

**DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
RUNNING MEADOWS WEST UNIT 2 UNIT 2**

This Declaration of Covenants, Conditions & Restrictions is made by Ken Dietz Homes, Inc. ("DECLARANT") on behalf of *RUNNING MEADOWS WEST HOMEOWNERS ASSOCIATION, INC.*, a Texas nonprofit corporation, on the date signed below.

WHEREAS, Ken Dietz Homes, Inc being the owner of that certain tract of land hereby named **RUNNING MEADOWS WEST UNIT 2** (the "ADDITION") in the Real Property Records, Smith County, Texas, described in the attached Exhibit "A" as it may be amended or supplemented from time to time, does hereby declare that all the lots shown thereon are held and shall be conveyed subject to the covenants, conditions and restrictions hereinafter set forth and which run with the land and shall be binding on any subsequent owners of the lots, their heirs, executors, administrators, successors and assigns (the "Protective Covenants").

ARTICLE 1

DEFINITIONS

DEFINITIONS. The following words and phrases, whether or not capitalized, have specified meanings when used in the Documents, unless a different meaning is apparent from the context in which the word or phrase is used.

- 1.1. **"Areas of Common Responsibility"** means portions of Lots or Dwellings that are maintained by the Association, as a common expense.
- 1.2. **"Assessment"** means any charge levied against a Lot or Owner by the Association, pursuant to the Documents, and include Regular Assessments, Special Assessments, and Individual Assessments, as defined in Article 5 of this Declaration.
- 1.3. **"Association"** means the Association of homeowners of Lots in the Property, organized as a Texas nonprofit nonstock corporation named **RUNNING MEADOWS WEST UNIT 2 HOMEOWNERS ASSOCIATION, INC.**,
- 1.4. **"Board"** means the Board of Directors of the Association.
- 1.5. **"Builder"** shall refer to any person or entity undertaking the construction of a residence on a Lot.
- 1.6. **"Bylaws"** means the Bylaws of the Association, as they may be amended from time to time.
- 1.7. **"Common Area"** means all property within the Subdivisions not designated as a Lot on the plat and that has not been accepted for maintenance by the applicable governmental body. Declarant will convey the Common Area to the Association.
- 1.8. **"Corner Lot"** shall refer to a Lot which abuts on more than one street.
- 1.9. **"Declarant"** shall refer to the Developer as Canaan Land Development Corporation, its successors and assigns.
- 1.10. **"Declaration"** shall refer to this Declaration of Covenants, Conditions, and Restrictions and as it may be amended from time to time.
- 1.11. **"Director"** means a Member of the Board of Directors of the Association.
- 1.12. **"Documents"** or **"Governing Documents"** means, singly or collectively as the case may be, this Declaration of Covenants, Conditions, and Restrictions, the Plat, the Bylaws, the Association's Articles of Incorporation, certificate of formation, and the Rules and Architectural Restrictions and as any of these may be amended from time to time.
- 1.13. **"Dwelling"** means the single-family residence on a Lot, and all other improvements on the Lot. Where the context indicates or requires, "Dwelling" includes the Lot.
- 1.14. **"Lot"** means a portion of the Property other than the Common Area, intended for independent ownership, on which there is or will be constructed a Dwelling, as shown on the Plat, Where the context indicates or requires, "Lot" includes the Dwelling.

- 1.15. "Owner" shall refer to the owner, whether one or more persons or entities of the fee simple title to any Lot but shall not refer to any person or entity holding a lien, easement, mineral interest or royalty interest burdening the title thereto. The holder of recorded fee simple title to a Lot. Contract sellers and Mortgagees who acquire title to a Lot through a deed in lieu of foreclosure or through judicial or nonjudicial foreclosure are owners. Persons or entities having ownership interests merely as a security for the performance of an obligation are not Owners. Every Owner/Homeowner is a Member of the Association.
- 1.16. "Majority" means more than half.
- 1.17. "Member" means a Member of the Association, each Member being an Owner of a Lot, unless the context indicates that Member means a Member of the Board or a Member of a committee of the Association.
- 1.18. "Mortgagee" means a holder, insurer, or guarantor or a purchase money mortgage secured by a recorded senior or first deed of trust lien against a Lot.
- 1.19. "Plat" means all Plats, singly and collectively, recorded or in lie recorded in the Real Property records of Smith County, Texas and pertaining to RUNNING MEADOWS WEST UNIT 2 HOMEOWNERS ASSOCIATION, INC., including all declaration, limitations, restrictions, easements, and reservations shown on the Plat, as the Plats may be amended from time to time.
- 1.20. "Property" means all the land subject to these Declaration and all improvements, easements, rights, and appurtenances to the land.
- 1.21. "Resident" means an occupant of a Dwelling, regardless of whether they person owns the Lot.
- 1.22. "Rules" means rules and regulations adopted by the Board in accordance with the Documents which may be amended from time to time.
- 1.23. "Single Family Dwelling" shall refer to a residential structure designed and constructed for use by one family only.
- 1.24. "Street" shall refer to any street, drive, boulevard, road, alley, land, avenue or any thoroughfare as shown on the Subdivision Plat.
- 1.25. "Subdivision" shall refer to RUNNING MEADOWS WEST UNIT 2 as set forth in the plat thereof recorded in Cabinet F, Slide 232A for lots 1-12 except 11.429 acres, of the Plat Records of Smith County, Texas.
- 1.26. "Underwriting Lender" means Federal Home Loan Mortgage Corporation (Freddie Mac), Federal Housing Administration (FHA), Federal National Mortgage Association (Fannie Mae), or Veterans Administration (VA), singly or collectively. The use of this term and these institutions may not be construed as a limitation on an Owner's financing options or as a representation that the Property is approved by any institution.
- 1.27. "Water Resources" means all of the water management system components which may be located wholly within the Property, including the lake, water retention areas, creeks and drainage ditches, swales, and all structures, pipes, conduits, and other connectors among any of them.

ARTICLE 2

THE PROPERTY

2.1. **PROPERTY.** The real property for the RUNNING MEADOWS WEST UNIT 2 addition filed with Smith County, Texas according to the real property as described in the Final Plat thereof recorded in Plat Records, Smith County, Tyler, Texas, Cabinet F, Slide 238A which may be amended from time to time is held, transferred, sold, conveyed, leased, occupied, used, insured, and encumbered subject to the terms, covenants, conditions, restrictions, liens, and easements of this Declaration, including Appendixes to this Declaration, which run with the real property and bind all parties having or acquiring any right, title, or interest in the Property, their heirs, successors, and assigns, and inure to the benefit of each Owner of the Property.

2.3. **SUBJECT TO DOCUMENTS.** The real property subject to this Declaration is also subject to the Plat, the Bylaws, the Association's Article of Incorporation, and the Rules and architectural restrictions, if any, of the Association, as any of these may be amended from time to time.

2.4. **COMMON AREAS.** The Common Areas of the Property consist of the following, and any modification of, replacement of, or addition to these:

2.4.1 **Maintenance Easement.** The lawns, landscaping, and sprinklers, regardless of whether on a Lot or a public right of way, activity center and common parking area if any.

2.4.2 **Property Entrances.** If any: (1) security gates; (2) signage; (3) planter boxes and fencing; (4) electrical and water installations on utility meters in the Association's name; (5) grass, shrubs, ground cover, and trees, served by the Association's sprinkler lines.

2.4.3 **Streetlamps.** Any pole lamps on the Property that are used for street lighting.

2.4.4 **Personal Property.** Any personal property owned by the Association, such as books and records, office equipment, and furniture.

