



***AFTER RECORDING RETURN TO:**

ROBERT D. BURTON, ESQ.
WINSTEAD, PC
401 CONGRESS AVE., SUITE 2100
AUSTIN, TEXAS 78701
EMAIL: RBURTON@WINSTEAD.COM

COMMUNITY MANUAL

SPICEWOOD CONDOMINIUMS

Consisting of:

Certificate of Formation
Bylaws
Initial Rules & Regulations
Assessment Collection Policy
Fine Policy
Design Guidelines - Decks & Patios
Certification & Acknowledgement

PROPERTY

Spicewood Condominiums are located at 4111 Spicewood Springs Road, Austin, Texas, 78759 and are subject to the Declaration of Condominium Regime for Spicewood Condominiums, recorded or to be recorded in the Official Public Records of Travis County, Texas.

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**SPICEWOOD CONDOMINIUMS
COMMUNITY MANUAL**

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ATTACHMENT 1

CERTIFICATE OF FORMATION



Office of the Secretary of State

**CERTIFICATE OF FILING
OF**

Spicewood Condominium Community, Inc.
File Number: 802057097

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 09/03/2014

Effective: 09/03/2014



NANDITA BERRY

Nandita Berry
Secretary of State

FILED
In the Office of the
Secretary of State of Texas

SEP 03 2014

**CERTIFICATE OF FORMATION
OF
SPICEWOOD CONDOMINIUM COMMUNITY, INC.**
Corporations Section

The undersigned natural person, being of the age of eighteen (18) years or more, a citizen of the State of Texas, acting as incorporator of a nonprofit corporation under the Texas Business Organizations Code, does hereby adopt the following Certificate of Formation for such corporation:

**ARTICLE I
NAME**

The name of the corporation is: Spicewood Condominium Community, Inc. (hereinafter called the "Association").

**ARTICLE II
NONPROFIT CORPORATION**

The Association is a nonprofit corporation.

**ARTICLE III
DURATION**

The Association shall exist perpetually.

**ARTICLE IV
PURPOSE AND POWERS OF THE ASSOCIATION**

The Association is organized in accordance with, and shall operate for nonprofit purposes pursuant to, the Texas Business Organizations Code, and does not contemplate pecuniary gain or profit to its members. The Association is formed for the purpose of: (i) exercising all of the powers and privileges, and performing all of the duties, obligations, and purposes of the Association as set forth in that certain "Declaration of Condominium Regime for Spicewood Condominiums", which is recorded in the Official Public Records of Travis County, Texas, as the same may be amended from time to time (the "Declaration"); and (ii) to obtaining, managing, constructing, and maintaining the property in or of a residential condominium.

**ARTICLE V
REGISTERED OFFICE; REGISTERED AGENT**

The street address of the initial registered office of the Association is 401 Congress Avenue, Suite 2100, Austin, Texas 78701. The name of its initial registered agent at such address is Robert D. Burton.

**ARTICLE VI
MEMBERSHIP**

Membership in the Association shall be determined by the Declaration.

**ARTICLE VII
VOTING RIGHTS**

Voting rights of the members of the Association shall be determined as set forth in the Declaration. Notwithstanding the foregoing, cumulative voting is not permitted.

**ARTICLE VIII
INCORPORATOR**

The name and street address of the incorporator is:

NAME

Robert D. Burton

ADDRESS

401 Congress Avenue, Suite 2100
Austin, Texas 78701

**ARTICLE IX
BOARD OF DIRECTORS**

The affairs of the Association shall be managed by an initial Board of Directors consisting of three (3) individuals, who need not be members of the Association. The Board shall fulfill all of the functions of, and possess all powers granted to, Boards of Directors for nonprofit corporations pursuant to the Texas Business Organizations Code. The number of Directors of the Association may be increased in accordance with the Bylaws of the Association. The names and addresses of the persons who are to act in the capacity of initial Directors until the selection of their successors are:

NAME

ADDRESS

Anthony Siela

2003 S. 1st Street
Austin, Texas 78704

Ryan Dienpenbrock

2003 S. 1st Street
Austin, Texas 78704

Marcia Leigh

2003 S. 1st Street
Austin, Texas 78704

All of the powers and prerogatives of the Association shall be exercised by the initial Board of Directors named above until the first annual meeting of the Association.

**ARTICLE X
LIMITATION OF DIRECTOR LIABILITY**

A director of the Association shall not be personally liable to the Association for monetary damages for any act or omission in his capacity as a director, except to the extent otherwise expressly provided by a statute of the State of Texas. Any repeal or modification of this Article shall be prospective only, and shall not adversely affect any limitation of the personal liability of a director of the Association existing at the time of the repeal or modification.

**ARTICLE XI
INDEMNIFICATION**

Each person who acts as a director, officer or committee member of the Association shall be indemnified by the Association against any costs, expenses and liabilities which may be imposed upon or reasonably incurred by him in connection with any civil or criminal action, suit or proceeding in which he may be named as a party defendant or in which he may be a witness by reason of his being or having been such director or officer or by reason of any action alleged to have been taken or omitted by him in either such capacity. Such indemnification shall be provided in the manner and under the terms, conditions and limitations set forth in the Bylaws of the Association.

**ARTICLE XII
DISSOLUTION**

Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes substantially similar to those for which this Association was created. In the event that

such dedication is refused acceptance, such assets shall be granted, conveyed, and assigned to any nonprofit corporation, association, trust, or other organization to be devoted to such substantially similar purposes.

**ARTICLE XIII
ACTION WITHOUT MEETING**

Any action required by law to be taken at any annual or special meeting of the members of the Association, or any action that may be taken at any annual or special meeting of the members of the Association, may be taken without a meeting, without prior notice, and without a vote; if a consent or consents in writing, setting forth the action so taken, shall be signed by the number of members having the total number of votes of the Association necessary to enact the action taken, as determined under the Declaration or this Certificate of Formation.

**ARTICLE XIV
AMENDMENT**

This Certificate of Formation may be amended by proposal submitted to the membership of the Association. Any such proposed amendment shall be adopted only upon an affirmative vote by the holders of two-thirds (2/3) majority of the total number of votes of the Association, as determined under the Declaration. In the case of any conflict between the Declaration and this Certificate of Formation, the Declaration shall control; and in the case of any conflict between this Certificate of Formation and the Bylaws of the Association, this Certificate of Formation shall control.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand, this 3rd day of September, 2014.



Robert D. Burton, Incorporator

ATTACHMENT 2

SPICEWOOD CONDOMINIUM COMMUNITY, INC. BYLAWS (a Texas condominium association)

ARTICLE 1 INTRODUCTION

1.1. **Property.** These Bylaws of Spicewood Condominium Community, Inc., provide for the governance of the condominium regime known as Spicewood Condominiums, established on certain real property located in Travis County, Texas (the "**Property**"), as more particularly described in that certain **Declaration of Condominium Regime For Spicewood Condominiums**, recorded or to be recorded in the Official Public Records of Travis County, Texas (the "**Declaration**").

1.2. **Parties to Bylaws.** All present or future Owners of Units and all other Persons who use or occupy the Property in any manner are subject to these Bylaws, the Declaration, and the other Documents as defined in the Declaration. The mere acquisition or occupancy of a Unit will signify that these Bylaws are accepted, ratified, and will be strictly followed.

1.3. **Definitions.** Words and phrases defined in the Declaration have the same meanings when used in these Bylaws. Article 1 of the Declaration is incorporated herein by reference.

1.4. **Nonprofit Purpose.** The Association is organized to be a nonprofit corporation.

1.5. **Declarant Control.** Notwithstanding anything to the contrary in these Bylaws, a number of provisions are modified by the Declarant's reservations in **Appendix "A"** of the Declaration during the Declarant Control Period and the Development Period, as defined in the Declaration, including the number, qualification, appointment, removal, and replacement of directors.

1.6. **General Powers and Duties.** The Association, acting through the Board, has the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the Property as may be required or permitted by the Documents and Texas law. The Association may do any and all things that are lawful and which are necessary, proper, or desirable in operating for the best interests of its Members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Documents.

ARTICLE 2 BOARD OF DIRECTORS

During the Declarant Control Period, **Appendix "A"** of the Declaration governs the number, qualification, and appointment of directors. The initial directors will be appointed by

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Declarant and need not be Owners. Directors appointed by Declarant may not be removed by the Owners and may be removed by Declarant only. Declarant has the right to fill vacancies in any directorship vacated by a Declarant appointee.

2.1. **Number and Term of Office.** During the Declarant Control Period, the Board will consist of three (3) persons. Upon termination of the Declarant Control Period, the Board increase to five (5) persons. Three (3) directors will be elected for a two (2) year term and two (2) directors will be elected for a one (1) year term. A director takes office upon the adjournment of the meeting or balloting at which he is elected or appointed and, absent death, ineligibility, resignation, or removal, will hold office until his successor is elected or appointed. The number of directors may be changed by amendment of these Bylaws, but may not be less than three (3).

2.2. **Qualification.** The following qualifications apply to the election or appointment of persons to the Board.

2.2.1. **Owners.** At least a Majority of the directors must be Members of the Association or spouses of Members.

2.2.2. **Entity Member.** If a Unit is owned by a legal entity, such as a partnership or corporation, any officer, partner, agent, or employee of that entity Member is eligible to serve as a director and is deemed to be a Member for the purposes of this Section. If the relationship between the entity Member and the director representing it terminates, that directorship will be deemed vacant.

2.3. **Meetings of the Board.**

2.3.1. **Regular Meetings of the Board.** Regular meetings of the Board are held annually on the second Wednesday of every February at a place that the Board determines. The time and place of regular meetings are subject to change from time to time as the Board determines so long as one (1) regular meeting of the Board is held at least annually. Notice of regular meetings of the Board will be given to each director, personally or by telephone, written, or electronic communication, at least three (3) days prior to the date of the meeting.

2.3.2. **Special Meetings of the Board.** Special meetings of the Board may be called by the president or, if he is absent or refuses to act, by the secretary, or by any two (2) directors. At least three (3) days notice will be given to each director, personally or by telephone, written, or electronic communication, which notice must state the place, time, and purpose of the meeting.

2.3.3. **Emergency Meetings.** In case of emergency, the Board may convene a meeting after making a diligent attempt to notify each director by any practical method.

2.3.4. Conduct of Meetings. The president presides over meetings of the Board and the secretary keeps, or causes to be kept, a record of resolutions adopted by the Board and a record of transactions and proceedings occurring at meetings. When not in conflict with law or the Documents, the then current edition of Robert's Rules of Order governs the conduct of the meetings of the Board.

2.3.5. Quorum. At meetings of the Board, a Majority of directors constitutes a quorum for the transaction of business, and the acts of the Majority of the directors present at a meeting at which a quorum is present are the acts of the Board. If less than a quorum is present at a meeting of the Board, the Majority of those present may adjourn the meeting from time to time. At any reconvened meeting at which a quorum is present, any business that may have been transacted at the meeting as originally called may be transacted without further notice. Directors may not participate by proxy at meetings of the Board.

