ELECTRONICALLY RECORDED 2013144200

TRV 15 PGS

STATE OF TEXAS §

COUNTY OF TRAVIS §

AMENDED AND RESTATED RULES AND REGULATIONS
OF
ROYAL POINTE HOMEOWNERS ASSOCIATION, INC.
(Regarding Flags, Solar Devices, Rain Barrels, Religious Displays, Record Production and Retention, Payment Plans, Transfer Fees, Email Addresses, Transfer Fees, Xeriscape and Enforcement)

Document reference. Reference is hereby made to that certain Declaration of Covenants, Conditions and Restrictions for Royal Pointe, filed as Document No. 2005204508 in the Official Public Records of Travis County, Texas (together with all amendments thereto, the "**Declaration**").

Reference is further made to those certain Bylaws of Royal Pointe Homeowners Association, Inc., filed as Document No. 2006075184 in the Official Public Records of Travis County, Texas (together with all amendments thereto, the "**Bylaws**").

Reference is made to rules and regulations for the Association filed of record as document no. 2009030763 of the Official Public Records of Travis County, Texas ("Rules"). The Rules are hereby amended and restated, and the Rules attached hereto supersede the previously-filed rules.

WHEREAS the Declaration provides that owners of lots subject to the Declaration are automatically made members of Royal Pointe Homeowners Association, Inc. (the "**Association**");

WHEREAS the Association, acting through its board of directors (the "**Board**"), is authorized to adopt and amend rules and regulations governing the property subject to the Declaration, pursuant to Section 2.1(a) of the Declaration and Section 3.8(f) of the Bylaws; and

WHEREAS the Board has voted to adopt the Rules set forth on Exhibit "A" attached hereto, to amend and supersede the previously-filed Rules;

THEREFORE the Rules have been, and by these presents are, ADOPTED and APPROVED.

ROYAL POINTE HOMEOWNERS ASSOCIATION, INC.
Acting by and through its Board of Directors

Signature: Judy L. Key
Printed Name: JUDY L. KEY
Title: PRESIDENT

Exhibit "A": Rules

Acknowledgement

STATE OF TEXAS §

COUNTY OF Travis §

This instrument was executed before me on the 29 day of July, 2013, by Judy L. Key in the capacity stated above.

Sarah M. DeMattos
Notary Public, State of Texas

SARAH M. DEMATTOS
Notary Public, State of Texas
My Commission Expires
December 05, 2016

EXHIBIT "A"

TABLE OF CONTENTS

SECTION I. FLAGS

1. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the extent of any conflict, including Section 7.26 of the Declaration.

2. General. An Owner may display flags only on his or her Lot and only in compliance with this Section. An Owner may not display flags on the Common Areas, or on any other lands owned or maintained by the Association, for any reason or at any time. An Owner may have one flag pole, or up to two residence-mounted flag mounts, but not both a flag pole and flag mount(s). Display of American patriotism, school pride, and individuality are encouraged within reason and decorum; however, to maintain the overall aesthetic of the character of the community, the restrictions contained in this Section shall govern the display of flags within the community.

3. Prior Approval Required. All flag poles, flag mounts, and related installations (e.g., flag lighting) must be approved in advance by the Association's Architectural Control Authority (the "**ACA**"). An Owner desiring to display a permitted flag must submit plans to the ACA for each installation, detailing the dimensions, type, location, materials, and style/appearance of the flag(s), flag pole, flag mount(s), lighting and related installations. The Association's ACA shall have the sole discretion of determining whether such items and installations comply with this Section, subject to any appeal rights that may exist elsewhere in the Association's governing documents or under State law.

   Pre-Approved Flag Mounts: The foregoing notwithstanding, each Owner is authorized to install, without prior approval from the Association's ACA, up to two permitted flags by means of flag mounts attached to the exterior of the residence subject to the following conditions:
   (a) The flag(s) is not lit, except by an incidental, pre-existing light source (e.g., a porch light in its original orientation);
   (b) No more than two flag mounts are used;
   (c) Each flag mount is no longer than 72" with a diameter of no more than 3";
   (d) If two flag mounts are used, each flag mount (i) must be the same in size, material, and appearance, (ii) oriented in the same manner with regard to height and angle, (iii) located in a similar, adjacent, and complimentary location on the residence (e.g., one flag mount on each of two columns on front porch), and (iv) may contain only one flag with flags of a substantially similar size;
   (e) The suggested location for such flag mounting is on the garage doorframe or near the garage door;
   (f) The flag mounts are not installed on the roof;

(g) Multiple flag configurations and any flagstaff in excess of six (6) feet must be approved by the ACA prior to installation or display; and
(h) The flag mounts and related flags comply with all other applicable provisions of this Section.