ARTICLE 3

MAINTENANCE OBLIGATIONS

3.1. **OVERVIEW.** Generally, the Association alone shall maintain the Common Areas, including the landscaping of common areas, and the Owner shall maintain the interior and exterior of his/her Dwelling not otherwise covered by a maintenance easement to the Association. The

exterior and interior of each Dwelling shall be maintained by the Owner. If an Owner fails to maintain his Dwelling, the Association may perform the work at the Owner's expense.

3.2. ASSOCIATION MAINTENANCE. The Association's maintenance obligations will be discharged when and in the manner that the Board deems appropriate. The Association maintains, repairs, and replaces, as a common expense, the portions of the Property listed below, regardless of whether the portions are on Lots or Common Areas.

- A. All Common Areas as defined in Section 2.4 of these Documents;
- B. Areas of Common Responsibility as defined in Section 3.4 of these Documents;
- C. All landscaping of the Association.

3.3. OWNER RESPONSIBILITY. Every Owner has the following responsibilities and obligations for the maintenance, repair, and replacement of the Property:

3.3.1. Lot Maintenance. Each Owner, at the Owner's expense, must maintain the exterior and interior of his/her Dwelling, including any structures on the Lot. Maintenance includes, as needed, preventative maintenance, repairs, painting and replacement. Each Owner is expected to maintain his/her Dwelling at a level, to a standard, and with an appearance that is commensurate with other Dwelling in the Property, with final determination being at the discretion of the Board.

3.3.2 Extermination. Each Owner is responsible for extermination of Insects and other pests.

3.3.3 Avoid Damage. An Owner may not do any work or fail to do any work which, in the reasonable opinion of the Board, would materially jeopardize the soundness and safety of the Property, reduce the value of the Property, adversely affect the appearance of the Property, or impair any easement relating to the Property.

3.3.4. Responsible for Damage. An Owner is responsible for his/her own willful or negligent acts and those of his/her or the Resident's family, guest, agents, employees, or contractors when those acts necessitate maintenance, repair, or replacement to the Common Areas, the Area of Common Responsibility, or the property of another Owner.

3.3.5 Owner's Default in Maintenance. If the Board determines that an Owner has failed to properly discharge his/her obligation to maintain, repair, and replace items for which the Owner is responsible, the board may give the Owner written notice of the Association's intent to provide the necessary maintenance at Owner's expense. The notice must state, with reasonable particularity, the maintenance deemed necessary and reasonable period of time in which to complete the work. If the Owner fails or refuses to timely perform the maintenance, the Association may, at the Board's

discretion (1) perform the maintenance at Owner's expense, which is an Individual Assessment against the Owner and his/her Lot; or (2) refer to legal counsel for enforcement, with said costs being an individual Assessment against the Owner and his/her Lot. In case of an emergency, however, the Board's responsibility to give the Owner written notice may be waived and the Board may take any action it deems necessary to protect persons or property, the cost of the action being the Owner's expense.

BEFORE ACQUIRING AN OWNERSHIP INTEREST IN A LOT, EACH PROSPECTIVE PURCHASER IS STRONGLY ENCOURAGED TO CONTACT THE ASSOCIATION TO OBTAIN AND REVIEW THE MOST RECENT DESIGNATION OF AREAS OF COMMON RESPONSIBILITY, WHICH IS SUBJECT TO CHANGE FROM TIME TO TIME.

3.4. AREA OF COMMON RESPONSIBILITY. The Association, acting through its elected Board of Directors has the right but not the duty to designate, from time to time, portions of Lots or Dwellings as Areas of Common Responsibility to be treated, maintained, repaired, and/or replaced by the Association as a common expense. The cost of maintaining Areas of Common Responsibility is added to the annual budget and assessed uniformly against all Lots as a regular Assessment, unless Owners of at least a majority of the Lots decide to assess the costs, as individual Assessments.

3.4.1. *Change in Designation.* The Association may, from time to time, change the designation of Areas of Common Responsibility, or provide for no Areas of Common Responsibility. Because the designation is subject to change, the Association will maintain at all times a dated list of the Areas of Common Responsibility for distribution to Owners and prospective purchasers. Additions, deletions, or changes in designation must be:

- A. Amended by Declarant;
- B. Approved by Owners of at least a majority of the Lots;
- C. Published and distributed to an Owner of each Lot upon written request;
- D. Reflected in the Association's annual budget and reserve funds.

ARTICLE 4

ASSOCIATION AND MEMBERSHIP RIGHTS

4.1. THE ASSOCIATION. The duties and powers of the Association are those set forth in the Governing Documents, together with the general and implied powers of a Homeowners Association and a nonprofit corporation organized under the laws of the State of Texas.

Generally, the Association may do any and all things that are lawful and necessary, properly, or desirable in operating for the peace, health, comfort, and general benefit of its Members, subject only to the limitations on the exercise of such powers as stated in the Documents. The Association will continue to exist at least as long as the Declaration is effective against the Property, regardless of whether its corporate charge lapses from time to time.

4.2. **ESTABLISHMENT AND GOVERNANCE.** The Association is established by filing its certificate of formation and is governed by the certificate, the Declaration, and the Bylaws. The Association has the powers of nonprofit corporation and the property owner's association for the Subdivision under the Texas Business Organizations Code, the Texas Property Code, and the Governing Documents.

4.3. **RULES.** The Board may adopt rules that do not conflict with law or other Governing Documents. On request, Owner may be provided a copy of any rules.

4.4. **MEMBERSHIP.** Each Owner is a Member of the Association, ownership of a Lot being the sole qualification for Membership. Membership is appurtenant to and may not be separated from ownership of the Lot. An attempt to separate Membership in the Association from ownership of the Lot is void and will not be recognized by the Association. The Board may require satisfactory evidence of transfer of ownership before a purported Owner is entitled to vote at meetings of the Association.

4.5. **VOTING.** One (1) vote is appurtenant to each Lot. The total number of votes equals the total number of Lots in the Property. Each vote is uniform and equal to the vote appurtenant to every other Lot. Votes may be cast by written proxy, according to the requirements of the Bylaws. Cumulative voting is not allowed. The vote appurtenant to a Lot is not divisible by Co-Owners, who are subject to the following provisions.

4.5.1 **Co-Owners Voting at Meeting.** If only one (1) of the multiple Co-Owners of a Lot is present at a meeting of the Association, that person may cast the vote allocated to the Lot. If more than one (1) of the Co-Owners is present, the Lot's one (1) vote may be cast with the Co-Owners' unanimous agreement. Co-Owners are in unanimous agreement if one of the Co-Owners casts the vote and no other Co-Owner makes prompt protest to the person presiding over the meeting.

4.5.2 **Co-Owners Voting by Proxy or Ballot.** Any Co-Owner of a Lot may vote by ballot or proxy and may register protest to the casting of a vote by ballot or proxy by the other Co-Owners. If the person presiding over the meeting or balloting receives evidence that the Co-Owners disagree on the how the one (1) appurtenant vote will be cast, the vote will not be counted.

The Association has two (2) classes of voting members:

1. Class A. Class A Members shall be those owners of lots other than the Developer/Declarant. Class A members shall be entitled to one (1) vote for each lot in which they hold interests required for membership in Section 4. In no event shall more than one (1) vote be cast with respect to any one (1) lot.

1. a. Co-Owners. If a Lot is owned by more than one (1) person or entity, each Co-Owner is a Member of the Association and may exercise the Membership rights appurtenant to the Lot. Regardless of whether a Lot is owned by more than one (1) person or entity, each Lot shall be provided one (1) vote, as specified in Section 4.4 of these Declarations.

1. b. Contract Purchaser. A Member who sells his Lot under a contract for deed may delegate his/her Membership rights to the contract purchaser, provided a written assignment is delivered to the Board. However, the contract seller remains liable for all Assessments attributable to his/her Lot until fee title to the Lot is transferred.