2.3.6. Open Meetings. Regular and special meetings of the Board are open to Members of the Association, subject to the following provisions to the extent permitted or required by the Act:

i. No audio or video recording of the meeting may be made, except by the Board or with the Board's prior express consent.

ii. Members who are not directors may not participate in Board deliberations under any circumstances, and may not participate in Board discussions unless the Board expressly so authorizes at the meeting.

iii. The Board may adjourn any meeting and reconvene in executive session to discuss and vote on personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar or sensitive nature. The nature of business to be considered in executive session will first be announced in open session.

iv. The Board may prohibit attendance by non-Members, including representatives, proxies, agents, and attorneys of Members.

v. The Board may prohibit attendance by any Member who disrupts meetings or interferes with the conduct of Board business.

vi. The Board may but is not required to publish to Members the time, date, and place of Board meetings, but will provide the information if requested in writing by a Member on a meeting by meeting basis.

2.3.7. Telephone Meetings. Members of the Board or any committee of the Association may participate in and hold meetings of the Board or committee by means of conference telephone or similar communications equipment by means of which all

persons participating in the meeting can hear each other. Participation in such meeting constitutes presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

2.3.8. **Action without a Meeting.** Any action required or permitted to be taken by the Board at a meeting may be taken without a meeting, if all directors individually or collectively consent in writing to such action. The written consent must be filed with the minutes of Board meetings. Action by written consent has the same force and effect as a unanimous vote. This Section does not apply to actions that require meetings under the Act.

2.4. **Liabilities and Standard of Care.** In performing their duties, the directors are required to exercise certain standards of care and are subject to certain liabilities, including but not limited to the following provisions of State law: Section 82.103(a) and (f) of the Act, and Sections 3.102, 3.105, 22.221, 22.223, 22.224, 22.225, 22.226, 22.227 and 22.230 of the Texas Business Organizations Code.

2.5. **Powers and Duties.** The Board has all the powers and duties necessary for the administration of the Association and for the operation and maintenance of the Property. The Board may do all acts and things except those which, by law or the Documents, are reserved to the Members and may not be delegated to the Board. Without prejudice to the general and specific powers and duties set forth in laws or the Documents, or powers and duties as may hereafter be imposed on the Board by resolution of the Association, the powers and duties of the Board include, but are not limited to, the following:

2.5.1. **Appointment of Committees.** The Board, by resolution, may from time to time designate standing or ad hoc committees to advise or assist the Board with its responsibilities. The resolution may establish the purposes and powers of the committee created, provide for the appointment of a chair and committee Members, and may provide for reports, termination, and other administrative matters deemed appropriate by the Board. Members of committees will be appointed from among the Owners and residents.

2.5.2. **Manager.** The Board may employ a manager or managing agent for the Association, at a compensation established by the Board, to perform duties and services authorized by the Board.

2.6. **Fidelity Bonds.** In the event the Association is required to obtain and maintain Fidelity Bonds, the premiums on the bonds shall be a common expense of the Association.

ARTICLE 3
OFFICERS

3.1. **Designation.** The principal officers of the Association are the president, the secretary, and the treasurer. The Board may appoint one (1) or more vice-presidents and other officers and assistant officers as it deems necessary. The president and secretary must be directors. Other officers may, but need not, be Members or directors. Any two (2) offices may be held by the same person, except the offices of president and secretary. If an officer is absent or unable to act, the Board may appoint a director to perform the duties of that officer and to act in place of that officer, on an interim basis.

3.2. **Election of Officers.** The officers are elected for three-year terms by the directors at the organizational meeting of the Board and hold office at the pleasure of the Board. Except for resignation or removal, officers hold office until their respective successors have been designated by the Board.

3.3. **Removal and Resignation of Officers.** A Majority of directors may remove any officer, with or without cause, at any regular meeting of the Board or at any special meeting of the Board called for that purpose. A successor may be elected at any regular or special meeting of the Board called for that purpose. An officer may resign at any time by giving written notice to the Board. Unless the notice of resignation states otherwise, it is effective when received by the Board and does not require acceptance by the Board. The resignation or removal of an officer who is also a director does not constitute resignation or removal from the Board.

3.4. **Standard of Care.** In performing their duties, the officers are required to exercise the standards of care provided by Section 82.103(a) and (f) of the Act and by Section 3.105 of the Texas Business Organizations Code.

3.5. **Description of Principal Offices.**

3.5.1. **President.** As the chief executive officer of the Association, the president: (i) presides at all meetings of the Association and of the Board; (ii) has all the general powers and duties which are usually vested in the office of president of a corporation organized under the laws of the State of Texas; (iii) has general supervision, direction, and control of the business of the Association, subject to the control of the Board; and (iv) sees that all orders and resolutions of the Board are carried into effect.

3.5.2. **Secretary.** The secretary: (i) keeps the minutes of all meetings of the Board and of the Association; (ii) has charge of such books, papers, and records as the Board may direct; (iii) maintains a record of the names and addresses of the Members for the mailing of notices; and (iv) in general, performs all duties incident to the office of secretary.

3.5.3. **Treasurer.** The treasurer: (i) is responsible for Association funds; (ii) keeps full and accurate financial records and books of account showing all receipts

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and disbursements; (iii) prepares all required financial data and tax returns; (iv) deposits all monies or other valuable effects in the name of the Association in depositories as may from time to time be designated by the Board; (v) prepares the annual and supplemental budgets of the Association; (vi) reviews the accounts of the managing agent on a monthly basis in the event a managing agent is responsible for collecting and disbursing Association funds; and (vii) performs all the duties incident to the office of treasurer.

3.6. **Authorized Agents.** Except when the Documents require execution of certain instruments by certain individuals, the Board may authorize any person to execute instruments on behalf of the Association and to fulfill the duties of any officer subject to appropriate supervision by the Board. In the absence of Board designation, the president and the secretary are the only persons authorized to execute instruments on behalf of the Association.

ARTICLE 4 MEETINGS OF THE ASSOCIATION

4.1. **Annual Meeting.** An annual meeting of the Association will be held on the second Wednesday of every February on a date and at a time determined by the Board. The time and place of the annual meeting is subject to change from time to time as the Board determines so long as one (1) meeting is held at least annually. The Members may transact such business of the Association as may properly come before them.

4.2. **Special Meetings.** It is the duty of the president to call a special meeting of the Association if directed to do so by a Majority of the Board or by a petition signed by a Majority of the Owners of the Units. The meeting must be held within thirty (30) days after the Board resolution or receipt of petition. The notice of any special meeting must state the time, place, and purpose of the meeting. No business, except the purpose stated in the notice of the meeting, may be transacted at a special meeting.

4.3. **Place of Meetings.** Meetings of the Association may be held at the Property or at a suitable place convenient to the Members, as determined by the Board.

4.4. **Notice of Meetings.** At the direction of the Board, written notice of meetings of the Association will be given to an Owner of each Unit at least ten (10) days but not more than sixty (60) days prior to the meeting. Notices of meetings will state the date, time, and place the meeting is to be held. Notices will identify the type of meeting as annual or special, and will state the particular purpose of a special meeting. Notices may also set forth any other items of information deemed appropriate by the Board.

4.5. **Voting Members List.** The Board will prepare and make available a list of the Association's voting Members in accordance with Section 22.158(b) of the Texas Business Organizations Code.

4.6. **Quorum.** At any meeting of the Association, the presence in person or by proxy of Members representing at least twenty percent (20%) of the Units in the Property constitutes a quorum.

4.7. **Lack of Quorum.** If a quorum is not present at any meeting of the Association for which proper notice was given, Members present at the meeting, although not constituting a quorum, may vote to recess the meeting for not more than twenty-four (24) hours in order to attain a quorum, provided the place of the meeting remains as stated in the notice. If the meeting is adjourned without attainment of a quorum, notice of a new meeting for the same purposes within fifteen (15) to thirty (30) days may be given to an Owner of each Unit.

4.8. **Votes.** The vote of Members representing at least a Majority of the votes cast at any meeting at which a quorum is present binds all Members for all purposes, except when a higher percentage is required by these Bylaws, the Declaration, or by law. Cumulative voting is prohibited.

4.8.1. **Co-Owned Units.** If a Unit is owned by more than one Member, the vote appurtenant to that Unit is cast in accordance with Section 82.110(a) of Act, which is summarized as follows. If only one of the multiple Owners of a Unit is present at a meeting of the Association, that person may cast the vote allocated to that Unit. If more than one of the multiple Owners is present, the vote allocated to that Unit may be cast only in accordance with the Owners' unanimous agreement. Multiple Owners are in unanimous agreement if one of the multiple Owners casts the vote allocated to a Unit and none of the other Owners makes prompt protest to the person presiding over the meeting.

4.8.2. **Corporation-Owned Units.** If a Unit is owned by a corporation, the vote appurtenant to that Unit may be cast by any officer of the corporation in the absence of the corporation's written appointment of a specific person to exercise its vote. The vote of a partnership may be cast by any general partner in the absence of the partners' written appointment of a specific person. The person presiding over a meeting or vote may require reasonable evidence that a person voting on behalf of a corporation or partnership is qualified to vote.

4.8.3. **Association-Owned Units.** Votes allocated to a Unit owned by the Association may be counted towards a quorum and for all ballots and votes except the election or removal of directors. The vote appurtenant to a Unit owned by the Association is exercised by the Board.

4.9. **Proxies.** Votes may be cast in person or by written proxy. To be valid, each proxy must: (i) be signed and dated by a Member or his attorney-in-fact; (ii) identify the Unit to which the vote is appurtenant; (iii) name the person or title (such as "presiding officer") in favor of whom the proxy is granted, such person having agreed to exercise the proxy; (iv) identify the meeting for which the proxy is given; (v) not purport to be revocable without notice; and (vi) be

delivered to the secretary, to the person presiding over the Association meeting for which the proxy is designated, or to a person or company designated by the Board. Unless the proxy specifies a shorter or longer time, it terminates eleven (11) months after the date of its execution. Perpetual or self-renewing proxies are permitted, provided they are revocable. To revoke a proxy, the granting Member must give actual notice of revocation to the person presiding over the Association meeting for which the proxy is designated. Unless revoked, any proxy designated for a meeting which is adjourned, recessed, or rescheduled is valid when the meeting reconvenes. A proxy may be delivered by fax. However, a proxy received by fax may not be counted to make or break a tie-vote unless: (a) the proxy has been acknowledged or sworn to by the Member, before and certified by an officer authorized to take acknowledgments and oaths; or (b) the Association also receives the original proxy within five (5) days after the vote.

