



bodily harm or threat of bodily harm to another Owner or that Owner's family, tenants, or guests, (ii) has committed a criminal offense involving possession, manufacture or delivery of a controlled substance, marijuana, or drug paraphernalia as defined in the Texas Controlled Substances Act, or (iii) has committed a criminal offense involving intentional or reckless damage to the Common Area or another Owner's Unit. Such suspension of use rights or services may cover use rights of and services to the Owner and/or Owner's family, guests, or tenants. Notice of such suspension shall be mailed to the Owner by certified mail, return receipt requested. A suspension for nonpayment may last until all delinquent sums are paid. A suspension for criminal offenses may last for no longer than one year but may be renewed for one-year periods (or less) upon another Board hearing(s) and unanimous Board vote(s).

- g. *Fines.* The Board or the Association's manager may assess fines against an Owner for violations by the Owner or his family, guests, agents, or tenants of standards of conduct or duties of an Owner or his family or guests contained in the Declaration and the Association rules. Fines may also be assessed for violation of suspended common facility use rights under subsection (f) above. Each day of violation may be considered a separate violation if the violation continues after written notice to the Owners. There must be notice of the alleged violation and fine to the Owner no later than 45 days after the alleged violation and the Owner shall have the opportunity to contest the fine by hearing before the Board within 60 days after notice of the fine is mailed to the Lot Owner.
- h. *Remedies against tenants.* After reasonable notice and opportunity for the Lot Owner and tenant to be heard by the Board, the Board shall have authority to evict tenants of Owners for substantial or repeated violations of Association rules. The Board shall have authority to enforce all rules against the Owner's tenants, including collection of fines for violations of the declaration rules or bylaws by the tenants.
- i. *Collection from tenants.* If an Owner is delinquent in the payment of any sum due the Association for a period of 30 days or more, the Board may, so long as such default continues, demand and receive from any tenant of the Owner occupying the Home rent due or becoming due from such tenant to the Owner, up to an amount sufficient to pay all sums due from the Owner. Payment of such rent to the Association by the tenant shall be sufficient discharge of such tenant (as between such tenant and the Owner) to the extent of the amount so paid. The Board's demand or acceptance of rent from any tenant shall not be deemed to be a consent to or approval of any lease to the tenant or a release or discharge of any of the obligations of the Owner, or any acknowledgment of surrender of any Association rights or duties. If the Board makes such demand upon the tenant, the tenant shall not have the right to question the right of the Association to make such demand, but shall be obligated to make such payments to the Association, as demanded by the Board; provided, however, the Board may not exercise this right if a receiver has been appointed to take charge of the premises pending a mortgage foreclosure or if a mortgagee is in possession pending a mortgage foreclosure. The Association may enter into indemnity agreements to protect tenants from whom the Association collects money directly under authority of this subsection.
- j. *Leasing.* The Board may adopt reasonable requirements for leasing a Home. For example, (1) registration of tenant names, work phones, home phones, and emergency contact persons, and (2) requiring attachment of Association rules and regulations to the lease and posting of same inside the Home. The Board may recommend (but not require) that a particular lease form be used.
- k. *Interest.* All sums due the Association by Owners shall bear interest from due date at the highest lawful rate, compounded annually.
- l. *Fees for special services.* Fees chargeable to Owners for special services (such as furnishing resale certificates, copies of declarations, copies of accounting records, etc.) shall be set by the Board from time to time.
- m. *Parking limitations.* Vehicle owners shall reimburse the Association for any costs incurred in towing vehicles illegally parked provided notice required in applicable statutes is complied with in accordance with applicable statutes regarding illegal parking. Owners shall be responsible for parking violations of their tenants.
- n. *Pets.* The Board may, from time to time, designate specific areas for pet defecation to the extent pets are allowed. Limitation of kind and number of pets allowed in a unit shall be set from time to time by the Board and shall uniformly apply to all Owners, their family, guests, and tenants.
- o. *Publication of delinquencies.* The Board may disclose and publish to Association members and mortgagees the financial condition of the Association, including a list of names and amounts of any delinquencies. The Board may notify mortgage lenders and tenants of delinquent monies owed by such Owners to the Association.
- p. *Name and address of new Owners.* An Owner may not sell or convey his Lot without all monies due and owing to the Association being paid in full; and if such Owner does sell, convey, or transfer his Lot 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 a Owner sells or transfers Ownership of his unit and fails to notify the Association of the sale, the selling Owner shall continue to be liable for the assessments accruing after the sale or transfer until such time as the selling or transferring Owner notifies the

