

STATE OF TEXAS §

COUNTY OF TRAVIS §

AMENDED AND RESTATED MASTER DECLARATION OF COVENANTS AND RESTRICTIONS FOR THE TRAILS COMMUNITY ASSOCIATION OF AUSTIN, INC. REVISED 2012

Document reference. Reference is hereby made to The Trails Master Declaration of Covenants and Restriction – Revised 1992, filed at Vol. 11606, Pg. 0348 in the Real Property Records of Travis County, Texas (together with all amendments and supplemental documents thereto, the “Prior Declaration”).

WHEREAS the Prior Declaration provides that owners of lots subject to the Prior Declaration are automatically made members of The Trails Community Association of Austin, Inc. (the “Association”); and

WHEREAS Section 9.02(a) of the Prior Declaration provides that the Prior Declaration can be amended with the written consent of two-thirds or more of the Owners, and the amendments contained herein have received the requisite consent and approval;

THEREFORE the Prior Declaration has been, and by these presents is, AMENDED and RESTATED in its entirety as provided in Exhibit “A” attached hereto.

Certification

We the undersigned, in our capacities as President and Secretary of The Trails Community Association of Austin, Inc., do hereby certify that the amendments contained herein were approved in writing by two-thirds of the lot owners in the Association.

By: Sally M. Hanners Title: President

By: Stephen K. Mitchell Title: Secretary

Exhibit “A”: Amended and Restated Declaration

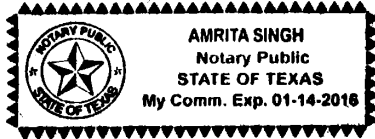
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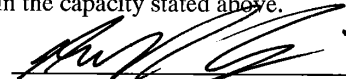
Acknowledgements

STATE OF TEXAS §

COUNTY OF Travis §

This instrument was executed before me on the 21 day of March,
2012, by Sally Hanners in the capacity stated above.



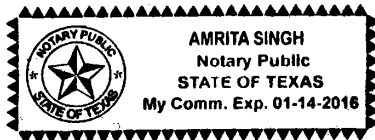


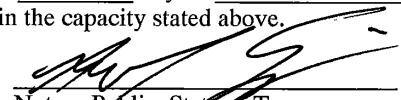
Notary Public, State of Texas

STATE OF TEXAS §

COUNTY OF Travis §

This instrument was executed before me on the 21 day of March,
2012 by Stephen Mitchell in the capacity stated above.





Notary Public, State of Texas

After recording, please return to:

Nieman & Heyer, L.L.P.
Attorneys At Law
Westgate Building, Suite 313
1122 Colorado Street
Austin, Texas 78701

Fileserver:CLIENTS:TrailsThe:A&RDeclarationCover11-11.doc

Exhibit A

THE TRAILS
AMENDED AND RESTATED MASTER DECLARATION OF COVENANTS AND
RESTRICTIONS
REVISED 2012

THE TRAILS COMMUNITY ASSOCIATION OF AUSTIN, INC., a Texas non-profit corporation, and its respective MEMBERS, being the various owners of the lots in The Trails Subdivision according to the plats recorded in Vol. 66, page 75, Vol. 69, page 72, and Vol. 75, page 235, Plat Records, Travis County, Texas, hereby declare that the covenants, restrictions, reservations and conditions set forth herein shall attach to all of such real property and shall constitute covenants running with such real property and shall become effective on the date that this MASTER DECLARATION OF COVENANTS AND RESTRICTIONS-REVISED 2011 is filed for record in the office of the County Clerk of Travis County, Texas. All of said real property shall be held, transferred, sold, conveyed and occupied subject to the terms thereof.

This MASTER DECLARATION OF COVENANTS AND RESTRICTIONS-REVISED 2011 is a complete substitution for and is in lieu of "The Trails Master Declaration of Covenants and Restrictions – Revised 1992," dated February 5, 1992, recorded at Vol. 11606, page 0348, Real Property Records, Travis County, Texas.