4.10. **Conduct of Meetings.** The president, or any person designated by the Board, presides over meetings of the Association. The secretary keeps, or causes to be kept, the minutes of the meeting which should record all resolutions adopted and all transactions occurring at the meeting, as well as a record of any votes taken at the meeting. The person presiding over the meeting may appoint a parliamentarian. The then current edition of Robert's Rules of Order governs the conduct of meetings of the Association when not in conflict with the Documents. Votes should be tallied by Members appointed by the person presiding over the meeting.

4.11. **Order Of Business.** Unless the notice of meeting states otherwise, or the assembly adopts a different agenda at the meeting, the order of business at meetings of the Association is as follows:

- Determine votes present by roll call or check-in procedure
- Announcement of quorum
- Proof of notice of meeting
- Approval of minutes of preceding meeting
- Reports of Officers (if any)
- Election of Directors (when required)
- Unfinished or old business
- New business

4.12. **Adjournment of Meeting.** At any meeting of the Association, a Majority of the Members present at that meeting, either in person or by proxy, may adjourn the meeting to another time and place.

4.13. **Action without Meeting.** Subject to Board approval, any action which may be taken by a vote of the Members at a meeting of the Association may also be taken without a meeting by written consents. The Board may permit Members to vote by any method allowed by Section 22.160(b)(c) and (d) of the Texas Business Organizations Code, which may include hand delivery, mail, fax, email, or any combination of these. Written consents by Members

representing at least a Majority of votes in the Association, or such higher percentage as may be required by the Documents, constitutes approval by written consent. This Section may not be used to avoid the requirement of an annual meeting and does not apply to the election of directors.

4.14. **Telephone Meetings.** Members of the Association may participate in and hold meetings of the Association by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in the meeting constitutes presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

ARTICLE 5 **RULES**

5.1. **Rules.** The Declarant has adopted initial rules and regulations for: (i) the administration of the Association and the Documents; (ii) the maintenance, management, operation, use, conservation, and beautification of the Property; and (iii) the health, comfort, and general welfare of the residents; provided, however, that such rules may not be in conflict with law or the Documents. The Board will, at all times, maintain the then current and complete rules in a written form which can be copied and distributed to the Members. The Board has the right to amend, from time to time, the rules and regulations; provided, however, that until the expiration or termination of the Development Period, all amendments to the rules and regulations must be approved in advance and in writing by Declarant.

5.2. **Adoption and Amendment.** Any rule may be adopted, amended, or terminated by the Board, provided that the rule and the requisite Board (and Declarant, if applicable) approval are properly recorded as a resolution in the minutes of the meeting of the Board.

5.3. **Distribution.** On request from any Member or resident, the Board will provide a current and complete copy of rules. Additionally, the Board will, from time to time, distribute copies of the current and complete rules to Owners and, if the Board so chooses, to non-Member residents.

ARTICLE 6 **ENFORCEMENT**

6.1. **Remedies.** The violation of any provision of the Documents gives the Board the following rights, in addition to any other rights set forth in the Documents:

6.1.1. **Fines.** To impose reasonable fines, if notice and an opportunity to be heard are given.

6.1.2. **Self-Help.** After notice and an opportunity to be heard are given, except in case of an emergency, to enter the Unit or Common Element in which, or as to which,

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the violation or breach exists and to summarily abate and remove, at the expense of the defaulting Owner, any structure, thing, or condition (except for additions or alterations of a permanent nature that may exist in that Unit) that is contrary to the intent and meaning of the provisions of the Documents. The Board may not be deemed liable for any manner of trespass by this action.

6.1.3. Courts. To enjoin, abate, or remedy, by appropriate legal proceedings, the continuance of any breach.

6.2. Notice and Hearing. Before imposing a fine or exercising self-help abatement, the Board must give the Owner a written violation notice and an opportunity to be heard.

6.2.1. Notice of Violation. The Board's written violation notice will contain the following: (i) the date the violation notice is prepared or mailed; (ii) a description of the violation; (iii) a reference to the rule or provision of the Documents that is being violated; (iv) a description of the action required to cure the violation; (v) the amount of the fine to be levied and/or the abatement action to be taken; (vi) the date the fine begins accruing or abatement action becomes possible; and (vi) a statement that not later than the 30th day after the date of the violation notice, the Owner may request a hearing before the Board to contest the fine or the abatement action.

6.2.2. Notice to Resident. In addition to giving the written violation notice to the Owner, the Board may also give a copy of the notice to the non-Owner resident, if the Board deems it appropriate.

6.2.3. Request for Hearing. To request a hearing before the Board, an Owner must submit a written request to the Board within thirty (30) days after the date of the violation notice. Within ten (10) days after receiving the Owner's request for a hearing, the Board will give the Owner notice of the date, time, and place of the hearing. The hearing will be scheduled for a date within forty-five (45) days from the date the Board receives the Owner's request, and should be scheduled to provide a reasonable opportunity for both the Board and the Owner to attend.

6.2.4. Pending Hearing. Pending the hearing, the Board may continue to exercise the Association's other rights and remedies for the violation, as if the declared violation were valid. The Owner's request for a hearing suspends only the levy of the fine or the abatement action described in the notice.

6.2.5. Hearing. The hearing will be held in a closed or executive session of the Board. At the hearing, the Board will consider the facts and circumstances surrounding the violation. The Owner may attend the hearing in person, or may be represented by another person or written communication. No audio or video recording of the hearing may be made.

6.2.6. **Minutes of Hearing.** The minutes of the hearing must contain a statement of the results of the hearing and the amount of fine, if any, imposed, or abatement action, if any, authorized. A copy of the violation notice and request for hearing should be placed in the minutes of the hearing. If the Owner appears at the hearing, the notice requirement will be deemed satisfied.

6.3. **Imposition of Fine.** Within thirty (30) days after levying the fine or authorizing the abatement, the Board must give the Owner notice of the levied fine or abatement action. If the fine or action is announced at the hearing at which the Owner is actually present, the notice requirement will be satisfied. Otherwise, the notice must be in writing.

6.3.1. **Amount.** The Board may set fine amounts on a case by case basis, provided the fine is reasonable in light of the nature, frequency, and effects of the violation. The Board may establish a schedule of fines for certain types of violations. The amount and cumulative total of a fine must be reasonable in comparison to the violation. If the Board allows fines to accumulate, it may establish a maximum amount for a particular fine, at which point the total fine will be capped.

6.3.2. **Type of Fine.** If the violation is ongoing or continuous, the fine may be levied on a periodic basis (such as daily, weekly, or monthly). If the violation is not ongoing, but is instead sporadic or periodic, the fine may be levied on a per occurrence basis.

6.3.3. **Other Fine-Related.** The Association is not entitled to collect a fine from an Owner to whom it has not given notice and an opportunity to be heard. The Association may not charge interest on unpaid fines. The Association may not foreclose its assessment lien on a debt consisting solely of fines. The Board may adopt a collection policy that applies Owners' payments to unpaid fines before retiring other types of assessments.

6.4. **Additional Enforcement Rights.** Notwithstanding the notice and hearing requirement, the Board may take immediate and appropriate action, without giving the notices required in this Article, against violations of the Documents which, in the Board's opinion, are: (i) self-evident, such as vehicles parked illegally or in violation of posted signs; (ii) threatening to life or property; or (iii) repeat violations of the same provision by the same Owner to whom prior notices and demands have been given for the same violation. Further, the provisions of this Article do not apply to specific remedies provided in the Documents for certain violations, such as nonpayment of assessments.

ARTICLE 7

OBLIGATIONS OF THE OWNERS

7.1. **Proof of Ownership.** On request by the Association from time to time, any person who purports to be an Owner or the agent of an Owner must furnish to the Board evidence of ownership of the Unit. A copy of the recorded deed is the customary evidence.

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This requirement may be satisfied by receipt of a Board-approved form that is completed and acknowledged by a title company or attorney at time of conveyance of the Unit or any interest therein. The Association may refuse to recognize a person as a Member unless the requested documentation is provided.

7.2. **Mailing Address.** The Owner or the several co-Owners of a Unit must register and maintain one mailing address, one email address, and a contact telephone number to be used by the Association for mailing of notices, demands, and all other communications. If an Owner fails to maintain a current mailing address with the Association, the address of the Owner's Unit is deemed to be his mailing address.

7.3. **Assessments.** All Owners are obligated to pay assessments imposed by the Association to meet the common expenses as defined in the Declaration.

7.4. **Compliance with Documents.** Each Owner will comply with the provisions and terms of the Documents, and any amendments thereto. Further, each Owner will always endeavor to observe and promote the cooperative purposes for which the Property was established.

ARTICLE 8

ASSOCIATION RECORDS

8.1. **Records.** The Association will use its best efforts to keep the records required by Section 82.114(a) of the Act , including the following:

- i. Minutes or a similar record of the proceedings of meetings of the Association.
- ii. Minutes or a similar record of the proceedings of meetings of the Board.
- iii. Names and mailing addresses of the Members, the currency and accuracy of the information being the responsibility of the Members.
- iv. Names and mailing addresses of the mortgagees, the currency and accuracy of the information being the responsibility of the Members and their mortgagees.
- v. Financial records and books of account for the Association, kept in a manner consistent with generally accepted accounting principles.
- vi. Copies of income tax returns prepared for the Internal Revenue Service.
- vii. Copies of the Documents and all amendments to any of these.
- viii. A record of all votes or written consents by which amendments to the Documents were approved, for at least four (4) years after the approval.

8.2. **Inspection of Books and Records.** Books and records of the Association will be made available for inspection and copying pursuant to Section 82.114(b) of the Act and Sections 3.151, 3.153 and 22.351 of the Texas Business Organizations Code.

8.2.1. **Proper Purpose.** The Board may require a Member to submit a written demand for inspection, stating the purpose for which the Member will inspect the books and records. The Board has the following rights: (i) to determine whether the Member's purpose for inspection is proper; (ii) to deny the request if the Board determines that the Member's purpose is not proper; (iii) if granting the request, to identify which books and records are relevant to the Member's stated purpose for inspection.

8.2.2. **Copies.** A Member, at Member's expense, may obtain photocopies of books and records for which the Board grants the right of inspection. The Board has the right to retain possession of the original books and records, to make copies requested by the Member, and to charge the Member a reasonable fee for copying.

8.2.3. **Member's Agent.** A Member's inspection of the books and records may be assisted or performed by the Member's agent, accountant, or attorney.

8.2.4. **Records of Attorneys and Accountants.** The files and records of an attorney or accountant who performs services for the Association are not records of the Association, are not subject to inspection by Members, and are not subject to production in a legal proceeding.

8.3. **Resale Certificates.** Any officer or authorized agent of the Association, including the Association's manager if provided for in the manager's agreement with the Association, may prepare or cause to be prepared, certify, and execute resale certificates in accordance with Section 82.157 of the Act. The Association and/or the Association's authorized agent may charge a reasonable fee for preparing resale certificates. The Association or its authorized agent may refuse to furnish resale certificates until the fee is paid. Any unpaid fees may be assessed against the Unit for which the certificate is furnished.

