



**NOTICE OF DEDICATORY INSTRUMENTS**

**Declaration of Covenants, Conditions and Restrictions:** Recorded at Volume 11637, Page 0225, Real Property Records, Travis County, Texas, and as thereafter amended.

**Association:** Legend Oaks Homeowners Association 2, Inc.

**Subdivision Name:** Legend Oaks 2

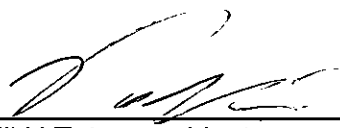
Pursuant to Texas Property Code §202.006, the Association gives notice that all property subject to the Declaration referenced above is also subject to the following dedicatory instruments:

1. Collections Policy, attached as **Exhibit A**;
2. Payment Plan Guidelines, attached as **Exhibit B**;
3. Records Production Policy, attached as **Exhibit C**;
4. Records Retention Policy, attached as **Exhibit D**;
5. Resale Certificate Policy, attached as **Exhibit E**;
6. Enforcement and Fine Policy, attached as **Exhibit F**;
7. Rules Relating to Certain Installations, attached as **Exhibit G**;
8. Bylaws, dated August 12, 1992, attached as **Exhibit H**.

Each dedicatory instrument is complete, correct, and current as of the date of this Notice, but may be amended from time to time. A current copy of each dedicatory instrument can be obtained from the Association's managing agent, Goodwin Management, Inc., 11149 Research Boulevard, Suite 100, Austin, Texas 78759, or the successor managing agent shown in the most recent management certificate recorded in the County property records.

EXECUTED this 3 day of January, 2012.

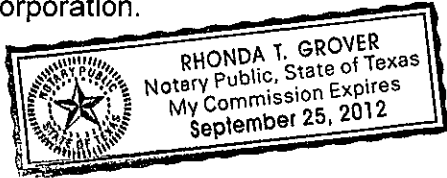
LEGEND OAKS HOMEOWNERS  
ASSOCIATION 2, INC.

By:   
\_\_\_\_\_  
Nikki Tate, president

STATE OF TEXAS

COUNTY OF TRAVIS

This instrument was acknowledged before me on the 3rd day of January, 2012, by Nikki Tate, president of Legend Oaks Homeowners Association 2, Inc., on behalf of said corporation.



Rhonda T. Grover  
NOTARY PUBLIC IN AND FOR  
THE STATE OF TEXAS

**AFTER RECORDING RETURN TO:**  
Arnold & Associates, PC  
406 Sterzing St.  
Austin, Texas 78704

## Exhibit A

### COLLECTIONS POLICY Legend Oaks Homeowners Association 2, Inc. January 1, 2012

The Association's Board of Directors adopts this collections policy.

1. **Due Date:** Assessments are due in advance on the first day of the month. Non-receipt of a statement or invoice is not a defense to payment of assessments or other charges. An owner who does not receive a statement/invoice is responsible for contacting the Association to advise of non-receipt and confirm that the Association has the owner's current contact information.
2. **Late Fee:** If payment is not received by the 10th day of the month, the assessment shall be deemed delinquent, and will incur a late fee. **The late fee is \$7 per month, and will continue to be imposed each month as long as the account reflects an outstanding balance due** (including when a payment is dishonored or reversed). The fee is to defray the additional administrative time involved in collection of delinquent accounts.
3. **Authorization to Proceed:** The collection process has multiple steps: (a) notice of delinquency and offer of payment plan; (b) demand letter by attorney or collection agent; (c) notice of lien claim recorded in property records; (d) foreclosure. The Board authorizes the managing agent to initiate all steps without prior consultation with the Board, except for filing suit and foreclosure. Litigation and foreclosure must be authorized by the Board at a meeting for which the published agenda gives fair notice that assessment delinquencies will be discussed. To safeguard owners' privacy rights, no identifying information about the accounts will be published in the agenda or discussed in open meeting where persons other than the Directors and managing agent are in attendance.
4. **Payment Plan Offer:** When (a) an account is delinquent by at least 6 months or (b) the amount owed exceeds \$250, the Association will send a payment plan offer to the owner (provided the owner has not defaulted on a payment plan in the preceding two years). Among the factors that will be considered in setting payment plan terms are: length of delinquency, amount due, owners' payment history, reason for non-payment, owner performance on previous payment plans, and violation history (to the extent it reflects owner's willingness to abide by Association rules and standards), as well as any other relevant circumstance. The Association shall have discretion to tailor the payment plan to an owner's personal circumstances, and thus payment plan terms may not be identical for all owners. The Board of Directors authorizes the managing agent and the Association's attorney (who each may act without the joinder of the other) to set payment plan terms for an owner. Additional provisions relating to payment plans are set forth in the Association's Payment Plan Guidelines, which is incorporated by reference in this Collection Policy.
5. **Referral to Collection Agent:** **If the Association and owner do not agree on a payment plan within 30 days of the offer, or if the owner defaults under an agreed payment plan, the account shall be referred to an attorney or agency for collection.** The timing of the referral shall be at the discretion of the Association acting through either the Board of Directors or the managing agent.
6. **Payment Arrangements:** The Association is required to offer a payment plan only once: before referring the account to an attorney or collection agent. The Association may offer payment plans later in the collection process, but that decision is completely discretionary and optional. As a