ARTICLE I. DEFINITIONS

Section 1.01. The terms in this Master Declaration and the Bylaws of the Association shall have the meaning specified below:

Addition. The term "Addition" shall mean structural and non-structural expansion of an existing Structure or Improvement.

Articles. The term "Articles" shall mean the Articles of Incorporation of The Trails Community Association of Austin, Inc. filed in the Office of the Secretary of State of the State of Texas, as such Articles of Incorporation may from time to time be amended.

Assessment. The term "Assessment" shall mean any assessment levied pursuant to the Master Declaration, including monthly General Assessments, Special Assessments for Capital Improvement, or other charge due under the Master Declaration by an Owner.

Association. The term "Association" and the term "Corporation" shall mean The Trails Community Association of Austin, Inc.

Board. The term "Board" shall mean the Board of Directors of the Association.

Book of Resolutions. The term "Book of Resolutions" shall mean the document containing rules and regulations and policies adopted by the Board of Directors or the Environmental Committee as same may be from time to time amended.

Bylaws. The term "Bylaws" shall mean the Bylaws of the Association which are or shall be adopted by the Board as such Bylaws may from time to time be amended.

Common Area. The term "Common Area" shall mean the areas shown on the three plats of The Trails recorded in Vol. 66, page 75, Vol. 69, page 72, and Vol. 75, page 235, Plat Records, Travis County, Texas, and are marked on said plats as Lots 28 and 29 and being of various sizes and shapes. The Common Area is all of the land subdivided by each of said plats except the land included in the designated lots and private drives shown on said plats. Said Common Area was conveyed to Association by deeds recorded in Vol. 4547, page 676, Vol. 6567, page 1230 and Vol. 7972, page 987, Deed Records, Travis County, Texas.

Environmental Committee. The term "Environmental Committee" shall mean the Committee created pursuant to Article VI of the Master Declaration.

Environmental Design Policy. The term "Environmental Design Policy" shall mean rules adopted by Board, as recommended by the Environmental Committee pursuant to Article VI of the Declaration.

Excavation. The term "Excavation" shall mean any disturbance of the surface of the land (except to the extent reasonably necessary for planting) which results in the removal of earth, rock or other substance.

Fees. The term "Fees" shall mean: (1) Such Fees as may be adopted and published by the Board of Directors and (2) such Fees as may be adopted by the Environmental Committee pursuant to Article VI of the Master Declaration.

Fill. The term "Fill" shall mean any addition of rock or earth materials to the surface of the land which increases the natural elevation of such surface.

Garage. The term "Garage" shall mean a completely enclosed structure for motor vehicle storage or parking.

Guest. The term "Guest" shall mean an invitee of the Association or its members.

Home. The term "Home" means a dwelling unit located on an Owner's lot.

Improvement. The term "Improvement" shall mean things that enhance The Trails, such as roads, driveways, parking areas, walks, fences, landscaping, retaining walls, space dividers, decks, patios, swimming pools, windbreaks, poles, signs, towers and similar elements exclusive of structures.

Landscaping. The term "Landscaping" shall mean arranging or changing the aesthetic features of the land.

Living Unit. The term "Living Unit" shall mean any portion of a structure situated on a lot in The Trails designed and intended for use and occupancy as a residence by a single family.

Lot. The term "Lot" shall mean the land within the lines of a platted lot shown on the three plats of The Trails, except Lots 28 and 29, which are Common Area.

Lot Line Wall. The term "Lot Line Wall" shall mean an exterior building wall whose face is on the lot line separating two lots or a lot and the Common Area.

Maintenance Trust. The term "Maintenance Trust" shall mean the fund established by the Board for the purpose of receiving regular payments from owners and to be held, managed, and disbursed for owners' benefit toward the satisfaction of owners' obligation for maintenance and such other obligations for which owner may be or become responsible. The Board shall make the necessary agreements of the operation and safety of said fund as from time to time is deemed necessary.

