

Denton County
Juli Luke
County Clerk

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STATE OF TEXAS
COUNTY OF DENTON

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Juli Luke
County Clerk
Denton County, TX

**AMENDED AND RESTATED RULES AND REGULATIONS
FOR
UNION PARK RESIDENTIAL COMMUNITY ASSOCIATION, INC.
("ASSOCIATION")**

**Adopted by
the Board of Directors
September 26, 2019**

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General Provisions

On January 12, 2016, the Board of Directors pursuant to the rule making and rule enforcement authority granted to the Board of Directors pursuant to the Governing Documents established Rules and Regulations for Union Park Residential Community Association, Inc. recorded January 13, 2016 as Document Number 2016-3932 of the Real Property Records of Denton County, Texas (the "Original Regulations").

Pursuant to Section 3.7 of the Declaration and Section 1.14(d) of the Original Regulations, the Board of Directors may amend the Rules and Regulations. The Secretary of the Board of Directors hereby certifies that the contents of this First Amended and Restated Rules and Regulations (these "Regulations") have been approved by the Board of Directors as set forth in Section 1.14(d) of the Original Regulations. This First Amended and Restated Rules and Regulations amends, modifies, supercedes, and restates the Original Regulations.

These Regulations are in addition to the terms, provisions and covenants contained in the other Governing Documents. If there is a conflict among documents, the order of governing authority shall be as set forth in the Declaration. The Board of Directors is empowered to interpret, enforce, amend and repeal these Regulations.

The Association hereby grants a revocable license in favor of the Manager to interface with the Owners, Occupants, and other Persons described in these Regulations to effect the Association rights and obligations set forth herein, but not to grant any waivers, make any decisions or otherwise make any independent elections whatsoever beyond the actions specifically authorized by the Association. If the Association, in its sole and absolute discretion, elects to terminate this license in whole or in part, then immediately upon giving notice to the Manager, the license granted in the immediately preceding sentence shall terminate, and the Association may enforce its rights and obligations hereunder itself or through another designated Person. Any and all rules and requirements contained herein may be supplemented by the Board of Directors and shall become effective upon recording such new Regulations in the Real Property Records.

These Regulations are solely for the benefit of the Manager, Owners, Association, Board of Directors, as well as their successors, assigns and designees and are not for the benefit and may not be relied upon in any manner by any other Person. These Regulations do not intend to include or have enforced, nor shall the Association, Declarant, Manager, Board and each of their respective successors, assigns or Designees include in the future by amendment or supplement or enforce any provision in these Regulations or any other Governing Document that would prohibit or restrict an Owner in any manner in violation of Chapter 202 of the Texas Property Code entitled *Construction and Enforcement of Restrictive Covenants*, as amended, including Sections 202.007 and 202.009.

Rights and obligations of the Association may be exercised by the Association's designees, including the Manager. Any capitalized terms not defined herein shall have the meaning as set forth in the Declaration.

Section 1.1 Definitions.

The following terms are defined for use in these Regulations and those capitalized terms used in these Regulations but not expressly defined herein have the same meaning as defined in the Declaration or any sub-association declaration, as applicable:

"Association." Union Park Residential Community Association, Inc., a Texas nonprofit corporation organized under the Act and created for the purposes and possessing the rights, powers, authority and obligations set forth in the Governing Documents.

"Board of Directors." The Board of Directors of the Association.

"Common Areas." The portions of the Property and Improvements thereon (a) owned by the Association (other than any Lot acquired by the Association through a foreclosure pursuant to Section 6.4 of the Declaration); (b) owned by a Person other than the Association, but in which the Association has rights of use or possession pursuant to a lease, license, easement or other agreement; (c) that the Association is required to operate, manage, maintain or repair pursuant to an agreement with the Association or pursuant to requirements of a Governmental Authority; or (d) any other areas designated as Common Areas by Declarant or Declarant's Affiliates.

"Contractor." Any party performing construction, repair, remodeling or other services for an Owner, Occupant or Association.

"Declarant." Union Park Phase I, LP, a Texas limited partnership, located at 3000 Turtle Creek Blvd, Dallas Texas 75219, and any successor or assignee designated by written notice or assignment executed by the then Declarant; provided, however, to the extent any rights or powers reserved to Declarant are transferred or assigned to the successor or assignee, such Person shall also execute the written notice of assignment.

"Declaration." That certain First Amended and Restated Declaration of Covenants, Conditions and Restrictions for Union Park Residential Community, recorded October 01, 2019 as Document No. 2019-123823 in the Real Property Records of Denton County, Texas, as may be amended from time to time.

"Improvements." Any and all physical structures, facilities, alterations or changes of any type or nature made to or on any portion of the Property, Common Areas and Lots including any buildings, residences, parking lots, parking structures, roadways, driveways, ramps, loading areas, mechanical equipment, utilities, fencing, antennae, walls, screens, landscaping, streetscapes, grading changes, park areas, walkways, bridges, recreational facilities, exterior lighting facilities, drainage structures, curbs, retaining walls and grates existing or in the future placed on any portion of the Property, including all cable television, cellular phone, internet and other utility or communication installations or equipment or any other item visible from the outside of the Residence.

"Legal Requirements." Any restrictive covenants and any other matters of record and any and all then-current judicial decisions, statutes, rulings, rules, regulations, permits, certificates or ordinances of any Governmental Authority in any way applicable to any Owner's use and enjoyment of any portion of the Property or any Lot, including Environmental Laws, zoning ordinances, subdivision and building codes, flood disaster laws and applicable architectural barrier and health laws and regulations.

"Lot." Any plot or tract of land in the Property that is a platted lot as shown on a plat, as may be amended from time to time, approved by the City of Little Elm, and recorded in the Real Property Records other than Common Areas.

"Manager" or "Management Office." The management staff in such staff's offices who are employees or independent contractors of the Association.

"Occupant." Person from time to time entitled to the use and occupancy of any portion of the Improvements on a Lot under an ownership right or any lease, sublease or other similar agreement in accordance with the terms of this Declaration and the Governing Documents.

"OTARD." This term shall have the meaning assigned to such term in Section 1.6(g)(iii) of these Regulations.

"Owner." Any Person (including Builders and Declarant) owning record title to a Lot, but excluding any Person having an interest in a Lot solely as security for an obligation.

"Private Recreational Facilities." Those certain facilities in the Common Areas designated by the Association as available for use only by Owners in good standing, including a recreational center, swimming pools, clubhouses, playgrounds, sports facilities and other recreational activity areas restricted by the Association to use by Owners.

"Property." That certain real property located in the County and more particularly described on Exhibit A attached to the Declaration, together with all and singular the dedications, easements, restrictions and reservations shown or cited on a recorded plat or separate recorded document, the Easements and the rights and appurtenances pertaining thereto, including any Annexed Property as described in the Declaration.

"Public Recreational Facilities." Those certain recreational facilities that are not designated by the Association as Private Recreational Facilities.

"Recreational Facilities." Private Recreational Facilities and Public Recreational Facilities.

"Regulations." These rules and regulations for the Property as the same may be adopted and amended from time to time by the Board, in accordance with the Governing Documents.

"Residence." A residential dwelling constructed on a Lot.

Section 1.2 Compliance.

(a) Compliance. Each Owner, Occupant and all guests and visitors and other Persons using or occupying a Lot belonging to an Owner or any other portion of property within the Property, shall comply with the provisions of the Governing Documents and all Legal Requirements of the Property, any of which may be revised from time to time. Each Owner shall be liable for damages to any Person or property for violations of the Governing Documents, whether the Owner commits the violation or guests, Occupants or other visitors of such Owner commit the violation. The regulations contained within any specific section herein shall not be interpreted to apply to the exclusion of other regulations contained in these Regulations which would logically apply to the same subject matter.

(b) Waiver. Circumstances may warrant waiver or variance of any provision of these Regulations. To obtain a waiver or variance, an Owner must make written application to the Association and/or the Architectural Control Committee, as applicable. The Association and Architectural Control Committee will consider such request and respond to the Owner in accordance with the Governing Documents. If the application is approved, the waiver or variance must be in writing from the Association and/or Architectural Control Committee, whichever is applicable and may be conditioned or otherwise limited. The variance or waiver of any provision of these Regulations by the Association or the Architectural Control Committee for the benefit of any particular Owner shall not be construed as a waiver of any provision of these Regulations in favor of any other Owner, nor shall any such waiver or variance prevent the Association and Architectural Control Committee from thereafter enforcing any provision of these Regulations against any or all of the Owners.

(c) Right to Enforce. The Association and the Architectural Control Committee have the right, not the obligation, to enforce these Regulations against any Person who owns or uses any portion of the Property, Lot, Common Areas or any other portion of real property governed by the Association.

Section 1.3 Obligations of Owners.

(a) Insurance. Each Owner is solely responsible for insuring its Lot and all Improvements thereon in accordance with Article IX of the Declaration, the Governing Documents and all Legal Requirements.