Association in writing of the name and address of the new Owner. The selling or transferring Owner shall have a right of indemnity against the new Owner for recovery of any sums paid by the selling or transferring Owner under this paragraph.

- q. *Change of address.* Each Owner shall keep the Association timely informed of any change of address of the Owner.
- r. *Names and addresses of mortgagees and tenants.* The Board may require Owners to notify the Association of current names and addresses of Owner(s), mortgage lienholders, and any occupants of their respective Homes.
- s. *Lien of the Association.* The Association shall have a lien on an Owner's Lot, including any rentals and insurance proceeds relating to the Home, to secure payment of all monies owed by the Owner to the Association; provided, however, such lien shall be subordinate to the lien of a first lien mortgagee at all times. The Association's lien may be foreclosed via court proceedings or via nonjudicial foreclosure procedures as if it were a nonjudicial foreclosure of a mortgage lien. The Association shall have power of sale and all other powers necessary for nonjudicial foreclosure. The Owner shall have the right to judicially enjoin such foreclosure on the same grounds as in any other nonjudicial foreclosure in this state. Up to the time of actual foreclosure, the Owner shall have the right to pay all sums due and owing to the Association (including attorneys fees in connection with the proposed foreclosure), thereby avoiding foreclosure.
- t. *Lien of other owners.* If an Owner fails to take proper precautions to prevent water pipes from freezing or fails to make repairs to the interior of his Home or to utility lines for which he has maintenance responsibility under the declaration, bylaws, or rules and if such failure causes damage to another Home or its contents, such Owner shall be liable to the Owner of the damaged Home for such damage and/or the cost of all repairs necessary to correct or prevent such damage in the future. The Owner of the damaged Home shall have a lien (for the cost of such repairs or damage) on the Home of the Owner who has failed to comply with the foregoing provided that (1) the Board of Directors, after notice and hearing opportunity to both owners, has determined that the damaged Owner is entitled under the declaration to reimbursement for such damage and/or repairs, and (2) a notice of such lien, with a brief description of the facts and the amounts owed, has been thereafter recorded in the county real property records by the damaged Owner. Such lien may be foreclosed only after judicial hearing. The lien shall be subordinate to the lien of any first lienholder and the lien of the Association. In any litigation between owners regarding the foregoing, the prevailing party shall recover attorneys fees and the maximum lawful rate of interest from the nonprevailing party.
- u. *Abandonment of Home by Owner.* If an Owner of a Home has abandoned it and if neither the Owner nor anyone occupying the Home with the Owner's permission is residing in the Home and if the Owner is more than 60 days delinquent in payment of sums due the Association, the Association may enter the Home and rent the Home to third parties (subject to the right of any first lienholder) and apply all rents received to sums due the Association by the Owner and thereafter to the Owner's account and to any repairs to the Home necessary for renting. Provided, however, such may be done only after 10 days' notice, sent via certified mail, return receipt requested, to the Owner's last known address and to the Owner's first lien mortgagee, (if any), along with a copy of this Section of the Declaration; and provided further that such may not be done if the Owner or mortgagee delivers written objection to the Association.
- v. *Venue and lawsuit authority.* All obligations of Owners, tenants, and the Association arising under this Declaration, the Bylaws, or the Rules shall be performed in Travis County, Texas; and venue for any lawsuits relating thereto shall be in Travis County, Texas. The Association shall have the right to file and defend a suit (including injunctions) and recover on behalf of the Owners in any cause of action based on damages to the common facilities or Common Area or based on liabilities of Owners and their families, guests, agents, tenants, or third parties accruing to Owners and/or the Association.
- w. *Attorney's fees.* If delinquent accounts or other violations are turned over to the Association's attorney, the Owner shall be liable for all attorney's fees incurred by the Association in collections, filing liens, foreclosing liens, releasing liens, prosecuting lawsuits, and/or otherwise enforcing the Declaration, Bylaws, and rules.
- x. *Entry for emergency purposes.* The Association may not require Owners to furnish the Association with entry keys to their Homes. If a Home Owner has given prior written permission and a key to the Board and if no one is present inside the Home, the Association may enter the Owner's Home for purposes of inspection for suspected water leaks, gas leaks, frozen pipes, and prevention of water pipe freezing (by turning on heat or dripping faucets).
- y. *Notices to multiple Owners, tenants, mortgagees.* Notice to or from one of multiple Owners or tenants of a Lot shall be deemed as notice to or from all Owners or tenants of that Lot. If an Owner is more than 60 days delinquent, the Association may send to the Owner's tenant a copy of any association notices or communications with the Owner."