Major Remodeling. The term "Major Remodeling" shall mean structural changes and additions to the exterior appearance of a structure or improvement, such as changes in the roof line and position of walls.

Managing Agent. The term "Managing Agent" shall mean the person or corporation which the Board of Directors, pursuant to Article 5.17 of the Bylaws, may from time to time employ to manage the affairs of the Association.

Master Declaration. The term "Master Declaration" shall mean the Master Declaration of Covenants and Restrictions-Revised 1992, as same may from time to time be amended.

Notice. The term "Notice" shall mean notification as described in the Bylaws except as may otherwise be specified in the Master Declarations and Book of Resolutions.

Owner. The term "Owner" shall mean the recorded owner, whether one or more persons or entities, of the fee simple title to any lot including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Record/Recorded. The term "Record" or "Recorded" shall mean, with respect to any document, that said document shall have been recorded in the office of the County Clerk of the County of Travis, State of Texas.

Road. The term "Road" shall mean any paved vehicular way constructed within or upon any portion of Common Area designated as private road on a subdivision map except any apron or other paved area constructed for the purpose of providing paved access from such way to any lot.

Structure. The term "Structure" shall mean any building or part thereof intended to protect people or goods from climatic conditions and shall include Commercial Buildings, Residences, Garages, Carports, and related accessory Structures.

Subdivision Map. The term "Subdivision Map" shall mean the filed three plats of The Trails.

The Trails. The term "The Trails" shall mean all of the real property subdivided in the plats recorded in Vol. 66, page 75, Vol. 69, page 72, and Vol. 75, page 235, Plat Records, Travis County, Texas, together with all improvements thereon.

ARTICLE II. PROPERTY SUBJECT TO MASTER DECLARATION

Section 2.01. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to the Master Declarations shall be all of the real property described and included in the plats of The Trails recorded in Plat Books Vol. 66, page 76, Vol. 69, page 72, and Vol. 75, page 235, Plat Records, Travis County, Texas, together with all improvements thereon.

ARTICLE III. MEMBERSHIP VOTING RIGHTS, AND BOARD OF DIRECTORS

Section 3.01. MEMBERSHIP. The Association shall have only one class of voting membership which shall be the record owner of the fee simple title to any Lot within The Trails, including a contract seller, but excluding one having an interest in a Lot merely as security for the performance of an obligation.

Section 3.02. TERMINATION OF MEMBERSHIP. Upon the sale, transfer, assignment or other disposition of all the interest of a person or entity in a Lot with The Trails, such person's or entity's membership in the Association shall immediately and automatically cease and terminate without any further action being required by the Association, its Board of Directors or Members.

Section 3.03. VOTING. The relative rights, preferences and limitations on the voting rights of members shall be as follows:

Each member shall be entitled to one vote upon those matters as to which such member may be entitled to vote. If more than one person or entity owns a single Lot, such joint owners shall file a written appointment with the Association, naming the individual who shall cast the vote for said joint owners in accordance with the Master Declaration and the Bylaws of the Association. If only one of the joint owners vote, it shall be unnecessary for them to file a written appointment.

Section 3.04. MAJORITY VOTE. The vote of the majority of the votes entitled to be cast by members present, in person, by written proxy, by electronic ballot, or by absentee ballot, at a meeting at which a quorum is present, shall be the act of the members present, unless the vote of a greater or less number is required by law or by the Bylaws.

Section 3.05. PERCENTAGE FOR AMENDMENT. The percentage of votes necessary to amend the Articles of Incorporation, levy assessment for capital improvements, or dedicate or transfer all or a part of Common Area is two-thirds of the Association members voting in person, by proxy, by electronic ballot, or by absentee ballot. The percentage of votes necessary to amend the Declaration is two-thirds of all members of the Association.