(b) Damage. Subject to the insurance provisions set forth in Article IX of the Declaration, an Owner is responsible for any loss or damage the Owner causes to a Lot and the personal property of other Owners.

(c) Personal Property Insurance. Owners and Occupants assume full risk and sole responsibility for placing insurance on such Owner's and Occupant's personal property. Each Owner is required to carry insurance on their respective personal property in accordance with the insurance provisions set forth in Article IX of the Declaration and the Governing Documents.

(d) Reimbursement for Enforcement. Each Owner shall reimburse the Association for any expense incurred by the Association to enforce the Governing Documents against such Owner or such Owner's Occupant or Owner's guest as provided in the Governing Documents.

(e) No Estate Sales. Without the Association's prior written permission, an Owner or Occupant may not conduct on such Owner's Lot a sale or activity that is advertised or attractive to the public, such as "estate sales," "yard sales" or "garage sales." This Section 1.3(d) does not apply to marketing the sale of an Improvement on a Lot, unless combined with a prohibited activity. Notwithstanding the foregoing, the Association may, but is not obligated to, conduct community garage sale events in accordance with any rules and regulations the Association establishes and publishes for such events.

(f) Landscape and Exterior Maintenance.

(i) Landscaping. Owners shall landscape Lots in accordance with the Architectural Guidelines which set forth the allowed tree and shrub species. All landscaping located on any Lot will be properly maintained, front and back yard, at all times by the Lot Owner. Further, each Owner must maintain an attractive ground cover or lawn on all yards visible from a street, alley or neighboring home, must prevent lawn weeds or grass from exceeding six inches in height, must mow the lawn at regular intervals, must edge street curbs, sidewalks, and driveways at regular intervals, and must promptly remove weeds, lawn clippings, and plant trimmings. Owners must maintain shrubs and trees visible from a street in an attractive manner, must replace plant material as needed to maintain the minimum landscaping requirements set forth in the Architectural Guidelines, must remove dead or dying trees, and must not plant vegetable gardens that are visible from the street. Landscaped areas will be irrigated with complete coverage, so that there are no areas of dead or brown vegetation. Front yard flower beds or planted islands may, in general, be expanded, re-shaped, and/or established, landscape beds must use native and adaptive plants from the approved plant list in the Architectural Guidelines, requiring less water and giving consistency to the landscape palette in the Union Park community. Plastic or artificial flowers or other plant material is prohibited. At least 30% of the available front yard area and corner yard must have landscape bed coverage with the remaining 70% of the yard area being composed of grass or as otherwise set forth in the Architectural Guidelines. Borders of existing flower beds or extension of flower beds and other landscaped areas in front yards, shall consist of metal, fiberglass, masonry or cut rock edging material designed for such purpose. Plastic edging is not permitted in front yard areas. Edging should have a relatively uniform top edge and the use of sharp or exposed edges (such as brick or rock sunk at angles) or loose rock, gravel or stone under 12" in size will not be permitted. The Architectural Control Committee has the ability to exercise sole discretion in this regard as to what constitutes a violation of this Section 1.3(f)(i).

(ii) Front Yard Maintenance. Notwithstanding anything to the contrary contained herein, the Association has the right to perform front yard maintenance as part of the Yard and Alarm Monitoring Services as defined in the Declaration. This maintenance is at the discretion of the Association and will be performed for all Residences in the community with the cost allocated by the Association through the Yard and Alarm Monitoring Assessment (as defined in the Declaration). The Association has the right to

enter a Lot or to hire a contractor to enter a Lot for the purpose of performing the front yard maintenance.

(iii) Exterior Maintenance. All Improvements upon any Lot will at all times be kept in good condition, repaired and adequately maintained by the Lot Owner.

(A) Paint and Trim. Exterior siding and trim must be painted or stained, whichever is applicable, in accordance with the Architectural Guidelines, as often as necessary to prevent cracked, faded or peeling paint. Owners are required to repaint or re-stain exterior portions of an Improvement, if the front, back or side of such Improvement becomes visibly faded, mildewed, chipped, or cracked. No approval from the Architectural Control Committee is necessary if Owner will use the same color of stain or paint currently on the Improvement previously approved by the Architectural Control Committee. If any Improvement, siding or trim was not originally painted, the exterior of same shall be maintained sufficiently so that it appears in good condition.

(B) Roofs and Garages. Roofs must be free from missing shingles and stains and any such missing or stained shingles shall be repaired or replaced, whichever is appropriate for proper repair of the roof. Garage doors must be painted or stained, whichever is applicable, in accordance with the Architectural Guidelines, as often as necessary to prevent cracked or peeling paint and garage doors must be maintained in proper working condition, in good repair with no dents or other obvious damage and be fully functional. No approval from the Architectural Control Committee is necessary if Owner will use the same color of stain or paint currently on the Improvement previously approved by Architectural Control Committee.

(C) Retaining Walls. Maintenance, repair and replacement of retaining walls, when needed, shall be the responsibility of the Lot Owner on the higher side of the land on which the retaining wall resides and shall be performed by such Owner in accordance with the Architectural Guidelines; provided, however, since the retaining walls of lots 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, and 16 in Block A of Union Park Phase 1-A are located fully within the property line of these Lots, the Lot Owner for these Lots shall have the responsibility to maintain, repair and replace the rear retaining walls when needed. The Association has the right but not the obligation to maintain or repair any retaining wall. The cost of the maintenance or repair will be assessed to the Lot Owner on the high side of the wall.

(D) House Numbers. House numbers must be constructed of the original concrete inlay material and placed on the front of the home. Rear entry homes located on an alley must additionally have house numbers no smaller than 4" and no larger than 6" in height placed horizontally above the garage. All numbers must be clear of any obstruction such as shrubs, trees or other objects. Any other type of house numbering will require prior Architectural Control Committee approval.

(E) Failure to Maintain. Failure by an Owner to maintain and repair their Lots and Improvements in accordance with this Section 1.3 (f) shall be considered a violation of and shall be subject to fines as set forth in Article II of these Regulations. Declarant and the Association will have the right, but not the obligation, at any reasonable time to enter upon any Lot to replace, maintain, and cultivate shrubs, trees, grass, or other plantings as deemed necessary and to paint, repair, or otherwise maintain any Improvements, including retaining walls, in need thereof, and to charge the cost thereof to the Lot Owner as set forth in Section 8.2 of the Declaration.

(g) Outdoor Cooking and Other Hazardous Activities. No activities shall be conducted, or Improvements constructed on any Lot or on the Property which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearm or fireworks shall be discharged upon any Lot or other portion of the Property, no open fires shall be lighted

or permitted, including burning of leaves or trash, except as specifically set forth below and within well designed interior fireplaces.

(i) **Fireworks.** Notwithstanding the forgoing, no Person or organization shall use, discharge, cause to be discharged, ignite, detonate, or otherwise set in action any fireworks of any kind, except for fireworks displays arranged and sponsored by the Association and carried out by qualified pyrotechnics technicians. "Fireworks" includes a combustible substance or article designed to produce a visible or audible effect by combustion, explosion, or detonation, such as but not limited to firecrackers, skyrockets, roman candles, squibs, star shells, sparklers, and other devices within the common meaning of "fireworks".

(ii) **Outdoor Cooking Equipment and Fire Elements.** Gas grills, charcoal grills or other types of outdoor cooking equipment ("Outdoor Cooking Equipment") approved by the Architectural Control Committee are permitted and shall be located outdoors in fenced backyard areas and properly placed within a safe distance from other Improvements on a Lot when in use. When not in use, Outdoor Cooking Equipment may be stored in fenced backyard areas not visible from the street or in the garage on an Owner's Lot. Owners shall keep Outdoor Cooking Equipment in good working condition at all times which includes keeping such equipment clean, sturdy and free from gas leaks. Owners shall practice proper care, safety and caution at all times when using any Outdoor Cooking Equipment. Outdoor fireplaces and freestanding outdoor fireplace elements such as fire pits, fire tables, fire bowls and chimineas used for recreational purposes ("Outdoor Fireplaces") may be permitted on Lots subject to the prior review and approval of the Architectural Control Committee and must comply with all Town of Little Elm guidelines. The Architectural Control Committee shall have the absolute and exclusive right, power and authority to i) designate the location of and require certain specifications for any Outdoor Cooking Equipment and Outdoor Fireplace and ii) establish rules for the use and maintenance of the Outdoor Cooking Equipment and Outdoor Fireplaces in addition to those set forth in these Regulations in order to promote fire safety on the Lots and Property. No approved Outdoor Cooking Equipment or Outdoor Fireplace shall be used for any purpose other than that for which it was intended. Burning trash or other material foreign to any Outdoor Fireplace is strictly prohibited.

