



STATE OF TEXAS §

COUNTY OF WILLIAMSON §

Rules and Regulations:
Lakeline Oaks Owners Association, Inc.

The Declaration of Covenants, Conditions and Restrictions Lakeline Oaks was recorded at Volume 2510 Page 0606 of the Official Public Records of Williamson County, Texas, and amended by those certain Notice of Addition of Land to Declaration of Covenants, Conditions, and Restrictions Lakeline Oaks, filed as document Nos. 9921086 & 9927916 of the Official Public Records of Williamson County, Texas (collectively, and with all subsequent amendments, the "Declaration"). Article 5.04(A) of the Declaration and Article 7.1(a) of the Bylaws of Lakeline Oaks Owners Association, Inc. (the "Association") grant the Board of Directors of the Association the power to adopt rules governing the property described in the Declaration. The Board has adopted the following rules:

Section 1. **Governing Documents:** As used herein, the phrase "Governing Documents" shall mean and refer to the Declaration, Bylaws, any rules and regulations, or other governing documents of the Association.

Section 2. **Leasing Homes.** Prior to leasing to a tenant or otherwise leasing the Owner's home to anyone but the Owner and his family, an Owner must exercise due diligence not to lease to tenants or occupants who have a conviction or deferred adjudication history of any crime that may pose a serious potential risk of injury to other residents. This includes, but is not limited to, such crimes as rape, molestation, sexual assault, indecent exposure, indecency with a child, murder, burglary, and kidnapping. It is an Owner's responsibility to determine the best way to exercise that due diligence. As a part of the Owner's due diligence, the Owner must obtain a report based on Texas Department of Public Safety criminal records, as well as take any other actions needed to prudently screen their prospective tenants and occupants for criminal history. (Criminal reports may be purchased from the DPS website at www.txdps.state.tx.us). An Owner must provide proof of such screening upon request of the Board of Directors.

Section 3. **Power to Evict.** The Association shall have a right, but not the obligation, to evict any tenant or any family member or guest of the Owner, if such person is found by the Board to have a history of a crime described in Section 2, above, according to official public records. Additionally, the Association shall have a right, but not the obligation, to evict any tenant or any family member or guest of the Owner if such person is found by the Board to have substantially and repeatedly violated provisions of the Governing Documents regarding noise, nuisances, noxious odors, or other provisions relating to the safe enjoyment of the Property by other Owners and their family, tenants, and guests. In this regard, the Association shall be deemed an "aggrieved party" for eviction suit purposes, and the Association shall be entitled to possession (i.e., dispossession of the particular offending person) of the dwelling subject to the condition that, if the Association does recover possession in an eviction suit, the Association shall upon execution of a writ of possession immediately relinquish possession of the dwelling to the dwelling's Owner and shall not enter the dwelling. The Owner will be responsible for all costs associated with such eviction. Each Owner, by acceptance of a deed to a lot, hereby irrevocably appoints the Association as his attorney-in-fact to terminate the right of occupancy under the lease and evict any tenant or other occupant in the event of an uncured violation. Said attorney-in-fact shall have the right, but not the obligation, to bring such eviction proceeding.

Section 4. **Other Enforcement Powers: Fining.** In the event of a violation of the Governing Documents, the Board of Directors, acting on behalf of the Association, in addition to any other remedies provided by the Governing Documents and State statute or other law, may:

- (A) Suspend or condition the right of an Owner and any tenants, occupants, or guests to use of facilities (including all or part of any common areas) owned, operated, or managed by the Association;

- (B) Suspend an Owner's voting privileges in the Association as a Owner, as further provided in the Declaration and Bylaws;
- (C) Record a notice of non-compliance encumbering a Lot;
- (D) Levy a damage assessment against a Lot Owner and Lot for damages caused to Association property and facilities;
- (E) Levy late fees, collection costs and/or deed restriction enforcement costs (including attorneys fees) against a Lot Owner and Lot;
- (F) Enter upon any Lot to cure a violation, as prescribed under Article 5.04(E) of the Declaration; and
- (G) Assess a one-time or recurring fine against a Lot Owner and Lot for a violation. As a general rule, the Board shall issue the following notices/fines: first -- warning letter with no fine; second -- violation letter with a fine of \$25/week; and third -- violation letter with a fine of \$50/week. This is a general guideline only. The Board has the authority to deviate from this procedure and to set fines at whatever amount it deems appropriate, as determined on a case-by-case basis.