Section 3.06. BYLAWS. The Association shall be governed by Bylaws as adopted by the Board of Directors.

Section 3.07. BOARD OF DIRECTORS. The day to day administration of Association matters shall be by the Association's Board of Directors.

Section 3.08. INSPECTION OF BOOKS. The members of the Association shall have the right to inspect the Association's books and records, upon reasonable notice.

ARTICLE IV. COMMON AREA

Section 4.01. OBLIGATIONS OF THE ASSOCIATION. The Association, subject to the rights of the Owners set forth in this Declaration, shall have exclusive control of and shall be solely responsible for the use, management, and control of the Common Area and all improvements thereon (including, but not limited to paving, landscaping, flower beds, fencing, use, watering, utilities, sidewalks, furnishings, and equipment related thereto), and shall keep the same in good, clean, attractive and sanitary condition, order and repair.

Section 4.02. MEMBERS' EASEMENT OF ENJOYMENT. Subject to the provisions herein, every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, and every Member shall have a right of enjoyment in the Common Area.

Section 4.03. EXTENT OF MEMBERS' EASEMENTS. The Members' easements of enjoyment created hereby shall be subject to the provisions of this Master Declaration and rules and regulations adopted by the Board.

Section 4.04. DELEGATION OF USE. Any Member may delegate his right of enjoyment to the Common Area and facilities to the members of his family and to his guests subject to such general regulations as may be established from time to time by the Association, and included within the Book of Resolutions.

Any Member may also delegate his right of enjoyment in and to the Common Area to a lessee/occupant subject to said lessee/occupant complying with all the terms and provisions of the Master Declaration and all rules and provisions adopted by the Board; provided that Member is current in paying all assessments and is otherwise in full compliance with Master Declaration.

Section 4.05. DAMAGE OR DESTRUCTION OF COMMON AREA BY OWNER. In the event any Common Area is damaged or destroyed by an Owner or any of his guests, tenants, licensees, agents or member of his family, such Owner does hereby authorize the Association to repair said damaged area; the Association shall repair said damaged area in a good workmanlike manner in conformance with the original plans and specifications of the area involved, or as the area may have been modified or altered subsequently by the Association in the discretion of the Association. The amount necessary for such repairs shall become a Special Assessment upon the Lot of said Owner and in addition a charge against all funds of owner in the Maintenance Trust.

Section 4.06. TITLE TO COMMON AREA. The fee simple title to the Common Area is vested in Association. The Common Area was conveyed to the Association by deeds recorded in Vol. 5315, pages 1503-1504, Vol. 5697, pages 2044-2045, and Vol. 7972, page 987, Deed Records, Travis County, Texas.

Section 4.07. UTILITY EASEMENTS. The Association shall have an easement across all Lots for purposes of replacement, repair, and maintenance of all utility lines. This easement shall be limited to repair, replacement, and maintenance of utility lines in the approximate location where they were originally constructed.

Section 4.08. MORTGAGE OF THE COMMON AREA. The Association may not mortgage or convey the common area except as otherwise provided in the Declaration or the Bylaws.

ARTICLE V. ASSESSMENTS

Section 5.01. PERSONAL OBLIGATION OF ASSESSMENTS. Each Owner of any Lot by acceptance of a deed thereto, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to Association the following: (1) monthly general assessments; (2) if required, special assessments for capital improvements or repairs; and (3) other sums due by the respective Owners under this Master Declaration.

All such assessments, together with late charge, interest thereon, and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with late charge, interest thereon and cost of collection thereof, shall also be the personal obligation of the person who was the Owner of such property at the time the assessment fell due. No Owner may waive or otherwise escape the liability for the assessments provided for herein by non-use of Common Area or abandonment of the lot.

Section 5.02. MONTHLY GENERAL ASSESSMENT.

(a) Purpose of Assessment. The general monthly assessment levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Properties and in particular for the improvement, maintenance and operation of the Common Area and facilities.