2. Class B. Class B Members shall be the Developer/Declarant. The Developer/Declarant is defined as Cannan Land Development Corporation and its successors and assigns. The Class B member shall be entitled to two (2) votes to each of the one (1) vote of a Class A member until the Class A Members' votes exceed the total of Class B Member's votes at which time the Class B Membership ceases and converts to Class A Membership.

4.6. BOOKS & RECORDS. The Association will maintain copies of the Documents and the Association's books, records, and financial statements. Books and records of the Association will be made available for inspection per the *RUNNING MEADOWS WEST UNIT 2 UNIT 2 HOMEOWNERS ASSOCIATION, INC. Open Records and Records Retention Policy* and section §209.005 of the Texas Property Code and as they may be amended from time to time.

4.7. INDEMNITY. THE ASSOCIATION AGREES TO INDEMNIFY, HOLD HARMLESS, SAVE AND DEFEND EVERY FORMER, CURRENT AND FUTURE OFFICER, DIRECTOR, AND COMMITTEE MEMBER AND ANY OTHER PARTIES REQUIRED TO BE INDEMNIFIED BY THE ASSOCIATION UNDER THE GOVERNING DOCUMENTS OF *RUNNING MEADOWS WEST UNIT 2 HOMEOWNERS ASSOCIATION, INC.*, A TEXAS NON-PROFIT CORPORATION, ("INDEMNIFIED PARTIES") AGAINST ANY AND ALL LIABILITY, CLAIMS, DEMANDS, DAMAGES, LOSSES, EXPENSES, COSTS, LIABILITIES, INJURIES, CAUSES OF ACTION OR JUDGMENTS INCLUDING ATTORNEY'S FEES AND COURT COSTS FOR BODILY INJURY OR DEATH, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO ALL CLAIMS OR DEMANDS FOR DAMAGE TO OWNERS, THEIR RESIDENTS, TENANTS, AND/OR GUESTS, CONTRACTORS, SUBCONTRACTORS, THEIR EMPLOYEES, AGENTS OR PROPERTY OWNED OR OCCASIONED, CONTRIBUTED TO OR IN ANY WAY CAUSED IN WHOLE OR IN PART BY TO OWNERS, THEIR RESIDENTS, TENANTS, AND/OR

GUESTS, CONTRACTORS, SUBCONTRACTORS, THEIR EMPLOYEES, AGENTS OR PROPERTY OWNED OR OCCASIONED, CONTRIBUTED TO OR IN ANY WAY CAUSED IN WHOLE OR IN PART BY TO OWNERS, THEIR RESIDENTS, TENANTS, AND/OR GUESTS, CONTRACTORS, SUBCONTRACTORS, THEIR EMPLOYEES, AGENTS OR PROPERTY OWNED, OR IN ANY WAY ARISING OUT OF, CONNECTED WITH OR INCIDENT TO THE PERFORMANCE OF THE OBLIGATIONS COVERED BY THESE DECLARATIONS, INCLUDING MISTAKE OF BUSINESS JUDGMENT AND/OR NEGLIGENCE, BY WHOMEVER PERFORMED, REGARDLESS OF WHETHER SUCH INJURY, DEATH OR DAMAGE IS CAUSED OR IS ALLEGED TO BE CAUSED IN WHOLE OR IN PART BY ANY NEGLIGENT ACT OR OMISSION OF ANY OFFICER, DIRECTOR, AND COMMITTEE MEMBER AND ANY OTHER PARTIES REQUIRED TO BE INDEMNIFIED BY THE ASSOCIATION UNDER THE GOVERNING DOCUMENTS OF RUNNING MEADOWS WEST UNIT 2 UNIT 2 HOMEOWNERS ASSOCIATION, INC. A TEXAS NON-PROFIT CORPORATION. THE RIGHT OF INDEMNIFICATION SHALL NOT BE AVAILABLE IN THE EVENT AN INDEMNIFIED PARTY IS FOUND BY A COURT OR JURY TO HAVE COMMITTED A WILLFUL MISFEASANCE, WILLFUL MISFEASANCE, WILLFUL MISCONDUCT, OR ACTED WILLFULLY IN BAD FAITH AGAINST THE ASSOCIATION.

4.8. **OBLIGATIONS OF OWNERS.** Without limiting the obligations of Owners under the Documents, each Owner has the following obligations:

4.8.1 **Information.** Within thirty (30) days after acquiring an interest in a Lot; within thirty (30) days after the Owner has notice of a change in any information required by this Subsection; and on request by the Association from time to time, an Owner will provide the Association with the following information:

- A. A copy of the recorded deed by which Owner has title to the Lots;
- B. The Owner's address, phone number, email address;
- C. Any Mortgagee's name, address, and loan numbers;
- D. The name and phone number of any Resident including tenant, other than the Owner;
- E. The name, address, and phone number of Owner's managing agent, if any.

4.8.2 **Assessments.** Each Owner will pay Assessments properly levied by the Association against the Owners or his/her Lot and will pay regular Assessments without demand by the Association. In the event an Owner fails to comply with this obligation, the Association may take the steps outlined in these Declarations to recover said Assessments.

4.8.3 **Comply.** Each Owner will comply with the Documents as amended from time to time.

4.8.4. Reimburse. Each Owner will pay for damage to the Property caused by the negligence or willful misconduct of the Owner, a Resident of the Owner's Lot, or the Owner or Residents family, guest, employees, contractors, agents, or invitees.

4.8.5. Liability. Each Owner is liable to the Association for violations of the Documents by the Owner, a Resident of the Owner's Lot, or the Owner or Resident's family, guests, employees, agents, or invitees, and for costs incurred by the Association to obtain compliance, including attorney's fees and management fees whether or not suit is filed. Said liability shall include the costs incurred by the Association including but not limited to attorney's fees and costs, management fees, and postage fees.

ARTICLE 5

COVENANTS FOR ASSESSMENTS

5.1. PURPOSE OF ASSESSMENTS. The Association will use Assessments for the general purposes or preserving and enhancing the Property, and promoting the recreation, health, safety, common benefit, and enjoyment of Owners and Residents, including but not limited to maintenance of real and personal property, management and operation of the Association, and any expense reasonably related to the purposes for which the Property was developed. If made in good faith, the Board's decision with respect to the use of Assessments is final.

5.2. PERSONAL OBLIGATION. An Owner is obliged to pay Assessments levied by the Board against the Owner or his/her Lot. An Owner makes payment to the Association at its principal office or at any other place the Board directs. Payments must be made in full regardless of whether an Owner has a dispute with the Association, another Owner, or any other person or entity regarding any matter to which this Declaration pertains. No Owner is exempt from his/her Assessment liability by waiver of the use or enjoyment of the Common Area or by abandonment of his/her Lot. An Owner's obligation is not subject to offset by the Owner, nor is it contingent on the Association's performance of the association's duties. Payment of Assessments is both a continuing affirmative covenant personal to the Owner and a continuing covenant running with the Lot.

5.3. CONTROL FOR ASSESSMENT INCREASES. This Section of the Declaration may not be amended without the approval of at least sixty-seven (67%) (or percentage allowed by the §209.005, of the Texas Property Code and as it may be amended from time to time) of the allocated votes present at the noticed meeting for vote on such amendments. In addition, to other rights granted to Owners by this Declaration, Owners have the following powers and controls over the Association's budget.

5.3.1 Veto Increased Dues. At least thirty (30) days prior to the effective date of an increase in regular Assessments, the Board will notify an Owner of each Lot of the

amount of, the budgetary basis for, and the effective date of the increase. The increase will automatically become effective unless Owners of at least a majority of the Lots disapprove the increase by petition or at a meeting of the Association. In that event, the last approved budget will continue in effect until a revised budget is approved.