4. Permitted Flags. An Owner is permitted to display on his or her Lot the flag of the United States of America, the flag of the State of Texas, and/or an official or replica flag of any branch of the United States armed forces, subject to the restrictions contained in this Section. A pennant, banner, plaque, sign or other item that contains a rendition of a permitted flag does not qualify as a permitted flag under this Section.

An Owner may additionally display on a Lot up to two ornamental flags, such as school flags or sports team flags, so long as the flag:

a. Contains no more than twenty-four (24) square feet of material;
b. Does not contain any symbols, insignias, or language that are commercial in nature or deemed by the ACA, in its sole discretion, to be potentially offensive to a person of ordinary sensibilities;
c. Is of good taste and presentation; and
d. Is displayed in a location and manner that has been pre-approved by the Association's ACA.

5. Additional Requirements Related to Flags.

a. Flags must be displayed on an approved flag mount or flag pole. Flags may not be displayed in any other manner.
b. No more than one flag at a time may be displayed on a flag mount. No more than two flags at time may be displayed on a flag pole.
c. Flags on flag poles must be hoisted, flown, and lowered in a respectful manner.
d. Flags must never be flown upside down and must never touch the ground.
e. No mark, sign, insignia, design, or advertising of any kind may be added to a flag.
f. If both the U.S. and Texas flags are displayed on a flag pole, they must be of approximately equal size.
g. If the U.S. and Texas flags are flown on one pole, the U.S. flag must be the highest flag flown and the Texas flag the second highest.
h. Only all-weather flags may be displayed during inclement weather.
i. Flags must be no larger than 3'x5' in size.
j. Flags may not contain commercial material, advertising, or any symbol or language that may be offensive to the ordinary person.

6. Materials and Appearance of Flag Mounts and Flag Poles. A flag mount attached to a dwelling or a freestanding flag pole must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials (per the discretion of the ACA) used in the construction of the mount or flag pole and harmonious with the dwelling.

7. Additional Requirements for Flag Poles. The following additional requirements shall apply to flag poles installed on Lots:

a. No more than one flag pole may be installed on a Lot;
b. The flag pole must be free-standing and installed vertically;
c. The flag pole must be no greater than 20 feet in height measured from grade level;
d. The location and construction of the flag pole must comply with applicable zoning ordinances, may not be located in any easements (including drainage easements), and comply with all setback requirements;
e. Unless otherwise approved by the ACA, the location of the pole must be within 10 feet of one of the side-most building lines of the home, and within 10 feet of the front most building line of the home. The ACA may require the pole to be installed on a particular side;
f. No trees may be removed for pole installation; and

g. An Owner must ensure that external halyards (hoisting ropes) used in combination with the flag pole do not create an unreasonable amount of noise.

8. Lighting of Flag Displays. Any lights installed for the purpose of illuminating a flag must be pre-approved by the Association. Such light installations must be of a reasonable size and intensity and placed in a reasonable location, for the purpose of ensuring that the lights do not unreasonably disturb or distract other individuals. All flag illumination lighting must be specifically dedicated to that purpose. No other lighting, whether located inside or outside of the residence, may be directed toward a displayed flag for purposes of illuminating the flag (e.g., security flood or spot lights may not be oriented toward a displayed flag).

9. Maintenance. An Owner is responsible for ensuring that a displayed flag, flag pole, flag mount(s), lighting and related installations are maintained in good and attractive condition at all time at the Owner's expense. Any flag, flag pole, flag mount, light, or related installation or item that is in a deteriorated or unsafe condition must be repaired, replaced, or removed promptly upon the discovery of its condition.

SECTION II. SOLAR ENERGY DEVICES

1. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the extent of any conflict, including Declaration Section 7.12.

2. Prior Approval Required. **An Owner may install solar energy devices only on property solely owned and solely maintained by the Owner, and only in accordance with the restrictions provided herein.** Owners may not install solar energy devices except in accordance with the restrictions provided herein. Prior to installation of any solar energy device, the Owner must submit plans for the device and all appurtenances thereto to the ACA. The plans must provide an as-built rendering, and detail the location, size, materials, and color of all solar devices, and provide calculations of the estimated energy production of the proposed devices.

3. Definition. In this section, "solar energy device" means a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated energy. All solar devices not meeting this definition are prohibited.