(b) Basis for Assessment. Each of the 98 residential lots in The Trails shall be assessed at a uniform rate.

(c) Amount of Assessments. Each member shall pay a monthly assessment at a rate specified by the Board; provided that the rate may not be increased by more than 10% in any year unless a greater amount is approved by a majority of Members voting in person or by proxy at the annual membership meeting or a special meeting called for this purpose.

Section 5.03. SPECIAL ASSESSMENT FOR CAPITAL IMPROVEMENT. In addition to the monthly general assessments authorized above, the Association may levy a special assessment for the purpose of defraying, in whole or part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the Association members voting in person, by proxy, by electronic ballot, or by absentee ballot.

Section 5.04. PAYMENT OF MONTHLY ASSESSMENTS.

(a) Due date shall be on or before the 10th day of each month, unless otherwise specified by the Board or the Association's rules regarding payment plans.

(b) Place of payment shall be Austin, Travis County, Texas, at the office of Managing Agent, by mail or in person, or at such other places as may be designated by the Board from time to time.

Section 5.05. DELINQUENT PAYMENTS. All monthly assessments not paid by the 10th day of each month shall be delinquent. Owners who are under a payment plan should refer to the payment plan for the due date of payment.

Section 5.06. SPECIAL ASSESSMENT. The special assessment authorized by Article IV, Section 5, the Special Assessment authorized by Article V, Section 3, and the Maintenance Trust Payments authorized by Article VII, Section 2, (c) shall become due as provided herein and/or as provided by the resolution authorizing same.

ARTICLE VI. ENVIRONMENTAL CONTROL

Section 6.01. THE ENVIRONMENTAL COMMITTEE. An Environmental Committee consisting of three or more persons shall be appointed by the Board of Directors.

Section 6.02. PURPOSE. The Environmental Committee shall regulate the external design, appearance, use, location and maintenance of The Trails in such a manner so as to preserve and enhance values and to maintain a harmonious relationship among structures and the natural vegetation and topography.

Section 6.03. CHANGES. No improvements, alterations, repairs, change of paint colors, excavations, changes in grade or other work which in any way alters the exterior of any property or the improvements located thereon from its natural or improved state existing on the date such property was first conveyed in fee to an Owner shall be made or done without the prior approval of the Environmental Committee, except as otherwise expressly provided in this Declaration. No building, fence, Mall, residence, or other structure shall be commenced, erected, maintained, improved, altered, made or done without the prior written approval of the Environmental Committee.

Section 6.04. PROCEDURES. In the event the Committee fails to approve, modify or disapprove in writing an application within thirty (30) days after plans and specifications in writing have been submitted to it, in accordance with adopted procedures, approval will be deemed granted. The applicant may appeal an adverse Environmental Committee decision to the Board of Directors who may reverse or modify such decision by a two-thirds (2/3) vote of the Directors.

ARTICLE VII. USE OF PROPERTY

Section 7.01. PROTECTIVE COVENANTS.

(a) Residential Use. All property designated for residential use shall be used, improved and devoted exclusively to residential use. Nothing herein shall be deemed to prevent the Owner from leasing a Living Unit to a single family, subject to all of the provisions of the Declaration.

(b) Nuisances. No nuisance shall be permitted to exist or operate upon any property so as to be detrimental to any other property in the vicinity thereof or to its occupants.

(c) Restriction on Further Subdivision. No lot shall be further subdivided or separated into smaller lots by any Owner, and no portion less than all of any such Lot, nor any easement or other interest herein, shall be conveyed or transferred by an Owner.

(d) Signs. No signs of any type shall be displayed to public view on any Lot or the Common Area without the prior written consent of the Environmental Committee, except customary name and address signs, lawn signs of not more than four square feet in size advertising the Lot for sale or rent.