ARTICLE 9 **NOTICES**

9.1. **Co-Owners.** If a Unit is owned by more than one person, notice to one co-Owner is deemed notice to all co-Owners.

9.2. **Delivery of Notices.** Any written notice required or permitted by these Bylaws may be given personally, by mail, by fax, or by any other method permitted by the Texas Business Organizations Code. If mailed, the notice is deemed delivered when deposited in the U.S. mail addressed to the Member at the address shown on the Association's records. If transmitted by fax, the notice is deemed delivered on successful transmission of the facsimile.

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9.3. **Waiver of Notice.** Whenever a notice is required to be given to an Owner, Member, or director, a written waiver of the notice, signed by the person entitled to the notice, whether before or after the time stated in the notice, is equivalent to giving the notice. Attendance by a Member or director at any meeting of the Association or Board, respectively, constitutes a waiver of notice by the Member or director of the time, place, and purpose of the meeting. If all Members or directors are present at any meeting of the Association or Board, respectively, no notice is required and any business may be transacted at the meeting.

ARTICLE 10 DECLARANT PROVISIONS

10.1. **Conflict.** The provisions of this Article control over any provision to the contrary elsewhere in these Bylaws.

10.2. **Board of Directors.** During the Declarant Control Period, Appendix "A" of the Declaration governs the number, qualification, and appointment of directors. The initial directors will be appointed by Declarant and need not be Owners or residents. Directors appointed by Declarant may not be removed by the Owners and may be removed by Declarant only. Declarant has the right to fill vacancies in any directorship vacated by a Declarant appointee.

ARTICLE 11 AMENDMENTS TO BYLAWS

11.1. **Authority.** These Bylaws may be amended by a Majority vote of the Board of Directors.

11.2. **Mortgagee Protection.** In addition to the notices and consents required by these Bylaws, certain actions and amendments require notice to or approval by Mortgagees, pursuant to the Mortgagee Protection article of the Declaration. If applicable, the Association must give the required notices to and obtain the required approvals from Mortgagees.

11.3. **Effective.** To be effective, each amendment must be in writing, reference the names of the Property and the Association, and be executed by a majority of the Board of Directors. Further, if these Bylaws are publicly recorded, the amendment must recite the recording data for the Bylaws, and be recorded in the Official Public Records of Travis County, Texas.

11.4. **Declarant Protection.** During the Development Period, no amendment of these Bylaws may affect the Declarant's rights herein without the Declarant's written and acknowledged consent. Specifically, this Section and the article titled "Declarant Provisions" may not be amended without the prior written approval of the Declarant. The Declarant's written consent must be part of the amendment instrument.

ARTICLE 12
GENERAL PROVISIONS

12.1. **Compensation.** A director, officer, Member, or resident may not receive any pecuniary profit from the operation of the Association, and no funds or assets of the Association may be paid as a salary or as compensation to, or be distributed to, or inure to the benefit of a director, officer, Member, or resident. Nevertheless,

i. Reasonable compensation may be paid to a director, officer, Member, or resident for services rendered to the Association in other capacities.

ii. A director, officer, Member, or resident may, from time to time, be reimbursed for his actual and reasonable expenses incurred on behalf of the Association in connection with the administration of the affairs of the Association, provided the expense has been approved by the Board.

iii. The Board may budget and use Association funds to purchase awards, certificates, a celebratory meal, or other customary tokens or demonstrations of appreciation for volunteer activities.

iv. This provision does not apply to distributions to Unit Owners permitted or required by the Declaration or the Act.

12.2. **Conflicting Provisions.** If any provision of these Bylaws conflicts with any provision of the laws of the State of Texas, the conflicting Bylaws provision is null and void, but all other provisions of these Bylaws remain in full force and effect. In the case of any conflict between the certificate of formation of the Association and these Bylaws, the certificate of formation controls. In the case of any conflict between the Declaration and these Bylaws, the Declaration controls.

12.3. **Severability.** Whenever possible, each provision of these Bylaws will be interpreted in a manner as to be effective and valid. Invalidation of any provision of these Bylaws, by judgment or court order, does not affect any other provision which remains in full force and effect.

12.4. **Construction.** The effect of a general statement is not limited by the enumerations of specific matters similar to the general. The captions of articles and sections are inserted only for convenience and may not be construed as defining or modifying the text to which they refer. The singular is construed to mean the plural, when applicable, and the use of masculine or neuter pronouns includes the feminine.

12.5. **Fiscal Year.** The fiscal year is the calendar year.

12.6. **Waiver.** No restriction, condition, obligation, or covenant contained in these Bylaws may be deemed to have been abrogated or waived by reason of failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

12.7. **Indemnification.** To the fullest extent permitted by applicable law, the Association will indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that such person is or was a director, officer, committee member, employee, servant, or agent of the Association against expenses (including attorney's fees, judgments, fines, and amounts paid in settlement) actually and reasonably incurred by such person in connection with such action, suit or proceeding if it is found and determined by the Board or a court that such person: (i) acted in good faith and in a manner which such person reasonably believed to be in, or not opposed to, the best interests of the Association; or (ii) with respect to any criminal action or proceeding, had no reasonable cause to believe such conduct was unlawful. The termination of any action, suit, or proceeding by settlement, or upon a plea of Nolo Contendere or its equivalent, will not of itself create a presumption that the person did not act in good faith or in a manner reasonably believed to be in, or not opposed to, the best interests of the Association, or, with respect to any criminal action or proceeding, had reasonable cause to believe that such conduct was unlawful.

12.8. **Preparer.** These Bylaws were prepared in by Robert D. Burton, Esq., Winstead, PC, 401 Congress Ave., Suite 2100, Austin, Texas 78701.

ATTACHMENT 3

INITIAL RULES & REGULATIONS

These Initial Rules & Regulations are established by **Spicewood Springs, LP**, a Texas limited partnership, for the benefit of Spicewood Condominium Community, Inc., a Texas non-profit corporation (the "**Association**"). These Community Rules are the "Rules" defined in Article 1 of the Declaration of Condominium Regime for Spicewood Condominiums, recorded or to be recorded in the Official Public Records of Travis County, Texas (the "**Declaration**").

These Rules are in addition to the provisions of the Declaration and Bylaws. By owning or occupying a Unit, each Owner and Resident agrees to abide by these Rules and to comply with the obligations of Owners and Residents under the Declaration and Bylaws of the Association.

Words and phrases defined in the Declaration have the same meaning when used in these Rules. In the event of a conflict between Documents, the hierarchy of authority is as follows: Declaration (highest), Bylaws, and these Rules (lowest). The Association's board of directors is empowered to interpret, enforce, amend, and repeal these Rules.

A. COMPLIANCE

A-1. Compliance. Each Owner will comply with the provisions of these Rules, the other Documents, and policies adopted by the Board to supplement these Rules, as any of these may be revised from time to time. Each Owner, additionally, is responsible for compliance with the Documents by the Residents of his Unit, and his or their respective relatives, invitees, tenants, agents, employees, or contractors. If a Rule requires or prohibits conduct by an "Owner" or "Resident," each of those terms are deemed to include the other, and applies to all persons for whom an Owner or Resident is responsible. Any question regarding these rules should be referred to the Association. The Association has the right to enforce these Rules against any person on the Property.

Users of this document should periodically review statutes and court rulings that may modify or nullify provisions of this document or its enforcement, or may create rights or duties not anticipated by this document.

A-2. Additional Rules. Each Resident must comply with any rules and signs posted from time to time on the Property by the Association. Each Resident must comply with notices communicated by the Association, from time to time, which may include seasonal or temporary rules, or notice of a change affecting use of the Property. Posted and temporary rules are incorporated in these Rules by reference.

- A-3. Variance. Circumstances may warrant a variance of these Rules. To obtain a variance an Owner must make written application to the Board. The Board's approval of a variance must be in writing, and may be conditioned.
- A-4. Limits. It is understood that individuals may have different interpretations of and tolerances for these Rules. On lifestyle-related rules, such as the "Community Etiquette" rules below, the Association may refrain from acting on a perceived violation unless the Board determines the violation to be significant or a community-wide problem. The Association may not be compelled by one Resident to enforce these Rules against another Resident. Residents are expected to deal directly and peaceably with each other about their differences.
- A-5. Filing Complaints. Because the Association is not staffed to monitor the Property for Rules violations, the Association relies on Residents to identify and report violations of these Rules and the Documents, and to monitor compliance with these Rules by violators. The Association also relies on Residents to help keep each other informed about the Rules. Recognizing that a Resident may be reluctant to confront another Resident about a violation, the Association will work with Residents to enforce the Rules. Generally, a complaint must be in writing and must be signed by a Resident or Owner who is willing to be identified as the complainant. The Association may refuse to enforce a violation (1) that cannot be easily and independently verified, (2) for which it did not receive a signed written complaint, (3) for which the complainant will not cooperate with monitoring the violation and compliance, and (4) which the Board does not consider to be significant or community-wide.

B. OBLIGATIONS OF OWNERS AND RESIDENTS

- B-1. Damage. An Owner is responsible for any loss or damage he causes to his Unit or the improvements therein, other Units and residences, the personal property of other Residents or their guests, or to the Common Elements.
- B-2. Association Does Not Insure. A person assumes full risk and sole responsibility for placing his personal property in or on the Property. Each Resident is solely responsible for insuring his Unit and personal property in the Unit and on the Property, including improvements and betterments installed by the Owner within their Unit, and the Owner's furnishings and vehicles.
- B-3. Risk Management. An Owner may not permit anything to be done or kept in his Unit or the Common Elements that is illegal or that may result in the cancellation of insurance on the Property.
- B-4. Reimbursement for Enforcement. An Owner must promptly reimburse the Association for any expense incurred by the Association to enforce the Documents against the Owner, his Unit, or persons for whom the Owner is responsible.

- B-5. Reimbursement for Damage. An Owner must promptly reimburse the Association for the cost of damage to the Property caused by the negligent or willful conduct of the Owner or persons for whom the Owner is responsible.
- B-6. No Garage Sales. Without the Board's prior written permission, no person may conduct at the Property a sale or activity that is advertised or attractive to the public, such as garage sales, car sales, or estate sales. This section does not apply to marketing the sale or rental of a Unit, unless combined with a prohibited activity.
- B-7. Supervision of Minors. For their own well-being and protection, persons who are legally incompetent or younger than 18 years must be under the general control and supervision of their parents or guardians at all times while on the Property.

