Spanish Gardens Condominiums Community Policy, Rules & Regulations Adopted 2/04/99, Revised 10/25/07

Important Note: The Spanish Gardens Condominiums Association holds Owners responsible for these Rules & Regulations being followed by anyone who is occupying their Unit(s), and any guests or contractors that they allow into Spanish Gardens Condominiums. Owners will be assessed charges when these Rules & Regulations are not followed. Owners must supply a copy of these Rules & Regulations to their tenants. The Owner should then hold their tenant(s), guests or contractors responsible for reimbursing any assessments the Owner incurs.

The Definition of Terms found in the Restated Declaration of Condominium for Spanish Gardens Condominium (the "Declaration") and the Definitions found in the Bylaws of Spanish Garden Condominium Association (the "Bylaws") are expressly incorporated herein as if set forth fully.

POLICIES IN GENERAL:

The following Rules & Regulations have been adopted to help maximize enjoyment, maintain values and assure the continued aesthetic beauty of our community. The rules apply to all Owners and their families, tenants and guests. The rules are automatically a part of each lease (even if they are not attached), and <u>each Owner is responsible for making sure their tenants have a copy of the rules and follow them.</u> You are encouraged to ask your neighbors to follow the rules.

CITY ORDINANCES:

Owners and their families, tenants, guests, contractors and agents shall comply with all ordinances of the City of Fort Worth, as well as these policies.

COMMUNICATIONS:

Property Related: If a professional property management company is under contract to manage Spanish Gardens Condominiums ("Spanish Gardens"), please direct repair requests, complaints, rule violations or any other Property related item to them.

Account/Financial Related: If a professional financial management company is under contract to handle the financial management aspects of Spanish Gardens, please direct questions, requests, complaints or other financial related activities to them.

If no professional management company is under contract, please contact the Board of Directors of the Spanish Gardens Condominium Association (the "Board"). In any case, you should submit your suggestions, requests, complaints or other communications in writing by mail, fax or e-mail.

ENFORCEMENT:

These Rules & Regulations will be strictly enforced. If they are violated by any occupant of a Unit, or guest of an occupant, the Owner of the Unit will be held responsible to take corrective action, pay for any damages and/or penalty assessments. The Association Manager and/or a Board Member shall have the authority to recommend penalty assessments or corrective actions to ensure that these Rules & Regulations are enforced in a fair, consistent and uniform manner. Violations observed by other Owners should be reported to the Association Manager, for review by the Board.

The following policies are derived partly from the Spanish Gardens Condominium Bylaws and Declaration and partly by additional, or clarifying, policies adopted by the Board. All Bylaws and Declaration provisions apply even if not set forth in this document. Also, except for those provisions set forth in the Bylaws and Declaration, the policies may be changed or added to by the Board, as deemed appropriate, and filed with the County Clerk.

Policies Applicable to All Owners, Occupants and Guests

Important Note: Abuse of the Rules & Regulations by "feuding" Owners or tenants will not be tolerated.

1. Security, Safety and Lighting:-

The Association does not provide or warrant your security. Each occupant is responsible for their own security and that of their family and guests. Each Unit that is leased must have: (1) keyless deadbolts on all exterior doors; (2) keyed or keyless deadbolts on other entrance doors; (3) pin locks on all sliding glass doors; (4) door viewers on all exterior doors;

and (5) a window latch on each window. Consult management regarding statutory security device obligations as a landlord if you ever rent/lease your Unit. These locks provide added protection for occupants while inside the Unit.

2. Storage of Property on Private Patios or Balconies:-

The only items which may be stored temporarily or permanently on private patios or balconies, which can be viewed from the streets or common areas, are the following: outdoor lounges and lawn chairs, exterior tables and decorative plants in pots. Nothing may be hung on the railings or from/on any common walls. Items stored on the patios must not appear to be in disrepair and must remain neat, clean and free of debris and refuse.

All other property must be kept inside the Unit, including, but not limited to, towels, bathing suits, mops, brooms, barbecue briquettes, fuel, tools, carpeting, boxes, plastic bags, beverages, furniture, automobile equipment, trash cans or other items not listed in the first paragraph of this policy. All property stored in violation of this rule may be removed and disposed of by the Association management, or their representative, if the violation is not corrected within five days of receiving written notification. Written notification will be made to the Owner, and to the tenant should the Unit be rented. Costs of remedying the violation will be charged to the Owner's account.

3. Barbecue Grills:-

Barbecue grills may only be used at ground level, provided they are no closer than fifteen (15) feet away from any building structure. Barbecue grills are not permitted to be used on any balcony, stairway, stairway landing or balcony walkway. This is according to the local Fire Code and must be followed without exception.

4. Storage of Property in Common Areas:-

No property may be stored temporarily or permanently on sidewalks, balconies, walkways, hallways, stair landings, parking lots or any common areas. Garage sales or estate sales are not allowed, except with prior approval from the Board. A City Permit might then be required. Requests for approval must be submitted in writing to the Association Manager at least two (2) weeks prior to the event. The Association Manager, or persons designated by them, may remove and throw away any property stored in violation of this rule with five (5) days notice. Cost of removal will be charged to the Unit Owner.