5.3.2 Veto Special Assessment. At least thirty (30) days prior to the effective date of a Special Assessment, the Board will notify an Owner of each Lot of the amount of, the budgetary basis for, and the effective date of the Special Assessment. The Special Assessment will automatically become effective unless Owners of at least majority of the Lots disapprove the Special Assessment by petition or at a meeting of the Association.

5.3.3 Approve Certain Special Assessments. The following actions must be funded by the Special Assessment approved by Owners of at least a majority of the Lots:

- A. Acquisition of real property, other than the purchase of a Lot at the sale foreclosing the Association's lien against the Lot.
- B. Construction of additional improvement within the Property, but not replacement of original improvements.
- C. Any expenditure that may reasonably be expected to significantly increase the Association's responsibility and financial obligation for operations, insurance, maintenance, repairs, replacements, legal representation, and property management.

5.4. **TYPES OF ASSESSMENTS**. There are three (3) types of Assessments: Regular, Special and Individual.

5.4.1 Regular Assessments. Regular Assessments are based on the annual budget. Each Lot is liable for its designated share or proportion of the annual budget. If the Board does not approve an annual budget or fails to determine new regular Assessments for any year, or delays in doing so, Owners shall continue to pay the regular Assessments as last determined. If during the course of a year the Board determines that regular Assessments are insufficient to cover the estimated common expenses for the remainder of the year, the Board may increase regular Assessments for the remainder of the fiscal year in an amount that covers the estimated deficiency. Regular assessments shall commence as to all lots on the date of conveyance of the first Lot to an Owner. The first Regular Assessment shall be adjusted according to the number of days in the fiscal year. The Board shall fix the amount of the Regular Assessment against each Lot at least thirty (30) days in advance of each assessment period. Written notice of the Regular Assessment shall be sent to an Owner of every Lot

subject thereto. For each Lot that has been sold or conveyed, the Regular Assessment shall be a minimum of Three Hundred dollars (\$300) per year, with any increase thereof being directed by the Board. Regular Assessments are used for common expenses related to the reoccurring, periodic, and anticipated responsibilities of the Association, including but not limited to:

- A. Maintenance, repair and replacement, as necessary, of the Common Area;
- B. Maintenance, repair and replacement, as necessary of the Areas of Common Responsibility;
- C. Utilities billed to the Association;
- D. Services billed to the Association and serving all Lots;
- E. Taxes on property owned by the Association, if any, and the Association's income taxes;
- F. Management, legal, accounting, auditing, and professional fees for services to the Association;
- G. Costs of operating the Association, such as telephone, postage, office supplies, printing/copying, meeting expenses, and educational opportunities of benefit to the Association;
- H. Insurance premiums and deductibles;
- I. Contribution to the reserve funds;
- J. Any other expense which the Association is required by law or the Documents to pay, or which in the opinion of the Board is necessary or proper for the operation and maintenance of the Property or for enforcement of the Documents.

5-4.2 Special Assessments. In addition to regular Assessments, and subject to subsection 5.3.3, above, the Board may levy one or more special Assessments per annum against all Lots for the purpose of defraying, in whole or in part, common expenses not anticipated by the annual budget or reserve funds.

5-4.3 Individual Assessments. In addition to Regular and Special Assessments, the board may levy an individual Assessment against a Lot and its Owner. Individual Assessments may include, but are not limited to; an additional Assessment as set out in Paragraph 10.5 herein, interest, late charges, and collection costs on delinquent Assessments; reimbursement for costs incurred in bringing an Owner or his Lot into compliance with the Documents; fines for violations of the Documents; insurance deductibles; reimbursement for damage or waste caused by willful or negligent acts; common expenses that benefit fewer than all of the Lots, which may be assessed

according to benefit received; and pass through expenses for services or Lots provided through the Association and which are equitably paid by each Lot according to benefit received.

5.4.4. Fines. The Board has the authority to have a Fining Policy to establish fines for noncompliance. The Board may levy a fine against an Owner for a violation of the Governing Documents.

5.5. BASIS & RATE OF ASSESSMENTS. The share of liability for common expenses shall be allocated uniformly to each Lot.

5.6. ANNUAL BUDGET. The Board will prepare and approve an estimated annual budget for each fiscal year. The budget will take into account the estimated income and common expenses for the year, contributions to reserve funds, and a projection for uncollected receivables. The Board will make the budget or its summary available to an owner of each Lot, although failure to receive a budget or summary does not affect or void an Owner's liability for Assessments. The Board will provide copies of the detailed budget to Owners who make written request and pay a reasonable copy charge.

5.7. DUE DATE. Regular Assessments will be due on an annual basis, made payable to *RUNNING MEADOWS WEST UNIT 2 UNIT 2 HOMEOWNERS ASSOCIATION, INC.* and payable on the first day of the year. Assessments not paid by January 31st will be considered late and may incur a late fee of at least twenty - five dollars (\$25) per month until paid in full. The Board of Directors may change the late fee from time to time. Special and individual Assessments are due on the date stated in the notice of Assessment or, if no date is stated, within thirty (30) calendar days after notice of the Assessment is given. The board may allow payment plans at the request of homeowners per §209.005 of the Texas Property Code and as it may be amended from time to time.

5.8. RESERVE FUNDS. The Association may establish, maintain, and accumulate reserves for operations and for replacement and repair. The Association may budget for reserves and use its best efforts to fund reserves out of regular Assessments, including using professional consultation as necessary.

5.8.1. Operations Reserves. The Association will maintain operations reserves at a level sufficient to cover the cost of operational or maintenance emergencies or contingencies, including the full amount of deductible on insurance policies maintained by the Association.

5.8.2. Replacement & Repair Reserves. The Association may maintain replacement and repair reserves at a level that anticipates the scheduled replacement or major repair of components of the Common Area and Area of Common Responsibility and will utilize

professional advice from an appropriate engineer regarding street repair and replacement.

5.9. **ASSOCIATIONS RIGHT TO BORROW MONEY.** The Association is granted the right to borrow money, subject to the ability of the Association to repay the borrowed funds from Assessments. To assist its ability to borrow, the Association, acting through its Board, is granted the right to encumber, mortgage, pledge, or deed in trust any of its real or personal property, and the right to assign its right to future income, as security for money borrowed or debts incurred, provided that the rights of the lender in the pledged Property are subordinate and inferior to the rights of the Owners hereunder.

5.10. **ASSESSMENT LIEN.** Each Owner, by accepting an interest in or title to a Lot, whether or not it is so expressed in the instrument of conveyance, covenants and agrees to pay Assessments to the Association. Each Assessment is a charge on the Lot and is secured by a continuing lien on the Lot. Each Owner, and each prospective Owner, is placed on notice that his/her title may be subject to the continuing lien for Assessments attributable to a period prior to the date they purchased his/her Lot.

5.10.1. *Superiority of Assessment Lien.* The Assessment lien is superior to all other liens and encumbrances on a Lot, except only for (1) real property taxes and Assessments levied by government and taxing authorities, (2) any interim construction lien, and (3) a first or senior purchase money vendor's lien or deed of trust lien recorded before the date on which the delinquent Assessment became due. The Assessment lien is superior to any mechanic's lien for construction of improvements to the Lot or an assignment of the right to insurance proceeds on the Lot, regardless of when recorded or perfected.

5.10.2. *Effect of Mortgagee's Foreclosure.* A Mortgagee's foreclosure of its deed of trust lien extinguishes the Association's claim against the Lot for unpaid Assessments that became due before the sale but does not extinguish the Association's claim against the former Owner. The purchaser at the Mortgagee's foreclosure sale is liable for Assessments coming due from and after the date of the sale, and for the Owner's pro rate share of the pre-foreclosure deficiency as a common expense.

