lufkin Tx 75902-0702.

FILED AND RECORDED  
OFFICIAL PUBLIC RECORDS

[Signature]  
2002-14-2003 03:11 PM 2003013887  
ANDERSON \$13.00  
NANCY E. RISTER, COUNTY CLERK  
WILLIAMSON COUNTY, TEXAS