(h) **Drainage Ways.** All Owners shall properly maintain swales or culverts which are part of the Union Park community drainage system located on their Lots as originally designed by the civil engineer and approved by the local municipality pursuant to any recorded plat of the Property. No Owner shall cause drainage to be impeded, redirected, or diverted in any manner which results in additional drainage from such Owner's Lot onto an adjacent Lot or Common Area. If an Owner fails to properly maintain drainage ways on its Lot or storm drainage flow from its Lot, the Declarant, during the Declarant Control Period or the Association may undertake any reasonably necessary maintenance or remedial action and assess the costs to the appropriate Owners as set forth in Section 8.2 of the Declaration. Trees, landscape beds and plantings are not permitted in the drainage ways.

Section 1.4 Community Etiquette in the Property.

(a) **Courtesy.** Each Owner will endeavor to use such Owner's property and any portion of the Common Areas in a manner calculated to respect the rights and privileges of other Owners and users in the Property. Each Owner and Occupant will refrain from conduct that may reasonably be expected to materially endanger the health or safety, annoy, harass, inconvenience, embarrass or offend the average person or other users of the Common Areas, including employees of the Association, or to reduce the desirability of the Property as a residential and/or mixed-use community. Owners, Occupants, guests and visitors shall abide by all posted rules on the Property set forth by the Association conditioning the use of the Common Areas, including but not limited to the use of the Recreational Facilities.

(b) Visitors. Each Owner will endeavor to inform its guests and visitors of these Regulations and cause such guests to use such Owner's property, the Common Areas, the Recreational Facilities and any portion of any other property within the Property in accordance herewith. As set forth in Section 1.2(a) of these Regulations, each Owner shall be responsible for any damage caused by its guests as a result of a violation committed by such guests.

(c) Code of Conduct. All Owners will conduct themselves in a civil manner when dealing with the Association, Board of Directors and Architectural Control Committee and each of their Designees and other Owners or Occupants. In return, such Owners are due the same courtesy and civility. The following actions are expressly prohibited: (i) verbal abuse; (ii) insults and derogatory name-calling; (iii) cursing; (iv) aggressive or threatening behavior; (v) hostile touching or physical contact; (vi) sexual harassment; (vii) publicly posting correspondence and (viii) phone calls, emails or other communications that are designed by their tone, time or frequency to harass or intimidate.

(d) Employees. An Owner or Occupant may not instruct, direct or supervise, or interfere with the performance of duties by employees or agents of the Association or of other Owners (including the Manager and its employees and agents), unless directed to do so by the Association (with respect to the Association's employees or agents).

(e) No Hiring of Employees. The employees and agents of the Association and Manager are not permitted or authorized to render personal services to Owners and Occupants, including but not limited to performing services such as walking or caring for pets. Owners and Occupants will not request or encourage employees or agents to violate this provision. Emergency situations or requests through the Manager for staff assistance, at such Owner's or Occupant's expense, should be addressed directly to the Manager.

(f) Communications among Owners. The Association balances the right of members of the Association to communicate with each other against the desire of Persons to be free of uninvited solicitations and misleading communications. To achieve that balance, oral and written communications that are intended for delivery to more than one Owner are subject to this Section 1.4(f).

(i) Without the Board of Directors' prior written permission, Owners, Occupants and other Persons may not communicate with other Owners and Occupants in a manner that may give the impression of having been approved or sanctioned by the Association. In communicating with Owners and Occupants, the issuer should identify himself and state that the communication has not been sanctioned by the Association.

(ii) Without the Board of Directors' prior written permission, Owners, Occupants and other Persons may not distribute handbills, flyers, brochures or hand deliver written communications to mailboxes, Residence doors or car windshields within the Property.

(iii) Without the Board of Directors' prior written permission, Owners, Occupants and other Persons may not solicit information, endorsements or money from other Owners or Occupants, or circulate petitions, except via the U.S. mail.

(iv) Without the Board of Directors' prior written permission, Owners, Occupants and other Persons may not conduct business or perform activities with the intent to profit from use of the Common Areas or Recreational Facilities.

(g) Reception Interference. Owners and Occupants will avoid doing or permitting any action, activity or equipment that may unreasonably interfere with the television, radio, telephonic or electronic reception on other Lots, Common Areas, Recreational Facilities or other applicable areas within the Property.

(h) Parks, Trails and Wildlife. The parks, creeks, greenways, trail areas, and other Common Areas or Recreational Facilities of the Property are habitat areas for numerous species of animals, reptiles and insects. Users of these areas are advised to exercise caution and vigilance in the use of such areas as they may encounter wildlife. Users of these areas shall also exercise care not to damage or destroy natural habitat areas for wildlife. The following rules apply to trails and surrounding open spaces areas on the Property:

(i) All pets must be on a leash and pet waste must be removed and deposited in pet waste receptacles provided on the Property;

(ii) No motorized vehicles are allowed in or on the trail areas including but not limited to golf carts, motorized scooters or motorcycles. Motorized wheel chairs are permitted;

(iii) Littering, dumping, firearms, loud speakers and music are prohibited, unless approved in advance in writing by the Association;

(iv) No fires of any type, including ground fires and contained wood or charcoal fires are permitted, unless approved in advance in writing by the Association;

(v) No soliciting is allowed, and no service or item may be rented or sold or offered to sell except as set forth in a concession contract approved by the Board;

(vi) Trail use is limited to running, walking and biking, and non-motorized scooters. Sledding is not allowed. Safety and caution must be exercised at all times and bikes must yield to all other trail users;

(iv) Trails and adjacent open space areas are open from Sunrise to 10:00 pm;

(vii) Golfing is not permitted on park or common area property; and

(viii) In emergency situations, Owners shall call 911.

(i) Smoking. All types of smoking are prohibited in the Private Recreational Facilities.

(j) Nuisance. No Owner, Occupant or any other Person shall cause a nuisance within the Property including acts or conditions which i) unreasonably interfere with other Owners' use and enjoyment of their Lots, the Common Areas, the Recreational Facilities and the Property, or ii) impair the condition, value and desirability of Lots, the Common Areas, the Recreational Facilities and the Property. Nuisances include, but are not limited to:

(i) Exterior Lighting. Light sources on a Lot shall not be obtrusive, cause spillover light onto neighboring Lots or create a glare onto neighboring Lots or any other portion of the Property. Lighting installed on a Lot shall be of the same nature as and consistent with residential lighting standards common to residential properties comparable to Residences in the Property.

(ii) Noise and Odors. Subject to the provisions of these Regulations allowing construction, Owners and Occupants will exercise reasonable care to avoid making or creating loud, disturbing or objectionable noises or noxious odors that are likely to disturb other Owners. The Association may permit certain events and concerts in the Common Areas or Recreational Facilities which may create loud noises.

(iii) Rubbish and Debris. No rubbish or debris shall be placed, permitted to accumulate or create odor on a Lot or any portion of the Property so as to render any portion of a Lot or the Property as unsanitary, unsightly, offensive or detrimental to any other portion of the Property or Owners.

(iv) **Devices.** No Owner is permitted to operate any remote-control devices that create a nuisance or violate the privacy of other Owners or the Association.

(v) **Storage.** No items shall be stored on front porches, driveways, side yards or where visible from the street. Prohibited items include but are not limited to bricks, stone, mulch bags, stone, toys, boats, furniture, grills, tools or equipment.

Section 1.5 Leases.

(a) **Leasing of Residences.** Each Owner may lease its Residence. No residence shall be rented or leased for hotel or transient purposes. A lease of a period of time of less than six (6) months shall be deemed for transient purposes.

(b) **Subject to Documents.** The mere execution of a lease for a Residence subjects Occupants and related Persons to all pertinent provisions of the Governing Documents to the same extent as if such Occupant and Persons were an Owner; provided that, and notwithstanding the foregoing or any provision of the lease between an Owner and its Occupant, an Owner shall not be relieved of any obligation under the Governing Documents and shall remain primarily liable under and pursuant to the Governing Documents. The Owner is responsible for providing such Owner's Occupant with the Governing Documents and notifying such Occupant of any changes. The Association shall have no duty to notify Occupants concerning any Legal Requirement. The Association may, but is not obligated to, send notices of violations by an Occupant to both the Occupant and to the Owner. Whether or not it is so stated in the lease, an Occupant's violation of the Governing Documents is deemed to be a material default of the lease for which Owner has all available remedies at law or equity.

(c) **Occupant Communications.** Owners shall instruct their Occupants to channel all communications to the Owner, except in cases of emergency matters which shall be directed by the Occupant to the Manager.

(d) **For Lease Signs.** No sign may advertise any Lot within the Property for lease or for rent, including signs displayed in the window of any Residence or vehicle.

Section 1.6 General Use of Lots.

(a) **Lots.** The uses allowed in the Property for various Lots shall be in accordance with Article III of the Declaration and any other portion of the Governing Documents, as applicable.