5. Property Inside Units:-

The Association has the right and the responsibility to control the visual attractiveness of the Property, including the right to require removal of objects which are visible from the common areas and which detract from the Property's appearance. Blinds and drapes must be in good repair, hung properly and comply with Rule 11 below regarding color and materials.

6. No Clothes to be Dried Outside of Units:-

No clothes, towels or other items may be hung anywhere outside to dry on patios, patio railings, walkway balconies, balcony railings or anywhere else where they can be seen. Clothes or other items must be dried inside the Units, or in the laundry rooms. Items being dried outside, in violation of this rule may be removed and disposed of without prior notice by Association management or their representative.

7. Entry Areas and Sidewalks:-

Entry areas, walkways, steps and landings shall be kept clean and neat by the Owners and tenants using them. Only doormats, plants and outdoor furniture may be placed in these areas. Feeding bowls for animals may not be left outside, since they attract pests and stray animals which compound the "clean-up" problems. Stairs, walkways and landings must not be blocked by any object, or by setting/standing individuals, and must always be open for ingress or egress. Children shall not be allowed to play in these areas.

8. Trash:-

Trash, rubbish or debris shall not be left or deposited, even temporarily, on any common area or patios. If door to door trash collection is not being contracted for by the Association, trash must be taken and deposited into the central trash "dumpster." Trash must not be set beside the dumpster because it will not be picked up. If door to door trash collection is taking place, only trash placed in sealed bags and left by your front door the morning of service, and no later than 9:00 AM will be picked up. DO NOT SET YOUR TRASH OUT THE DAY/NIGHT BEFORE SERVICE! Empty boxes or bulky items must be broken down so they occupy as little space as possible.

9. Animals:-

No animal shall be allowed to make an unreasonable amount of noise, or to become a nuisance. No domestic animals will be allowed on the Property unless confined by a leash. No animal may be boarded for hire or remuneration on the Property, and no kennel or breeding operation will be allowed. No animal shall be allowed to run at large. Leashes may not be tied to any fixed object(s), but must be held by a person who can control the animal at all times. The Owner of a Unit where an animal is housed has the responsibility to immediately clean up after such animal(s) has defecated in

Common Areas or on outside balconies, patios, enclosed courtyards or streets. If an animal or Unit Owner is in violation of these restrictions, the Association Manager or their representative may remove, or cause the animal to be removed, from the Property placing the animal with the local humane society or proper governmental authority.

10. Liability for Animals:-

The Unit Owner and the pet owner are both jointly liable to all other Owners and their respective families, guests and tenants for injury and all damage caused by any animal brought or kept on the Property by an Owner or member of their family, their tenants or their guests. Owners agree for themselves, and their respective families, guests, and tenants that the Association shall not have any liability for any injury or damage caused by any animal brought or kept on the Property by an Owner or member of their family, their tenants or their guests.

Used cat litter must be disposed of only in proper trash receptacles. It may not be dumped in flower beds because the ammonia will kill the vegetation. Owners must keep their Units in a sanitary condition and free from fleas, pet parasites and noxious odors. Unit Owners shall be liable for damage caused to common facilities by animals of the Owner or the Owner's tenants or guests.

Upon approval of the Board, the Association Manager or their representative may require permanent removal of any pet if the pet or its owner has repeatedly violated these rules or the pet has become objectionable in the opinion of the Association Manager.

11. Windows & Window Coverings:-

With the exception of flags or holiday decorations, nothing shall be hung from the outside of the windows of any Unit or from the balconies of the facades of any building. The only allowed flags shall be the American Flag and flags that represent National Holidays. Flags that represent National Holidays shall only be hung during the appropriate time of the year that they represent. (ie, no 4th of July flags hanging at Christmas)

Exterior windows shall be covered by only white, ivory, alabaster or beige shades, blinds or drapes. No foil, window tinting or other material objectionable in the reasonable judgement of the Association Manager shall be placed in or next to any window or sliding glass door. Burglar bars may not be installed, except with prior permission of the Board. Written requests must be submitted to the Association Manager.

12. Signs:-

"For Sale" or "For Rent" signs and all other signs are prohibited and may not be exhibited anywhere in the Property, including from the interiors of the Units. The Association provides a bulletin board in the laundry room(s) where rent or sale notices may be displayed. Notices will be removed after thirty (30) days, unless otherwise requested.

13. Noise:-

Unit Owners, their tenants or guests shall refrain from playing radios, televisions, stereos, musical instruments and other electrical or mechanical devices so loudly that they may be heard outside their Unit or from the inside of another Unit. This also applies to car stereos. Yelling, or loud talking, is similarly prohibited. Yelling or loud talking outside of Units is also prohibited. Please keep in mind that condominium residents live close together, sharing common floors, walls and/or ceilings. They also share the Common areas. Upstairs residents and guests must refrain from jumping or walking loudly or to otherwise create a nuisance for any neighbor. Please keep this in mind: One man's pleasure is another man's annoyance.

14. Swimming Pool Rules:-

The Spanish Gardens Condominium Association, it's officers, directors, Association Manager and any employee thereof are not responsible for any accidents that may occur by Owners, family members, tenants or guests while using the swimming pool facilities.