4. Prohibited Devices. Owners may not install solar energy devices that:
   a. threaten the public health or safety;
   b. violate a law;
   c. are located on property owned by the Association;
   d. are located in an area owned in common by the members of the Association;
   e. are located in an area on the property Owner's property other than:
      i. on the roof of the home (or of another structure on the Owner's lot allowed under the Association's governing documents); or
      ii. in a fenced yard or patio owned and maintained by the Owner;
   f. are installed in a manner that voids material warranties;
   g. are installed without prior approval by the ACA; or
   h. substantially interfere with the use and enjoyment of land by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. *This determination may be made at any time, and the ACA may require removal of any device in violation of this or any other requirement.*

5. Limitations on Roof-Mounted Devices. If the device is mounted on the roof of the home, it must:
   a. extend no higher than or beyond the roofline;

b. be located only on the back of the home – the side of the roof opposite the street. The ACA may grant a variance in accordance with state law if the alternate location is substantially more efficient[1];
c. conform to the slope of the roof, and have all top edges parallel to the roofline; and
d. not have a frame, a support bracket, or visible piping or wiring that is any color other than silver, bronze, or black tone commonly available in the marketplace.

6. Limitations on Devices in a Fenced Yard or Patio. If the device is located in a fenced yard or patio, no portion may be of a height higher than the top of the related fence.

7. Solar shingles. Any solar shingles must:
   a. Be designed primarily to:
      i. be wind and hail resistant;
      ii. provide heating/cooling efficiencies greater than those provided by customary composite shingles; or
      iii. provide solar generation capabilities; and
   b. When installed:
      i. resemble the shingles used or otherwise authorized for use on property in the subdivision;
      ii. are more durable than and are of equal or superior quality to the shingles used or otherwise authorized for use on property in the subdivision; and
      iii. match the aesthetics of the property surrounding the Owner's property.

SECTION III. RAIN BARRELS AND RAINWATER HARVESTING SYSTEMS

1. Rain Barrels and Rainwater Harvesting Systems. Owners may install rain barrels or rainwater harvesting systems only with pre-approval from the Association, and only in accordance with the restrictions described in this Section.

2. Prohibited Locations. Owners are prohibited from installing rain barrels or rainwater harvesting systems, **or any part thereof,** in the following locations:
   a. on property owned by the Association;
   b. on property owned in common by the members of the Association; or
   c. on property between the front of the Owner's home and an adjoining or adjacent street.

3. Pre-Approval Required for All Rain Barrels or Rainwater Harvesting Systems. Prior to any installation of any rain barrel or rain harvesting system (or any part thereof), prior written permission must be received from the ACA.

   Owners wishing to install such systems must submit plans showing the proposed location, color(s), material(s), shielding, dimensions of the proposed improvements, and whether any part of the proposed improvements will be visible from the street, another lot, or a common area (and if so, what part(s) will be visible). The location information must provide information as to how far (in feet and inches) the improvement(s) will be from the side, front, and back property line of the Owner's property.

4. Color and Other Appearance Restrictions. Owners are prohibited from installing rain barrels or rainwater harvesting systems that:
   a. are of a color other than a color consistent with the color scheme of the Owner's home;

[1] If an alternate location increases the estimated annual energy production of the device more than 10 percent above the energy production of the device if located on the back of the home, the Association will authorize an alternate location in accordance with these rules and state law. It is the Owner's responsibility to determine and provide sufficient evidence to the ACA of all energy production calculations. All calculations must be performed by an industry professional.

b. display any language or other content that is not typically displayed by such a barrel or system as it is manufactured; or
c. are not constructed in accordance with plans approved by the Association.

5. Additional Restrictions if Installed in Side Yard or Improvements are Visible. If any part of the improvement is installed in a side yard, or will be visible from the street, another lot, or common area, the Association may impose restrictions on the size, type, materials, and shielding of, the improvement(s) (through denial of plans or conditional approval of plans).

SECTION IV. RELIGIOUS DISPLAYS

1. General. State statute allows owners to display certain religious items in the owner's entry, and further allows the association to impose certain limitations on such entry displays. The following rule outlines the limitations on religious displays in an owner's entry area. Notwithstanding any other language in the governing documents to the contrary, residents may display on the entry door or doorframe of the resident's dwelling one or more religious items, subject to the restrictions outlined in Section IV(3) below. Allowed religious displays are limited to displays motivated by the resident's sincere religious belief.

2. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the extent of any conflict, including Declaration Sections 7.25 and 7.26.

3. Prohibited Items. No religious item(s) displayed may:
   a. threaten the public health or safety;
   b. violate a law;
   c. contain language, graphics, or any display that is patently offensive to a passerby;
   d. be located anywhere other than the main entry door or main entry door frame of the dwelling;
   e. extend past the outer edge of the door frame of the door; or
   f. have a total size (individually or in combination) of greater than 25 square inches.

4. Seasonal Religious Holiday Decorations. This rule will not be interpreted to apply to otherwise-permitted temporary seasonal religious holiday decorations such as Christmas lighting or Christmas wreaths. The Board has the sole discretion to determine what items qualify as Seasonal Religious Holiday Decorations and may impose time limits and other restrictions on the display of such decorations, in addition to those limits imposed by Declaration Section 7.25.