(b) **Temporary and Accessory Structures.** No temporary dwelling, shop, trailer, boat, mobile home, any improvement of a temporary nature or accessory structure including but not limited to play structures, dog houses and storage sheds shall be permitted on a Lot without the prior written approval of the Association or Architectural Control Committee, as applicable. Notwithstanding the foregoing, certain structures may be permitted in accordance with those terms and conditions related thereto specifically set forth in the Architectural Guidelines, as amended from time to time.

(i) **Sheds.** Sheds must be located behind a 6' cedar fence, not exceed 8' overall height and limited to 100 square feet. Exterior materials are limited to wood or cedar (metal and plastic sheds are not allowed). Lots that already have a playhouse or gazebo will not be allowed to have a storage shed. The shed must have a pitched roof and shingles similar to that of the main house. Sheds must have a minimum of 5' clearance from other structures or property lines. For corner lots, sheds must have a minimum 5' clearance from any fence line facing the street.

(c) **Water Features.** Before installation of fountains, ponds, pools, hot tubs, spas, whirlpools or Jacuzzis (portable or permanently installed), an Owner must obtain prior written approval of the Architectural

Control Committee pursuant to Article XII of the Declaration. This rule does not apply to customary in home bathtub fixtures installed pursuant to all applicable Legal Requirements.

(i) Pools/Spas/Hot Tubs. All pools, spas and hot tubs are to be located in side or rear yards and abide by Town of Little Elm guidelines. Pool, spa and hot tub equipment must be enclosed within a 6' fence. Above ground, masonry block, vinyl lined, and low hung vinyl lined pools will not be approved. Pool, spa or hot tub drainage must be routed into the sanitary sewer line. Under no circumstances is surface deck or overspill drainage permitted to drain into a concentrated drain source (i.e., pvc pipe) into streets, neighboring properties, or "natural area". Improvements must have a minimum 5' clearance from other structures or property lines. Height of water features cannot exceed 4'. Exposed areas must be screened with landscaping or faced with an acceptable material.

(d) Commercial Activities. No professional, business, or commercial activity to which the general public is invited shall be conducted on any residential Lot. Notwithstanding the foregoing, an Owner or Occupant of a Residence may conduct business activities within a Residence so long as: (1) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Residence; (2) the business activity conforms to all zoning requirements; (3) the business activity does not involve door-to-door solicitation of Owners within the Property; (4) the business does not, in the Board's judgment, generate a level of vehicular or pedestrian traffic or a number of vehicles parked within the Property which is noticeably greater than that which is typical of Residences in which no business activity is being conducted; and (5) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten or affect the security, safety, or quiet enjoyment of other residents in the Property as may be determined in the sole discretion of the Board. This subsection shall not apply to any activity conducted by the Declarant or an Owner engaged in the business of constructing a Residence for resale to a third party. Declarant, in connection with its development of the Property and sale of Lots, shall have the right to maintain on any Lot or Lot(s) model homes, temporary or permanent sales and marketing centers and offices, construction trailers, concrete, washout lots and conduct open houses or other marketing events, to which the general public may be invited until such Lot is purchased by an individual who intends to reside thereon.

(e) Water Cut-Off. Except as allowed by the Governing Documents or in the case of an emergency, no Owner or other Person may interfere with or interrupt the water lines in the Property, including water lines to any Lot, without the prior knowledge and cooperation of the Association.

(f) Report Malfunctions. An Owner shall immediately upon discovery, report any leak, break or malfunction in the Common Areas, Recreational Facilities, portion of its Lot that may affect other Lots or any other portion of the Property to the Manager and the Manager shall communicate with such Owner and any other Owners such leaks, breaks, malfunctions or other repair needs as may be appropriate to effectuate the proper repair.

(g) Cable/Satellite.

(i) An Owner who subscribes directly to cable or satellite service is solely responsible for the cost and maintenance of the subscription and the appurtenant equipment; provided that no antennas or satellite dishes may be installed except in compliance with these Regulations.

(ii) The Association and Manager shall not prohibit the installation, maintenance or use of antennas used to receive those video programming or fixed wireless services described in the Over-the-Air Reception Device Rule ("OTARD") adopted by the Federal Communications Commission with written approval from the Architectural Control Committee. An Owner shall be permitted to install or maintain an antenna permitted by OTARD must be located within those areas of such Owner's Lot that

are in Owner's exclusive use and control, subject to reasonable safety rules established by the Association from time to time; provided, however, that no such antenna or related structures shall be erected on or fastened to any area other than on the Improvement itself and in such a manner to minimize visual intrusion from the street or any adjacent Lot. Any uncertainty as to the proper placement of antenna or related structures should be addressed by referring to the Architectural Guidelines, as amended or inquiry to the Architectural Control Committee. Any alternative antennas, including radio antennas, must be placed within the boundaries of the Owners fence line may not exceed two feet in height over the fence line.

(h) Signage; Advertising. Subject to the provisions of any permitted easements in the Property and the Signage rights set forth in the Declaration, no sign, advertisement or notice shall be inscribed, painted, affixed or placed on any Lot or Improvement within the Property. Notwithstanding the foregoing, the following signage is allowed:

(i) For Sale Signs. An Owner may erect one sign not more than six square feet advertising the Lot for sale. As set forth in Section 1.5(d) of these Regulations, signs for the lease or rent of all or any portion of a Lot within the Property are strictly prohibited. Open house directional and similar signs placed in the common area or road right-of-way are strictly prohibited.

(ii) Declarant and Builders. Signs or billboards may be erected by the Declarant or any Builder as mutually agreed to between Declarant and Builder.

(iii) Political Signs. Political signs may be erected upon a Lot by the Owner of such Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal, up to one sign for each candidate, party, issue or proposal, provided that such signs shall not be erected more than 90 days in advance of the election to which they pertain and are removed within 15 days after the election. Political Signs may not be more than three feet by five feet and may not be attached to a structure.

(iv) For Lease Signs. No sign may advertise any Lot within the Property for lease or for rent, including signs displayed in the window of any Residence or vehicle.

(i) Holiday Decorations. Owners of Lots may display religious, cultural, and holiday decorations subject to the Association's right to regulate the time, place and manner of displays that are visible from the street which right shall be exercised in strict accordance with the Act. Holiday decorations, including lighting displays, are permitted inside windows, on the exterior of homes, and on front yards, provided: (i) they are to scale or proportionate to the size and setback of the homes; (ii) they do not create a noise, appearance, or light disturbance for other Lot Owners; (iii) they are appropriate for the holiday; (iv) they are installed no earlier than thirty days before the holiday and are removed within seven days after the holiday, except that Christmas decorations may be maintained from Thanksgiving to January 15 of each year and Fall decorations may be maintained from October 1 to December 1.

(j) Screening. The following items must be screened from the view of the street and neighboring Lots and Residences, if any of these items exist on the Lot (i) air conditioning equipment; (ii) satellite reception equipment; (iii) clotheslines, drying racks, and hanging clothes, linens, rugs, or textiles of any kind; (iv) yard maintenance equipment; (v) wood piles, compost piles, stone or brick; (vi) garbage cans and refuse containers; (vii) rain barrels; (viii) outdoor cooking equipment and (xi) anything determined by the Board, Association or Manager to be unsightly or inappropriate for the Property. Screening may be achieved with fencing or otherwise pursuant to and in accordance with the Architectural Guidelines. Fences used for screening must be stained the color approved by the Architectural Control Committee, constructed to match the back and side yard fence and be maintained in good condition. "Screened from view" means the view of any person from a passenger vehicle

driving on a street or alley or the view of a person of average height standing in the middle of the yard of an adjoining Lot.

(k) Window Air Conditioning Units. No window heating or air conditioning units shall be installed within any Improvement.

(l) Trash Disposal.

(i) General Duty. Owners, Occupants and all Persons will endeavor to keep the Lots, Common Areas, Recreational Facilities and all property within the Property clean, will dispose of all refuse and trash (except as set forth in these Regulations) in receptacles for that purpose, will not litter any property, will place lighted or smoldering items, including cigarettes where smoking is permitted, only in designated containers (and not in general trash receptacles) and will not store trash in a manner that unreasonably permits the spread of fire, odors or seepage or encouragement of vermin. If the Association shall provide or designate a service for picking up refuse and garbage, the cost and expense of such service shall be payable by the Owners pursuant to the Budget as set forth in the Declaration.

(ii) Trash Can Storage. Recycling and trash collection containers shall be stored within the garage or hidden from view from the street or neighboring Lot subject to the specific times allowed placed out for trash collection set forth below. A 4'-6' screening fence may be constructed, with Architectural Control Committee or Association approval, along the side yard to allow the Owner to store trash containers outside the garage. The screening fence must be constructed and stained to match the horizontal plank fence of the Residence.

(iii) Rear entry Lots may store collection containers outside the garage so long as the cans are not stored in the alley right of way or are visible from the street.

(iv) Specific Rules. Owners and all Persons must place trash in a sealed or tied container or bag before putting it in the trash receptacle specified by the waste collection service designated for the Property. Trash receptacles may not be placed out for pick up before 6:00 p.m. the day prior to trash pick-up and must be properly stored by end of day on the designated trash day. Trash receptacles may not be left out on any other day for any other reason.