For the safety of everyone, the following rules shall apply:-

- a. The swimming pool is for the exclusive use of Owner members, their tenants and guests at all times.
- b. Owner/member resident or tenant MUST accompany all guests. Guests are limited to two (2) per Unit.
- c. All persons within the pool area are required to have a Spanish Gardens amenity pass key and to show it if asked.
- d. No one under sixteen (16) years of age is allowed in the pool area unless accompanied by an adult.
- e. No pets, bikes, skates, skate boards or similar things are allowed in the pool area.
- f. No running, diving or rough play.
- g. No nude swimming. Do not swim in street clothes. Only proper swim wear is allowed.

- h. No alcoholic beverages allowed in the pool area.
- i. No glass containers of any type are allowed in the pool area.
- j. Do not throw pool furniture/equipment, debris or trash into the pool.
- k. No diapers allowed in the pool. Place soiled diapers in proper trash receptacle.
- 1. Do not attempt to operate or adjust any pool equipment.
- m. Keep pool entry gate(s) closed and locked at all times.
- n. Always clean up and lock up when leaving.
- o. Only battery operated radios, etc are allowed in pool area. Maintain volume at minimum listening level.
- p. The swimming pool is open and available for use from 8:00 AM to 10:00 PM.
- q. Personal property is your responsibility, in the event of loss or theft. Please remove all personal property from the pool area when leaving.
- r. Review and follow the rules of posted signs in the pool area, as required by the City of Fort Worth.

NOTE: NOT ADHERING TO THESE POOL RULES MAY RESULT IN PENALTY FINES of \$25 AND/OR THE REVOCATION OF YOUR POOL PRIVILEGES. PLEASE HELP KEEP YOUR POOL SAFE.

15. Community Pass Key Policy

All Owners will be given an amenity pass key, pass key ring and wristband, which will allow entry to swimming pool(s) and laundry room(s). It is the Owner's responsibility to furnish this key to their tenants upon move in and to recover same upon move out. It is mandatory that any person in the swimming pool area and/or laundry room possess this pass, and to show proof to any Board member and/or Association Manager upon request. If amenity pass is lost, a replacement charge of fifty dollars (\$50.00) will be assessed the Owner. Please contact the Association Manager for replacement.

16. Mailboxes

The Board has the exclusive right to designate the type, size, location and signage on mailboxes. Names on the outside of mailboxes are not allowed and may be removed by management without prior notice because publicly identifying names with a particular Unit increases the risk of crime of occupants of the Unit.

17. Nuisances

No unsafe, noxious, offensive or illegal activity or odor is permitted on the Property. No activity shall be conducted on the Property which in the judgment of the Association Manager might reasonably be considered as annoying to neighbors of reasonable sensibilities, or might be reasonably determined to reduce the desirability of the Property for quality of living. No exterior loudspeakers or flashing lights shall be allowed. No person may do anything that will increase insurance rates for the Property, or which may cause such improvements to be uninsurable or which may cause any policy to be canceled, suspended or materially modified by the issuing company.

Team sports such as soccer, kickball, dodge ball, etc., are not permitted except in those areas designed for such purpose. No one, including adults and children, is permitted to play in the parking lots. Bicycles, tricycles, scooters, skateboards, skates, etc. may not be used in the parking areas or left outside overnight. Running in the common area is prohibited. Climbing trees is prohibited. Climbing on buildings, roofs, walls, railings or other structures for recreational purposes is prohibited.

18. Children

Each Owner is responsible for the conduct of their children, or children of tenants or guests in their Unit. Children under the age of nine (9) years may not be left in a condominium unit without a person over the age of twelve (12) present, whom is present and responsible for the child. No toys may be left outside overnight in areas visible from the street or in common areas. Residents of a Unit are encouraged to exercise care to inspect windows, screens, locks and latches to make sure they are in good working order and are being used properly to protect children visiting or living in the unit.

Children shall not be allowed to shout, yell or in any other way be unruly or disrespectful to other residents or visitors on the Property. Children shall not be allowed to throw hard objects anywhere on the Property. Children should be encouraged to play in the grassy areas, and shall not be allowed to block side walks or walk ways.

19. Satellite Dishes and Receiving Antennas

No exposed exterior television or radio antennas or satellite dishes may be installed anywhere on the Property without prior approval of the Board of Directors. Due to the recent FCC ruling, please contact the Association Manager in writing as to your requests, rights and obligations under the Over-The-Air-Reception-Devices (OTARD) Rule(s).

20. Water Leaks

An Owner shall be strictly liable, regardless of fault, for any damages anywhere from water leaks occurring from dishwashers, bathtubs, showers, commodes, sinks, aquariums, waterbeds or any other water device in an Owner's Unit.

21. Vehicle Repair

Vehicles must be serviced or repaired off the Property. Washing vehicles on Property is prohibited. Vehicles which have expired license plates, expired inspection stickers, flat tires, or vehicles which are obviously inoperable due to missing parts, are prohibited and must be removed from the Property at the vehicle's owner's expense. Such vehicles must be removed from the Property immediately upon notice from the Association Manager or their representative.