5. Other displays. Non-religious displays in the entry area to an owner's dwelling and all displays (religious or otherwise) outside of the entry area to an owner's dwelling are governed by other applicable governing document provisions.

SECTION V. RECORD PRODUCTION

1. Effective Date. Notwithstanding any language to the contrary and regardless of date of adoption of these rules, the effective date of this Section is January 1, 2012.

2. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the contrary, including Declaration Section 5.7 and Bylaws Section 8.3, to the extent of any conflict.

3. Request for Records. The Owner or the Owner's authorized representative requesting Association records must submit a written request by certified mail to the mailing address of the Association or authorized representative as reflected on the most current filed management certificate. The

request must contain:

a. sufficient detail to describe the books and records requested, and
b. an election either to inspect the books and records before obtaining copies or to have the Association forward copies of the requested books and records.

4. Timeline for record production.
   a. If inspection requested. If an inspection is requested, the Association will respond within 10 business days by sending written notice by mail, fax, or email of the date(s) and times during normal business hours that the inspection may occur. Any inspection will take place at a mutually-agreed time during normal business hours, and the requesting party must identify any books and records the party desires the Association to copy.
   b. If copies requested. If copies are requested, the Association will produce the copies within 10 business days of the request.
   c. Extension of timeline. If the Association is unable to produce the copies within 10 business days of the request, the Association will send written notice to the Owner of this by mail, fax, or email, and state a date, within 15 business days of the date of the Association's notice, that the copies or inspection will be available.

5. Format. The Association may produce documents in hard copy, electronic, or other format of its choosing.

6. Charges. Per state law, the Association may charge for time spent compiling and producing all records, and may charge for copy costs if copies are requested. Those charges will be the maximum amount then-allowed by law under the Texas Administrative Code. The Association may require advance payment of actual or estimated costs. As of July, 2011, a summary of the maximum permitted charges for common items are:
   a. Paper copies - 10¢ per page
   b. CD - $1 per disc
   c. DVD - $3 per disc
   d. Labor charge for requests of more than 50 pages - $15 per hour
   e. Overhead charge for requests of more than 50 pages - 20% of the labor charge
   f. Labor and overhead may be charged for requests for fewer than 50 pages if the records are kept in a remote location and must be retrieved from it

7. Private Information Exempted from Production. Per state law, the Association has **no obligation** to provide information of the following types:

   a. Owner violation history
   b. Owner personal financial information
   c. Owner contact information other than the owner's address
   d. Information relating to an Association employee, including personnel files

8. Existing Records Only. The duty to provide documents on request applies only to existing books and records. The Association has no obligation to create a new document, prepare a summary of information, or compile and report data.

SECTION VI. RECORD RETENTION

1. Effective Date. Notwithstanding any language to the contrary and regardless of the date of adoption of these rules, the effective date of this Section is January 1, 2012.

2. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document, including Declaration Section 5.7 and Bylaws Section 8.3, to the extent of any conflict.

3. Record Retention. The Association will keep the following records for at least the following time periods:
    a. Contracts with terms of at least one year; 4 years after expiration of contract
    b. Account records of current Owners; 5 years
    c. Minutes of Owner meetings and Board meetings; 7 years
    d. Tax returns and audits; 7 years
    e. Financial books and records (other than account records of current Owners); 7 years
    f. Governing documents, including Articles of Incorporation/Certificate of Formation, Bylaws, Declaration, Rules, and all amendments; permanently

4. Other Records. Records not listed above may be maintained or discarded in the Association's sole discretion.

SECTION VII. PAYMENT PLANS

1. Effective date. Notwithstanding any language to the contrary and regardless of date of adoption of these rules, the effective date of this Section is January 1, 2012.

2. Eligibility for Payment Plan.

Standard payment plans. An Owner is eligible for a Standard Payment Plan (*see* Rule (3) below) *only* if:

a. The Owner has not defaulted under a prior payment plan with the Association in the prior 24-month period;

b. The Owner requests a payment plan no later than 30 days after the Association sends notice to the Owner via certified mail, return receipt requested under Property Code §209.0064 (notifying the owner of the amount due, providing 30 days for payment, and describing the options for curing the delinquency). Owner is responsible for confirming that the Association has received the Owner's request for a payment plan within this 30-day period. It is recommended that requests be in writing; and

c. The Association receives the executed Standard Payment Plan and the first payment within 15 days of the Standard Payment Plan being sent via email, fax, mail, or hand delivered to the Owner.