**general rule, the older and larger an account becomes, the stricter the payment plan terms will be.**

7. Owner Rights During Delinquency: The Association may withhold from an owner the right to use/access Association amenities during the period of delinquency. The delinquency shall not affect the owner's right to vote or serve on the Board of Directors.
8. Collection costs: The Association will initially pay for all collection costs and attorneys fees, but will bill the same to a delinquent owner's account. **The owner must promptly reimburse to the Association all legally allowable collection costs and attorney's fees.**
9. NSF Fees: **A fee of up to \$35** will be levied for each returned check or rejected payment. In the event an owner delivers two or more checks within a 6 month period that are dishonored, the Association reserves the right to require that future payments be made by money order, cashier's check, or other certified funds.
10. Application of Payments: If an owner is in default under a payment plan or does not enter into a payment plan within 30 days of the Association's offering a payment plan, any payments thereafter made will be credited as follows:
  - a. maintenance/repair costs incurred by the Association (such as mowing charges)
  - b. collection costs, including attorney's fees and manager's charges
  - c. administrative fees for non-assessment related violations
  - d. late fees
  - e. delinquent assessments
  - f. current assessments
  - g. fines
11. Partial or Conditional Payments: The Association will return to the owner all partial payments that are (a) delivered with a notation "payment in full" or comparable stipulation or (b) backdated to make it appear that a late payment was tendered on time.
12. Exceptions: The Association may make exceptions to this Collections Policy for good cause or in the interest of fairness or economy. Each exception is made on its own merits, and the Board is not required to make the same exception for every owner.

## Exhibit B

### **PAYMENT PLAN GUIDELINES** **Legend Oaks Homeowners Association 2, Inc.** January 1, 2012

These payment plan guidelines are adopted by the Association's Board of Directors pursuant to Texas Property Code § 209.0062 (the Act).

#### 1. Offer of Payment Plan

A payment plan will be offered upon an owner's request. A payment plan will also be offered to an eligible owner prior to the Association sending the matter to an attorney for collection. As a general rule, this will occur when the account balance exceeds \$250 or is more than 6 months delinquent; but the Board or managing agent may vary this time frame in their discretion. The owner has 30 days after the date of the offer to accept the payment plan (per section 5 below) or negotiate an alternative plan with the Association.

#### 2. Eligibility for Payment Plan

All owners are eligible to receive a payment plan, unless disqualified. **An owner who defaults under a payment plan will be disqualified from receiving a payment plan for two (2) years after the default.**

#### 3. Standards

The Association will allow owners to pay delinquent regular and special assessments and other amounts due the Association in payments over a period of no less than 3 months. Payments shall be made at intervals of not more than 30 days. Payments shall be roughly equal in amount. **The owner must also pay current assessments when due.**

#### 4. Payment Amount

The amount of each payment, frequency of payment, and length of the payment period is up to the Association's reasonable discretion. Factors that may be considered include the length of the delinquency, the amount due, the owner's payment history, time elapsed between the Association's offer of a payment plan and owner's acceptance, the promptness with which owner acts, reason for non-payment, owner's performance on previous payment plans, violation history (to the extent it reflects owner's willingness to abide by Association rules and standards), and any other relevant circumstances. The Board of Directors authorizes the managing agent and the Association's attorney (who may act without the joinder of the other) to set payment plan terms for an owner.

#### 5. Owner Signature

**Every plan must be in writing and signed by the owner(s);** the owner must return a signed copy of the plan agreement to the Association within 30 days of the date the Association sends the plan to the

owner. The owner must also provide reasonable contact and identifying information requested by the Association, and notify the Association of any change in contact information during the plan.

6. Fees and Interest

As long as the owner complies with the requirements of the plan, the Association will not charge any late fees during the plan. **The Association may charge a fee of no more than \$50 for preparing the plan agreement, plus an administrative processing fee of no more than \$20 per month.** In addition, if the payment plan involves a special assessment, the owner must reimburse the Association for any interest the Association must pay, or additional cost incurred, as a result of the owner not paying the special assessment when due.

7. Default

**The owner will be in default under an agreed plan if the owner does not pay (a) the agreed installment payment on time or (b) any current assessment as it accrues.** Any payment that is dishonored or reversed (including an NSF check, declined credit card payment, or reversed charge) will be considered non-payment. If the owner defaults under the plan, the Association may demand immediate payment of the entire amount due, resume charging late fees, and refer the matter to an attorney or agent for collection. In addition, any payments received subsequent to default will be applied as provided in the Collections Policy.

8. Appeal

The Association shall give written notice to the owner of default under a payment plan. The owner may appeal to the Board. Submitting an appeal does not relieve the owner from the obligation to pay past due or present assessments; and the Board may consider non-payment during the appeal period as a factor adverse to the owner's appeal. The Association shall have the right to charge a reasonable administrative fee (not to exceed \$25) for providing notice of default.

9. Modification

An owner may ask the Association to modify the payment plan. All such requests must be in writing and supported by specific reasons. A request for modification of a plan offered by the Association must be made within ten (10) days of the date the Association offers the payment plan to owner. If the request for modification is due to events that occur after the plan is accepted, the owner should request modification as soon as possible after the event.

10. Waiver

The Association may waive or choose not to enforce these guidelines as to one or more owners. Non-enforcement shall never be construed as an abandonment or waiver of these guidelines. No owner shall have any right to receive the same terms each time a payment plan is offered to the owner or the right

to receive the same terms as another owner. No owner has a right to demand a plan that differs from the parameters set forth in these guidelines.