(e) Mailboxes. Only mailboxes meeting the design standards of the Environmental Committee shall be permitted, except for mail depositories which are the property of the United States Post Office Department.

(f) Trash Receptacles. All trash receptacles shall be concealed, and the method of concealment shall be approved by the Environmental Committee.

(g) Boats, Trailers, Etc. Overnight parking of boats, trailers and all vehicles other than private passenger vehicles shall be in garages or in areas designated by the Association for such parking. Except for emergency repairs, no Owner of a Lot shall repair or restore any vehicle, boat or trailer upon any portion of the Properties except in those areas designated by the Association for such purposes.

(h) Antennae. Exterior television or other antennae are prohibited, except as approved in writing by the Environmental Committee or built according to standards established by the Environmental Committee.

(i) Clothes Drying Equipment. No clothes lines or other clothes drying apparatus shall be exposed to public view and shall be screened from public view by standards established by the Environmental Committee.

(j) Trash Burning. Trash, leaves and other similar material shall not be burned without the written consent of the Environmental Committee and other appropriate governmental authorities.

(k) Septic Systems. No Septic system for the disposal of sewage shall be constructed on any Lot.

(l) Model House or Exhibits. No Owner shall permit any structure on his Lot to be used as a model house or exhibit without the written consent of the Environmental Committee.

(m) Private Drives (Streets in The Trails). The private drives shown on the three plats of The Trails are for the use and benefit of owners and Occupants in The Trails and their guests and invitees and are subject to rules and regulations as may be from time to time adopted by the Board. These rules and regulations may include, but are not limited to, maximum speed of all types of vehicles, parking restrictions as to all types of vehicles, erection and maintenance of stop signs, bumps to control speed and provisions to enforce the compliance with said rules and regulations.

(n) Other Restrictions. The Environmental Committee shall make recommendations to the Board for adoption of rules to implement the purposes set forth in Article VII, and interpret the covenants in this section, including but not limited to rules to regulate animals, parking, antennas, signs, storage and use of recreational vehicles, storage and use of machinery, use of outdoor drying lines, trash containers, planting, maintenance, and removal of vegetation on the Properties. All such general rules and any subsequent amendments thereto shall be placed in the Book of Resolutions.

(o) Exceptions. The Environmental Committee may issue temporary permits to except any prohibitions expressed or implied by this section, provided the Committee can show good cause and acts in accordance with adopted guidelines and procedures.

Section 7.02. MAINTENANCE OF LOTS, STRUCTURES AND IMPROVEMENTS.

(a) Covenant for Maintenance of Lots, Structures and Improvements. Each Owner shall keep all Lots owned by him and all Structures and Improvements therein or thereon in good order and repair, and free of debris including, but not limited to, the seeding, watering, and mowing of all lawns, the pruning and cutting of all trees and shrubbery, and the painting or other appropriate external care of all Structures and other Improvements, all in a manner and with such frequency as is consistent with good property management.

(b) Maintenance Trust Deposits. As Security for his obligation herein, the Owner shall deposit in the Maintenance Trust such amounts as may be established by the Board as necessary for such maintenance. The Board shall, from time to time, and as it deems necessary in its sole judgment, give notice to the Owner of any exterior maintenance so required. The Owner hereby grants to the Association or its designee the right to enter upon his Lot to correct drainage, and to repair, maintain and restore the Lot and the exterior of the Structure, and any other Improvements erected thereon. All costs related to such correction, repair, or restoration shall, at the sole discretion of the Board, be charged against the Owner's account in the Maintenance Trust. If the amount in Owner's account is not sufficient to pay all costs, Owner shall immediately pay all cost above amount in account.

(c) Maintenance Trust Payments. Each Owner is deemed to covenant and agree to pay into the Maintenance Trust the Maintenance Trust payment.