22. Parking

- a. Maximum speed limit within the Property shall be ten (10) miles per hour.
- b. Parking of vehicles, motorcycles and bicycles in grass areas, dirt areas, flowerbeds or sidewalks is prohibited. Owners and tenants shall park vehicles in their assigned parking spaces.
- c. No vehicle may be parked or unattended in such a manner as to block the passage of other vehicles on the streets or in drive ways to Units. No vehicle shall be left parked and unattended in the street, along the curb, in fire lanes or in driveway areas in such a manner at to prevent the ingress and/or egress of emergency vehicles (i.e., Police, Fire, EMS) or service vehicles (i.e., refuse trucks). No inoperable vehicle may be stored on the Property.
- d. No boats, trailers, large semi-truck rigs, recreational vehicles, motor homes, etc may be parked on the Property without prior permission from the Board. Requests must be submitted in writing to the Association Manager.
- e. Motorcycles, off-road recreational vehicles, bicycles, etc. may not be parked on balcony walkways, underneath stairwells or on patios/porches. Bicycles must be stored inside the Unit. Motorcycles, or motorized vehicles must not be stored inside the Unit.
- f. If someone is physically disabled, the Association Manager will accommodate special requests for handicap parking in common areas. Handicap parking signs must be honored. Doctor's proof of disability is required.
- g. Each condominium unit will be assigned certain parking space numbers. No other vehicle may park in parking spaces belonging to other condominium Owners. Anyone violating this rule will be subject to towing by the Association, without prior notice to the vehicle owner or operator at the vehicle owner's expense. All guest vehicles shall be parked in spaces provided for guest parking only, or otherwise unmarked parking spaces.
- h. The Board and/or Association Manager has the right to change parking spaces as deemed necessary.

23. Anti-theft Alarms

Owners and occupants who have vehicles with anti-theft systems shall not allow the alarms or horns to go off and disturb other persons on the Property for more than three (3) minutes (the "Three-Minute Rule"). Any vehicle violating the Three-Minute Rule shall be deemed to be illegally parked and subject to immediate towing by the Association under Texas towing statutes, without prior notice to the vehicle owner or operator. The Association may, without liability to the owner or operator of the vehicle, cut or disconnect any power source to such alarm or horn to avoid having to have the vehicle towed.

24. Towing Illegally Parked Vehicles

Vehicles parked in violation of these rules may be removed and stored without permission of the vehicle's owner or operator. Notice and removal shall be in accordance with Chapter 684 of the Texas Transportation Code (formerly Article 6701g-2). A Condominium Owner is liable for all costs of towing illegally parked vehicles of the Condominium Owner, their family, tenants or guests.

25. Pest Control

The Association shall not be responsible for pest control inside of Units. Pest control treatment to building perimeters may be performed on a periodic basis. Should special treatment be required to individual Units, Owners will be advised no less than forty-eight (48) hours prior to treatment. Normally, the cost of such individual unit treatment will be the responsibility of the Owner. Owners and residents are requested to comply with any special instructions that may be provided. If instructions are not followed, there may be a charge for any additional follow-up treatments.

26. Criminal Activity

While on the property, no person may violate any criminal laws, health codes or other applicable laws. No tampering with water, electrical meters, electrical outlets, lighting, timers, light controls, sprinklers, pool equipment or other common facilities is allowed. Criminal activity will be reported to police and local authorities in every case, by the Association Manager, and proof of criminal activity may be used as justification to require an Owner to evict a tenant from the Property or expel an Owner from Membership in the Association, to the maximum extent possible under governing law. Such decisions will be made by the Board.

In order to help deter criminal activity, the Association will pay a five hundred dollar (\$500) reward to any person who assists in the arrest and conviction of any person or persons guilty of criminal activity or of damaging or destroying Association property, or personal property belonging to Owners, their families, tenants or guests.

27. Harassment

Owners, their families, tenants or guests will not harass any other Owner, their families, tenants or guests, nor shall they harass any property management personnel. Harassment will not be tolerated and the Association Manager and/or Board will take the strongest measures possible under the Associations Rules & Regulations, and under State and Federal Laws, to ensure that the Spanish Gardens Condominium is a safe and pleasant place to live, raise a family and/or visit.

28. Utilities and Leaks

Each Owner shall be responsible for promptly fixing leaks in all plumbing lines, plumbing fixtures, lavatories, sinks, tubs and shower stalls inside their Unit. A Unit Owner will be responsible for paying for damages and repairs necessitated by water leaks from their Unit to adjacent Units. If the Board deems it necessary to repair any of these items inside an Owner's Unit, or the repair of adjacent Units, the Owner shall reimburse the Association for the cost of repair, plus thirty-three percent (33%) for administrative overhead.

29. Eviction of Tenants

Every Owner has the right, and the Board may require an Owner, to evict a tenant who substantially and repeatedly violates the Association's Rules & Regulations. If an Owner does not evict such a tenant within ninety (90) days of being notified by the Board that an eviction is required, unless it is proved to be legally impossible to perform the eviction within ninety (90) days, the Owner will be assessed a fee of two-hundred dollars (\$200), and then two-hundred (\$200) for each month the tenant remains in the Unit after that. Also, no Owner may subsequently lease to anyone who has been evicted, without Board approval.