5.10.3. *Perfection of Lien.* The Association's lien for Assessments is continued from the original restrictions and covenants as to each lot by recordation of this Declaration, which constitutes record notice and perfection of the lien. No other recordation of a lien or notice of lien is required. However, the Association, at its option, may cause a notice of the lien to be recorded in the county's real property records. If the debt is cured after a notice has been recorded, the Association will record a release of the notice at the expense of the curing Owner.

5.10.4. Power of Sale. By accepting an interest in or title to a Lot, each Owner grants to the Association a private power of judicial or non-judicial sale in connection with the Association's Assessment lien. The Board may appoint, from time to time, an Association officer, agent, trustee, substitute trustee, or attorney to exercise the power of sale on behalf of the Association. The appointment must be in writing and may be in the form of a resolution recorded in the minutes of a Board meeting.

5.10.5. Foreclosure of Lien. The Assessment lien may be enforced by judicial or non-judicial foreclosure. A non-judicial foreclosure must be conducted in accordance with the provisions applicable to the exercise of powers of sale as set forth in section §209.005 of the Texas Property Code, as it may be amended from time to time, or in any manner permitted by law. In any foreclosure, the Owner is required to pay the Association's costs and expenses for the proceedings, including reasonable attorneys' fees and costs. The Association has the power to bid on the Lot at foreclosure sale and to acquire, hold, lease, mortgage, and convey same.

ARTICLE 6

EFFECT OF NONPAYMENT OF ASSESSMENTS AND VIOLATION OF THE GOVERNING DOCUMENTS

6.1. COLLECTING DELINQUENT ASSESSMENTS. Owners who honor their obligations to the Association should not be burdened by Owners who default. The Board is responsible for taking action to collect delinquent Assessments. Neither the Board nor the Association, however, is liable to an Owner or other person for its failure or inability to collect or attempt to collect an Assessment. The following remedies are in addition to and not in substitution for all other rights and remedies which the Association has, as also specified in the *Collection Policy for RUNNING MEADOWS WEST UNIT 2 HOMEOWNERS ASSOCIATION, INC.*

6.1.1. Delinquency. An Assessment is delinquent if the Association does not receive payment in full by the Assessments due as specified in Section 5.7.

6.1.2. Notice of Mortgagee. The Board may notify and communicate with the holder of any lien against a Lot regarding the Owner's default in payment of Assessments.

6.1.3. Late Fees. Delinquent Assessments are subject to reasonable late fees, at a rate to be determined by the Board from time to time. Late fees are an individual Assessment at a rate of \$25 per month for continuing delinquent assessments which may be changed from time to time by the Board of Directors.

6.1.4. Costs of Collections. The Owner of a Lot against which Assessments are delinquent is liable to the Association for reimbursement of reasonable costs incurred by the Association to collect the delinquent Assessments, including attorney's fees and processing fees charged by the manager. Collection costs are individual assessments, subject to the terms of Section 5.4.3.

6.1.5. Money Judgment. The Association may file suit seeking a money judgment against an Owner delinquent in the payment of Assessments, without foreclosing or waiving the Association lien for Assessments.

6.1.6. Foreclosure of Assessment Lien. As provided by Article 5 of this Declaration, the Association may foreclose its lien against the Lot by judicial or non-judicial means.

6.1.7. Application of Payments. The Board may adopt and amend policies regarding the application of payments. The Board may refuse to accept payments to which the payer attaches conditions or directions contrary to the Board's policy for applying payments. Acceptance of payment with attached conditions or directions contrary to the Board's policy for applying payments is not completed through endorsement and deposit but is contingent upon said payment being posted on the Lot's account.

6.2. **ENFORCING THE DOCUMENTS**. The remedies provided in this Section for breach of the Documents are cumulative and not exclusive. In addition to other rights and remedies provided by the Documents and by law, the Association has the following right to enforce the Documents:

6.2.1. Nuisance. The result of every act or omission that violates any provision of the Governing Documents is a nuisance, and any remedy allowed by law against a nuisance, either public or private, is applicable against the violation.

6.2.2. Fine. The Association may levy reasonable charges, as an individual Assessment, against an Owner and has Lot is the Owner or Resident, or the Owner or Resident's family, guests, employees, agents, or contractors violate a provision of the Governing Documents. Fines may be levied for each act of violation or for each day a violation continues and does not constitute a waiver or discharge of the Owner's obligations under the Governing Documents.

6.2.3. Suspension. The Association may suspend the right of Owners and Residents to use Common Areas for any period during which the Owner or Resident, or the Owner or Resident's family, guests, employees, agents, or contractors violates the Governing Documents. A suspension does not constitute a waiver or discharge of the Owner's obligations under the Governing Documents.

6.2.4. Self-Help. The Association has the right to enter any part of the Property, including Lots, to abate or remove, using force as may reasonably be necessary, any

erection, thing, animal, person, vehicle, or condition that violates the Governing Documents. In exercising this right, the Board is not trespassing and is not liable for damages related to the abatement. The Board may levy its costs of abatement against the Lot and Owner as an Individual Assessment. Unless an emergency situation exists in the good faith opinion of the Board, the Board will give the violation Owner fifteen (15) days written notice of its intent to exercise self-help.

6.2.5. No Waiver. The Association and every Owner has the right to enforce all restrictions, conditions, covenants, liens, and charges now or hereafter imposed by the Governing Documents. Failure by the Association or by any Owner to enforce a provision of the Governing Documents is not a waiver of the right to do so thereafter.

6.3. **NOTICE AND HEARING**. Before levying a fine for violation of the Governing Documents (other than nonpayment of Assessments), or before levying an Individual Assessment for property damage, the Association will give the Owner written notice of the levy and an opportunity to be heard. The Association's written notice must contain: (1) a description of the violation or property damage; (2) the amount of the proposed fine or damage charge; (3) a statement that not later than the thirtieth (30th) day after the date of the notice, the Owner may request a hearing before the Board to contest the fine or charge; and (4) a stated date by which the Owner may cure the violation to avoid the fine unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding twelve (12) months. The Association may also give a copy of the notice to the Resident. Pending the hearing, the Association may continue to exercise its other rights and remedies for the violation, as if the declared violation were valid. The Owner's request for a hearing suspends only the levy of a fine or damage charge. The Owner may attend the hearing in person or may be represented by another person or written communication. The Board may adopt additional procedures and requirements for notices and hearing.

ARTICLE 7

PROPERTY EASEMENTS AND RIGHTS

7.1. **GENERAL**. In addition to other easements and rights established by the Documents, the Property is subject to the easements and rights contained in this Article.

7.2. **OWNER'S EASEMENT OF ENJOYMENT**. Every Owner is granted a right and easement of enjoyment and use over the Common Areas, subject to other rights and easements contained in the Governing Documents, including restrictions and suspension from use of said Common Areas as specified herein.

7.3. OWNER'S MAINTENANCE EASEMENT. Every Owner is granted an easement over adjoining Lots and Common Areas for the maintenance or reconstruction of his Dwelling, subject to the consent of the Owner of the adjoining Lot, or the Association in case of Common Areas, and provided the easement does not damage or materially interfere with the use of the adjoining Lot or Common Area. Requests for entry to an adjoining Lot or Common Area will be made in advance for a time reasonably convenient for the adjoining Owner, who may not unreasonably withhold consent. If an Owner damages an adjoining Lot or Common Area in exercising this easement, the Owner is obliged to restore the damaged property to its original conditions, at his/her sole expense, within a reasonable period of time not to exceed sixty (60) days after receiving request or notice of reimbursement.

7.4. OWNER'S INGRESS & EGRESS EASEMENT. Every Owner is granted a perpetual easement over the Property, as may be reasonably required, for ingress to and egress from his/her Lot.

7.5. ASSOCIATION'S ACCESS EASEMENT. The Association is granted an easement of access and entry to every Lot and Common Area to perform maintenance, to enforce architectural and use restrictions, to respond to emergencies, and to perform any other duties require by the Governing Documents.