(d) Association's Right to Enter. In the event an Owner of a Lot shall fail to maintain the Lot and all the Structures and the Improvements situated thereon, as provided herein, the Association, after notice to the Owner as provided in the Bylaws and approval by two-thirds (2/3) vote of the Board of Directors, shall have the right to enter upon said Lot to correct drainage and to repair, maintain and restore the Lot and the exterior of the buildings and any other improvements erected thereon. All costs related to such correction, repair or restoration shall become a Special Assessment upon such Lot.

(e) Association's Duty of Maintenance and Enforcement. The Association, acting through the Board of Directors, shall maintain the Common Area and enforce the provisions of the Master Declaration, Bylaws, and Rules and Regulations.

Section 7.03. LOT LINE WALL MAINTENANCE EASEMENT. There is hereby created and each Owner does hereby grant, an easement upon, across, over, through and under each Lot, which abuts a Lot Line Wall for the purpose of allowing maintenance, repair, correction, reinforcement or service upon that Lot Line Wall. Provided, however, that it shall be the obligation of any Owner who utilizes this easement for the repair of his Lot Line Wall to replace any fences, plantings or improvements destroyed and to otherwise repair any damage caused by his entry upon an adjacent lot for this purpose.

Section 7.04. VISUAL PRIVACY. Each lot owner shall have the right of visual privacy. The Environmental Committee shall have the right to approve or disapprove requests which affect in any way the right of visual privacy and to allocate cost accruing therefrom between owners.

Section 7.05. LOT LINE WALLS.

(a) General Rules of Law to Apply. To extent not inconsistent with the provisions of this Article, the general rules of law applicable to Lot Line Walls shall apply thereto.

(b) Lot Line Walls. The Owner of a Lot Line Wall shall have the sole right to use and the sole duty to maintain such Lot Line Wall and no Owner of any Lot may use another Owner's Lot Line Wall for any purpose or permit to exist any condition on his own Lot adversely affecting another Owner's Lot Line Wall.

ARTICLE VIII. ENFORCEMENT

Section 8.01. RULES AND REGULATIONS. To maintain the desired standard of use of all properties in The Trails and the compliance by OWNERS, LESSEES and GUESTS of all of the provisions, rules and regulations contained in the Articles of Incorporation, this Master Declaration of Covenants and Restrictions, Bylaws, regulations and rules, and amendments to said instruments as may be made from time to time, the Board of Directors shall have the authority to adopt rules and regulations establishing: late payment charges; returned check charges; fines for failure to comply with rules and regulations; parking and speed limitation on vehicles; towing charges for vehicles illegally parked; fines for the failure to keep pets as provided in rules and regulations; fees for special services; charges for resale certificates and copies of documents; procedures for notifying owners, lenders, tenants, and the general membership of any delinquencies; procedures for obtaining names and addresses of mortgagees and tenants; rules recommended by the Environmental Committee; and such other rules, regulations, fines and penalties as may be deemed necessary by the Board of Directors, provided that the same are not prohibited by the Master Declaration or Texas law. The Board of Directors, at its sole discretion, may charge to and collect out of Owner's account in the Maintenance Trust all fines, penalties, charges and expenses accruing out of Owner's failure to comply with any of said rules and regulations. The Association shall have a lien on Owner's Lot to secure payment of all expenditures by Association to secure compliance with all rules and regulations, and the priority of this lien and foreclosure thereof shall be the same as provided herein. The invalidity of any rule or regulation shall not affect the validity of other rules and regulations and the same shall remain in full force and effect.

Section 8.02. REMEDIES AGAINST TENANTS. The Board shall have authority to evict tenants of Owners, after reasonable notice, 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, bylaws, or rules and regulations by the tenants.

Section 8.03. 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 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 Association'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 section.

Section 8.04. 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. The management company managing the Association does not have authority to act for the Association in leasing or managing individual units. A unit owner may contract with the same management company which manages the Association to lease or manage a unit owned by the Owner. Additionally, in such case the unit owner shall inform the tenant that in leasing or managing the Owner's unit, the management company is not acting on behalf of the Association.