(m) Yard Decor.

(i) All portions of a Lot that are visible from the street or from neighboring Lots, including yards, porches, entry areas, sidewalks, driveways, windows, window sills, chimneys (hereinafter collectively referred to in this Section 1.6(m) as the "Yard") are subject to the Architectural Guidelines in addition to the Architectural Control Committee's review of (including without limitation) the shape of pruned shrubs, the number, shapes and uses of flower beds and the integration of objects such as wheelbarrows, boulders, and driftwood into landscaping.

The construction of arbors, patio covers and decks and the use of decorative items, sculptures, fountains, flags or similar type items ("Yard Art") on any portion of the Yard is prohibited without prior written approval of the Architectural Control Committee unless (i) the item is expressly permitted by the Architectural Guidelines or any other Governing Documents, (ii) the item is placed within a fenced portion of the Yard, (iii) the item is no taller than the fence and (iv) the fence blocks the view of the item at street level. Notwithstanding the foregoing, Yard Art shall comply with the following restrictions and any other restrictions established by the Architectural Control Committee: (a) Yard Art is generally discouraged; (b) objects must be tasteful in design as determined by the Association, be of good quality, designed for landscaping use, and of similar and equal compatibility with Yard Art

in similar planned communities to Union Park; (c) in general, objects may not exceed two in number and three feet in height; and (d) objects must be placed within landscaped areas, not in lawn areas.

Notwithstanding the foregoing, patio covers, patio extensions, or exterior additions may be attached to a Residence subject to the Architectural Guidelines, these Regulations, Town of Little Elm permit and if the cover will be visible from a street, alley, Common Area, or neighboring Lot: (a) must be located on a side of a Residence with a privacy fence; (b) must be compatible in scale, design, color and material with the Residence to which it is attached; (c) color must closely match the color of the roof or trim of Residence to which it is attached. No plastic, metal, or fiberglass patio covers are permitted. Improvements may not obstruct the drainage pattern as originally designed by the civil engineer and approved by the local municipality pursuant to any recorded plat of the Property.

(n) Flagpoles. Flagpoles on Lots must be silver or black in color, must be constructed of aluminum and may not exceed the height of the roof or 20 feet, whichever is less. One flagpole that attach to the façade of a Residence is also allowed and shall be subject to those guidelines set forth in Section 1.6(o) and any other guidelines set forth in the Architectural Guidelines. Only one flagpole is allowed per Lot. The location of a flagpole must be approved by the Architectural Control Committee prior to its installation on a Lot. Owners shall comply with Section 1.6(o) of these Regulations with regard to any flags to be flown on a Lot. Owners must make an effort to reduce the sounds that may be produced by flag pole apparatus, if applicable.

(o) Flags. Each Owner has a right to fly certain flags on its Lot. A United States flag, State of Texas flag an official or replica flag of any branch of the United States armed forces, MIA and POW flags are the only flags allowed on a flagpole which is in compliance with Section 1.6(n) and such flags must be displayed in a respectful manner. Flags may not exceed three feet by five feet in size. Flag lighting (if any) shall be directed at the flag and may not cause or be a nuisance to neighboring Lots. All flags must be in good condition and flown in compliance with applicable federal and state laws governing public flags.

(p) Basketball Goals. Permanent basketball goals may be permitted on an Owner's Lot subject to the review and approval of the Architectural Control Committee prior to installation. The Architectural Control Committee may impose limitations on basketball goals and consider several factors in its determination of approval including but not limited to the size and configuration of the Lot on which the basketball goal will be placed, proposed location of the basketball goal, proximity of the basketball goal to neighboring Lots, streets, sidewalks and/or Common Areas and characteristics of the basketball goal (i.e. color, quality, installation, size etc.).

Once a permanent basketball goal is approved for a Lot by the Architectural Control Committee, such basketball goal, related equipment and persons playing basketball, whichever is applicable, shall be required at all times to be:

- (i) Non- Portable (i.e. portable basketball goals are prohibited);
- (ii) Basketball goals shall not be attached to any part of the Residence or fence;
- (iii) Maintained in good repair. If basketball goals become unsafe, unsightly or any other type of nuisance, the Board, in its sole judgment, may require the removal thereof;
- (iv) Comprised of a clear backboard and black pole;
- (v) Prohibited from causing damage to any surrounding Common Areas, landscaping, neighboring Lots, vehicles, structures or signage.

(q) Mining and Drilling. No Owner may conduct mining, drilling, boring, exploring for or removal of oil, gas or other hydrocarbons, minerals of any kind, rocks, stone, sand, gravel, aggregate or earth on any portion of a Lot or other portion of the Property

(r) Driveways and Alleys. The driveway and alley portion of a Lot may not be used for any purpose that interferes with its ongoing use as a route of vehicular access to the garage. Without the Board's prior approval, a driveway or alley may not be used: (i) for storage purposes, including storage of boats, trailers, and inoperable vehicles; or (ii) for repair or restoration of vehicles. Driveways must be maintained free of potholes, cracks, stains and hazards. Personal items may not be stored in a garage in a manner that creates unsafe or hazardous conditions. Owners are highly encouraged to park their vehicles in their garages. Garage doors shall remain closed but remain open for a reasonable period of time during which a residential Owner is on its Lot and is performing routine maintenance to its yard, landscaping and Residence on its Lot; however, in no event shall leaving any such garage doors open contribute to an unsafe environment or compromise the general safety of the Property and neighboring Lots.

(s) Outdoor Lighting. Outdoor light sources on a Lot shall not be obtrusive, cause spillover light onto neighboring Lots or create a glare onto neighboring Lots or any other portion of the Property. Flood lights must be directed away from neighboring Lots. "Barnyard" or sodium vapor lights are not permitted. Colored lighting is not permitted, except as holiday decorations which shall be displayed in accordance with Section 1.6(i) of these Regulations. Tree up-lights should be concealed underground or in shrub masses. Spotlights and floodlights cannot be mounted to the front elevation of the house. Outdoor lighting shall not be directed in a manner which distracts motorists. Lights on posts, located in front yards or visible above the fence lines in back or side yards, are subject to review and approval by the Architectural Control Committee.

(t) Mailboxes.

- i. Individual Mailboxes (single or double mailbox located on the property line of the Lot), if permitted, must conform to the standard mailbox design criteria set forth in the Architectural Guidelines.
- ii. Cluster Mailboxes (centralized communal mail delivery equipment) are not owned or maintained by the U.S. Postal Service. Any maintenance or repair of damaged boxes or locks is generally the responsibility of the Association and the individual homeowner. The Association maintains the shell of the mail box unit and is responsible for the repair of the large sized parcel box doors and locks. In the event that any cluster mailbox installed in the Subdivision requires maintenance, replacement or repairs, such maintenance, replacement and/or repairs shall be performed by the Association and the costs and expenses incurred by the Association in connection therewith shall be charged on a pro rata basis (based on the total number of mailbox units within such cluster mailbox) as a special individual assessment to the Owners within the cluster mailbox that has been maintained, repaired and/or replaced. Individual homeowners will need to contact the Aubrey Post Office if repairs to individual locks are needed.
- iii. No individual mailbox or mailbox within a cluster mailbox may be individualized or decorated, and no numbers, names or other symbols or decorations may be added to mailboxes. With or without notice, the Association may remove and replace any numbers, names or other symbols or decorations on a mailbox that does not conform to the Architectural Guidelines and these Regulations and may assess the cost thereof against the Lot or Lots being served by such mailbox.

(u) Occupancy. No thing or structure on a residential Lot may be occupied at any time by any Person,

Owner or Occupant other than a Residence located thereon. The maximum number of people permitted per Residence is two persons per bedroom per dwelling.

(v) Security Cameras. Camera(s) used for personal or property security, the installation must be approved by the Architectural Control Committee with respect to appearance. The camera(s) may not, at any time, be aimed in a manner which will view any other Lot, Property or any portion thereof.

(w) Sidewalks. Sidewalks, including the portions which cross driveways, shall be kept free of obstructions that would prevent normal use of the sidewalks by pedestrians or other permitted users. No persons shall park vehicles or place other obstructions on sidewalks. Sidewalks shall be maintained by Owners and must be maintained free of potholes, cracks, stains and hazards. Each Owner shall maintain and trim trees on its Lot to provide for adequate clearance of sidewalks abutting such Owner's Lot. Branches of trees on an Owner's Lot encroaching upon any sidewalk areas shall be no less than seven feet in vertical alignment from the sidewalk and street at all times.

(x) Display of Religious Items. An Owner or resident may display or attach one or more religious items to the entry to their dwelling. Such items include anything related to any faith that is motivated by the resident's sincere religious belief or tradition and shall be displayed subject to the below guidelines.