30. Common Area Modifications

No Owner may construct, alter, modify, landscape, trim or otherwise perform any work whatsoever upon any of the common facilities, limited or general, without the prior written approval of the plans from the Board of Directors. No exterior awning, shade, storm doors, front doors, railings or additional lighting may be installed without Board Approval. No planting or transplanting shall be done except within individual Units. All requests must be submitted in writing to the Association Manager.

31. Common Area Repairs

If any common facility (for example, entry gates, exterior lighting and/or electricity, common wastewater disposal systems, etc.) is in need of repair or maintenance, Owners should contact the Association Manager immediately and leave a message about what needs to be fixed. This is especially important if exterior lighting, pool equipment, or the automatic closing and latching devices on the gates are malfunctioning. Owners should instruct tenants to notify Owner, not the Association Manager, except in the case of a dire emergency. It is a violation to alter in any way, including the unscrewing of light bulbs, any exterior lighting that is designed to be lit from dusk until dawn.

32. Smoke Detectors

Each Owner is required to have and maintain an electric and/or battery smoke detector(s) in their Unit in accordance with state law. The occupants must keep the smoke detection in working condition at all times.

33. Vacation Procedures

Any occupant leaving for several days should:

- b. Arrange for pet care.
- c. Leave the thermostat at a level to prevent problems with freezing pipes, even though the outside temperature may not be sufficient to warrant this protection at the time of departure.
- d. Ask the post office to hold mail, or arrange for someone to pick up mail and newspapers daily.
- e. Notify a friend to check your Unit frequently.
- f. Notify the Owner of your Unit and/or the Association Manager.

34. Freeze Warnings

During exterior temperatures of thirty-two (32) degrees or less, the following procedures should be followed to prevent pipes from bursting:

- g. Leave the heat on at a temperature not below sixty-eight (68) degrees
- h. Leave cabinet doors open under kitchen and bathroom sinks to allow heat to circulate.
- i. Leave all faucets dripping slightly.

35. Air-conditioning and/or Heating System

Supplementary air-conditioning or heating units must be installed in a manner that does not distract from the appearance of the building. Owners, or their tenants, should install such units in rear rooms of the building, where possible. They should not be installed in the front of the building. The Association Manager and/or Board reserves the right to have any

supplementary unit removed, if its appearance distracts for the appearance or value of Spanish Gardens Condominiums. Evaporative coolers, commonly referred to as a "swamp cooler" (they require water hook-up) are not allowed to be installed at all.

36. Keys

Recognizing the reluctance of Owners to provide keys to the Association Manager, even for use in emergency situations, Owners should provide the Association Manager with alternate names & phone number(s) of individuals who have keys and are authorized to provide access to their Unit(s). In the event of an emergency, and if no key entry is available, the Association Manager and/or Board Member shall have the right to employ a lock smith to gain entry, or in an extreme emergency, make a forced entry. In such case, the Owner shall reimburse the Association for any costs incurred.

37. Workers on the Property

If you have any questions, comments or concerns regarding work in progress, please contact the Association Manager to discuss it. Do not involve the workers and/or contractors in discussions.

38. Washing Machines

After using a washing machine located in any Unit, the water valves should be turned off after each use! Failure to do so can cause poor hot water and/or cold water flow to all Units of the building due to cross flow that results in hot/cold water mixing. Owners must notify the Association Manager if water connections have been modified in their Unit(s) to provide for washing machines or any other water using appliance or tub.

39. Kitchens

Do not use kitchen stoves for heating purposes. This is extremely dangerous and can cause serious bodily harm and possibly death if any mishap occurs. It also is a fire hazard, affecting the entire building.

Do not put grease of any kind down any sink or drain. Doing so can cause a major sewage blockage that can result in raw sewage backing up into your Unit, or an adjoining Unit. If a back up is found to be caused by an individual Owner/occupant putting grease down a sink or drain, the Owner will be assessed an amount to pay for the repair, plus thirty percent (30%) for administrative costs.

Policies Applicable Primarily to Association Member Owners continues on next page.

Policies Applicable Primarily to Association Member Owners

<u>Important Note:</u> Abuse of the Rules & Regulations by "feuding" Owners or tenants will not be tolerated. Also, Investor Owners shall respect the rights of other Investor Owners and shall not solicit a tenant to change Units, which can be considered harassment of the Owner and/or tenant.

40. Lease Forms

The Board of Directors recommends the *TAA Condominium Lease Contract Form* be used by Owners who lease out their Unit(s). Leasing of Units is allowed only if: (i) all leases are in writing and are subject to the provisions of the Bylaws, Declaration and the Rules & Regulations; (ii) a copy of the then current Rules & Regulations ore provided to the Owner's tenant by the Owner at the beginning of the lease term; and (iii) the Condominium unit is not leased for hotel or transient purposes or for less than six months. Owners are responsible for the actions of their families, tenants, guests and contractors.