11. Temporary Relief

Payment plans are intended to provide temporary relief to alleviate immediate financial hardship. At the end of the plan, owner will be expected to resume paying assessments on the same basis as applies to the Association members in general.

12. Amendment

These guidelines may be amended from time to time by the Association's Board of Directors.

13. Legal Compliance

The Association intends to comply fully with the Act. In case of ambiguity or uncertainty, these guidelines shall be interpreted in a manner consistent with all statutory requirements.

## Exhibit C

### RECORDS PRODUCTION POLICY Legend Oaks Homeowners Association 2, Inc. January 1, 2012

This records production policy is adopted by the Association's Board of Directors pursuant to Texas Property Code § 209.005 (the Statute).

#### 1. Request for Records

The owner or the owner's authorized representative must submit a written request by certified mail. The request must contain (a) sufficient detail to describe the books and records requested and (b) an election either to inspect the books and records before obtaining copies or to have the Association forward copies of the requested books and records.

#### 2. Inspection

The Association shall respond to a request for inspection within 10 business days by providing written notice of the dates and times during normal business hours that the inspection may occur.

#### 3. Copies

If copies are requested, and the Association is unable to produce the copies within 10 business days of the request, the Association must give written notice of that fact and state a date, within the next 15 business days, that the copies will be available.

#### 4. Format

The Association may produce documents in hard copy, electronic, or other format of its choosing.

#### 5. Charges

The Association will charge for time spent retrieving, compiling, and producing all records based on the rates set forth in d - g below. The Association will charge for reproduction if copies are requested based on the rates set forth below. Those charges shall be the maximum amount allowed by the Statute. At the time this policy is adopted, the allowable rates of charge are:

- a. Paper copies - 10¢ per regular page, 50¢ per oversize pages
- b. CD - \$1 per disc
- c. DVD - \$3 per disc
- d. Labor charge for requests of more than 50 pages - \$15 per hour
- e. Overhead charge for requests of more than 50 pages - 20% of the labor charge
- f. Document retrieval charges from off-site storage – actual cost
- g. Postage – actual cost

If the rates of charge allowed by Statute change, that charge will automatically apply to Association records, without necessity of amending this policy.



6. Advance Payment

The Association may require advance payment of estimated costs. If the actual cost is less than the estimate, the Association shall refund the excess to the owner within 30 business days. If the actual cost is greater than the estimate, the owner shall pay the excess within 30 business days after the information is delivered to the owner. If the owner fails to reimburse the Association, the amount of the unpaid excess costs shall be added as an assessment to the owner's account with the Association.

7. Exempt Information

The Association shall not be required to provide information of the following types without the prior written consent of the person who is the subject of the information:

- Owner violation history
- Owner personal financial information
- Owner contact information other than the owner's address
- Information relating to an Association employee, including personnel files
- Information that is legally exempt/protected from disclosure, such as attorney-client communications and attorney work product

8. Summaries/Compilations

The duty to provide documents on request applies only to existing books and records. The Statute does not obligate the Association to create a new document, prepare a summary of information, or compile and report data.

## Exhibit D

### RECORDS RETENTION POLICY Legend Oaks Homeowners Association 2, Inc. January 1, 2012

This records retention policy is adopted by the Association's Board of Directors pursuant to Texas Property Code § 209.005.

#### MANDATORY

##### Permanent records:

- Articles of Incorporation/Certificate of Formation and all amendments
- Bylaws and all amendments
- Restrictive Covenants and all amendments

##### 7 years:

- Financial books and records
- Minutes of owners' meetings
- Minutes of Board meetings
- Tax returns
- Audit records

##### 5 Years:

- Account records of current owners

##### 4 Years:

- Contracts with a term of one year or more shall be retained for 4 years after expiration of the contract term

The above time periods are mandated by statute. The below periods are discretionary, and may be changed from time to time by Board resolution or by custom and practice.

#### DISCRETIONARY

##### 10 Years:

- Accident Reports

##### 7 Years:

- Enforcement records
- Inspection reports

6 Years:

- Insurance claims records -- from the date of last payment on the claim

4 Years:

- Other insurance records
- Contracts for terms of less than one year – 4 years from completion of the contract
- Architectural applications and approvals
- Written ballots cast by owners relating to amendment of governing documents
- General correspondence

2 Years:

- Accident reports
- Employment records – 2 years following termination
- Leases – 2 years following termination

6 Months:

- E-mails in electronic form
- Written ballots cast by owners other than those listed above

## Exhibit E

### **RULES RELATING TO RESALE CERTIFICATES Legend Oaks Homeowners Association 2, Inc.**

January 1, 2012

1. Resale Certificates. This policy applies to any Resale Certificate (**Certificate**), as described in Texas Property Code § 207.003.
2. Charges. The standard charge for a Certificate is \$250; the standard charge for an update to the Certificate is \$95; and the standard charge for a Statement of Account is \$95. If a Certificate or Statement is required on less than ten (10) business days notice but more than three (3) business days notice, the charge will be increased by up to 50%. If a Certificate or Statement is requested on less than three (3) business days notice, the charge will be increased by up to 100%.
3. Payment. The parties to the sale may agree between themselves as to who shall have primary responsibility for paying for the Certificate or Statement. If the Association does not receive full payment, however (for example, dishonored check), the property owner shall be responsible for the fee, and the Association shall be entitled to charge the owner's account for the same.
4. Known Violations. The Certificate will describe violations that are actually known to the Association from the contents of the property file. If the Association is not asked to inspect the property, the Certificate will contain language substantially as follows:

The Association did not inspect the property or enter upon the lot, and the information contained in this certificate is based only on the contents of the property file. If a violation is later discovered, the then-owner of the lot will be responsible for correcting the violation, even if the violation preexisted his/her purchase of the lot.