- i. Individually or in combination with each other, the items at any entry may not exceed 25 square inches total in size.
- ii. The items may only be displayed on or attached to the entry door or frame and may not extend beyond the outside edge of the door frame.
- iii. To the extent allowed by the Texas state constitution and the United States constitution, any such displayed or affixed religious items may not:
 - a. threaten public health or safety; or
 - b. violate any law; or
 - c. contain language, graphics or any display that is patently offensive to a passerby.

(y) Parking on Streets or Alleys. No trailers, RV's, travel trailers, boats, golf carts or inoperable vehicles are permitted to be parked on the street or in an alley.

Section 1.7 General Use of Common Areas.

(a) Access Cards or Other Access Controls. Admittance to Common Areas may require use of a coded access card, in which case an appropriate card will be issued to Owners, in good standing with the Association, through the Management Office. Access cards are personal to the Owner to whom they are issued and may not be transferred or assigned by Owners except to Occupants or other third parties, provided that such transfer or assignment has been approved by the Management Office and all documentation required by the Owner/Occupant has been completed to the satisfaction of the Manager and submitted to the Management Office. Any Person in possession of an access card will, upon request of the Association produce a valid driver's license or other picture identification. An access card found in the possession of a Person to whom it is not issued will be confiscated. Replacement of a lost or confiscated access card, or the purchase of an additional access card, requires payment of a fee set by the Association or Manager.

(b) Recreational Facilities. The Recreational Facilities are the only recreational facilities in the Property. No other portions of the Common Areas may be used for recreation, sports, exercise or play unless specifically authorized by the Association.

(c) Fire and Safety. Except in the event of a relevant emergency, no Owner, Occupant or Person may use, tamper with, pry open or modify any fire or safety equipment within the Property, including alarms, extinguishers, monitors and self-closing doors. Each Owner and its Occupants must be familiar with fire, safety and evacuation plans.

(d) Common Area Landscaping. No Owner shall harm, mutilate, alter, litter, uproot or remove any of the landscaping work on or within the Common Areas or any other portion of the Property. Digging, planting, pruning and climbing in any landscaped areas in the Property is expressly prohibited.

(e) Guests. Except for Occupants and permitted guests or visitors, a non-Owner may not use the Private Recreational Facilities or any portion of the Common Areas, other than the Public Recreational Facilities, unless accompanied at all times by an Owner. The right of an Owner to share the use of the Private Recreational Facilities with such Owner's guests or visitors is at all times subject to the immediate termination by the Association if the Governing Documents are violated or if such termination is deemed by the Association to be in the Association's best interests. Notwithstanding the foregoing, this Section 1.7(e) does not apply to those recreational areas open to the public.

(f) Disturbances Prohibited. No loud sounds or boisterous conduct is permitted in the Recreational Facilities or Common Areas except for the reasonable use of a radio, television, cd player or similar device, or an organized event planned by the Association.

Section 1.8 Use of Recreational Facilities.

(a) Access to Recreational Facilities. The Association may designate the days, hours of access to and operation of the Recreational Facilities. Owners, Occupants or other authorized Persons using the Recreational Facilities must, at all times, respect the rights and privileges of others using the Recreational Facilities.

(b) Number of Guests. An Owner, at any one time, may not have more than four guests, unless otherwise approved or specified by the Association, using the Private Recreational Facilities and all guests must be accompanied by an Owner at all times. Owners are responsible for any loss or damage caused by their guests. By reservation through the Management Office, functions involving a larger number of guests may be permitted.

(c) Age Restrictions for Health and Safety. In addition to the general requirement that the use of Recreational Facilities by minors or legal incompetents be with the knowledge and consent of their parent or guardian, no individual under the age of 14 years shall be permitted in or around swimming pools that are part of the Private Recreational Facilities at any time unless accompanied by an adult 18 years of age or older. Children who are not toilet trained must wear swim diapers in and around the swimming pools.

(d) Glass Containers Prohibited. Containers made of glass are not permitted at any time in the Private Recreational Facilities or Public Recreational Facilities.

(e) Swimming Pool(s). The rules posted at each swimming pool in the Private Recreational Facilities shall condition the use of such swimming pools at all times unless additional rules are adopted by the Association in accordance with the Governing Documents.

(f) Lakes and Ponds. All Owners shall observe and use any lakes and ponds located on the Property in accordance with those certain regulations enforced by the Texas Parks and Wildlife Department set forth in Title 31 of the Texas Administrative Code, as amended and where applicable and any other posted rules set forth by the Association. Notwithstanding the foregoing no boating and no wading or swimming will be allowed in any lake or pond on the Property. All fishing is catch and release only.

(g) Use of Private Recreational Facilities. The use of Private Recreational Facilities within the Property is limited to Owners, in good standing, Occupants and their guests. Users of the Private Recreational Facilities may be required to furnish identification demonstrating ownership and their right of access.

Section 1.9 Health and Well-Being.

SAFETY DISCLAIMER. CERTAIN PERSONS MAY, BUT ARE NOT 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 BOARD OF DIRECTORS, THE ASSOCIATION, ALL OWNERS, THE MANAGER AND THE DECLARANT AND EACH OF THEIR RESPECTIVE SUCCESSORS, ASSIGNS OR DESIGNEES 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 OR NOT UNDERTAKEN. EACH OWNER, OCCUPANT, PERSON, GUEST AND VISITOR IN THE PROPERTY ASSUMES ALL RISK FOR LOSS OR DAMAGE TO SUCH OWNER, OCCUPANT, PERSON, GUEST AND VISITOR, SUCH OWNER'S LOT, TO THE CONTENTS OF SUCH OWNER'S LOT AND IMPROVEMENTS, AND TO ANY OTHER PROPERTY ON THE PROPERTY. THE BOARD OF DIRECTORS, THE ASSOCIATION, ALL OWNERS, THE MANAGER AND THE DECLARANT AND EACH OF THEIR RESPECTIVE SUCCESSORS, ASSIGNS OR DESIGNEES EXPRESSLY DISCLAIM AND DISAVOW 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.

Section 1.10 Construction and Architectural Control of an Improvement.

(a) Architectural Guidelines. During the Declarant Control Period, the Architectural Guidelines shall contain any procedural or substantive rules, guidelines, criteria, standards and procedures that may be adopted by Declarant, from time to time, regarding the design, standards, development, planning and construction of Improvements and the use or occupancy of the Lots, as the same may be amended from time to time in Declarant's absolute sole discretion.

(b) Prohibited Changes to an Improvement. Except as set forth in the Declaration, without prior written approval of the Architectural Control Committee, an Owner may not construct, add, alter, improve, or make any structural alterations or other modifications to an Improvement. Changes that may be regulated by the Architectural Control Committee include, but are not limited to, paint and stain colors of Improvements, fencing, decorative items outside of the Improvements and window coverings. Any items that are visible from the street, neighboring Lot above a 6' fence, Common Areas or any portion of the Property, including solar screens, are subject to the Architectural Guidelines and may not be changed without the approval of the Architectural Control Committee.

(c) Windows and Doors. All door and window treatments visible from the exterior of an Improvement shall be neutral in color, shall not be foil or screen, and must be in accordance with the Architectural Guidelines or any other applicable guidelines set forth by the Declarant or the Association. Nothing shall be placed on the outside of window sills or portions of any Improvement if such object is not allowed under the Architectural Guidelines or has not been approved by the Architectural Control Committee.

(d) Fencing. All fences that are located on residential Lots, whether shared by one or more residential Lots, shall be maintained by the Owners of such Lots in good condition. Any damage to fencing shall be

promptly repaired by the responsible Owners. In the event of a dispute, the cost of fence repair or replacement shall be split equally between the Owners. Fencing abutting Common Areas and roads not located on residential Lots shall be maintained by the Association unless maintenance has been otherwise delegated to another responsible party or Owner. Any fence changes must comply with the standards set forth in the Architectural Guidelines regarding fence materials, fence stains, fence specifications and fence posts.

(e) Changes to Improvements Exempt from Approval. Painting the exterior of an Improvement in the original paint colors and color scheme for such Improvement, rebuilding an Improvement in accordance with the original approved plans and specifications, or remodeling or repainting the interior of an Improvement does not require approval of the Architectural Control Committee.

(f) Application for Approvals. As part of the application to the Architectural Control Committee for written consent for any alteration or modification covered under this Section 1.10, an Owner must submit to the committee the complete Plans and specifications pursuant to Article XII of the Declaration.

Section 1.11 Vehicle Restrictions.

(a) Authorized Vehicles. Authorized vehicles operating in the Property must be operable and must display a current license tag and current inspection sticker. For purposes of these Regulations, unless otherwise determined by the Association, permitted vehicles include non-commercial automobiles, motorcycles, passenger trucks, small vans, SUVs and similar passenger vehicles.