Tenants, or the Unit's Owner, are required to show a valid lease contract, upon the request of the Association Manager, within twelve (12) hours of the request. Any person, or persons, occupying a Unit and failing to produce such a contract will be considered TRESPASSING on Spanish Gardens Condominium property and police will be notified. If necessary, the Association shall have the power to evict.

41. Emergency Access to Condominiums

The Association shall have the right to enter an Owner's Unit for purposes of:-

- a. Inspection for utility leaks and frozen pipes
- b. Emergency inspection or repair of water, gas or electricity
- c. Other property or life threatening emergency

The Association requires that all Owners furnish alternate contact information (name & phone number) of an individual(s) who has keys and can provide entry to a Unit(s) in case of emergency. If the Unit is unoccupied at the time such entry is deemed necessary for such purposes and/or an entry key is not available, a locksmith or forced entry may be used for gaining entry. Emergency utility leaks may be repaired by the Association at the Owner's expense without prior notice. Utility leaks for which the Owner is responsible under the Bylaws, Declaration or Rules & Regulations may be repaired by the Association at the Owner's expense with prior notice delivered to the condominium unit, if the Owner fails to make prompt repair(s).

42. Violation Assessments and Damage Charges

- 1. The Board may charge assessments against an Owner for violations of requirements, restrictions or standards of conduct contained in the Bylaws, Declaration or the Rules & Regulations which have been committed by the Owner, an occupant of the Owner's Unit, or the Owner or occupant's family, guests, employee, contractor agent or invitee. Each day of violation may be considered a separate violation if the violation continues after written notice is given to the Owner by the Association Manager.
- 2. The Board may assess damage charges against an Owner for financial loss to the Association from property damage or destruction of common area or common facilities by the Owner or the Owner's family, guest, contractor, agent, occupant or tenant.
- 3. The Association Manager shall have authority to send notices to alleged violators, informing them of their violations and asking them to comply with the Rules & Regulations and/or informing them of potential or probable assessments or damage assessments. The Board may from time to time revise the schedule of charges/assessments.
- 4. The procedure, regarding violation assessments and damage charges, shall be as follows:
 - a. The Association Manager must give the Owner notice of the assessment or damage charge in writing at the time of the violation, or no later than forty-eight (48) hours of the violation being recognized (the "Notice of an Assessment or Damage Charge"). Postmarked certified mail, or hand delivery will qualify as a written notice and the post marked date will qualify for proof of time.
 - b. The Notice of an Assessment or Damage Charge must describe the violation or damage.
 - c. The Notice of an Assessment or Damage Charge must state the amount of the assessment or damage charge.
 - d. The Notice of an Assessment or Damage Charge must state that the Owner may, no later than thirty (30) days after the date of the notice, request a hearing before the Board to contest the assessment or damage charge. Such request must be made in writing and hand delivered to the Association Manager or Board, or mailed via certified mail.
 - e. The Notice of an Assessment or Damage Charge must allow the Owner a reasonable time to cure the violation and avoid the assessment, unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding twelve (12) months. A reasonable time to cure is not necessary in a Notice of Damage Charge, where a one week cure time will be typical.
- 5. Assessments and/or damage charges are due immediately after the expiration of the thirty (30) day period for requesting

- a Board hearing. If a hearing is requested and takes place, and the Board confirms that an assessment charge for Rules & Regulations violation or damage is valid, the charges shall be due immediately after the hearing for the amount of assessment or damage confirmed by the Board.
- 6. The minimum assessment for each violation or damage shall be set by the Board.

43. Dues and Assessment Delinquencies

- 1. In accordance with Article VII of the Bylaws, no Member Owner of a Unit shall be in good standing or entitled to vote at any Special Meeting or Annual Meeting of the Members at any time that any unpaid assessment or other charge, or any part thereof, required under the Restated Declaration or the Bylaws and allocable to his Unit is past due.
- 2. The right to use common facilities, such as the swimming pool, laundry, etc. of any Owner who is more than thirty (30) days delinquent on any sum owed to the Association on a unit account are automatically suspended without notice. This applies to the Owner's family, the Units tenant, or guest. If an Owner is delinquent in the payment of any sum due the Association for a period of thirty (30) days or more, the tenant occupying the Owner's Unit may pay the amounts due to the Association by the Owner in order to avoid suspension of common facilities usage. The tenant may deduct that same amount from rent due to the Owner.
- 3. If any Owner is delinquent in the payment of any sum due the Association on a Unit's account for a period of sixty (60) days or more, the Board may (so long as the default continues) demand and receive from the tenant occupying that Unit the rent due, or becoming due, from the tenant to the owner up to an amount sufficient to pay all delinquent sums due to the Association by the Owner.
- 4. If any Owner is delinquent in the payment of any sum due the Association on a Unit's account for a period of sixty (60) days or more, a lien may be placed on the property and foreclosure proceedings may be initiated by the Property Manager, at the direction of the Board.
- 5. Any and all expenses necessary for the collection of sums due to the Association by a delinquent Owner shall be the responsibility of the Owner.