5. Inspection on Request. Upon request and receipt of written authorization by the seller/owner at least 10 business days prior to closing, the Association will enter the lot to inspect areas that are not readily visible from the street in front of the lot. In that event, the Certificate will contain language substantially as follows:

The Association entered on the lot and inspected it (including portions not visible from the street) on or about [date], and noted [no violations] [the following violations: \_\_\_\_].

6. Liability of Subsequent Owners. Individuals who purchase a lot will be responsible for all preexisting violations to the same extent as the previous owner, unless the Association issued a Certificate for the purchase transaction and the Certificate failed to disclose (a) a known violation, (b) a violation that existed at the time of the inspection and was readily visible from the street in front of the lot, or (c) a violation that was open and obvious when the Association conducted an inspection pursuant to paragraph 5 above.
7. Exemptions. Certificates shall not be required in circumstances described in Texas Property Code § 5.008(e)(1) - (4) and (6) - (10). These include foreclosure sales, sales by a bankruptcy trustee, and sales among co-owners, or between spouses incident to a divorce. Section 4 above will apply to the liability of purchasers and their successors for pre-existing violations.
8. Governing Law. Adopted by incorporation are provisions with respect to Certificates set forth in Texas Property Code § 207.003.

## Exhibit F

### ENFORCEMENT AND FINE POLICY Legend Oaks Homeowners Association 2, Inc. January 1, 2012

The Board of Directors adopts the following policy for addressing violations of the governing documents:

#### **A. Remedies for Violations.**

1. **Remedies.** This policy applies to all violations of the Declaration, Bylaws, and recorded rules and regulations of the Association (collectively, a **Violation**). The Board of Directors may respond to a Violation with any of the remedies listed below. The below-listed remedies shall be in addition to any other remedies provided by the Declaration, Bylaws, State statute, or other law:
  - 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) operated or managed by the Association;
  - b. record a notice of non-compliance in the County Official Public Records;
  - c. levy a damage assessment against an owner;
  - d. impose costs of collection or enforcement (including manager's and/or attorney's charges) against an owner; and
  - e. assess a fine against the owner and the owner's lot.
2. **Vicarious Liability.** Owners are responsible for all Violations of their tenants, guests, invitees, or occupants.
3. **Administrative Fee.** The Association may charge an administrative fee of not more than \$40 per notice to defray the time and cost of processing violation notices.
4. **Non-Exclusivity.** These remedies are cumulative, and may be imposed in combination with each other. For example, the Board may, for the same Violation, suspend the right to use a common area amenity, impose a fine, and charge manager's or attorney's fees incurred incident to enforcement.
5. **Imposition of Fines.** The Board gives standing orders to the managing agent to send the first notice.. If the Violation is not timely cured after the first notice, the Board may impose fines according to the fine schedule set forth below. If the Violation is not within one of the categories shown on the schedule, the Board will set the fine in its reasonable discretion. In setting the fine, the Board may consider all factors it deems relevant, including the nature of the Violation, its frequency, and effect on neighboring owners and properties.

6. Repeat Violations. The fine for a repeat Violation within 6 months will be higher than for the previous violation(s), as shown on the fine schedule.
7. Fine Period. As a general rule, fines for a discrete incident will be imposed on a per occurrence basis. Fines will be imposed on a daily or weekly basis if the Violation is of a continuous or ongoing nature.
8. Exceptions. The Board may depart from the foregoing guidelines and impose a fine at a greater rate, provided that the owner is notified in advance of the amount of the fine and given a reasonable opportunity to avoid it.

#### **B. Enforcement Procedure**

The following outlines the general enforcement procedure for Violations. Strict compliance is not necessary, as long as the Owner is given fair notice and all statutory conditions for enforcement have been met.

1. First Notice. The Association shall mail a courtesy notice letter to the Owner involved that identifies the alleged Violation, requests that it be corrected within a specified time, and advises of the remedies the Association can impose if non-compliance continues. This step shall not apply for repeat/recurrent Violations for which a notice was sent within the preceding 6 months.
2. Formal Notice. In the event the Violation is not corrected within the specified time, or recurs within 6 months, the Association shall give the Owner written notice by certified mail, return receipt requested, that:
  - a. describes the Violation and states the remedy to be imposed , including amount and beginning date of the proposed fine;
  - b. allows the Owner a reasonable time, by a specified date (which date may be shorter than the cure period allowed in the letter sent pursuant to step 1), to cure the Violation and avoid imposition of the remedy; provided, this provision shall not apply if the Owner was given certified mail notice and a reasonable opportunity to cure a similar Violation within the preceding 6 months;
  - c. states that not later than the 30th day after the date the owner received the notice of Violation, the Owner may request a hearing before the Board to contest the matter;
  - d. advises that the request for hearing must be in writing and delivered to the Association;
  - e. states that attorney's fees and costs will be charged if the Violation continues after the conclusion of the hearing or, if no hearing is requested, after the deadline for requesting a hearing.
3. Hearing. Upon receipt of a request for a hearing, the Board shall promptly schedule the hearing and give the owner at least ten days' advance written notice (including transmittal by email) of the date, time, and place of the hearing.