(b) Motorized Vehicle Prohibitions. Large commercial vehicles, motorized scooters, motorized bicycles, trailers, recreational vehicles, all-terrain vehicles, buses, boats, water craft, aircraft (excluding those permitted for construction activity, delivery or pick up of materials and other reasonable services) and unauthorized machinery or equipment are prohibited on any portion of the Lots, Common Areas, sidewalks, streets or any other portion of the Property. A large commercial vehicle is defined as a vehicle with equipment attached, strapped, or affixed to the exterior of the vehicle, including, but not limited to, storage containers, racks, ladders, pipes; or an unmarked vehicle, which because of its irregular height, length, shape, or weight, is not a conventional private passenger vehicle and is more suited for a commercial purpose. No vehicle shall be parked on any portion of property within the Property other than in designated parking areas for Lots, driveways and appropriate street areas. No lawns or other yard spaces shall be used for parking of automotive vehicles or for parking of other vehicles for which parking is prohibited on driveways or streets. Motorcycles or bicycles may not be chained to buildings, fences or any other part of a Lot, unless such area is designated for that purpose. No servicing or repairs shall be made to any vehicle within the Property, except for emergency repairs as necessary to enable movement of the vehicle to a repair facility. Parking spaces, garages, parking lots and driveways shall only be used for vehicle parking purposes.

(c) Golf Carts. Golf carts are permitted as long as they are in compliance with all Town of Little Elm requirements and are in good repair. Golf carts must be stored in the garage and not visible from the street or alley. Golf carts shall not be parked on the streets or alleys and are not permitted in Private or Public Recreational Facilities, parks, or on trails and sidewalks.

(d) Non-Motorized Vehicle Prohibitions. All non-motorized vehicles (e.g., bicycles, skateboards, rollerblades, boats, trailers, RV's, travel trailers etc.) must be stored in Improvements, approved storage facilities or garages or as otherwise specified by the Association. Non-motorized vehicles may not be stored under house facades or in front or side yards that are visible from the street.

(e) Vehicle Nuisances. Each vehicle operated in the Property must be muffled and must be maintained and operated to minimize noise, odor and oil emissions. The use of car horns is discouraged, except for the judicious use of a horn for right of way. No vehicle may be kept in the Property if the Association deems it to

be unsightly, inoperable, inappropriate or otherwise in violation of these Regulations. A vehicle is considered inoperable if it has no valid/current registration or license plate attached to the vehicle, has environmental indicators such as excessive dirt, spider webs, grass/weed debris surrounding the vehicle, has physical indications of not having been moved, such as flat tires, missing parts (such as doors, mufflers, broken windows, wheels, engine, etc.), resting on jacks/blocks, etc.

(f) Fire Lanes/Obstructions. No vehicle may be parked in a manner that impedes or prevents ready access to any Lot, Common Areas, Recreational Facilities, alleys, mailboxes by mail carriers, cluster mailboxes, fire hydrants by firefighters or other authorized utility service provider, school bus stops by school buses or any other portion of property in the Property including driveways, parking lots, curb cuts designated for use by disabled persons or garages. 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 spaces reserved for others, in fire lanes, alleys or in any area designated as "No Parking."

(g) Violations. A vehicle or non-motorized device in violation of these Regulations may be stickered, wheel-locked, towed or otherwise removed from any portion of property in the Property by the Manager at the vehicle Owner's expense. The Board of Directors, the Association, all Owners, the Manager and the Declarant and each of their respective successors, assigns and Designees expressly disclaim any liability for damage to vehicles occasioned by the exercise of these remedies.

Section 1.12 Pets.

(a) Subject to Regulations. Owners may not keep or permit on any property within the Property an animal of any kind, at any time, except a pet permitted by these Regulations, the Governing Documents and Legal Requirements. Pets may be kept only in Residences.

(b) Permitted Pets. An Owner may keep in such Owner's Residence up to four house pets. Permitted household pets are limited to domesticated dogs, cats, caged birds and aquarium fish. Owners may seek a variance to this Section 1.12(b) from the Association pursuant to Section 1.2(b) of these Regulations.

(c) Prohibited Pets. No dangerous animals (as reasonably determined by the Board of Directors) are allowed to be kept on any Lot within the Property covered by these Regulations. Any animal, which poses a safety or health threat to any Person, Owner or portion of the Property, shall not be allowed on any Lot or on any portion of the Property. Any animal not commonly thought of as a household pet must be removed from the Property. No pet may be kept, bred or maintained for any commercial purpose.

(d) Leashes. Owners must keep pets leashed or carried while on any portion of the Property outside of the Owner's Lot where pets are permitted. No pet is allowed in the Private Recreational Facilities.

(e) Disturbance. Pets must be kept in a manner that does not disturb another Owner's peaceful enjoyment of such Owner's Residence or any Person elsewhere in the Property, outside of the Residences. No pet may be permitted to bark, howl, dig, whine, screech or make other loud noises for extended or repeated periods of time, or to create a nuisance, odor, unreasonable disturbance or noise.

(f) Damage. Each Owner is responsible for any property damage, injury or disturbance such Owner's pet may cause. An Owner who keeps a pet is deemed to indemnify and agrees to hold harmless the Board of Directors, the Association, all other Owners, the Manager and the Declarant and each of their respective successors, assigns or Designees from any loss, claim or liability of any kind or character of whatever nature

resulting from any action of such Owner's pet or arising by reason of keeping or maintaining the pet at the Property.

(g) Dog Walk and Pooper Scooper. Pets must only use designated areas in the Property to relieve themselves. Owners are responsible for the removal of pet waste from all property within the Property. The Association may levy a fine or take other action against an Owner each time feces is discovered on any portion of property within the Property and are attributed to an animal in the custody of such Owner.

(h) Removal. If an Owner or its pet violates these Regulations, the Owner or Person having control of the animal may be given a written notice by the Association to correct the problem. After the first written warning, a fine shall be levied in accordance with Article II of these Regulations. If violations occur repeatedly, the Owner, upon written notice from the Association, may be required to remove the pet, in which event the Owner agrees to permanently remove the violating animal of such Owner from the Property within ten days after receipt of such removal notice.

(i) Compliance. To the extent mandated by Legal Requirements, disabled Owners who are unable to comply with certain provisions of these Regulations because of their disability shall receive a written variance for such provisions from the Association.

Section 1.13 Moving.

(a) Notice. All Owners, Occupants and other Persons must return access cards and similar type items granting access to Common Areas and Recreational Facilities, where applicable, to the Manager upon selling and moving from the Property.

(b) Storage. Any permitted storage devices, also called "PODS", may not be stored in any Common Area, may temporarily be placed on a Lot in designated areas established by the Architectural Control Committee and must be removed from the Property within 30 days from initial delivery.

Section 1.14 Miscellaneous.

(a) Mailing Address. Upon taking ownership of a Lot, each Owner shall provide to the Association and Manager, the address of such Owner's Lot, a current telephone number at which Owner can be reached, a current email address for Owner, if available, and any other information the Association may reasonably request, including but not limited to military status of an Owner in the United States military as authorized under the Service Members Civil Relief Act, if applicable (the "Owner Information"). An Owner who desires to receive mail at an address other than the address of such Owner's Lot is responsible for maintaining with the Association, as applicable, such Owner's singular current mailing address. An Owner who changes such Owner's name or email or mailing address must notify the Association, as applicable, in writing within ten days after the change occurs, and notifications of change of name or change of address should be clearly marked as such. Notwithstanding the foregoing, any changes to Owner Information, other than name, email and mailing address, must be submitted to the Association within a reasonable time after such changes occur. All notices required to be sent to Owners by the Governing Documents will be sent to an Owner's most recent address as shown on the records of the Association. If an Owner fails to provide a forwarding address, the address of such Owner's Lot is deemed effective for purposes of delivery.

(b) No Waiver. The failure of the Association to enforce a provision of these Regulations does not constitute a waiver of the right of the Association to enforce such provision in the future or to treat Owners differently in enforcing these Regulations.

(c) Severability. If any term or provision of these Regulations is held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding will not affect any other term or provision of these Regulations.

(d) Amendment of Regulations. These Regulations may be revised, replaced, amended or supplemented by the Association by a majority vote of the Board of Directors. Owners are urged to contact the Management Office to verify the Regulations currently in effect on any matter of interest. Notwithstanding the foregoing, these Regulations may be amended from time to time by the Board of Directors during the Declarant Control Period during which time period the Association may deliver to each Owner, or publish in a community-wide publication, notice of such change or amendment to these Regulations. An amendment shall be effective upon the recording in the Real Property Records a document setting forth the amendment in full certifying that the contents of the document have been approved as set forth in this Section 1.14(d) of these Regulations.

(e) Complaints. Any complaints about violations of these Regulations shall be made in writing to the Association or the Manager, whichever is applicable, and shall identify the type of infraction and the date of infraction and must be signed by the witness to the infraction. Any additional evidence, such as photographs, can be submitted with any complaint.

(f) Other Rights. These Regulations are in addition to all rights of the Association under the other Governing Documents and the laws of the State of Texas.