Article V is amended by adding the two underlined paragraphs below to the end of existing Section 5.1, so as to read as follows:

5.1. PHYSICAL RESTRICTIONS. No building, fence, wall or other structure shall be commenced, erected or maintained upon any Lot or used in connection with any Lot after the purchase of any Lot from Declarant, its successors or assigns, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same are submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an Architectural Committee composed of three (3) or more representatives appointed by the Board. The Architectural Control Committee shall publish a set of Architectural Control Standards which shall be available for review. In the event said Board or its designated committee fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required; and this Article will be deemed to have been fully satisfied. Approval, once given, shall be irrevocable.

Architectural Control Standards shall be published by the Architectural Control Committee only if such standards have been approved and adopted as "rules" by the Board of Directors. The Architectural Control Committee, without consultation with the Board, may issue written notices or requests to Owners or their contractors or workmen who are or may about to be in violation of the Declaration or rules including the Architectural Control Standards. The Board, after consultation with the Architectural Control Committee, may file injunctive actions if necessary, to prevent violation of the Declaration or rules.

An Owner who is having a Home or other structure built, worked on, repaired, or remodeled on the Owner's Lot, shall take reasonable and necessary precautions to prevent damage to the Common Area (including any streets) caused by construction companies, workmen, suppliers, or service companies working on or delivering materials to or removing materials from the work site on the Owners' Lot or Home. Such Owner shall be liable to the Association for any damages to the Common Area and for costs of cleaning up or replacing property in the Common Area destroyed or damaged by such construction companies, workmen, suppliers, or service companies. Such Owners shall be liable to the respective Lot Owners for any damage to another Owner's Lot and for any costs of cleaning up or replacing property on the damaged Lot Owner's Lot which may be destroyed or damaged by such construction companies, workmen, suppliers, or service companies and the Association shall have the right to repair such damage at the Association's expense, in which event the cost of repair shall be owed to the Association by the Lot Owners who caused the damage or whose construction company, workmen, suppliers, or service company caused the damage. No assessment for damages for which a Lot Owner is liable shall be valid unless the Lot Owner who is allegedly liable for the damage under this section is first given reasonable notice of the proposed damage assessment and an opportunity to be heard by the Board.

Article IX of the Declaration is amended by adding a new Subsection "e" to Section 10.3 to allow speedy amendment to the Declaration in order to satisfy changes in eligibility requirements for financing condominiums via FNMA, VA or FHA, or other government-insured financing agencies. Such new subsection shall read as follows:

e. The Board of Directors may, by unanimous vote, at any time amend this Declaration or the Bylaws by instrument duly signed, acknowledged and filed for record, for the sole purpose of having the Declaration comply with financing eligibility requirements of the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Veterans Administration, Federal Housing Administration, or comparable federal agencies, provided that no such amendment shall change the vested property rights of any owner except as provided in Paragraph 10.11 regarding annexations.