Other payment plans. An Owner who is not eligible for a Standard Payment Plan may still request that the Association's Board grant the Owner an alternate payment plan. Any such request must be directed to the person or entity currently handing the collection of the debt (i.e., the property manager or Association's attorney). The decision to grant or deny an alternate payment plan, and the terms and conditions for any such plan, will be at the sole discretion of the Association's Board.

3. Standard Payment Plans. The terms and conditions for a Standard Payment Plan are:

a. *Term*. Standard Payment Plans are for a term of 6 months.

b. *Payments*. Payments will be made at least monthly and will be roughly equal in amount or have a larger initial payment (small initial payments with a large balloon payment at the end of the term are not allowed). Payments must be received by the Association at the designated address by the required dates and may not be rejected, returned or denied by the Owner's bank for any reason (i.e., check returned NSF).

c. *Assessments and other amounts coming due during plan*. The Owner will keep current on all additional assessments and other charges posted to the Owner's account during the term of the payment plan, which amounts may but need not be included in calculating the payments due under the plan.

d. *Additional charges*. The Owner is responsible for reasonable charges related to negotiating, preparing and administering the payment plan, and for interest at the rate of the lesser of twelve percent (12%) per annum or the highest rate permitted by Texas law, all of which shall be included in calculating the total amount due under the plan and the amount of the related payments. The Owner will not be charged late fees or other charges related to the delinquency during the time the owner is complying with all terms of a payment plan.

e. *Contact information*. The Owner will provide relevant contact information and keep same updated.

f. *Additional conditions*. The Owner will comply with such additional conditions under the plan as the Board may establish.

g. *Default*. The Owner will be in default under the plan if the Owner fails to comply with any requirements of these rules or the payment plan agreement.

4. Account Sent to an Attorney/Agent for Formal Collections. An Owner does not have the right to a Standard Payment Plan after the 30-day timeframe reference in Section 2(b). Once an account is sent to an attorney or agent for collection, the delinquent Owner must communicate with that attorney or agent to arrange for payment of the debt. The decision to grant or deny the Owner an alternate payment plan, and the terms and conditions of any such plan, is solely at the discretion of the Board.

5. Default. If the Owner defaults under any payment plan, the Association may proceed with any collection activity authorized under the governing documents or state law without further notice. If the Association elects to provide notice of default, the Owner will be responsible for all fees and costs associated with the drafting and sending of such notice. All late fees and other charges that otherwise would have been posted to the Owner's account may also be assessed to the Owner's account in the event of a default.

   Any payments received during a time an Owner is in default under any payment plan may be applied to out-of-pocket costs (including attorneys fees for administering the plan), administrative and late fees, assessments, and fines (if any), in any order determined by the Association, except that fines will not be given priority over any other amount owed but may be satisfied proportionately (e.g., a $100 payment may be applied proportionately to all amounts owed, in proportion to the amount owed relative to other amounts owed).

6. Board Discretion. The Association's Board may vary the obligations imposed on Owners under these rules on a case-by-case basis, including curtailing or lengthening the payment plan terms (so long as the plan is between 3 and 18 months), as it may deem appropriate and reasonable. No such action shall be construed as a general abandonment or waiver of these rules, nor vest rights in any other Owner to receive a payment plan at variance with the requirements set forth in these rules.

7. Legal Compliance. These payment plan rules are intended to comply with the relevant requirements established under Texas Property Code §209. In case of ambiguity, uncertainty, or conflict, these rules shall be interpreted in a manner consistent with all such legal requirements.

SECTION VIII. TRANSFER FEES

1. Transfer Fees. In addition to fees for issuance of a resale certificate and any updates or re-issuance of the resale certificate, transfer fees are due upon the sale of any property in accordance with the then-current fee schedule, including any fee charged by the Association's managing agent. It is the owner/seller's responsibility to determine the then-current fees. Transfer fees not paid at or before closing are the responsibility of the purchasing owner and will be assessed to the owner's account accordingly. The association may require payment in advance for issuance of any resale certificate or other transfer-related documentation.

   If a resale certificate is not requested and a transfer occurs, all fees associated with Association record updates will be the responsibility of the new owner and may be assessed to the unit's account at the time the transfer becomes known. These fees will be set according to the then-current fee schedule of the association or its managing agent, and may be equivalent to the resale certificate fee or in any other amount.

SECTION IX. EMAIL ADDRESSES

1. Email Addresses. An Owner is required to keep a current email address on file with the Association if the Owner desires to receive email communications from the Association. Failure to supply an email to the Association or to update the address in a manner required by these rules may result in an Owner not receiving Association emails. The Association has no duty to request an updated address from an Owner, in response to returned email or otherwise. The Association may require Owners to sign up for a group email, email list serve or other such email subscription service in order to receive Association emails.