The Association must comply with any notice requirements of state law, including but not limited to section 209 of the Texas Property Code. **Owners are responsible for all violations of the Governing Documents committed by their occupants, tenants, guests, agents and invitees.**

Any amounts charged to an Owner under these procedures may be collected in the same manner as regular assessments under the Declaration, including lien and foreclosure rights to the extent permitted by law.

It is the Owners' responsibility to notify the Association, in writing, when a violation has been cured, so as to stop additional fines from being assessed. Fines may continue to be assessed until the Association receives this notice from the Owner.

Section 5. **Towing.** The Association may cause to be towed any vehicle parked in violation of the Governing Documents, including but not limited to vehicles parked in violation of Articles 3.13 and 3.14 of the Declaration. For purposes of this rule, the term "vehicle" shall be broadly construed, and shall include anything that can be transported or drawn on a public road, except for devices designed to be moved solely by human power (e.g., bicycles).

Note: Article 3.13 of the Declaration provides, in part, "trailers, graders, trucks other than pickups, boats, tractors, campers, wagons, buses, motorcycles, motor scooters, and garden maintenance equipment [located on Lots] shall be kept at all times except when in actual use, in enclosed structures or screened from view...Lot Owners shall not keep more than two (2) automobiles in such manner as to be visible from any other portion of the Property for any period in excess of seventy-two (72) hours. No automobiles or other vehicles may be parked overnight on any roadway within the Property." For purposes of interpreting this Article 3.13, a vehicle is deemed to be "parked overnight" if it is parked on a roadway at any time between the hours of 1:00 a.m. and 6:00 a.m.

Note: Article 3.14 of the Declaration provides, "No mobile homes shall be parked or placed on any Lot or used as a residence, either temporary or permanent, at any time, and no motor homes, travel trailers or recreational vehicles shall be parked on or near any Lot so as to be visible from adjoining property or from public or private thoroughfares at any time."

Section 6. **Sidewalks.** Sidewalks, including any portion of sidewalk that intersects a driveway, shall be kept free from obstruction at all time. This rule includes, but is not limited to, a prohibition on parking any vehicle and/or placing any object or material on or over any portion of sidewalk.

Section 7. **Attorneys Fees.** The Association may assess reasonable attorneys fees to an Owner's account for expenses related to nonpayment of amounts due or other violations of the Governing Documents.

Section 8. Non Waiver. The failure of the Association to enforce any provisions of the Governing Documents shall not constitute a waiver of the right to enforce the same thereafter. All remedies provided under the Governing Documents and State statute or other law are cumulative and not exclusive.

Section 9. Payments. The Association, in its discretion and without notice to the Owners, may apply amounts received from Owners to non-assessment items or other amounts due and owing the Association, regardless of Owners' notations on checks or otherwise. The Association may at any time and without prior notice require payments to be made in cash or certified funds.

AGREED TO and ADOPTED this 5TH day of February, 2006.

Lakeline Oaks Owners Association, Inc.

By: [Signature]

Title: PRESIDENT

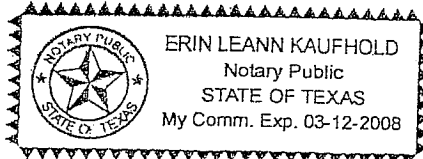
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This instrument was acknowledged before me on February 5, 2007 by Lila Lyckman

Erin Leann Kaufhold
Notary Public for the State of Texas
Printed name of notary Erin Leann Kaufhold
My commission expires 3-12-2008

After recording, please return to:
Niemann & Niemann, L.L.P.
1122 Colorado St., Suite 313
Austin, Texas 78701



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Nancy E. Rister

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PHERBRICH \$28.00

NANCY E. RISTER, COUNTY CLERK
WILLIAMSON COUNTY, TEXAS

RECEIVED
FEB 09 2007
By _____

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FEB 16 2007
By _____