Article X of the Declaration is amended by adding a new Section 10.12 to take advantage of the provisions of Article 4413 (301) of the Texas Revised Civil Statutes. Such new section shall read as follows:

10.12. LIABILITY OF BOARD MEMBERS. The members of the Board of Directors and Officers of the Association shall not be liable to any Owner or any person claiming by or through any Owner for any act or omission of such Director or Officer in the performance of his duties unless such act or omission is (1) a breach of the Director's duty of loyalty to the Association or its members, (2) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of law, (3) a transaction from which a Director receives an improper benefit, whether or not the benefit resulted from an action taken within the scope of the Director's office, or (4) an act or omission for which the liability of the Director is expressly provided for by a statute. The Association shall indemnify all such Directors and Officers from all claims, demands, actions and proceedings and any expenses in connection therewith, except if such Director or Officer has acted in violation of the foregoing. The Board may purchase (but is not requested to purchase) directors and officers liability insurance. Such insurance and any indemnification payments shall be treated as a common expense. The Board of Directors is authorized and directed to modify the Association's corporate charter to conform to the above.

Attest:

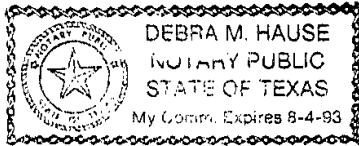
Charles M. Loeffler  
Secretary of Las Ventanas Owners Association, Inc.  
Charles M. Loeffler

LAS VENTANAS OWNERS ASSOCIATION, INC.

By Debra P. Schmidt  
President of Las Ventanas Owners Association, Inc.  
Debra P. Schmidt

STATE OF TEXAS  
COUNTY OF TRAVIS

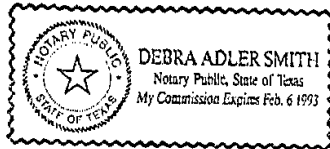
This instrument was acknowledged before me on April 15, 1991 by Debra P. Schmidt  
as President of Las Ventanas Owners Association, Inc., a Texas non-profit corporation, on behalf of said corporation.



Debra M. Hause  
Notary Public for the State of Texas  
Printed name of notary Debra M. Hause  
My commission expires 8-4-93

STATE OF TEXAS  
COUNTY OF TRAVIS

This instrument was acknowledged before me on May 2, 1991 by Charles M. Loeffler  
as Secretary of Las Ventanas Owners Association, Inc., a Texas non-profit corporation, on behalf of said corporation.



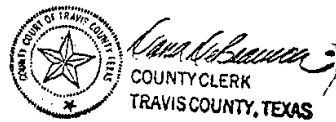
Debra Adler Smith  
Notary Public for the State of Texas  
Printed name of notary Debra Adler Smith  
My commission expires 2-6-93

lasvendcc.15m

After recording, return to:

Lary Niemann  
Niemann & Niemann  
Attorneys at Law  
Westgate Building, Suite 313  
1122 Colorado Street  
Austin, Texas 78701

STATE OF TEXAS COUNTY OF TRAVIS  
I hereby certify that this instrument was FILED on  
the date and at the time stamped hereon by me; and  
was duly RECORDED, in the Volume and Page of the  
named RECORDS of Travis County, Texas, on  
MAY 20, 1991  
MAY 20 1991



FILED

1991 MAY 20 AM 10:11

DANA DE BEAUVOIR  
COUNTY CLERK  
TRAVIS COUNTY, TEXAS

RECORDER'S MEMORANDUM - At the time of  
recording this instrument was found to be inadequate  
for the best photographic reproduction, because of  
illegibility, carbon or photo copy, discolored paper,  
etc. All blockouts, additions and changes were present  
at the time the instrument was filed and recorded.