2. Updating Email Addresses. An Owner is required to notify the Association when email addresses change. Such notice must be in writing and delivered to the Association's managing agent by fax, mail, or email. The notice must be for the sole purpose of requesting an update to the Owner's email address. For example, merely sending an email from a new email address, or including an email address in a communication sent for any other purpose other than providing notice of a new email address, does not constitute a request to change the Owner's email in the records of the Association.

SECTION X. XERISCAPE

Philosophy: Xeriscaping means using native and adaptive plants that can grow and sustain themselves with low water requirements and tolerate heat and drought conditions. Xeriscaping does not mean zero water and zero maintenance. The Association will allow, subject to compliance with these rules, the use of drought-resistant landscaping and water conserving natural turf.

Approval for changes, plan submittal: Prior to initiating any change in the visible landscape, the homeowners must submit plans and specifications detailing the proposed installation. The request must include a to-scale design plan, as well as details on the types of plants, the ground covers (including color and materials), the bordering material(s), the hardscape materials (including color), setbacks, irrigation system, and dimensions (dimensions of beds, approximate size of plants, size of any rocks, and other such details.) It is recommended but not required that plans be drawn by a licensed landscape architect to increase the change of approval of plans without changes being required. The Architectural Control Authority (ACA) may request additional information or changes to the plans before final approval. Installation of any proposed xeric landscape may not begin until the ACA has approved the request.

Design requirements: Color and texture of the planted areas and inert areas are an important design aspect. Color and texture should be seen to flow neatly from one area of the yard to another. Extensive areas of "desert" or

"barren" appearance must be avoided in order to preserve the aesthetic compatibility with the neighborhood. Large areas may not be composed of a single material; for example any areas of bare mulch must be interspersed with plants. The ACA may in its discretion prohibit water features, urns, and other man-made ornamentation. The xeriscape landscaping may not alter drainage patterns on a Lot, and owners must ensure that no crushed granite or other such runoff runs into a neighboring Lot or the street.

Soils in xeriscape areas should either be altered to fit the plants, or plants selected to fit the soil. Efficient irrigations systems must be planned. Irrigation for xeriscapes zones must be different than for turf zones. Owners should select plants and zones in accordance with the amount of light, wind and moisture in the particular yard area. Organic mulches such as bark chips must be applied at least 3" deep and maintained at all times at at least 2" deep. Inorganic mulches such as crushed rock must be applied at least 3" deep and maintained at all times at at least 2" deep.

Turf Grass: At least 70% of the visible lawn area of the Lot must contain some form of sodded grass. The exact requirement of the turf may vary from property to property and is dependent on the specific plan submitted.

Homeowners should consider replacing any "thirsty" turf grasses in place such as St. Augustine with turf that has lower water requirements.

Artificial turf is prohibited absent a variance from the ACA, which may be granted or denied in the sole discretion of the ACA. However the ACA shall have no authority to approve artificial turf in any area between the front-most building line of a Lot and the street.

Plants: It is recommended to use plants adapted to the pH soil conditions created by the non-turf materials used. i.e., don't use acid loving plants along with alkaline crushed limestone covering, whereas acid loving plants would do well with a ground hardwood mulch covering and native plants would do well with limestone or crushed granite. Sickly and dying plants must be promptly removed or replaced.

Hardscapes, rock, gravel, cactus: The ACA may prohibit or limit the size and number of hardscape items including boulders. The ACA may prohibit or limit installation of rock ground cover (including gravel, and crushed stone). The ACA may prohibit or limit installation of cacti.

Borders: Non-turf planted areas must be bordered with an approved bordering material to define the xeriscaped area clearly from turfed areas. Such areas must be kept maintained at all times (plants trimmed and thinned, planted areas weeded, and borders edged) to ensure an attractive appearance. No plants may encroach onto sidewalks, curbs, or streets.

Safety: No plant with thorns, spines, or sharp edges may be used within 6' of a sidewalk or street.

Maintenance: Xeric landscapes are subject to the same requirements as other landscaping and must be maintained at all times to ensure an attractive appearance. Xeriscape designs are not intended to be "zero maintenance"; in fact they often require more effort than turf throughout the year. Plants must be trimmed, beds must be kept weed-free and borders must be edged. Leaves and other debris must be removed on a regular basis so as to maintain a neat and attractive appearance. Perennials which die back during winter must be cut back to remove dead materials during winter. This includes most ornamental grasses and other flowering perennials which go dormant to the ground in winter.

SECTION XI. ENFORCEMENT

Summary of Collection Process

1. Assessments due within 30 days of due date (or invoice date if no due date stated)
2. Interest at 18% charged as of date of delinquency
3. Late fee assessed in an amount determined by the board
4. Courtesy notice sent via email or mail, giving 30 days to pay
5. Certified mail notice sent providing final warning/notice as required by statute
6. Account turned over to attorney for formal collection action

The Board may vary from this policy on a case by case basis, including shortening or lengthening time periods for payment or eliminating or providing additional courtesy notices, provided that all statutory notice requirements are met.