C. OCCUPANCY STANDARDS

- C-1. Leases. A Unit may not be leased for less than twelve (12) months from an Owner to the Owner's initial lessee, provided that the initial lease may be extended with the same lessee for a shorter time period, but no less than a thirty (30) day period. Less than the entire Unit may not be leased; provided, however, that this provision may not be interpreted to prohibit leasing to person unrelated to the Owner if the Owner also occupies the Unit. All leases must be made subject to the Declaration, Bylaws and these Rules and an Owner is responsible for providing his tenant with copies of the Declaration, Bylaws and these Rules and notifying him of changes thereto. Each tenant is subject to and must comply with all provisions of the Declaration, Bylaws, these Rules, federal and State laws, and local ordinances. Each lease must be in writing, and the Unit Owner shall provide the Board with a copy of each lease.
- C-2. Minors. Except as permitted by the federal Fair Housing Act Rules, no person under the age of 18 years may occupy a Unit unless he lives with a Resident who is his parent, legal guardian, or designee of his parent or legal guardian. Upon request by the Association, an Owner will provide satisfactory proof of the ages and relationships among the residents of his residence.
- C-3. Danger. As permitted by the federal Fair Housing Act Rules, no Unit may be occupied by a person who constitutes a direct threat to the health or safety of other persons, or whose occupancy would result in substantial physical damage to the property of others.

D. FIRE AND SAFETY

- D-1. Safety. Each Resident is solely responsible for his own safety and for the safety, well-being, and supervision of his guests and any person on the Property to whom the Resident has a duty of care, control, or custody. No Resident shall permit anything to be done or kept in his Unit or on the Common Elements which will result in the cancellation of insurance on any Unit, or any part of the Common Elements or which may be in violation of Applicable Law.

- D-2. Fires. Except for barbecue fires as permitted by these Rules, there may not be any exterior fires on the Property.
- D-3. Barbecue. The Board reserves the right to prohibit or restrict the existence and/or use of all or certain outdoor cooking grills if, in the Board's discretion, a grill constitutes a fire hazard or is unattractive or oversized for the area in which it is kept. On permitted grills: (a) open fires must be supervised at all times; (b) gas tanks must be properly used and maintained; (c) no flames may be higher than the cooking surface; (d) an outdoor cooking grills may not be used near combustible materials; and (d) grills must be located at least ten (10) feet from the residence constructed within the Unit. Notwithstanding the foregoing, all outdoor cooking grills must compile with Applicable Law.
- D-4. Security. The Association may, but is not be obligated to, maintain or support certain activities within the Property designed to make the Property less attractive to intruders than it otherwise might be. The Association, its directors, committees, Members, agents, and employees will not in any way be considered an insurer or guarantor of security within the Property, and may not be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. Each Owner, Resident, guest, and invitee on the Property assumes all risk for loss or damage to his person, to his Unit, to the contents of his Unit, and to any other of his property an the Property. The Association expressly disclaims and disavows any and all representations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any security systems, equipment, or measures recommended, installed, or undertaken within the Property.

E. GENERAL USE AND MAINTENANCE OF UNIT

- E-1. Residential Use. Each Unit must be used solely for residential use, and may not be used for commercial or business purposes, except as permitted in the Declaration. This restriction does not prohibit a Resident from using his Unit for personal, business, or professional pursuits, provided that: (a) the non-residential use is incidental to the Unit's residential use; (b) the use conforms to applicable laws and ordinances; (c) there is no external evidence of the non-residential use; (d) the non-residential use does not entail visits to the Unit by the public, employees, suppliers, or clients; and (e) the non-residential use does not interfere with the use and enjoyment of neighboring Units.
- E-2. Annoyance. A Resident may not use his Unit in a way that: (a) annoys Residents of neighboring Units; (b) reduces the desirability of the Property as a residential community; (c) endangers the health or safety of other Residents; or (d) violates any law or any provision of the Documents.
- E-3. Maintenance. An Owner, at his expense, will maintain his Unit, and Improvements constructed within the Unit, and keep it in good condition and repair. The Board, in its sole discretion, shall determine whether a violation of the maintenance obligations set

forth in this provision has occurred. Such maintenance includes, but is not limited to watering and keeping lawn and garden areas alive, which shall be performed in a timely manner, as determined by the Architectural Reviewer, in its sole discretion.

- E-4. Combustibles. A Resident may not store or maintain, anywhere on the Property – including within a Unit – explosives or materials capable of spontaneous combustion.
- E-5. Report Malfunctions. A Resident will immediately report to the Board his discovery of any leak, break, or malfunction in any portion of the Property which the Association has a duty to maintain. A Resident who fails to promptly report a problem may be deemed negligent, in which case the Owner may be liable for any additional damage caused by the delay.

F. GENERAL USE & MAINTENANCE OF COMMON ELEMENTS

- F-1. Intended Use. Every area and facility in the Property may be used only for its intended and obvious use. For example, streets, walkways, sidewalks, and driveways are used exclusively for purposes of access, not for social congregation or recreation.
- F-2. Grounds. Unless the Board designates otherwise, Residents may not use or abuse the landscaped areas, lawns, beds, and plant materials on the Common Elements.
- F-3. Abandoned Items. No item or object of any type may be stored, placed, or maintained anywhere on the General Common Elements, except by the Board or with the Board's prior written consent. Items of personal property found on General Common Elements are deemed abandoned and may be disposed of by the Board.
- F-4. Outdoor Pool Amenity. The outdoor pool portion of the Regime is referred to as the "Pool Area." The Pool Area is subject to the following Rules, which may change at any time and from time to time as determined by the Board:
 - a. The Pool Area is open from 5:00 A.M. TO 10:00 P.M. daily, except for each Monday when the Pool Area will be closed for cleaning. **HOWEVER, HOURS MAY CHANGE AT ANY TIME AND FROM TIME TO TIME AS DETERMINED BY THE BOARD.** The beginning and ending dates for the swim season (Summer only) will be determined by the Board.
 - b. Access to the Pool Area, or any portion of the Pool Area, may be limited from time to time due to occupancy limits, weather, seasons of the year, the condition of the pool and/or club house or maintenance. The Pool Area or any portion thereof is officially closed when a "CLOSED" sign is posted.
 - c. There is always a risk of personal injury when using the pool or the Pool Area. If using the pool be aware that there are **NO LIFEGUARDS. SWIM AT YOUR OWN RISK.** All persons must read and observe all warning signs and rules

posted in the Pool Area. The Association shall not be responsible for any accidents, injuries or loss.

- d. Each Owner or Resident is permitted no more than two (2) non-Owner/Resident guests in the Pool Area at any one time and all guests must be accompanied by an Owner or Resident over the age of eighteen (18) at all times. Guests may be required to register at the time of admission to the Pool Area. As further provided by these Rules, Owners or Residents of Units may obtain prior written consent from the Manager or other person designated by the Board to have more than two (2) non-Owner/Resident guests in the Pool Area at any one time; provided, however, that Owners and Residents of the Units have absolute priority over non-Owner/Resident guests and/or party attendees.
- e. Each Owner or Resident is responsible for cleaning up all trash and other debris occasioned by their use. Trash and debris must be deposited in appropriate trash receptacles.
- f. There shall be no jumping or diving into the pool. There shall be no ball-playing of any kind in the pool. No "somersaults", "back dives", "cannon balls", "preacher seats", "can openers" or similar type entries from the edge of the pool are permitted.
- g. There shall be no boisterous or rough play permitted in the pool or the Pool Area. There shall be no running, jumping, skipping or any movement other than ordinary walking in and around the Pool Area. There shall be no bicycles, skateboards, skates, roller blades (including any wheeled shoes), scooters or other similar equipment or devices permitted in the in the Pool Area.
- h. No pets are allowed within the Pool Area.
- i. No snorkels or facemasks are permitted in the pool; plastic swim goggles are acceptable. Water wings and small floats, *e.g.*, "noodles" are allowed in the pool; surfboards, boogie boards or other hard objects are prohibited in the pool.
- j. No tobacco products of any kind are permitted within the Pool Area. The use of controlled substances is not permitted.
- k. Soft drinks and food items must be consumed in designated areas only and away from the pool. No glass objects or containers of any kind are allowed or permitted in or about the Pool Area.
- l. No weapons of any kind are permitted on any portion of the Common Elements. The discharge of firearms, pellet guns, bow and arrows, slingshots and other hazardous items is prohibited.

- m. Suitable bathing attire is required in the Pool Area, and tee backs (thongs) are not permitted. Cut-offs and street clothes are not considered appropriate swimwear and may not be worn in the pool.
- n. Radios, televisions and the like may be listened to only if played at a sound level which is not offensive to others (in the sole discretion of the Association) in the Pool Area, or shall be operated with headphones.
- o. Any person who is not fully potty-trained or incontinent must wear appropriate waterproof clothing, such as swim diapers or swim pants, when entering or being carried into the pool. **Parents, please check your children's swim diapers several times during your visit to the pool.**
- p. Shoes, clogs, sandals, tennis shoes or other appropriate footwear must be worn at all times while in the Pool Area except when in the pool.
- q. Children under the age of **eighteen (18)** must be accompanied by an Owner or Resident adult at all times while in the Pool Area.
- r. All persons using the pool and deck furniture are required to cover the furniture with a towel when using suntan oils and lotions. Reserving chairs for persons absent from the Pool Area is not permitted. Persons who leave the Pool Area for more than thirty (30) minutes must relinquish lounges and chairs by removing all towels and belongings.
- s. Any conduct deemed by the Association to be dangerous or unwarranted is grounds for a word of caution, a reprimand, or suspension from the Pool Area. **Any individual disciplined repeatedly, or for serious infractions, will lose all pool privileges for the rest of the season.**
- t. At the discretion of the Board, certain time periods may be set aside for specialized activities such as adult swimming, competitions, games, etc.

G. COMMUNITY ETIQUETTE

- G-1. Courtesy. Each Resident will endeavor to use his Unit and the Common Elements in a manner calculated to respect the rights and privileges of other Residents.
- G-2. Annoyance. A Resident will avoid doing or permitting anything to be done that will annoy, harass, embarrass, or inconvenience other Residents or their guests, or the Association's employees and agents.
- G-3. Noise and Odors. Each Resident must exercise reasonable care to avoid making or permitting to be made loud, disturbing, or objectionable noises or noxious odors that are likely to disturb Residents of other Units.

- G-4. Reception Interference. Each Resident will avoid doing or permitting anything to be done that may unreasonably interfere with the television, radio, telephonic, or electronic reception on the Property.