44. Collection Policies and Procedures

The timely payment of monthly Association dues and special assessments is essential to allow prompt payment of ongoing operating expenses for the Spanish Gardens Condominium Community, as well as to protect the assets of all condominium owners. Therefore, the following general collection policy has been adopted. The policy, however, can be modified, at the discretion of the Board, to align with standard collection procedures of a Professional Property Management Company, should one be hired by the Association or Board of Directors. In such case, notification of such collection procedure(s) will be made in writing to the Owner Members of the Association.

- 1. Association dues and special assessments are due on the 1st of each month. In the event they are not paid on or before the 15th of the month, a late fee will be added in the amount of fifteen dollars (\$15). Additionally, a fifteen dollar (\$15) NSF check charge will be applied for any check that is returned marked "insufficient funds". For collection purposes, when payments are received, payments will first be applied to late charges, and/or damage assessments, and/or legal fees due, then to delinquent Association dues and special assessments.
- **2. Thirty (30) Days Delinquent:-** On the 16th of the month a reminder notice/statement will be printed and mailed via regular mail with an additional twenty-five dollars (\$25) collection fee being assessed.
- **3. Sixty (60) Days Delinquent:-** In addition to a reminder notice/statement being printed and mailed via regular mail with an additional late charge being assessed of twenty-five dollars (\$25) and an additional twenty-five (\$25) collection fee being assessed, legal counsel shall provide a thirty (30) day notice of intent to foreclose to the Owner via certified mail, return receipt requested. A lien shall also be placed on the property. Legal fees necessary for providing this notice and action will be added to the amount due from the Owner.

In the event a notice of intent to foreclose has been issued, full payment of association dues and special assessments currently payable, including late fees and attorney fees, will be required in order to cancel foreclosure proceedings. Such payment must include any additional dues, special assessments, late fees or collection fees charges that have become due after the notice of foreclosure was provided.

The Board may direct the suspension, but not the cancellation, of the foreclosure process if a suitable "pay off" schedule is agreed with the Owner and if the terms of the schedule are adhered to by the Owner. If, at any time, the terms of the "pay off" schedule are not met by the Owner, the foreclosure process will be immediately activated from the point it was interrupted.

4. Ninety (90) Days Delinquent

On the 16th day of each month thereafter, until all monies owed are paid or the unit is foreclosed, a reminder notice/statement will be printed and mailed regular mail with an additional late charge being assessed of twenty-five dollars (\$25) and an additional twenty-five dollar (\$25) collection fee being assessed.

45. Fees for Special Services

Fees chargeable to owners for special services such as furnishing resale certificates, eligibility certificates, copies of Bylaws and/or Declarations, copies of information sent to banks or other financial agencies, title companies, copies of accounting records, etc. shall be set or agreed by the Board from time to time.

46. Change of Address and/or Phone Numbers

Owners shall keep the Association Manager timely informed of their current mailing address and phone number.

47. Tenants' Names, Addresses, Phone Numbers and Other Information

Owners shall notify the Association Manager of current names, addresses and telephone numbers of tenants occupying respective condominium units. All individuals living in the Units must be identified by name. Birth dates must be supplied for any individual under the age of twenty-one (21). It is the responsibility of the Owner to obtain this information and to provide it to the Association Manager.

48. Exterior Construction and Improvements

Outbuildings, fences, exterior modifications, exterior colors and other exterior improvements are strictly prohibited or strictly regulated by the Bylaws or Declaration. Owners must submit a written request and obtain written approval from the Board of Directors before making any such improvements. All written approvals shall be recorded in the Minutes of the Association Board of Director meetings. For current authorization procedures, contact the Association Manager.

49. Name and Address of New Owners

An Owner may not sell or convey their Unit without all monies due and owing to the Association being paid in full. If such Owner does sell, convey or transfer their Unit without paying such monies, such selling Owner shall remain liable for all monies accruing to the Association thereafter on such , until such monies are paid in full. If an Owner sells or transfers ownership of their Condominium unit and fails to notify the Association of the sale, in writing, the selling Owner shall continue to be liable for dues and assessments accruing after the sale or transfer until such time the selling or transferring Owner notifies the Association and their Manager in writing of the name and address of the new Owner.

50. Security Device Requirements if You Rent Your Unit

If an Owner rents their Unit that Owner must rekey the exterior locks when each new tenant moves into the Unit. The Owner must also install and maintain certain kinds of security devices in the Unit. This is very important since Owners can be held responsible for crimes committed against Owner's tenants that are caused in part by Owner's failure to comply with the 1993 Texas Security Device Statute. The statute states that an Owner must rekey between the date an old tenant moves out and the 7th day after the new tenant moves in. Additionally, there are certain requirements regarding additional locks that must be installed in each Unit. Consult the Association Manager regarding statutory security device obligations applying to Owners who rent their Unit(s).

51. Interior Water Leaks

Failure of an Owner to promptly repair or report a water leak, after evidence of the leak is detected in the interior of the Unit, can cause damage to be compounded. It can also cost the Association excess dollars on wasted utility usage. This is especially true when leaks occur from window, roofs or other exterior areas. This can result in water running down the interior of perimeter walls and damaging the interior of the Unit walls, interior surfaces, ceilings or carpets in Units.