Summary of (Non-Monetary Violation) Enforcement Process

1. Courtesy letter
2. Certified mail notice letter (statutory notice letter)
3. Damage assessments as appropriate; fines levied as appropriate per fining schedule

The Board may vary from this policy on a case by case basis, including increasing or decreasing fines, sending additional, or omitting, courtesy notices, and other such variations, provided that all statutory notice requirements are met.

Collection policy:

1. Purpose. The Board desires to adopt a standardized Assessment Collection and Enforcement Policy to set forth its determinations on such issues.

2. Scope. This policy applies to all "Members" of the Association, said Members having a contractual obligation to pay assessments and other charges to the Association under the governing documents of the Association.

3. The Policy.

   a. Introduction. The Association's primary source of income is Member-paid Assessments, and without such income the Association cannot provide and maintain the facilities and services that are critical to the quality of life of Association residents and the protection of property values. The Association has experienced, and expects to continue to experience, situations in which Members are delinquent in their obligation to pay Assessments or Members are otherwise in violation of the governing documents. Therefore the Board has adopted, and by these presents does hereby adopt, the Assessment Collection and Enforcement Policy set forth below.

   Per the Declaration the Association may collect, and has a lien for all amounts due, including assessments, fees, interests, costs, and attorney's fees. The Association further has a lien for all costs of self-help remedies (Declaration §§4.7; 5.9(d)).

   b. Due Dates. All Assessments and other amounts due are due within 30 days of the due date, or if none given, within 30 days of the date the related invoice, ledger, or other notice is sent to the Member.

c. NSF Fees. Checks, ACH payments, or other type of payment returned for insufficient funds, dishonored automatic bank drafts, or other similar item will result in the assessment of a fee determined by the Board from time to time, in the minimum amount of $30. Late fees shall also be assessed as appropriate.

4. Delinquency/Collection. Any Assessment or other amount due not paid within 30 days of its due date (or if none given, within 30 days of the date the related invoice, ledger, or other notice is sent to the Member) shall be deemed Delinquent. Delinquencies shall be handled as follows:

a. Interest, Late Fees, Collection Costs. Delinquencies may be charged interest on the sum owing at the rate of 18% per annum, until paid in full. In addition to interest a late fee in an amount as determined from time to time by the Board may be assessed. The owner is responsible for all costs of collection including attorneys fees.

b. Courtesy Notice of Delinquency. Once an Assessment or other amount due becomes Delinquent, the Association, acting through its Board, managing agent, or some other Board designee, will email or mail a written notice to the related Member reminding him or her of the amount owed and requiring that it be paid immediately – no later than 30 days after the date of the letter.

c. Final Letter After Courtesy Notice. If payment in full or other mutually-satisfactory payment arrangements are not made promptly in response to the courtesy notice, the Association, acting through its managing agent, shall send notice via certified mail, return receipt requested and otherwise complying with the requirements of Texas Property Code §209.0064 (including giving the owner a final 30 days to cure the delinquency prior to the account being turned over to an attorney.)

d. Formal Collection Action. After the expiration of the 30-day cure period provided by law (§209.0064, Texas Property Code), the account shall be turned over to the Association's attorney to initiate formal collection action. Unless otherwise determined by the Board, all attorney collection action is pre-authorized, including but not limited to sending a 30-day demand letter, filing of a Notice of Lien or similar instrument in the Official Public Records, and initiating and carrying out a foreclosure of the Association's lien against the Lot, all in accordance with state-law notice and procedural requirements.

The Board of Directors of the Association is charged with the duty of overseeing the administration of the Association, including but not limited to the collection of assessments and other charges from the members. The timely collection of assessments is critical to ensuring that the Association can remain fully-funded and capable of fulfilling its duties to the members, and as such the Board desires that delinquent assessments be collected with a minimum of delay. This standardized collection policy is in the best interest of ensuring that collection procedures are applied consistently.

e. Power of Sale. In conjunction with the Association's authority granted by the Declaration to foreclose its lien, the Association is vested with a power of sale[2]. The President of the Association may act as trustee for any such sale and is granted the authority to designate one or more agents and/or substitute trustees to exercise the Association's power of sale in conjunction with foreclosure of the Association's lien.

f. Authority to Vary from Policy. In handling Delinquent amounts due, the Board of Directors retains the authority to vary from this Assessment Collection Policy as may be appropriate given the particular facts and circumstance involved, so long as the related action is in compliance with the Declaration and State law. Variances from policy may include adding additional courtesy letters, or omitting a courtesy letter, provided that at minimum all notice requirements of state law are met.

g. Payment plans. Payment plans shall be offered as described in the Association's payment plan rule.

