

LAKELINE OAKS HOMEOWNERS ASSOCIATION, INC.

c/o GOODWIN MANAGEMENT, INC.

11149 Research Blvd., Suite 100, Austin, TX 78759-5227

Voice (512) 852-7922 Cell (512) 608-3708 Fax (512) 346-4873

Celeste.Schulz@Goodwintx.com

Dear Lakeline Oaks Homeowner,

The Lakeline Oaks Homeowners' Association (HOA) Board of Directors (BOD) made the official decision to have Goodwin Management cease carrying out property inspections starting November 2010 and switched to Williamson-Travis County Municipal Utility District (MUD) #1's deed restriction (DR) process. This was to reduce our HOA costs as our MUD taxes were already paying for this service that the MUD was conducting. We were able to reduce our annual dues without a complete drop in service (e.g., receiving violation letters with no photos, but provided upon request).

There are additional benefits by going this route. The MUD offers an off hours inspector that looks for violations in the times that RealManage's inspector is unavailable, which is outside the hours of 9 AM-5 PM and on weekends. RealManage is the MUD's own property management company. Also, the MUD has a less difficult and more effective process in collecting fines by adding them to the MUD bill and turning off the water when the bill is not paid in full. Thirdly, the MUD provides an attorney to pursue issues, such as if a homeowner chooses to pay the fine rather than correct the problem.

The purpose of this meeting, which is scheduled for **Thursday, February 24th, 2011, at The Park at Lakeline Oaks Building (1000 Old Mill Rd.) starting at 7:00 PM**, is to allow residents to provide input on the DR's. Unsightly articles change over time and interpretations can as well. Please note that none of these will be set in stone after the meeting. Some items that have come up recently are overnight street parking and business vehicles with the latter including vehicles with business signs, scaffolding, ladders, and similar appearance.

Documents that involve deed restrictions can be found in the Documents Section of our website at www.lakelineoaks.org or by contacting Celeste Schulz (celeste.schulz@goodwintx.com; 512-852-7922) at Goodwin Management:

LLO Deed Restrictions
LLO Amended Deed Restrictions
Unsightly Articles List

If you cannot make it to the meeting, but want to communicate your questions and comments, please e-mail the BOD at bod@lakelineoaks.org.

Sincerely,

The Lakeline Oaks Homeowners' Association Board of Directors

Dear Homeowner,

Attached is a copy of additions made to the Lakeline Oaks Owners Association Declaration of Covenants, Conditions and Restrictions on February 5th, 2007 by the Lakeline Oaks Board of Directors. Also attached is the Associations current list of "unsightly articles".

Please read through these documents carefully and file them with your copy of the Lakeline Oaks Owners Association Declaraton of Covenants, Conditions and Restrictions.

The Board is tightening enforcement in some areas in order to be more effective in curbing violations. The Association will be suspending the use of facilities and/or voting privileges, levying fines, and towing vehicles for repeated failure to comply with the restrictions. The Association will be enforcing its right to request due diligence on the part of an owner leasing to a tenant.

The HOA Board has amended the fining policy. For an initial violation the Homeowner will receive a notice to address the problem within 10 days. Failure to correct the issue or make arrangements with the Board to correct the issue within 10 days will result in a second notice to the homeowner and a \$50/day fine. Failure to correct the issue or make arrangements with the Board to correct the issue within 10 more days will result in a third notice to the homeowner and a \$100/day fine (20 days after the initial violation letter). The Board will be classifying violations as either "Minor" or "Major". For a "Major" violation the Homeowner will receive ONE (1) initial violation letter, ONE (1) 2nd violation letter with a \$50/day fine, and ALL future occurrences will result in a violation letter and a \$100/day fine. The violation process does not restart for a Major violation. It is the Homeowners responsibility to notify the Association's Management Company, Goodwin, when a violation has been corrected to stop the fining process.

The HOA Board will apply all money provided to the Association by a Homeowner against any outstanding fines for their property first and any remaining money will be applied to the Homeowners Association dues.

Contact Lakeline Oaks Manager, Goodwin, or the Lakeline Oaks Board of Directors with any questions or concerns.

*Sincerely,
Lakeline Oaks Board of Directors*

ACC Guidelines

The ACC has interpreted the phrase "except when in actual use" herein to mean that such boats, trailers and other items referenced in Article 3.13 of the deed restrictions, must be actively used, for example, run, transported, loaded, unloaded or washed, otherwise such vehicles or item will not be "in actual use" and shall be in violation. The time of day or night or day of the week is irrelevant to this determination.

Unsightly Articles List:

- *Aluminum siding.*
- *Flag poles.*
- *Tattered flags.*
- *Permanent basketball goals.*
- *Portable basketball goals when not "in actual use".*
- *Exterior house paint outside the published Scott Felder/Ryland palette.*
- *Fences not within Scott Felder/Ryland standard of 6' height, wood only, no colored stain or paint.*
- *Fences not properly maintained.*
- *Storage sheds larger than 8' x 10' x 8' ht and not within the Scott Felder/Ryland palette.*
- *Above ground pools.*
- *Visible barriers used to separate adjoining properties, including bricks, trenches, or small wire fences.*
- *Commercial and business vehicles, emergency vehicles (when not in use) or any vehicle with logos for business that are parked or stored in sight on the property by an owner.*
- *All car attachments and/or accessories that are sexually explicit or profane.*
- *Garbage cans and/or recycle bins left out before noon on the day preceding scheduled pickup or after noon on the day following pickup that can be seen from adjoining properties or from public or private thoroughfares. The speed traveling by is irrelevant.*
- *Holiday lighting/decorations left out after 90 days.*
- *Bags of mulch, fertilizer or any gardening materials left in sight over 1 week.*

This list is intended to illustrate the less obvious articles that the ACC considers to be unsightly within the Association. This list is not intended to be a complete list of all possible unsightly articles. The ACC reserves the right to amend this list as needed to assist homeowners.



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

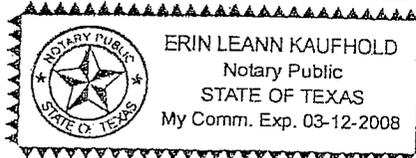
STATE OF TEXAS §

COUNTY OF WILLIAMSON §

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 _____

RECEIVED
FEB 16 2007
By _____