The failure of the Owner to repair or report such a leak within twenty-four (24) hours after the first sign of the leak shall mean that the Owner of the Unit can be held responsible for eighty percent (80%) of the cost of any interior repairs to any common element which the Association would otherwise be liable to pay for under the Bylaws or Declarations. Condominium Owners must repair or report evidence of any existing leak to the Association Manager within that twenty-four (24) hour period. After that time, an Owner can be held liable for eighty percent (80%) of the cost of interior repairs and repairs of other items for which the Association would otherwise be liable.

52. Insurance

The Association insures the buildings and common areas against loss by fire, windstorm, hail and certain other perils. The Association does assume the risk and does carry liability insurance on all common areas, as defined in the Declarations and/or Bylaws.

The Association does not insure any occupant's personal property against fire, theft, water damage, mysterious disappearance, vandalism, malicious mischief, etc. whether the property is located inside the Units or in the common areas.

The Association recommends that each Owner occupant carry their own insurance and the tenants carry renter's insurance. The association does not assume the risk or carry liability insurance for accidents that occur inside a condominium unit. Every Owner is encouraged to purchase a comprehensive personal property and liability policy for their own protection. Please consult the Association Manager for any additional information needed.

53. Declaration and Bylaw Provisions

Many of these policies are derived directly from the Bylaws and the Declaration of Covenants, Conditions and Restrictions documents that apply to Owners and their occupants, guests and/or tenants. Some of the Rules & Regulation policies are in addition to what is specified in the Bylaws and Declarations. All Bylaws and Declaration provisions apply, even if not described in these policies. Except for provisions of these policies that come from the Bylaws and Declarations, these policies may be changed from time to time by the Association Board of Directors.

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These Rules & Regulations, along with the attached Schedule of Charges and/or Assessments, Adopted 02/04/99, as Revised 10/25/07, have been approved and adopted by the Spanish Gardens Condominiums Association Board of Directors. They shall take effect on the date they are filed for record in the Office of the County Clerk of Tarrant County, Texas. Additions or revisions to these Rules & Regulations may be made from time to time, as provided for by the Association's Bylaws and Restated Declarations.

The Board of Directors on October 25th, 2007 are;

Robert Moses, President Bernice Williams, Secretary Stacy Callaghan, Treasurer Ryszard Kosiarz, Vice President Roy Wilson, Vice President

Prepared for Filing by;

Robert E. Moses, President Spanish Gardens Condominiums Association

Schedule of Charges or Assessments follows on next page.

Spanish Gardens Condominiums Schedule of Charges and/or Assessments Adopted 2/4/99, as Revised 10/25/07

| 1. | Unleashed pet on property | \$25.00 |
|-----|---|----------|
| 2. | Trash or other prohibited items on patio, breeze way or balcony. Trash not placed in dumpster or other proper container. Inappropriate items placed in Dumpster | \$25.00 |
| 3. | Window signage, aluminum foil/improper window coverings | \$25.00 |
| 4. | Storage of inoperable vehicle on property May also be towed (Expired tags or inspection) | \$25.00 |
| 5. | Failure to provide current rental agreement and/or occupant information. | \$25.00 |
| 6. | Unintentional damage of property (plus cost of repair) | \$25.00 |
| 7. | Intentional damage of property (plus cost of repair) | \$50.00 |
| 8. | Parking on grounds or otherwise illegally parked (plus cost of repair) | \$25.00 |
| 9. | Disturbances (loud noise, stereo, TV radio, barking dogs, yelling children, etc.) | \$25.00 |
| 10. | Harassment or intimidation of other Owners, tenants, guests or contractors by adults | \$100.00 |
| 11. | Harassment or intimidation, or blocking side walks or walkways by children | \$25.00 |
| 12. | Lost amenity pass key/wrist band | \$50.00 |
| 13. | Tampering with electricity meters, wiring or electricity outlets. | \$100.00 |
| 14. | Washing automobile or recreation vehicle on Spanish Gardens Property | \$25.00 |
| 15. | Placing furniture, or other large/inappropriate items in or near trash dumpster | \$25.00 |
| 16. | Placing "For Sale," "For Lease" or "For Rent" signs in windows, on unit exteriors or on common areas | \$25.00 |
| 17. | Using Association amenities while Unit's account is over thirty (30) days delinquent (pool, laundry, etc.) | \$25.00 |
| 18. | Failure to obey pool Rules & Regulations | \$25.00 |
| 19. | Entering a Unit without authorization from the owner, unless in an emergency | \$50.00 |
| 20. | Taking/using Association property for personal use (light bulbs, water hose, lawn equip, etc) | \$50.00 |
| 21. | Altering of Association maintained lighting that is designed to be on from dusk to dawn | \$50.00 |
| 22. | Operating gas or charcoal grill within fifteen (15) feet of a permanent building structure | \$25.00 |
| 23. | Being in a common area in an intoxicated state or showing obvious signs of drugs use | \$50.00 |
| 24. | Acting in a manner that a reasonable person would find inappropriate or offensive | \$25.00 |
| 25. | Harassing an Association Manager or Board Member, as judged by a reasonable person | \$50.00 |
| 26. | Failure to evict a problematic tenant, when requested to do so by Board. (See Rule #29) | \$200.00 |
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