4. Delivery of Notice. A certified mail letter that is returned to the Association due to the owner's failure or refusal to claim the letter shall be deemed received by the owner on the 5th day after the postmark date of the letter.
5. Notice of Fine. The Association shall notify the owner of the levied fine within 30 days after imposition of the fine. This notice need not be sent by certified mail.
6. Payment. Payment of the fine shall not substitute for, or be in lieu of, correcting the Violation.
7. Exemptions. The foregoing procedures do not apply to a lawsuit seeking a temporary restraining order or temporary injunctive relief, or to the collection of regularly scheduled assessments and late fees.

**C. Fine Schedule.** For fines imposed for conduct after the first notice, per part B above.

	1 <sup>st</sup> Offense	2 <sup>nd</sup> Offense	3 <sup>rd</sup> Offense
Unauthorized/unapproved construction	\$500	\$750	\$1000
Unauthorized/unapproved changes to existing improvements	\$300	\$500	\$ 750
Violation of safety rules and restrictions ( <i>such as glass in pool area, fireworks, etc.</i> )	\$300	\$500	\$ 750
Violation of usage rules and restrictions ( <i>such as vehicle parking, signage, trash, noise, nuisance, etc.</i> )	\$300	\$500	\$ 750
Violation of maintenance rules and restrictions ( <i>such as landscape maintenance, failure to make repairs, deteriorating paint, woodwork/roofing, etc.</i> )	\$100	\$150	\$ 200

## Exhibit G

### **RULES RELATING TO CERTAIN INSTALLATIONS** **Legend Oaks Homeowners Association 2, Inc.** June 20, 2011

The Association's Board of Directors adopts the following rules relating to certain installations and improvements in the Subdivision:

These rules apply to Installations (defined below) addressed in Texas Property Code Chapter 202 (**Chapter 202**). These rules adopt all conditions and limitations on Installations that Chapter 202 allows the Association to adopt. Installations that do not comply with these Rules are prohibited.

1. Installations Covered by this Rule

All restrictions and limitations on rain harvesting equipment, solar energy devices, roofing materials, religious items, political signs, flagpoles, and flags (collectively, the **Installations**) that are contained in or allowed by Chapter 202, as now existing or later amended, are adopted by the Association as if the same were restated verbatim in this rule. The Association may prohibit Installations that do not comply with the standards contained in these rules.

2. Placement on Association Property

An Installation cannot be located or placed, and no holes or penetrations may be made, on common elements/common area or property owned, maintained, or controlled by the Association without the Association's advance written consent.

3. Association Approval

All Installations must be submitted to the Association for advance review and approval, as provided in the Association's governing documents, and must otherwise comply with/conform to Association rules, regulations, standards, and guidelines.

4. Rainwater Harvesting Systems

The following restrictions apply to rainwater harvesting systems, as defined by Chapter 202:

- a. Rain barrels and rainwater harvesting systems may not be located between the front of the residence and an adjoining or adjacent street. Rain barrels and the rainwater harvesting system must be (i) located at the rear of the residence or other location not visible from the street, other lot, or common area, (ii) adequately shielded from view by fencing, foliage, or other means approved by the Association; and (iii) must have storage tanks of a reasonable size as determined by the Board in its discretion. These requirements shall be modified to the extent necessary to make such a system economically possible and technically feasible.
- b. The rain barrel and harvesting system must be a color consistent with the color scheme of the residence.
- c. No part of the rain barrel or harvesting system may display any language or other content that is not typically displayed by such a barrel or system as it is manufactured.



5. Solar Energy Devices

The following additional restrictions apply to solar energy devices, as defined by Chapter 202. Solar energy devices are prohibited if:

- a. A Court rules the device is a threat to the public health or safety or violation of law.
- b. The device is located in a location other than (i) the roof of the home or another permitted/approved structure or (ii) in a fenced yard or patio owned and maintained by the owner.
- c. The device is mounted on the roof of the home and (i) extends higher than or beyond the roofline, (ii) does not conform to the slope of the roof or has a top edge that is not parallel to the roofline, (iii) has a frame, a support bracket, or visible piping or wiring that is not in a silver, bronze, or black tone commonly available in the marketplace, or (iv) is in a location not designated/approved by the Association, unless the owner's requested location increases the estimated annual energy production of the device, as determined by using a publicly available modeling tool provided by the National Renewable Energy Laboratory, by more than 10 percent above the energy production of the device if located in the area designated by the Association.
- d. The device is located in a fenced yard or patio and is taller than the fence line.
- e. The device, as installed, voids material warranties.
- f. The device was installed without prior approval by the Association

The Association may withhold approval, even if the above standards are met or exceeded, if it determines in writing that placement of the device as proposed by the property owner constitutes a condition that substantially interferes with the use and enjoyment of land by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities.

6. Roofing Materials

Roofing materials designed primarily to be wind and hail resistant, provide heating and cooling efficiencies greater than those provided by customary composite shingles, or provide solar generation capabilities are permissible if, when installed, the materials: (a) resemble in color and appearance shingles used or otherwise authorized for use in the subdivision, (b) are more durable than and are of equal or superior quality to the shingles that are used or authorized in the subdivision, and (c) match the aesthetics of the surrounding property, as determined in the Association's discretion.