[2] Per the declaration §4.12 a power of sale is expressly granted

h. Managing agent authorization. If Association has engaged the services of a management company for the Association, to perform day-to-day administrative tasks on behalf of the Association, the management company is granted authority to carry out this policy including to communicate with legal counsel retained by the Association and to authorize collection work by such legal counsel on behalf of the Association, without further vote or action of the Board. This authority notwithstanding, the management company representative shall communicate with the Board and/or certain designated officers on a routine basis with regard to collection actions, and the Board reserves the right to establish further policies with regard to collection efforts generally and to make decisions about particular collection actions on a case-by-case basis if and when it deems appropriate.

5. Non-monetary violations.

a. Notices of Violation: Prior to levying a property **damage assessment** against an owner, **fining** an owner, or **suspending the owner's usage rights** to the common area due to a violation, the Association shall comply with the notice requirements of Ch. 209, Texas Property Code.

The management company shall, upon becoming aware of a violation(s) of the deed restrictions, send first a courtesy warning letter requesting compliance. If compliance is not achieved in response to a courtesy letter, the management company shall send a letter certified mail, return receipt requested giving notice of the violation(s) in accordance with Ch. 209, Texas Property Code.[3]

The Board may deviate from this standard procedure, including instructing the managing agent to omit or add courtesy warning(s), in its sole discretion.

b. Damage assessment; enforcement costs. The Association may assess the Owner's account for any damages caused by the Owner, or the Owner's residents, tenants, guests or invitees. The owner may be held responsible for all enforcement costs, including attorney's fees.

c. Fines. If the violation is not cured by the deadline given in the certified mail notice described in subsection (a), or if a notice and opportunity to cure have been given for a similar violation within the last six months (so that there is no additional right to cure) a fine shall automatically levy in the amount of $25 unless otherwise determined by the Board (for example, the Board may vary from this fine schedule case by case, or the Board may adopt an alternate fine schedule by resolution). Fines may be issued on a one-time basis or in the event of an ongoing violation, may be issued daily for each day of the violation (each day of the violation may be considered a separate violation). Subsequent fines shall issue in increasing $25 increments (capped at $100) for each additional violation notice given when the violation remains. For example, absent Board approval otherwise:

d.

i. First notice: courtesy warning
ii. Second notice: certified mail letter (per Property Code Ch. 209) warning of fine
iii. Third notice: $25 fine (daily or one-time)
iv. Fourth notice: $50 fine (daily or one-time)
v. Fifth notice: $75 fine (daily or one-time)
vi. Sixth notice: $100 fine (daily or one-time)
vii. Subsequent notices: $100 fine (daily or one-time)

Each day of the violation may be considered a separate violation. The Board may deviate from this standard fining procedure, including electing to levy a lesser or greater fine at any time, or

[3] If such a notice has been given in past for a violation, and a similar violation occurs in the six month period since the notice, per state law the notice sent need not include an opportunity to cure.

omitting or adding one or more courtesy notices, in it sole discretion, provided that at minimum all state law requirements are met.

e. Hearings. If a Member requests a hearing by the deadline outlined in the certified mail (Chapter "209") violation letter, the hearing shall be held in accordance with state law. The Board shall inform the owner of the time, date, and place of the hearing at least 10 days prior to the scheduled hearing date. The Board may impose rules of conduct and limit the amount of time allotted to a Member to present his or her information to the Board at any such hearing. The Board may either make its decision at the hearing, or take any matter discussed at the hearing under advisement and communicate its decision at a later date.

f. Force mows and other self-help enforcement action. Notwithstanding other language herein, the management company, Association attorney, or other authorized agent of the Association is granted authority to carry out force mow or self-help remedies on behalf of the Association. The association is not required to but may in its discretion send advanced notice of intent to exercise self-help remedies. All costs of self-help shall be levied as a specific assessment against the Lot in violation. The Association has a lien for all costs of self-help remedies (Declaration §§4.7; 5.9(d)).

g. Authority of agents. The management company, Association attorney, or other authorized agent of the Association is granted authority to carry out this standard enforcement and fining procedure absent express direction otherwise from the Board, without further vote or action of the Board. This authority notwithstanding, the management company or Association attorney shall communicate with the Board and/or certain designated officers or agents on a routine basis with regard to enforcement actions, and the Board reserves the right to establish further policies with regard to enforcement efforts generally and to make decisions about particular enforcement actions on a case-by-case basis if and when it deems appropriate.

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

Fileserver:CLIENTS:RoyalPointe:RulesAmendRestate7-13.doc