7.6. UTILITY EASEMENT. The Association may grant permits, licenses, and easements over Common Areas for utilities, roads, and other purposes necessary for the proper operation of the Property. A company or entity, public or private, furnishing utility service to the Property, is granted an easement over the Property for ingress, egress, meter reading, installation, maintenance, repair, or replacement of utilities lines and equipment, and to do anything else necessary to properly maintain and furnish utility service to the Property; provided, however, this easement may not be exercised without prior notice to the Board. Utilities may include, but are not limited to, water, sewer, trash removal, electricity, gas, telephone, master or cable television, and security.

7.7. ENCROACHMENT EASEMENT. If any portion of a Dwelling encroaches upon any Common Area or upon an adjoining Lots now existing or which may come into existence hereafter as a result of construction, overhangs, brick ledges, repair, shifting, settlement, or movement of any portion of a Dwelling, or as a result of condemnation or eminent domain proceedings, a valid easement for such encroachment shall exist and such encroachment shall remain undisturbed so long as the Dwelling stands.

ARTICLE 8

ARCHITECTURAL COVENANTS AND CONTROLS

8.1. **PURPOSE.** Because the Lots are part of a single, unified community, the Association has the right to regulate the design, use, and appearance of the Lots and Common Areas in order to preserve and enhance the Property's value and architectural harmony. The purpose of this Article is to promote and ensure the level of taste, design, quality, and harmony by which the Property maintained.

OTHER THAN THOSE LOTS EXPRESSLY EXCLUDED HEREIN, THE CONSTRUCTION, MODIFICATION, REPLACEMENT, USE, AND APPEARANCE OF EVERY LOT & DWELLING IS SUBJECT TO THIS DECLARATION, ACC APPROVAL, AND RULES & ARCHITECTURAL RESTRICTIONS ADOPTED BY THE ASSOCIATION.

8.2. **ARCHITECTURAL CONTROL COMMITTEE.** The Architectural Control Committee (the "ACC") consists of three (3) persons or more appointed by the Board, pursuant to the Bylaws. The Declarant shall serve as the ACC until the Declarant no longer owns any lot.

8.3. **PROHIBITION OF CONSTRUCTION, ALTERATION & IMPROVEMENT.** No structure, whether residence, accessory building, tennis court, swimming pool, (above ground pools are prohibited), antennae (on a structure or on a Lot), flag poles, fences, walls, exterior lighting, roof replacement or other improvements, shall be constructed or maintained upon any Lot and no alteration or repainting to the exterior of a structure shall be made and no landscaping performed unless complete plans, specifications, and Lot plans therefor, showing the exterior design, height, building material and color scheme thereof, the location of the structure plotted horizontally and vertically, the location and size of driveways, the general plan of landscaping, fencing, location of garbage cans and utility meters, walls and windbreaks, and the grading plan shall have been submitted to and approved in writing by the Architectural Control Committee.

8.4. **ACC APPROVAL.** To request ACC approval, an Owner must make written application and submit two (2) identical sets of plans and specifications showing the nature, kind, shape, color, size, materials, and locations of the work to be performed. The application must clearly identify any requirement of this Declaration for which a variance is sought. The ACC will return one (1) set of plans and specification to the applicant marked with the ACC's response, such as "Approved" or "Denied". The ACC will retain the other set of plans and specifications, together with the application, for the Association's files.

8.4.1. Deemed Approval. If an Owner has not received the ACC's written approval or denial within sixty (60) days after delivering his/her complete application to the ACC, the Owner may presume that their request has been approved by the ACC. The Owner may then proceed with the improvement, provided he/she adheres to the plans and specifications with accompanied his/her application and provided the Owner initiates and completes the improvement in a timely manner.

8.4.2. Prior Approval. Notwithstanding the foregoing, no permission or approval is required for work that strictly complies with guidelines, plans, specifications, or policies previously developed and approved for all Lots by the ACC and still in effect at the time work is initiated. Written approval for specified improvements or alterations on certain Lots does not constitute approval for all Lots.

8.4.3. No Approval Required. No approval is required to repaint exteriors or exterior trim in accordance with an ACC approved color scheme, or to rebuild a Dwelling in accordance with originally approved plans and specifications. No approval is required for an Owner to remodel or repaint the interior of a Dwelling unless such will alter, damage, or modify the exterior of said Dwelling.

8.4.4. Building Permit. If the application is for work that requires a building permit from the city or county, the ACC's approval is conditioned on the required issuance of the appropriate permit. The ACC's approval of plans and specifications does not mean that they comply with the city or county's requirements.

8.5. **ACC GUIDELINES**. The Association may publish architectural restrictions, guidelines, and standards developed by the ACC, subject to revision from time to time, including revisions to reflect changes in technology, style, and taste. The Association, acting through the ACC, has the right to establish and enforce architectural restrictions, guidelines, and standards relating to every aspect of proposed or existing improvements on a Lot, including but not limited to Dwellings, fences, and landscaping, and further including replacement or modifications of original construction or installation. All work approved by the ACC shall be completed within one (1) year after the approval by the ACC or such shorter period that the ACC may specify in the notice of approval, unless the completion is delayed due to causes beyond the reasonable control of the Owner, as determined by the ACC. All work and related improvements shall be in compliance with the items approved by the ACC.

ARTICLE 9

CONSTRUCTION RESTRICTIONS

9.1. **SUBJECT TO ACC RESTRICTIONS.** In addition to the restrictions contained in this Article and the following Article, each Lot is subject to any architectural restrictions developed by the ACC and publishes by the Association. The provisions of this Article may be treated as the minimum requirements for improving a Lot. The ACC may promulgate additional restrictions, as well as interpretations, additions, and specifications of the restrictions contained in this Article, provided they confirm to the original scheme of development and design. An Owner should review the Association's architectural restrictions, if any, before planning improvements, repairs, or replacements to his Lot and Dwelling.

BEFORE MAKING ANY IMPROVEMENT OR ALTERATIONS TO A LOT OR DWELLING, AN OWNER SHOULD CONTACT THE ASSOCIATION FOR THE MOST RECENT ARCHITECTURAL RESTRICTIONS.

9.2. **HOUSES.** No Lot shall be used except for residential purposes. Prohibited structures shall include, but not be limited to, duplex houses, apartments, office buildings. No business, professional, commercial or manufacturing use shall be made of any of said Lots. The principle improvements on a Lot must be one single family Dwelling, and at the option of the Owner, an accessory building, either separate from an attached to the main residential building, such building shall not include a kitchen or kitchen equipment such as a sink, stove, or other facilities which would create a separate dwelling unit. The types of residences permitted shall be one (1) detached single family Dwelling per Lot not more than two (2) stories in height. Carports are prohibited on any Lot. All structures shall be of new construction. No mobile trailer, modular or prefabricated homes shall be delivered or erected on any Lot in the Subdivision. The intent of this clause shall be to preclude the use of "manufactured" houses either delivered in whole or in components for erection on site. All residences must be kept in good repair and must be painted when necessary to preserve their attractiveness. Without the ACC's prior written approval for a variance, each residential building must have the following characteristics:

9.2.1. *Size of residential dwelling.* The area of any dwelling, exclusive of open porches and garages, shall contain no less than two thousand (2,000') square feet.

9.2.2. *Location of residence on Lot.* No building shall be located on any Lot nearer to the front Lot line or nearer to the side street than the minimum building setback lines designated on the Subdivision Plat. For the purposes of this Covenant, eaves, steps,

and patios shall not be considered as part of the building, provided, however, that this shall not be construed to permit any portion of a building on any Lot to encroach upon another Lot. For the purpose of these Restrictions, the front of each Lot shall coincide with and be the property line having the smallest dimension abutting a street. Each main residence building will face the front of the Lot.