7. Political signs

The following restrictions apply to signs advertising a political candidate or ballot item for an election, as described in Chapter 202:

- a. The signs may be displayed only during the period beginning 90 days before the date of the election to which the sign relates and ending 10 days after that election date.
- b. Only one sign for each candidate or ballot item may be displayed at each residence, and no sign may be larger than four feet by six feet.
- c. Each sign must be ground-mounted, and no sign may (i) contain roofing material, siding, paving materials, flora, one or more balloons or lights, or any other similar building, landscaping, or nonstandard decorative component, (ii) be attached in any way to plant material, a traffic control device, a light, a trailer, a vehicle, or any other existing structure or object, (iii) include the painting of architectural surfaces, (iv) threaten the public health or safety, (v) violate a law, (vi) contain language, graphics, or any display that would be offensive to the ordinary person, or (vii) be accompanied by music or other sounds, by streamers, or otherwise be distracting to motorists.
- d. The Association may remove a sign displayed in violation of these standards.

8. Flags and Flagpoles

The following additional restrictions apply to flags and flagpoles:

- a. The Board may require that a flag be displayed in accordance with all or part of United States (4 U.S.C. Sections 5-10) or Texas law (Chapter 3100, Government Code).
- b. All flagpoles must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the flagpole and harmonious with the residence.
- c. All flags and flagpoles must be maintained in good condition, and any deteriorated flag or deteriorated or structurally unsafe flagpole must be promptly repaired, replaced, or removed. Each flagpole must be securely anchored at all times.
- d. No more than 1 free-standing flagpole(s), not to exceed twenty feet (20') in height as measured from ground level, may be installed on each lot.
- e. No more than 1 building-mounted flagpole(s), not to exceed six feet (6') in length, may be installed on each lot. A lot may contain both a free-standing flagpole and building-mounted flagpole, as long as the same comply with the requirements of this rule.
- f. No more than 2 flags may be flown from any flagpole.
- g. No flag may exceed 15 square feet in area, and all flags in aggregate shall not exceed 30 square feet in area.
- h. Exterior illumination of the flag(s) must be submitted for approval in the same manner as other exterior lighting.
- i. The location of each free-standing flagpole must be submitted to the Association for approval.

j. The flagpole must be located on the owner's lot and not on a right of way, easement (whether for drainage, utility, conservation, or otherwise), or on property owned or maintained by the Association.

k. The flagpole must be setback from all property lines a distance that is 125% of the height of the pole above ground level. For example, a 12' pole has a 15' setback and a 20' pole has a 25' setback.

l. The owner must take reasonable measures to minimize noise from wind contact with the flagpole, rope, fittings, or flag; the noise should not be discernable more than 25 feet from the flagpole.

BY-LAWS  
OF  
LEGEND OAKS HOMEOWNERS  
ASSOCIATION 2, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is Legend Oaks Homeowners Association 2, Inc., hereinafter referred to as the "Association". The initial registered office of the corporation shall be located at 200 West Fourth Street, Austin, Texas 78701, but meetings of members and directors may be held at such places within the State of Texas, County of Travis, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 2.1. "Association" shall mean and refer to Legend Oaks Homeowners Association 2, Inc., its successors and assigns.

Section 2.2. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners.

Section 2.3. "Lot" shall mean and refer to that portion of any of the plots of land shown upon the recorded subdivision map of Legend Oaks, Section 5A, recorded in Volume 88, Pages 199 - 121 of the Plat Records of Travis County, Texas, and Section 5B, recorded in Volume 90, Pages 24 - 26 of the Plat Records of Travis County, Texas, or any subsequent section platted as Legend Oaks, on which there is or will be built a single family dwelling. There is excepted herefrom the hereinbefore described Common Area along with other Reserves as noted on said subdivision map.

Section 2.4. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions for Legend Oaks Sections 5, 6, and 7, recorded in Volume \_\_\_\_\_, Page \_\_\_\_\_ of the Real Property Records of Travis County, Texas.

ARTICLE III

MEMBERSHIP

Section 3.1. Membership. Every owner of a residential Lot in Legend Oaks, Section 5A recorded in Volume 88, Pages 199 - 121 of the Plat Records of Travis County, Texas, and Section 5B recorded in Volume 90, Pages 24 - 26 of the Plat Records of Travis County, Texas, and areas annexed thereto pursuant to the recorded Declaration of Covenants,

Conditions and Restrictions for Legend Oaks Sections 5, 6, and 7, shall be a member of the Association. Membership shall be appurtenant to and shall not be separated from ownership of any Lot. When ownership of any Lots is held by more than one person or by a legal entity which is not a natural person, all such owners shall be members of the Association, however, the voting rights of such members shall be limited to the number of votes set forth herein exercised as they among themselves shall determine.

Section 3.2. Suspension of Membership. During any period in which a member shall be in default in the payment of any annual or special assessment levied by the Association, the voting rights and right to use of the recreational facilities of such member may be suspended by the Board of Directors until such assessment has been paid. Such rights of a member may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for violation of any rules and regulations established by the Board of Directors governing the use of the Common Area and facilities.

#### ARTICLE IV

##### PROPERTY RIGHTS: RIGHTS OF ENJOYMENT

Section 4.1. Each member shall be entitled to the use and enjoyment of the Common Area owned by the Association.

#### ARTICLE V

##### BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 5.1. Number. The affairs of the Association shall be managed by a Board of three (3) directors, who need not be members of the Association.