Section 8.05. INTEREST. All sums due the Association by Owners shall bear interest from due date at the highest lawful rate, compounded annually.

Section 8.06. 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 owned or required to be deposited 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 lien shall automatically attach to the Lot on the due date of the monies owed, and no notice of lien shall be necessary. The Association's lien may be foreclosed via court proceedings, via expedited judicial foreclosure procedures, or, if the owner agrees in writing to waive the right to expedited judicial foreclosure per state law, via nonjudicial foreclosure procedures. The Association shall have power of sale and all other powers necessary for nonjudicial foreclosure. The Board shall have the power to appoint a trustee for purposes of foreclosing the lien through expedited judicial or nonjudicial proceedings. All funds realized from any foreclosure sale shall be applied first to the cost and expense of foreclosure, including but not limited to attorneys fees. 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.

Section 8.07. 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. If requested by the liable Owner, the Owner of the damaged Home must offer a payment plan with a term of at least 90 days for the liable Owner to pay the required damages and/or costs. 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 of 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.

Section 8.08. ABANDONMENT OF HOME BY OWNER. If an Owner of a Home on a lot has abandoned it and if neither the Owner nor anyone occupying the Home with Owner's permission is residing in the Home and if the Owner is more than 60 days delinquent in payment of sum 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 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.

Section 8.09. VENUE AND LAWSUIT AUTHORITY. All obligations of owners, tenants, and the Association arising under this Declaration, the Bylaws, or 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 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, guest, agents, tenants, or third parties accruing to Owners and/or the Association.

Section 8.10. ATTORNEYS 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.

Section 8.11. NOTICES. 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. The Association and Board of Directors shall not have any duty to notify Owners, tenants, occupants, or guests of any information regarding criminal histories or physical or mental disabilities of other Owners, tenants, occupants, or guests.

Section 8.12. WAIVER. It shall not be a waiver of any of the Association's enforcement rights if the Association fails to promptly: (a) collect assessments or other sums due; (b) collect

late charges or interest on delinquent assessments; (c) foreclose on its lien on a lot for monies due the Association; (d) bring a lawsuit against an Owner for monies owed to the Association; or (e) enforce any other provision of the Master Declaration, Bylaws, or Rules and Regulations.

ARTICLE IX. GENERAL PROVISIONS

Section 9.01. DURATION. The covenants and restrictions of this Master Declaration shall run with and bind the land for a term of ten (10) years from the date this Master Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless at the expiration of the ten year term or any ten year extension the period of the covenants and restrictions are expressly terminated by an instrument signed by not less than seventy-five percent (75%) of the members. A termination must be recorded.

Section 9.02. AMENDMENT TO DECLARATION

(a) Except as provided in Subsection (b) below, this Master Declaration may be amended at any time upon approval in writing by not less than two-thirds (2/3) of the Owners of Lots in The Trails. Any amendment must be recorded. The recorded amendment shall contain a certification by the President and Secretary of the Association that two-thirds of the Lot Owners have approved the amendment in writing; and the approval documents signed by the Lot Owners need not be recorded.

(b) 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.

Section 9.03. AMENDMENTS TO BYLAWS. Except as provided in Section 2(b) above, the power to alter, amend or repeal or to adopt new Bylaws is hereby delegated to and shall be vested in the Board of Directors. The Bylaws shall not be inconsistent with the Declaration.

Section 9.04. JUDICIAL ENFORCEMENT. The Association and/or any Owner shall have the right to enforce by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 9.05. SEVERABILITY. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

This Declaration shall become of full force and effect on the date of recording in the office of the County Clerk of Travis County, Texas.

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**FILED AND RECORDED
OFFICIAL PUBLIC RECORDS**

Dana DeBeauvoir

DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS

March 29 2012 09:53 AM

FEE: \$ 92.00 **2012048411**