9.2.3. *Garage.* Each Dwelling erected will include a minimum of a two (2) car attached garage. The garage shall not be modified or enclosed in any way making it an interior room addition to the Dwelling. The intent of this restriction is to maintain the garage for the primary purpose of parking vehicles allowed under this Declaration. One (1) storage building is allowed per lot. Storage buildings shall contain no more than one hundred twenty (120') square feet of floor space and should not exceed ten (10') feet in height (measured vertically from the natural finish ground elevation to the highest point of the roof). Storage building should have a composition roof, and painted siding that corresponds with the architectural style & color of the dwelling. Storage building should be maintained in a good visual appearance that corresponds with the dwelling. Storage buildings must be placed behind fences in a place it is least visible from the street, public or open areas. No outbuilding including garage erected on any Lot shall at any time be used as a dwelling, temporarily or permanently, nor shall any shack be placed on any Lot, nor shall any residence of a temporary character be permitted.

9.2.4. *Temporary Building.* Declarant may permit temporary toilet facilities, sales and construction offices and storage areas to be used in connection with the construction and sale of residences. Builders in the Subdivision may use garages as sales offices for the time during which such Builders are marketing homes within the Subdivision. At the time of the sale of a residence by a Builder, any garage appurtenant to such residence used for sales purposes must have been reconverted to a garage.

9.2.5. *Driveways.* On each Lot the Builder shall construct and the Owner shall maintain at his/her expense the driveway from the garage or garages to the abutting Street, including the portion of the driveway in the street easement, and the Builder shall repair at his expense any damage to the Street occasioned by connecting the driveway thereto. No driveway shall be wider than twenty (20') feet in width or less than sixteen (16') feet in width. All driveways shall be constructed with concrete material and shall not be less than four (4") inches thick. Failure to maintain in a proper and sightly manner will be enforced by the Association.

9.2.6. *Roofs.* All buildings constructed on said property will provide for a roof pitch of six (6") inches minimum and twelve (12") inches in maximum. Any deviation of roof pitch must be approved by the Architectural Control Committee. The roof may be

constructed with concrete tile or twenty (20) year bondable limited warranty composition shingles.

9.2.7. Minimum Masonry. The exterior walls of each building, exclusive of doors, windows and gable areas, shall not be less than sixty (60%) percent brick or brick veneer construction, all of which the Architectural Control Committee must approve the type and color.

includes
storage
buildings

9.2.8. Fences. No fence or wall shall be erected on any Lot nearer to the street than the building setback lines as designated on the Subdivision Plat or approved by the Architectural Control Committee. No chain link, barbed wire, hog wire, chicken wire, rail or similar type fencing shall be permitted. Privacy fences between Lots shall be of wood not to exceed six (6') feet in height. Fences along property lines that abut public open areas shall be of wooden picket see through type where the pickets are least one and one-half (1 1/2") inches apart; and of a height not to exceed four (4') feet. Transitions of fence heights from six (6') foot fences shall begin ten (10') feet from the point of intersection and be gradual or sloped. All fence posts shall be hidden from view of street.

9.2.9. Air conditioners. Air conditioning equipment may not be installed in the front yard of a Dwelling. Window units are expressly prohibited on any portion of a Dwelling or other permanent building on a Lot. The ACC may require that air conditioning equipment and apparatus be visually screened from the street and neighboring Lots.

9.2.10. No subdivision. No Lot may be subdivided.

9.2.11. Debris. No Lot or other part of the Property may be used as a dumping ground for trash, garbage, building materials, or debris, including non-functional vehicles, boats, and recreational vehicles. Subject to the prohibitions in this section, waste materials incident to construction or repair of improvements on a Lot may be stored temporarily on the Lot during construction while work progresses. Storage or accumulation on any property of the following materials is not allowed: (i) debris, rubbish or trash; (ii) broken or discarded household furniture, appliances, boxes and cartons, lawn equipment, play equipment and toys; (iii) used or discarded building materials; (iv) old tires, batteries, used oil or automobile parts, engine parts scrap metal, broken-down farm or construction equipment; (v) kitchen refuse, animal or vegetable food stuffs and their packaging, liquid wastes or grease or any other household waste which is damp or capable of emitting noxious odors; (vi) leaves, grass clippings, limbs and brush from lot clearing or yard maintenance; (vii) any other

materials which are offensive and unsightly or tend to decay and become putrid or attract rodents and insects. Lawn debris may not be blown into the street.

9.2.12. *Trash Receptacles.* Trash receptacles cannot be placed at curbside more than twenty-four (24) hours prior to the date of pickup and must be removed from curb within twelve (12) hours of pick up. Each resident should keep the containers securely closed in such a manner as to prevent the scattering of the contents and to render the contents inaccessible to insects, rodents, and other animals.

9.2.13. *Motor Homes and Travel Trailers.* No house trailer, mobile home, camper, boat trailer, utility trailer or similar wheeled vehicle shall be stored or parked on any street or Lot where it is visible from the street or adjoining lot, except in a closed garage.

ARTICLE 10

USE RESTRICTIONS

10.1. **ASSOCIATION'S RIGHT TO PROMULGATE RULES.** The Association, acting through its Board, is granted the right to adopt, amend, repeal, and enforce reasonable Rules and Policies, and penalties for infractions thereof, regarding the occupancy, use, disposition, maintenance, appearance, and enjoyment of the Property. In addition to the restrictions contained in this Article, each Lot is owned and occupied subject to the right of the Board to establish Rules, and penalties for infractions thereof, governing:

- A. Use of Common Areas.
- B. Hazardous, illegal, or annoying materials or activities on the Property.
- C. The use of Property wide services provided through the Association.
- D. The consumption of utilities billed to the Association.
- E. The use, maintenance, and appearance of portions of Dwellings that are visible from the street or other Dwellings, such as roofs, windows, doors, porches, and fences.
- F. Landscaping and maintenance of yards.
- G. The occupancy and leasing of Dwellings.
- H. The types, sizes, numbers, locations, and behavior of animals at the Property.
- I. The types, sizes, numbers, conditions, uses, appearance, and locations of motorized and recreational vehicles on the Property.
- J. Disposition of trash and control of vermin, termites, and pests.

- K. Anything that interferes with maintenance of the Property, operation of the Association, administration of the Documents, or the quality of life for Residence.

10.2. **RESIDENTIAL USE.** The use of a Lot is limited exclusively to residential purposes, or any other use permitted by this Declaration. This residential restriction does not, however, prohibit a Resident from using a Dwelling for personal business or professional pursuits provided that: (1) the uses are incidental to the use of the Dwelling as a residence; (2) the uses conform to all applicable governmental ordinances; (3) there is no external evidence of the uses; (4) the uses do not entail visits to the Lot by employees, clients, customers or the public in quantities that, in the Board's discretion and opinion, materially increase the number of vehicles parked on the street; and (5) the uses do not interfere with Residents' use and enjoyment neighboring Lots. The use of a Lot for the purposes of a day care, childcare, halfway house, or hospice care for profit is expressly prohibited.

10.3. **OCCUPANCY.** Other than the completed principle Dwelling, no vehicles, camper, recreational vehicle, thing or temporary and/or permanent structure on a Lot (including the garage) may be occupied as a residence at any time by any person.