Section 5.2. Election. The initial directors shall be appointed by the incorporator. At the first annual meeting the members shall elect one (1) director for a term of one (1) year, one (1) director for a term of two (2) years, and one (1) director for a term of three (3) years; and at each annual meeting thereafter the members shall elect the director(s) for a term of three (3) years to fill each expiring term.

Section 5.3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successors shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 5.4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

## ARTICLE VI

### MEETINGS OF DIRECTORS

Section 6.1. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 6.2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two (2) directors, after not less than three (3) days notice to each director.

Section 6.3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 6.4. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

## ARTICLE VII

### NOMINATION AND ELECTION OF DIRECTORS

Section 7.1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 7.2. Election. Election to the Board of Directors shall be by secret written ballot cast at the annual meeting. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE VIII

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 8.1. Powers. The Board of Directors shall have the power:

(a) To adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) To exercise for the Association all power, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws and the Articles of Incorporation;

(c) To declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors without just cause having been furnished to and accepted by the Board;

(d) To establish, and disburse and maintain such petty cash fund as necessary for efficiently carrying on the business of the Association;

(e) To engage the services of a manager, an independent contractor, or such employees as it deems necessary, and to prescribe the conditions, compensation and duties of their work. Such power shall include authority to enter into management agreements with other parties to manage, operate or perform all or any part of the affairs and business of the Association; and

(f) To adopt and publish rules and regulations governing the use of pesticides and fertilizers in the subdivision.

Section 8.2. Duties. It shall be the duty of the Board of Directors:

(a) To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting, when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

(b) To supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) To establish membership annual and special assessments;

(d) To procure and maintain adequate liability and hazard insurance on property owned by the Association;

(e) To cause all officers, employees or agents, having fiscal responsibility to be bonded, as it may deem appropriate; and

(f) To cause the Common Area to be maintained.

## ARTICLE IX

### COMMITTEES

Section 9.1. The Board of Directors may appoint committees as deemed appropriate in carrying out its purposes, which may include for example, but not by way of limitation, the following:

(a) A Recreation Committee to advise the Board of Directors on all matters pertaining to the recreational program and activities of the Association and to perform other such functions as the Board in its discretion determines;

(b) A Maintenance Committee to advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Common Areas, if any, and to perform such other functions as the Board in its discretion determines;

(c) A Publicity Committee to inform the members of all activities and functions of the Association and after consulting with the Board of Directors, to make such public releases and announcements as are in the best interest of the Association, and

(d) An Audit Committee to supervise the annual audit of the Association's books and approve the annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting. The Treasurer shall be an ex-officio member of this committee when formed.

Section 9.2. It shall be a function of each committee to receive complaints from members on any matter involving Association duties and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Association as is further concerned with the matter presented.

## ARTICLE X

### MEETINGS OF MEMBERS

Section 10.1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 7:00 p.m. provided that the Board of Directors may upon written notice to the members at least ten (10) days prior to the regular



annual meeting date schedule the annual meeting date for a date not more than fourteen (14) days subsequent to the regular annual meeting date. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 10.2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote

Section 10.3. Notice of Meetings. Except as otherwise provided in the Articles of Incorporation, or these By-Laws, written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 10.4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, Declaration of Covenants, Conditions and Restrictions or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid, shall be present or be represented.

Section 10.5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon cessation of membership or restriction of the member's voting rights.

Section 10.6. Canvass in Lieu of Meeting. In the event that a quorum of members is not achieved at any scheduled meeting, the Board of Directors may authorize a door-to-door canvass of all members whose votes shall be duly recorded, and any action so taken shall have the same force and effect as if taken at a meeting at which a quorum of members was present. Any such canvass must be completed within thirty (30) days of the Board's decree.

## ARTICLE XI

### OFFICERS AND THEIR DUTIES

Section 11.1. Enumeration of Officers. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by

resolution create.

Section 10.3. Notice of Meetings. Except as otherwise provided in the Articles of Incorporation, or these By-Laws, written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

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Section 11.2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 11.3. Term. The officers of this Association shall be elected annually by the Board and shall hold office for one (1) year unless he shall sooner resign, or shall be

removed, or otherwise disqualified to serve.

Section 11.4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 11.5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein; the acceptance of such resignation shall not be necessary to make it effective.

Section 11.6. Vacancies. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 11.7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 11.8. Duties. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all checks and promissory notes.

Vice-President

(b) The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

### Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting and deliver a copy of each to the members.

## ARTICLE XII

### ASSESSMENTS

Section 12.1. Creation of the Lien and Personal Obligation of Assessments. By the Declaration each member is deemed to covenant and agree to pay to the Association: (1) annual assessment charges, and (2) special assessment charges. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due and shall not pass to his successors in title unless expressly assumed by them.

Section 12.2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the Properties and for the improvement and maintenance of the Common Maintenance Area.

Section 12.3. Basis and Maximum of Annual Assessments for Class A Members. Until January 1st of the year immediately following the conveyance of the first Lot to a Class A Member, the maximum annual assessment shall be Three Hundred and No/100 Dollars (\$300.00) per Lot.

(a) From and after January 1st of the year immediately following the conveyance of the first Lot to a Class A member, the maximum annual assessment for Class A members shall be increased each year ten percent (10%) above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1st of the year immediately following the conveyance of the first Lot to a Class A member the maximum annual assessment for Class A members may be increased more than ten percent (10%) above the prior year's maximum by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy at a meeting called for this purpose. Written notice of such meeting shall be sent to all members not less than ten (10) days nor more than

60 days in advance of the meeting setting forth the purpose of the meeting. The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as and incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation.