H. VEHICLE RESTRICTIONS

- H-1. Permitted Vehicles. To be permitted on the Property, a vehicle must be operable, and must display a current license tag and inspection sticker. For purposes of these Rules, vehicles include automobiles, motorcycles, motorized bikes, passenger trucks, small vans, and similar passenger vehicles. The following are not permitted on the Property without the Board's consent: trailers, boats, recreational vehicles, buses, large commercial trucks, industrial vehicles. Motorcycles, motorbikes, or other motorized vehicles may not be operated on the Property except to provide transportation to and from a Unit.
- H-2. Repairs. Washing, repairs, restoration, or maintenance (including oil changes) of vehicles is prohibited on the private streets except for emergency repairs, and then only to the extent necessary to enable movement of the vehicle to a repair facility.
- H-3. Nuisances. Each vehicle must be muffled and must be maintained and operated to minimize noise, odor, and oil emissions. Except in cases of an emergency, the use of car horns on the Property between the hours of 9:00 p.m. and 9:00 a.m. are prohibited, and between the hours of 9:00 a.m. and 9:00 p.m., the use of car horns on the Property are discouraged. No vehicle may be kept on the Property if the Board deems it to be unsightly, inoperable, inappropriate, or otherwise violative of these Rules.
- H-4. Obstructions. No vehicle may be parked in a manner that impedes or prevents ready access to the Property, driveways, or parking spaces. No vehicle may obstruct the flow of traffic, constitute a nuisance, or otherwise create a safety hazard. No vehicle may be parked, even temporarily, in fire-lanes or in any area designated as "No Parking."
- H-5. Garages. Because of the shortage of visitor parking within the Property, it is imperative that each Resident use their garage for the parking of vehicles. A Resident with a car must use his garage for routine parking. No garage may be enclosed or used for any purpose that prevents the parking of the maximum number of vehicles for which it was constructed. Garage doors must be kept closed at all times, except when entering or exiting. Residents are not permitted to routinely park vehicles on the driveway within such Resident's Unit unless the garage parking spaces within the Resident's Unit are occupied with other vehicles. Notwithstanding the foregoing, Residents are not permitted to routinely park more than one (1) vehicle over the number of garage parking spaces within the Resident's Unit.
- H-6. Parking. The General Common Element includes a limited number of surface parking spaces (the "Surface Spaces"). The Surface Spaces may only be used for guest parking and may not be used by the Residents of a Unit. Parking within the Surface Spaces is

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limited to a period of no more than twelve (12) consecutive hours unless otherwise approved in advance by the Declarant during the Development Period, and upon expiration or termination of the Development Period, the Board.

I. TRASH DISPOSAL

- I-1. General Duty. Resident will endeavor to keep the Property clean and will dispose of all refuse in receptacles designated specifically by the Association or by the city for that purpose. Residents may NOT litter Common Elements.
- I-2. Trash and Recycling Containers. All trash containers and recycling bins must be labeled with the Unit address. Trash containers and recycling bins must be stored inside the garage of the single-family residence constructed within the Unit and may only be placed on the street, within twenty-four (24) of the designated trash pickup and must be returned to the garage of the single-family residence constructed within the Unit within twelve (12) hours after pick up.
- I-3. Composts. Any compost located within a Unit must be stored within an approved compost structure approved in advance by the Architectural Reviewer.
- I-4. Hazards. Residents may NOT store trash inside or outside his Unit in a manner that may permit the spread of fire, odors, or seepage, or encouragement of vermin. Before discarding coals, ashes, logs, or other materials used in barbecue grills or fireplaces, Residents will ensure that the debris is thoroughly cold.

J. PETS

- J-1. Prohibited Animals. No Resident may keep a dangerous or exotic animal, pit bull terrier, doberman pincher, rottweiler, trained attack dog, or any other animal deemed by the Board to be a potential threat to the well-being of people or other animals. No animal or house pet may be kept, bred, or maintained for any commercial purpose or for food.
- J-2. Indoors/Outdoors. No pet is allowed on Common Elements unless carried or leashed. No pet may be leashed to a stationary object on the Common Elements. Feeding bowls for pets may not be left outside a residence and no feeding of a pet within the Common Elements is allowed. Pets are not allowed in the Pool Area.
- J-3. Disturbance. Pets must be kept in a manner that does not disturb another Resident's rest or peaceful enjoyment of his Unit or the Common Elements. No pet may be permitted to bark, howl, whine, screech, or make other loud noises for extended or repeated periods of time.
- J-4. Damage. Each Resident is responsible for any property damage, injury, or disturbance his pet may cause or inflict. A Resident who keeps a pet on the Property is deemed to

indemnify and agrees to hold harmless the Board, the Association, and other Owners and Residents, from any loss, claim, or liability of any kind or character whatever resulting from any action of his pet or arising by reason of keeping or maintaining the pet on the Property.

- J-5. Pooper Scooper. Each Resident is responsible for the removal of his pet's wastes from the Common Elements. The Board may levy a fine against a Unit and its Owner each time feces are discovered on the Common Elements and attributed to an animal in the custody of that Unit's Resident. Animal waste, including cat litter, must be disposed of only in the trash receptacle serving the Owner's Unit. In addition, an Owner is responsible for promptly removing any pet waste from the yard area within their Unit. If such pet waste is not removed, the Association may suspend Landscape Services provided to the yard area within the Unit. In the event Landscape Services are suspended in accordance with the foregoing, a Unit Owner will not receive a reduction in Regular Assessments or any other Assessment attributable to Landscape Services.
- J-6. Removal. If a Resident or his pet violates these Rules, or if a pet creates a noise, odor, or other disturbance or nuisance, the Resident or person having control of the animal may be given a written notice by the Board to correct the problem. If the problem is not corrected within the time specified in the notice (not less than 10 days), the Resident, upon written notice from the Board, may be required to remove the animal. Each Resident agrees to permanently remove his violating animal from the Property within 10 days after receipt of a removal notice from the Board.

K. ARCHITECTURAL CONTROL

- K-1. Common Elements. Without the prior written consent of the Architectural Reviewer and the Board, a person may not change, decorate, destroy or improve the Common Elements nor do anything to change the appearance of the Common Elements.
- K-2. Prohibited Acts. No Owner or Resident may:
- (a) Post signs, notices or advertisements on the Common Elements or in a Unit if visible from outside his Unit.
 - (b) Place or hang an object in, on, from or above any window, interior window sill, balcony or patio that, in the Board's opinion, detracts from the appearance of the Property.
 - (c) Hang, shake or otherwise display linens, clothing, towels, rugs, shoes, mops, bedding or other similar items from windows, doors, porches, balconies, patios or use the front porch as a storage area.

(d) Erect or install exterior horns, lights, aerials, antennas or other transmitting or receiving equipment, or cause anything to protrude through an exterior wall or roof, except that with the Board's approval of the location and size of an antenna dish, each Owner may install satellite TV and internet provided that the antenna is not visible from the front of the Owner's Unit.

(e) Place decorations other than temporary (no more than four weeks display) holiday decorations on exterior walls or doors, or on the Common Elements.

(f) Paint the exterior walls or trim of their Unit a garish or attention grabbing color that the Association, at its sole discretion, finds to be in conflict with the exterior presentation and color theme of the Property.

K-3. Window Treatments. An Owner may install window treatments inside his Unit, at his sole expense, provided:

(a) Window treatments are limited to drapes, blinds or shutters.

(b) Aluminum foil and reflective window treatments are expressly prohibited.

(c) Window treatments must be maintained in good condition, and must be removed or replaced if they become stained, torn, damaged or otherwise unsightly in the opinion of the Architectural Reviewer and the Board.

K-4. Architectural Reviewer. All proposed improvements and modifications to the Regime must be approved in advance by the Architectural Reviewer in accordance with the Declaration.

L. MISCELLANEOUS

L-1. Right to Hearing. An Owner may request in writing a hearing by the Board regarding an alleged breach of these Rules by the Owner or any person for whom the Owner is responsible. The Board will schedule a hearing within 30 days after receiving the Owner's written request. At the hearing, the Board will consider the facts and circumstances surrounding the alleged violation. The Owner may attend the hearing in person, or may be represented by another person or written communication.

L-2. Contact Information. An Owner who receives mail at any address other than the address of his Unit must maintain with the Association his current mailing address. In addition, an Owner should maintain an email address and contact telephone number with the Association. Notifications of change of name, mailing or email address, or telephone number should be clearly marked as such. All notices required to be sent to Owners by the Documents may be sent to an Owner's most recent email address or mailing address as shown on the records of the Association. If an Owner fails to provide a

forwarding mailing address, the mailing address of that Owner's Unit is deemed effective for purposes of delivery.

- L-3. Revision. These Rules are subject to being revised, replaced, or supplemented, and Owners and Residents are urged to contact the Association to verify the rules currently in effect on any matter of interest. These Rules will remain effective until 10 days after an Owner of each Unit has been given a notice of the amendment or revocation of these Rules.
- L-4. Other Rights. These Rules are in addition to and in no way whatsoever detract from the rights of the Association under the other Documents and the laws of the State of Texas.

ATTACHMENT 4
ASSESSMENT COLLECTION POLICY

The Spicewood Condominiums is a condominium regime created by and subject to the Declaration of Condominium Regime for Spicewood Condominiums, recorded or to be recorded in the Official Public Records of Travis County, Texas, as it may be amended (the "Declaration"). As a condominium regime, the Spicewood Condominiums is also subject to State laws, including Chapter 82 of the Texas Property Code -- the Texas Uniform Condominium Act ("TUCA"). The operation of the Spicewood Condominiums is vested in the Spicewood Condominium Community, Inc. (the "Association"), acting through its board of directors (the "Board"). The Association is empowered to enforce the covenants of the Declaration, including the obligation of owners to pay assessments. In addition to rights and remedies of the Association under the Declaration, TUCA gives the Association, acting through the Board:

1. Authority to adopt and amend rules regulating the collection of delinquent assessments and the application of payments. §82.102(a)(13).
2. Authority to impose interest and late charges for late payments of assessments, and returned check charges. §82.102(a)(12).
3. Authority to adopt and amend rules regulating the termination of utility service to a Unit, the Owner of which is delinquent in the payment of an assessment that is used, in whole or in part, to pay the cost of that utility. §82.102(a)(14).
4. Authority to suspend the voting privileges of or the use of certain general common elements by an Owner delinquent for more than thirty (30) days in the payment of assessments. §82.102(a)(18).
5. A private power of sale to foreclose the assessment lien nonjudicially, subject to a limited right of redemption by the Unit Owner. §82.113.

To establish equitable policies and procedures for the collection of delinquent assessments, the Declarant adopts this policy for the benefit of the Association, as part of the initial project documentation.

SECTION 1. DELINQUENCIES, LATE CHARGES & INTEREST

- 1-A. **Due Date.** An Owner will timely and fully pay Regular Assessments and Special Assessments. Regular Assessments are due and payable quarterly (on the first calendar day of January, April, July, and October) or in such other manner as the Board may designate in its sole and absolute discretion.

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- 1-B. Delinquent. Any assessment that is not fully paid when due is delinquent. When the account of a Unit becomes delinquent, it remains delinquent until paid in full – including collection costs and late fees.
- 1-C. Late Fees & Interest. If the Association does not receive full payment of a Regular Assessment by 5:00 p.m. on the tenth (10th) calendar day of the month, the Association may levy a late fee of \$25 per month and/or interest of ten percent (10%) per annum from the first day of delinquency until the delinquency is paid in full. After the initial month of delinquency, a late fee of \$25 may be charged on the first day of each month the account is delinquent until the account is current.
- 1-D. Liability for Collection Costs. The defaulting Owner is liable to the Association for the cost of title reports, credit reports, certified mail, long distance calls, court costs, filing fees, and other reasonable costs and attorney's fees incurred by the Association in collecting the delinquency.