(g) Release. All Owners release liability and hold harmless the Board of Directors, the Association, all other Owners, the Manager and the Declarant and each of their respective successors, assigns or Designees from any and all liability, claims, losses and actions arising out of or in connection with the use of any of the Common Areas and Recreational Facilities, and the mere ownership or occupancy of a portion of a Lot, by itself or by any Person shall constitute a full and complete release and indemnification of the Board of Directors, the Association, all other Owners, all other Occupants, the Manager, and the Declarant and each of their respective successors, assigns or Designees arising out of and in connection with any such activities. **THE BOARD OF DIRECTORS, THE ASSOCIATION, ALL OTHER OWNERS, THE MANAGER, AND THE DECLARANT AND EACH OF THEIR RESPECTIVE SUCCESSORS, ASSIGNS AND DESIGNEES EXPRESSLY DISCLAIM AND DISAVOW ANY AND ALL REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF FITNESS OR SAFETY FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY OF THE COMMON AREAS, RECREATIONAL FACILITIES OR ANY PROPERTY ASSOCIATED WITH THE COMMON AREAS OR RECREATIONAL FACILITIES.**

(h) Risk. Each Owner and any other Person that uses the Common Areas, Recreational Facilities, such Owner's Lot and the Improvements thereon shall be at such Owner's own risk. The Common Areas and Recreational Facilities are unattended and unsupervised. **EACH OWNER AND ANY OTHER PERSON IS SOLELY RESPONSIBLE FOR SUCH OWNER'S, GUESTS OF OWNERS OR PERSON'S OWN SAFETY. THE BOARD OF DIRECTORS, THE ASSOCIATION, THE OTHER OWNERS, THE MANAGER AND THE DECLARANT AND EACH OF THEIR RESPECTIVE SUCCESSORS, ASSIGNS OR DESIGNEES DISCLAIM ANY AND ALL LIABILITY OR RESPONSIBILITY FOR PROPERTY DAMAGE, INJURY OR DEATH OCCURRING FROM USE OF THE COMMON AREAS AND THE RECREATIONAL FACILITIES.**

ARTICLE II

Rules Governing Collection and Fining

Section 2.1 Collection Rules and Procedures.

To the extent permitted by the Act, any applicable law and in addition to the collection rules and procedures in the Governing Documents or as otherwise adopted by the Board of Directors:

(a) Insufficient Funds. The Association may levy a charge of \$25 or the actual bank charges, whichever is greater, against an Owner if the check on which payment is made is returned to the Association marked "insufficient funds" or the equivalent.

(b) Collection by Association's Attorney. After giving the Owner and its lenders the requisite notice(s) and opportunity to cure the delinquency and providing the opportunity to participate in the payment plan for delinquent Assessments adopted by the Board of Directors (the "Alternative Assessment Payment Plan"), if such Owner is eligible, 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.

(c) Collection Agency. The Board of Directors may employ a collection agency to assist in collection of the delinquency subject to those restrictions set forth in the Act.

(d) Notification of Credit Bureau. The Association may file a report on the defaulting Owner with one or more credit reporting services subject to any restrictions set forth in the Act.

(e) Notice to Owner. Proper notice and opportunity to cure shall be provided to the Owner and any other lienholder of record for the property relating to the delinquency in accordance with the Act.

(f) 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.

(g) Partial and Conditioned Payment. Except as otherwise set forth in the Alternative Assessment Payment Plan, the Association (with respect to Assessments) may refuse to accept partial payment (i.e. less than the full amount due and payable) and payments to which the payor attaches conditions or directions contrary to the Board of Directors' policy for applying payments. The Association's endorsement and deposit of such payment does not constitute acceptance. Instead, acceptance by the Association occurs when the Association posts such payment to the Owner's account. If the Association does not accept such payment at that time, it will promptly refund such payment to the payor. A payment that is not refunded to the payor within 30 days after being deposited by the Association may be deemed accepted. Except as otherwise set forth in the Alternative Assessment Payment Plan, if applicable, 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 or the Association's right to apply payments in accordance with the Act.

(h) Payment Notification of Credit Reporting Agency. If the Association (with respect to an Assessment) receives full payment of the delinquency after reporting the defaulting Owner to a credit reporting service, the Association will report receipt of payment to that credit reporting service.

(i) Waiver. Properly levied collection costs, late fees, and interest may not be waived by the Board of Directors (with respect to Assessments) unless a majority of the Board of Directors determine 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 of Directors' meeting or in a written consent executed by the requisite number of directors

pursuant to the Bylaws. Because of the potential for inadvertently affecting a waiver of the provisions of this policy, the Board of Directors will exercise extreme caution in granting adjustments to an Owner's account.

Section 2.2 Fining Rules and Procedure.

(a) Policy. The Association uses fines to discourage violations of the Governing Documents and to encourage present and future compliance when a violation does occur. Fines are not intended to punish violators or generate revenue for the Association.

(b) Owners Liable. An Owner is liable for fines levied by the Association for violations of the Governing Documents whether the Owner commits the violation or Occupants, guests or other visitors of such Owner commit the violation. Regardless of who commits the violation, the Association will direct its communications to the Owner, although the Association may also send copies of its notices to the actual violator.

(c) Violation Notice. Before levying a fine, the Association will give the Owner a written violation notice(s) and an opportunity for a hearing in compliance with the Act. The Association's written violation notice(s) will contain the following items: (i) the date the violation notice is mailed or prepared; (ii) a description of the violation; (iii) a reference to the rule being violated; (iv) a description of the action required to cure the violation; (v) the amount of the fine, if applicable; (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 of Directors to contest the fine and (vii) the date the fine attaches or begins accruing.

(d) First Violation. If the Owner was not given proper notice and a reasonable opportunity to cure a similar violation within the preceding six months, the notice will state a specific date by which the violation must be cured to avoid a fine, if the violation is ongoing or continuous. If the violation is not ongoing, but is instead sporadic or periodic, the notice must state that any future violation of the same rule may result in the levy of a fine.

(e) Repeat Violation. In the case of a repeat violation, the notice will state that, because the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six months, the fine attaches from the date of the violation notice.

(f) Right to Hearing. An Owner may request in writing a hearing by the Board of Directors regarding an alleged breach of the Governing Documents. The Board of Directors shall have ten days after receiving the Owner's request for a hearing to give the Owner notice of the time, place and date of the hearing. The hearing must be scheduled for a date within 30 days from the date the Association receives the Owner's request and should be scheduled to provide a reasonable opportunity for the Board of Directors and the Owner to attend. The Owner's request for a hearing suspends only the levy of a fine. The hearing will be held in a closed or executive session of the Board of Directors. At the hearing, the Board of Directors will consider the facts and circumstances surrounding the violation, and the Owner may attend in person or may be represented by another person or written communication.

(g) Committee of Board of Directors. The Board of Directors may appoint a committee comprised solely of directors, and having at least three members, to serve as the Board of Directors at violation hearings. The Board of Directors will be bound by the decision of the Board of Directors committee. Such a committee may be appointed on an ad hoc basis.

(h) Levy of Fine. Within 30 days after levying the fine, the Association must give the Owner notice of the levied fine. If the fine is levied at the hearing at which the Owner is actually present, the notice requirement will be satisfied if the Board of Directors announces its decision to the Owner at the hearing; otherwise, the notice must be in writing.

(i) 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 schedules of fines for certain types of violations. 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 Governing Documents.

(j) Type of Levy. If the violation is ongoing or continuous, the fine may be levied on a periodic basis beginning on the start date. If the violation is not ongoing, but is instead sporadic or periodic, the fine may be levied on a per occurrence basis.

(k) 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.

(l) Effective Date. These fining rules will become effective upon recordation of these Regulations.

(m) Amendment of Policy. These fining rules will remain effective until the Association records an amendment modifying these Regulations in the Real Property Records, adopts a fining policy consistent with these fining rules, or delivers notice to Owners of revocation of these Regulations.

[signature on following page]

Adopted by the Board of Directors pursuant to that certain Consent in Lieu of a Director's Meeting executed by the Board of Directors dated 26, 2019

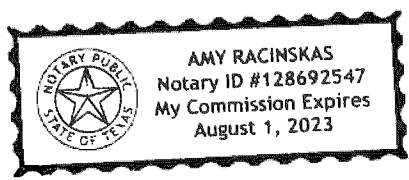
SIGNED this 26th day September 2019.

UNION PARK RESIDENTIAL COMMUNITY ASSOCIATION, INC.

By: Elaine Ford
Name: Elaine Ford
Title: President

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the 26th day of September 2019 by Elaine Ford, President of UNION PARK RESIDENTIAL COMMUNITY ASSOCIATION, INC., a Texas nonprofit corporation, on behalf of said corporation.



Amy Racinkas
Notary Public - State of Texas

AFTER RECORDING RETURN TO:

Hillwood
3000 Turtle Creek Blvd
Dallas, Texas 75219
Attn: Amy Racinkas