Section 12.4. Assessments to be Levied by Board. After consideration of current maintenance costs and future needs of the Association, the Board of Directors may levy the annual assessments at an amount not in excess of the maximum set forth in Section 12.3.

Section 12.5. Special Assessments for Working Capital Fund, Nonrecurring Maintenance and Capital Improvements. In addition to the annual assessments authorized above, the Association may levy special assessments as follows:

(a) Upon sale of the first Lot to a Class A Member, a special assessment equal to three (3) months' estimated regular assessment may be assessed which shall be due and payable upon conveyance of the Lot to a Class A Member. The aggregate fund established by such special assessment shall be maintained in a segregated account, and shall be available for all necessary expenditures of the Association.

(b) In any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any nonrecurring maintenance, or the acquisition, construction, reconstruction, repair or replacement of a capital improvement upon any Common Maintenance Area, including fixtures and personal property related thereto may be assessed. The Association shall not commingle the proceeds of such special assessments with the maintenance fund. Such proceeds shall be used solely and exclusively to fund the nonrecurring maintenance or improvements in question.

(c) Special assessments shall not be effective unless approved by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy at a meeting called for the purpose of approving the special assessments and conducting other business, if any. Written notice of such meeting shall be sent to each member not less than ten (10) days nor more than sixty (60) days in advance of the meeting.

Section 12.6. Uniform Rate. Except for lots owned by the Declarant or a Builder as set forth in the Declaration, both annual and special assessments must be fixed at a uniform rate for all single family Lots and may be collected on a monthly, quarterly or annual basis.

Section 12.7. Quorum for any Action Authorized under Sections 12.3 and 12.5. At any meeting called, as provided in Sections 12.3 and 12.5 hereof, the presence at the meeting of members or of proxies entitled to cast a majority of all the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Sections 12.3 and 12.5, however, the quorum requirement shall be one-half of the previous quorum requirements. No such subsequent meeting shall be held more than sixty (60)

days following the preceding meeting. The necessary approval may also be obtained by a canvass of the members as set forth in Article X, Section 10.6.

Section 12.8. Date of Commencement of Annual Assessments: Due Dates. The annual assessment provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the first Lot to a Class A member. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period; provided, however, that the Board of Directors shall have the right to adjust the annual assessment as long as any such adjustment does not exceed the maximum permitted hereunder with thirty (30) days written notice given to each Owner. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall upon demand, at any time furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 12.9. Effect of Non-payment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within ten (10) days after the due date, the Association shall have the authority to impose late charges to compensate for the administrative and processing costs of late payments and the assessment shall bear interest from the date of delinquency at the lesser of (i) eighteen percent (18%) per annum, or (ii) the highest lawful rate permitted in Texas and the Association may bring an action at law or in equity against the Owner personally obligated to pay the same and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. The Association or its agents shall have the right and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in like manner as a mortgage or deed of trust lien on real property. The lien provided for in this section shall be in favor of the Association and shall be for the benefit of all other Owners. The Association acting on behalf of the Owners shall have the power to bid in an interest foreclosed at foreclosure sale and to acquire and hold, lease, mortgage and convey the same; and to subrogate so much of its right to such liens as may be necessary or expedient to an insurance company continuing to give total coverage notwithstanding non-payment of such defaulting Owner's portion of the premium. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Maintenance Area, Private Streets, or abandonment of his property.

Section 12.10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages granted or created by the Owner of any property to secure the payment of monies advanced and used for the purpose of purchasing and/or improving such property. Sale or transfer of

any property shall not affect the assessment lien. However, the sale or transfer of any property which is subject to any mortgage, pursuant to a foreclosure under such purchase-money or improvement mortgages or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof which become due prior to such sale or transfer. No sale or transfer shall relieve such property from liability or any assessments thereafter becoming due or from the lien thereof.

Section 12.11. No Reimbursement to Declarant. The proceeds of the regular annual assessments shall not be used to reimburse Declarant for any capital expenditures incurred in construction or other improvements of common facilities, if any, nor for the operation or maintenance of such facilities incurred prior to conveyance unencumbered to the Association.

### ARTICLE XIII

#### BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any members at the principal office of the Association, where copies may be purchased at reasonable cost.

### ARTICLE XIV

#### CORPORATE SEAL

The Association shall have seal in circular form having within its circumference the words: Legend Oaks Homeowners Association 2, Inc.

### ARTICLE XV

#### FISCAL YEAR

The Fiscal Year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

### ARTICLE XVI

#### AMENDMENTS

Section 16.1. These By-Laws and the Articles of Incorporation may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy, provided, however, that the Federal Housing Administration or Veterans Administration shall have the right to approve such





CERTIFICATION

I, the undersigned do hereby certify:

THAT I am the duly elected and acting Secretary of the Legend Oaks Homeowners Association 2, Inc., a Texas non-profit corporation, and that the foregoing By-Laws constitute the original By-Laws of the said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the \_\_\_\_ day of \_\_\_\_\_, 1992.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this day of \_\_\_\_\_, 1992.

**FILED AND RECORDED**

OFFICIAL PUBLIC RECORDS

*Dana DeBeauvoir*

Jan 04, 2012 09:12 AM

2012000766

MACHADOP: \$144.00

Dana DeBeauvoir, County Clerk

Travis County TEXAS