Users of this document should periodically review statutes and court rulings that may modify or nullify provisions of this document or its enforcement, or may create rights or duties not anticipated by this document.

- 1-E. Insufficient Funds. In addition to any collection charge levied by the Association's manager, the Association may levy a charge of \$25 for any check returned to the Association marked for "insufficient funds" or the equivalent.
- 1-F. Waiver. Properly levied collection costs, late fees, and interest may not be waived by the Board, unless a majority of the directors determines that extraordinary circumstances warrant an adjustment to the account, in which case the adjustment must be described in detail in the minutes of the Board's meeting. Because of the potential for inadvertently effecting a waiver of the policies contained in this policy, the Board will exercise caution in granting adjustments to an Owner's account.

SECTION 2. INSTALLMENTS & ACCELERATION

If a Special Assessment is payable in installments, and if an Owner defaults in the payment of any installment, the Association may declare the entire assessment in default and accelerate the due date on all remaining installments of that assessment. A Special Assessment payable in installments may be accelerated only after the Association gives the Owner at least fifteen (15) days prior notice of the default and the Association's intent to accelerate the unpaid balance if the default is not timely cured. Following acceleration of the indebtedness, the Association has no duty to reinstate the installment program upon partial payment by the Owner.

SECTION 3. PAYMENTS

3-A. Application of Payments. After the Association notifies the Owner of a delinquency and the Owner's liability for late fees or interest, and collection costs, any payment received by the Association will be applied in the following order, starting with the oldest charge in each category, until that category is fully paid, regardless of the amount of payment, notations on checks, and the date the obligations arose:

- | | |
|---|-------------------------------------|
| (1) Collection costs and attorneys fees | (8) Delinquent Utility Assessments |
| (2) Fines | (9) Delinquent Regular Assessments |
| (3) Reimbursable expenses | (10) Current Individual Assessments |
| (4) Late charges and interest | (11) Current Deficiency Assessments |
| (5) Delinquent Individual Assessments | (12) Current Special Assessments |
| (6) Delinquent Deficiency Assessments | (13) Current Utility Assessments |
| (7) Delinquent Special Assessments | (14) Current Regular Assessments |

3-B. Form of Payment. The Association may require that payment of delinquent assessments be made only in the form of cash, cashier's check, or certified funds.

3-C. Partial and Conditioned Payment. The Association may refuse to accept partial payment (i.e., less than the full amount due and payable) and payments to which the payer attaches conditions or directions contrary to the Board's policy for applying payments. The Association's endorsement and deposit of a payment does not constitute acceptance. Instead, acceptance by the Association occurs when the Association posts the payment to the Unit's account. If the Association does not accept the payment at that time, it will promptly refund the payment to the payer. A payment that is not refunded to the payer within thirty (30) days after being deposited by the Association may be deemed accepted as to payment, but not as to words of limitation or instruction accompanying the payment. The acceptance by the Association of partial payment of delinquent assessments does not waive the Association's right to pursue or to continue pursuing its remedies for payment in full of all outstanding obligations.

3-D. Notice of Payment. If the Association receives full payment of the delinquency after recording a notice of lien, the Association will cause a release of notice of lien to be publicly recorded, a copy of which will be sent to the Owner. The Association may require the Owner to prepay the cost of preparing and recording the release.

3-E. Correction of Credit Report. If the Association receives full payment of the delinquency after reporting the defaulting Owner to a credit reporting service, the Association will report receipt of payment to the credit reporting service.

SECTION 4. LIABILITY FOR COLLECTION COSTS

The defaulting Owner is liable to the Association for the cost of title reports, credit reports, certified mail, long distance calls, filing fees, and other reasonable costs and attorney's fees incurred in the collection of the delinquency, which amounts are secured by a lien against the Unit.

SECTION 5. COLLECTION PROCEDURES

- 5-A. Delegation of Collection Procedures. From time to time, the Association may delegate some or all of the collection procedures, as the Board in its sole discretion deems appropriate, to the Association's managing agent, an attorney, or a debt collector.
- 5-B. Delinquency Notices. If the Association has not received full payment of an assessment by the due date, the Association may send one or more written notices of nonpayment to the defaulting Owner, by hand delivery, first class mail, and/or by certified mail, stating the amount delinquent. The Association's delinquency-related correspondence may state that if full payment is not timely received, the Association may pursue any or all of the Association's remedies, at the sole cost and expense of the defaulting Owner.
- 5-C. Collection by Attorney. After giving the Owner notice of the delinquency, the Association may refer the delinquent account to an attorney for collection. In that event, the defaulting Owner will be liable to the Association for its legal fees and expenses.
- 5-D. Verification of Owner Information. The Association may obtain a title report to determine the names of the Owners and the identity of other lienholders, including the mortgage company.
- 5-E. Notification of Mortgage Lender. The Association may notify the mortgage lender of the default obligations.
- 5-F. Notification of Credit Bureau. The Association may report the defaulting Owner to one or more credit reporting services.
- 5-G. Notice of Lien. The Association may cause a notice of the Association's assessment lien against the Unit to be publicly recorded. In that event, a copy of the notice will be sent to the defaulting Owner, and may be sent to his mortgage holder.
- 5-H. Foreclosure of Lien -- Nonjudicially. The Board may instruct an attorney, officer, or agent of the Association to notify the defaulting Owner of the Association's intent to foreclose its assessment lien, to post the property for public auction, and to conduct a public auction of the Unit on the steps of the county courthouse in accordance with State law and the Association's documents. The Board may not foreclose a lien consisting solely of fines or securing money for which the Association has obtained a personal money judgment.

- 5-I. Foreclosure of Lien -- Judicially. The Association may file suit against the Owner for judicial foreclosure of the Association's assessment lien. This action may be combined with a claim against the Owner's personal liability, for recovery of a money judgment.
- 5-J. Suit for Owner's Personal Liability. Whether or not the Association forecloses the Association's assessment lien, the Board may file suit for a personal judgment against the defaulting Owner, and may execute on the judgment.
- 5-K. Possession Following Foreclosure. If the Association purchases the Unit at public auction, the Board may immediately institute actions to recover possession.
- 5-L. Limited Right of Redemption. If the Association buys a Unit at the nonjudicial foreclosure sale of its assessment lien, the Association's ownership is subject to a ninety (90) day right of redemption by the Owner. TUCA's statutory right of redemption does not apply to judicial foreclosures or foreclosures of judgment liens.
- 5-M. Collection Agency. The Board may employ or assign the debt to one or more collection agencies.
- 5-N. Cancellation of Debt. If the Board deems the debt uncollectible, the Board may elect to cancel the debt on the books of the Association, in which case the Association may report the full amount of the forgiven indebtedness to the Internal Revenue Service as income to the defaulting Owner.
- 5-O. Suspension of Use of Certain Facilities or Services. The Association may suspend the use of the Common Element amenities by an Owner, or his tenant, whose account with the Association is delinquent for at least thirty (30) days.

SECTION 6. GENERAL PROVISIONS

- 6-A. Independent Judgment. Notwithstanding the contents of this detailed policy, the officers, directors, manager, and attorney of the Association will exercise their independent, collective, and respective judgment in applying this policy.
- 6-B. Other Rights. This policy is in addition to and does not detract from the rights of the Association to collect assessments under the Association's Documents and the laws of the State of Texas.
- 6-C. Limitations of Interest. The Association, and its officers, directors, managers, and attorneys, intend to conform strictly to the applicable usury laws of the State of Texas. Notwithstanding anything to the contrary in the Documents or any other document or agreement executed or made in connection with this policy, the Association will not in any event be entitled to receive or collect, as interest, a sum greater than the maximum amount permitted by applicable law. If from any circumstances whatsoever, the Association ever receives, collects, or applies as interest a sum in excess of the maximum

rate permitted by law, the excess amount will be applied to the reduction of unpaid special and regular assessments, or reimbursed to the Owner if those assessments are paid in full.

- 6-D. Notices. Unless the Documents, Texas law, or this policy provide otherwise, any notice or other written communication given to an Owner pursuant to this policy will be deemed delivered to the Owner upon depositing same with the U.S. Postal Service, addressed to the Owner at the most recent address shown on the Association's records, or on personal delivery to the Owner. If the Association's records show that two (2) or more persons own a Unit, notice to one co-Owner is deemed notice to all co-Owners. Similarly, notice to one Resident is deemed notice to all Residents. Written communications to the Association, pursuant to this policy, will be deemed given on actual receipt by the Association's president, secretary, managing agent, or attorney.
- 6-E. Definitions. Words and phrases used in this policy have the same meanings given to them by the Declaration.
- 6-F. Amendment of Policy. This policy will remain effective until ten (10) days after the Association delivers to an Owner of each Unit notice of amendment or revocation of this policy. The notice may be published and distributed in an Association newsletter or other community-wide publication.

ATTACHMENT 5

FINE POLICY

1. **Background.** This fine policy is based on the requirements of Sec. 82.102(d) and (e) of TUCA. To establish policies and procedures for fining under TUCA, the Declarant adopts this policy for the benefit of the Association, as part of the initial project documentation.
2. **Policy.** The Association uses fines to discourage violations of the Documents, and to encourage compliance when a violation occurs - not to punish violators or generate revenue for the Association. Although a fine may be an effective and efficient remedy for certain types of violations or violators, it is only one of several methods available to the Association for enforcing the Documents. The Association's use of fines does not interfere with its exercise of other rights and remedies for the same violation. Nor may the Association use fines to the exclusion of other remedies.

DRAFTER'S DICTUM

Users of this document should periodically review statutes and court rulings that may modify or nullify provisions of this document or its enforcement, or may create rights or duties not anticipated by this document.

3. **Owner's Liability.** An Owner is liable for fines levied by the Association for violations of the Documents by the Owner, the Residents of the Unit, and the relatives, guests, employees, and agents of the Owner and Residents. Regardless of who performs the violation, the Association will direct its communications to the Owner, although the Association may send copies of its notices to the Resident.
4. **Violation Notice.** Before levying a fine, the Association will give the Owner a written violation notice via certified mail, return receipt requested, and an opportunity to be heard, if requested by the Owner. This requirement may not be waived. The Association's written violation notice will contain the following items: (1) the date the violation notice is prepared or mailed; (2) a description of the violation or property damage that is the basis for the suspension action, charge, or fine and state any amount due to the Association from the Owner; (3) a reference to the rule or provision that is being violated; (4) a description of the action required to cure the violation; (5) the timeframe in which the violation is required to be cured to avoid the fine or suspension; (6) the amount of the fine; (7) a statement that no later than the thirtieth (30th) day after receiving the notice, the Owner may request a hearing pursuant to Section 82.102 of TUCA; and (8) a statement informing the Owner that they may have special rights or relief related to the enforcement action under federal law, including the Servicemembers

Civil Relief Act (50 U.S.C. app. section et seq), if the Owner is serving on active military duty. The notice sent out pursuant to this paragraph is further subject to the following:

- a. First Violation. If the Owner has not been given notice and a reasonable opportunity to cure the same or similar violation within the preceding twelve (12) months, the notice will state those items set out in (1) – (8) above, along with a specific timeframe by which the violation must be cured to avoid the fine. The notice must state that any future violation of the same rule may result in the levy of a fine.
 - b. Repeat Violation – No Cure within 12 Months. If the Owner has been given notice and a reasonable opportunity to cure the same or similar violation within the preceding twelve (12) months but commits the violation again, the notice will state those items set out in (1) - (3), (6) and (8) above, but will also state that because the Owner has been given notice and a reasonable opportunity to cure the same or similar violation within the preceding twelve (12) months but has not cured the violation, then the Owner will be fined pursuant to the Schedule of Fines described below.
 - c. Continuous Violation. After an Owner has been notified of a violation as set forth herein and assessed fines in the amounts set forth in the Schedule of Fines described below, if the Owner has never cured the violation in response to either the notices or the fines, in its sole discretion, the Board may determine that such a circumstance is a continuous violation which warrants a levy of a fine based upon a daily, monthly, or quarterly amount as determined by the Board.
5. Violation Hearing. If the Owner is entitled to an opportunity to cure the violation, then the Owner has the right to submit a written request to the Association for a hearing before the Board or a committee appointed by the Board to discuss and verify the facts and resolve the matter. To request a hearing, the Owner must submit a written request (the "Request") to the Association's manager (or the Board if there is no manager) within thirty (30) days after receiving the violation notice. The Association must then hold the hearing requested no later than thirty (30) days after the Board receives the Request. The Board must notify the Owner of the date, time, and place of the hearing at least (10) days' before the date of the hearing. The hearing will be scheduled to provide a reasonable opportunity for both the Board and the Owner to attend. The Board or the Owner may request a postponement, and if requested, a postponement shall be granted for a period of not more than ten (10) days. Additional postponements may be granted by agreement of the parties. Notwithstanding the foregoing, the Association may exercise its other rights and remedies as set forth in TUCA. Any hearing before the Board will be held in a closed or executive session of the Board. At the hearing, the Board will consider the facts and circumstances surrounding the violation. The Owner shall attend the hearing in person, but may be represented by another person (i.e., attorney) during the hearing, upon advance written notice to the Board. If an Owner

intends to make an audio recording of the hearing, such Owner's request for hearing shall include a statement noticing the Owner's intent to make an audio recording of the hearing, otherwise, no audio or video recording of the hearing may be made, unless otherwise approved by the Board.

6. Levy of Fine. The Association must notify an Owner of a levied fine or damage charge no later than the thirtieth (30th) day after the date of the levy under Section 82.102(e) of TUCA. A fine levied at a hearing requested by the Owner at which the Owner is present shall satisfy the notice requirement if the Board announces its decision to the Owner at the hearing. Otherwise, any fine or damage charge levied shall be reflected on the Owner's periodic statement of account or delinquency notices so long as such periodic statement or notice is provided to the Owner not later than the thirtieth (30th) day after the date the fine or damage charge is levied by the Board.
7. Amount. The Association may set fine amounts on a case by case basis, provided the fine is reasonable in light of the nature, frequency, and effects of the violation. The Association may establish a schedule of fines for certain types of violations. If circumstances warrant a variance from the schedule, the Board will document the reasons for the variance in the minutes of its meeting. The amount and cumulative total of a fine must be reasonable in comparison to the violation, and should be uniform for similar violations of the same provision of the Documents. If the Association allows fines to accumulate, it will establish a maximum amount for a particular fine, at which point the total fine will be capped.
8. Type of Levy. If the violation is ongoing or continuous, the fine may be levied on a periodic basis (such as daily, monthly, or quarterly). If the violation is not ongoing, but is instead sporadic or periodic, the fine may be levied on a per occurrence basis.
9. Collection of Fines. The Association is not entitled to collect a fine from an Owner to whom it has not given notice and an opportunity to be heard. The Association may not foreclose its assessment lien on a debt consisting solely of fines. The Association may not charge interest or late fees for unpaid fines.
10. Amendment of Policy. This policy may be revoked or amended from time to time by the Board. This policy will remain effective until ten (10) days after the Association delivers to an Owner of each Unit notice of amendment or revocation of this policy. The notice may be published and distributed in an Association newsletter or other community-wide publication.

ATTACHMENT 6

DESIGN GUIDELINES - DECKS & PATIOS

These Design Guidelines – Decks and Patios are established by **Spicewood Springs, LP**, a Texas limited partnership, for the benefit of Spicewood Condominium Community, Inc., a Texas non-profit corporation (the “**Association**”). These Design Guidelines – Decks and Patios are in addition to the provisions of the Declaration (hereinafter defined) and the Bylaws. By owning or occupying a Unit, each Owner and Resident agrees to abide by these Design Guidelines – Decks and Patios.

Terms not otherwise defined herein shall have the meaning ascribed to them in the Declaration of Condominium Regime for Spicewood Condominiums, recorded or to be recorded in the Official Public Records of Travis County, Texas (the “**Declaration**”). The requirements set forth herein may not be a comprehensive list of all items considered by the Architectural Reviewer, and the Association and Architectural Reviewer reserve the right to change, modify, remove or add to this list as individual applications are reviewed and considered.

Architectural Review Process

Submittals

Requests for approval of proposed construction or modification of decks and or patios must be made by submitting an application with plans to the Architectural Reviewer. No deck or patio constructed by the Declarant is required to be approved by the Architectural Reviewer.

Timing

The Architectural Reviewer will attempt to review all applications and submittals within thirty (30) days. In the event that any plans and specifications are submitted to the Architectural Reviewer, and the Architectural Reviewer fails to either approve or reject such plans and specifications within thirty (30) days following such submission, the plans and specifications will be deemed disapproved.

Responsibility for Compliance

An applicant is responsible for ensuring that all of the applicant's representatives, including the applicant's architect, engineer, contractors, subcontractors, and their agents and employees, are aware of these Design Guidelines and all requirements imposed by the Architectural Reviewer as a condition of approval.

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Inspection

Upon completion of all approved work, the Owner must notify the Architectural Reviewer. The Architectural Reviewer may, but shall in no event be obligated, to inspect the work at any time to verify conformance with the approved submittals.

Deck and Patio Requirements:

1. Decks and patio extensions must be permitted by City of Austin and conform with Applicable Law. Contractors used must be licensed and insured. Proof of insurance and construction permits must be submitted to the Association or the Architectural Reviewer upon request.
2. The color scheme of all materials should complement the exterior color scheme of the residences.
3. No solid surfaces are allowed for patio expansions, i.e. no poured concrete or tiled patio extensions. Any patio extension is limited to flagstone made of smooth cut limestone. Patio surfaces originally installed by Declarant may be tiled provided the tile color is kept within the existing exterior color scheme of the residence located on the Unit.
4. Stepping stones elsewhere in the Yard Area shall be made of smooth cut limestone.
5. Decks shall be built of manufactured lumber (like Trex or TemberTech) in neutral colors.
6. Decks and patio extensions are limited to a maximum of 200 sq. ft.
7. Decks and/or patios may (i) extend no more than five feet (5') from the lateral boundaries of the Building constructed within a Unit; (ii) must be setback at least five feet (5') from the rear boundary of the Unit; and (iii) may additionally be subject to City of Austin limits as to setback requirements from the back and/or side Unit lines.
8. Deck surfaces shall be no higher than the surface level of your existing back patio. If elevated supports are needed for a deck, skirting must be added to enclose the exposed elevated sections of the deck. Skirting should be made of similar materials and color as the deck. Corten steel may be used for skirting and/or planters as an alternative to the deck material.
9. Deck railings, benches, planter boxes or other features whether attached to the deck or patio or not should not exceed 36 inches (36") in height from the deck surface. No solid

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railings or continuous solid side walls, even if constructed of detached plant containers, shall be allowed.

10. Any stair railings should be installed in accordance with Applicable Law.
11. No trellis, awnings or roof coverings shall be allowed. Open air decks and patios only. Plants selected for planter boxes must be limited in height and should be planted with non-invasive species as identified by the City of Austin.
12. If an Owner's design causes excessive run-off, erosion or pooling of water in the Owner's Yard Area or the Owner's neighbor's Yard Area, said Owner will bear the responsibility for mitigating and correcting the deck or patio design at the direction of the Association.
13. Modifications to the irrigation system must be planned and made by the licensed irrigation contractor currently maintaining the irrigation system for the Association. Access to irrigation valve boxes must be preserved or relocated. All modifications to the irrigation system must be approved in advance by Architectural Reviewer and the cost of such modifications will be the responsibility of the Unit Owner.
15. Only permanent, low voltage, directional low voltage down-lighting systems are permitted for deck/patio illumination.
16. Grills on decks and patios must be at least ten feet (10') from the house and comply with Applicable Law. No open fires of any kind whether in fire pits or other containers are allowed even if built in as part of the design.
17. When applying for design approval, please provide the following measurements in addition to any other requirements:
 - distance from the edge of the deck to the side fence lines
 - distance to the rear fence line
 - total square footage of deck surface
 - maximum height of planters, benches, privacy landscaping
 - material and color of same to be used
 - details of any changes to the irrigation system including current/proposed location of valve boxes.

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ATTACHMENT 7

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CERTIFICATION & ACKNOWLEDGMENT

As the Declarant of Spicewood Condominiums and the initial and sole member of Spicewood Condominium Community, Inc. (the "Association"), I certify that the foregoing Spicewood Condominiums Community Manual was adopted for the benefit of the Association as part of the initial project documentation for Spicewood Condominiums, located in Austin, Texas. This Community Manual becomes effective when recorded.

SIGNED on this 27th day of August, 2014.

DECLARANT:

SPICEWOOD SPRINGS, LP, a Texas limited partnership

By: _____

Printed Name: Anthony Siela

Title: Managing Member

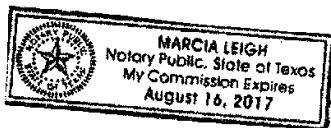
THE STATE OF TEXAS §

COUNTY OF TRAVIS §

This instrument was acknowledged before me this 27th day of August 2014, by Anthony Siela Managing Member of Spicewood Springs, LP, a Texas limited partnership, on behalf of said limited partnership.

(SEAL)

Marcia Leigh
Notary Public Signature



SPICEWOOD CONDOMINIUMS
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**FILED AND RECORDED
OFFICIAL PUBLIC RECORDS**

Dana Debeauvoir

DANA DEBEAUVOIR, COUNTY CLERK
TRAVIS COUNTY, TEXAS

September 05 2014 09:33 AM

FEE: \$ 222.00 2014133437