10.4. **CONDITIONS OF LEASE.** Whether or not it is so stated in a lease, every lease is subject to the Governing Documents. An Owner is responsible for providing his/her tenant with copies of the Governing Documents and notifying him/her of changes thereto. Failure by the tenant or his/her invitees to comply with the Governing Documents, federal or state law, or local ordinance is deemed to be a default under the lease. When the Association notifies an Owner of said tenant's violation, the Owner will promptly obtain his/her tenant's compliance or exercise Owner's rights as a landlord for tenant's breach of lease. If the tenant's violation continues or is repeated, and if the Owner is unable, unwilling, or unavailable to obtain his/her tenant's compliance, then the Association has the power and right to pursue the remedies of a landlord under the lease or state law for the default, including eviction of the tenant. The Owner of a leased Dwelling is liable to the Association for any expense incurred by the Association in connection with enforcement of the Documents against his/her tenant. The Association is not liable to the Owner for any damages, including lost rents, suffered by the Owner in relation to the Association's enforcement of the Governing Documents against the Owner's tenant. An Owner that enters into a lease agreement with a tenant shall provide the Association a copy of said lease.

10.5. **ANNOYANCE.** No Lot or Common Area may be used in any way that: (1) may reasonably be considered annoying to neighbors; (2) may be calculated to reduce the desirability of the Property as a residential neighborhood; (3) may endanger the health or safety of Residents;

(4) may result in the cancellation of Insurance on the Property; or (5) will violate any law. The Board has the sole authority to determining what constitutes an annoyance.

10.6. **ANIMALS.** Unless specifically allowed in these declarations, no animal, bird, fish, reptile, or insect of any kind may be kept, maintained, raised, or bred anywhere on the Property for a commercial purpose or for consumption as food. It is the purpose of these provisions to restrict the use of the Property so that no person shall quarter on the premises cows, horses, bees, hog, sheep, goats, guinea fowls, ducks, chickens, turkeys, skunks or any other nondomesticated animals that may interfere with the quietude, health or safety of the community. All animals will be kept in strict accordance with all the rules established by the Association. Chicken or poultry (domesticated fowls) of any kind are not permitted to be kept anywhere on the property. Customary domesticated household pets may be kept subject to the Rules. Unless the Rules provide otherwise:

10.6.1. Certain Breeds Prohibited. Pit bull dogs, either mix breed or full blood, are expressly prohibited by these governing documents.

10.6.2. Disturbance. Pets must be kept in a manner that does not disturb the peaceful enjoyment of Residents of other Lots. No pet may be permitted to bark, howl, whine, screech, or make other loud noises for extended or repeated periods of time. Any pet that has previously attacked or bit a resident, guest, tenant, or other individual must be removed from the property within ten (10) days of such action. Resident is responsible for the removal of his/her pet's waste from their property and must prevent his/her pet from relieving itself on the Common Area or another Lot owner's property. Pets must be maintained inside the dwelling and may be kept in a fenced back yard only if they do not disturb residents of other lots. Pets may not be allowed to roam free when not in fenced yard and must be on a leash per the Smith County Animal Control Ordinance.

10.6.3. Limited Yard Privilege. Dogs must be attended in the Common Area and may not disturb or annoy people on the Property. The Board is the sole arbitrator of what constitutes a disturbance or annoyance. If the Board determines that a dog disturbs people, the Board may permanently revoke the privilege of allowing the dog in the Common Area.

10.6.4. Liability. An Owner is responsible for any property damage, injury, or disturbance caused or inflicted by an animal kept on the Lot. The Owner must compensate any person injured by the animal. The Owner of a Lot on which an animal is kept is deemed to indemnify and to hold harmless the Board, the Association, and

other Owners and Residents, from any loss, claim, or liability resulting from any action of the animal or arising by reason of keeping the animal on the Property.

10.7. **APPEARANCE.** Both the Lot and the Dwelling must be maintained in a manner so as not to be unsightly when viewed from the street or neighboring Lots. The Board and/or the ACC is the arbitrator of acceptable appearance standards.

10.8. **SIGNS.** No signs advertising the Lots for lease, other advertising signs, or unsightly objects may be erected, placed, or permitted to remain on the Property or to be visible from windows in the Dwelling without the Board's prior written approval from the ACC. ACC approval may specify the location, nature, appearance, dimensions, number, and time period of any advertising sign. The Association may affect the removal of any sign that violates this Section without liability for trespass or any other liability connected with the removal. Signs required by legal proceedings are exempted. Notwithstanding the foregoing, and subject to ACC disapproval, an Owner may erect, per Lot, one (1) professionally made sign of not more than five (5) square feet advertising the Lot for sale, or political advertisement (allowed by the §209.005, of the Texas Property Code and as it may be amended from time to time).

10.9. **GARAGES.** Without the Board's prior written approval, the original garage area of a Lot may not be enclosed or used for any purpose which prohibits the parking of operable vehicles therein. All mechanical and operational aspects of the garage door are to be maintained by its Owner.

10.10. **LIGHTING; EXTERIOR HOLIDAY DECORATIONS.** Lighting and/or decorations on a Lot may not be used or placed in a manner that, in the Board of Directors' sole and absolute discretion, constitutes a nuisance or an unreasonable source of annoyance to the occupants of other Lots. Except for lights and decorations within the interior of a Dwelling that are not displayed in a window, lights, light clips and decorations that are erected or displayed on a Lot in commemoration or celebration of publicly observed holidays, may not be displayed more than six weeks in advance of that specific holiday and must be removed within 30 days after the holiday has ended.

10.11. **DRIVEWAYS.** The driveway portion of a Lot may not be used for any purpose that interferes with its ongoing use as a route of vehicular access to the garage. Without the Board's prior approval, a driveway may not be used: (1) for storage purpose, including storage boats, trailers, and inoperable vehicles; or (2) for repair or restoration of vehicles. The term "inoperable vehicles" shall be deemed to include, but not limited to vehicles without current inspection, registration, and/or license plates.

10.12. **ANTENNA AND OUTSIDE LINES.** Outside clothes lines, aerials, antennas, carports, patio covers, free standing basketball boards and other similar structures shall not be allowed unless approved by the ACC and must comply with federal and state standards.

10.13. **ATHLETIC & RECREATIONAL FACILITIES.** No outdoor athletic and recreational facilities such as basketball goals, playscapes, swing sets and sport courts may be placed on a Lot unless (i) such item is placed within a backyard that has a fence that completely encloses the backyard and the location and the item does not exceed ten feet in height, or (ii) such item is a temporary and movable facility that is stored each night in the garage, the Dwelling or other fully-screened area. Notwithstanding the foregoing, basketball goals and any other recreation equipment designated by the ACC may be located on any portion of the Lot (including side yards) that is behind any portion of the rear of the Dwelling and out of public view. No such items shall be otherwise located (including, without limitation, in any street).

10.14. **AIR CONDITIONING UNITS.** Air-conditioning apparatus must be installed on the ground behind the rear of the Dwelling or on the ground near the side of the Dwelling. No air conditioning apparatus or evaporative cooler may be attached to any wall, window or roof of any Dwelling. Screening air-conditioning apparatus is encouraged to block visibility from the street.

10.15. **WINDOW TREATMENT.** No aluminum foil, newspaper, reflective film, bedsheets, linens or similar treatment will be placed on windows or glass doors of a Dwelling.

10.16. **NOISE & ODOR.** No noxious or offensive activity, including, without limitation, unreasonable smells, noise or aesthetics, will be carried on upon any Lot, nor will anything be done thereon which the Board of Directors determines, in its sole and absolute discretion, is or may become an unreasonable source of annoyance or nuisance to the Property.

10.17. **NO LOT CONSOLIDATION OR DIVISION.** No Owner, other than Declarant, may divide any Lot and/or consolidate any adjoining Lots and/or any portion thereof.

10.18. **DRAINAGE ALTERATION PROHIBITED.** Unless approved by the ACC, no Owner will: (i) alter the surface water drainage flows of a Lot as originally established at the time of the initial construction of the Dwelling; or (ii) install landscaping or other improvements that may interfere with, obstruct or divert drainage flows established by the Declarant or any Builder. The foregoing shall not prevent or limit the Declarant from performing any grading work and/or changing any surface water drainage flow on any Lot.

10.19. **VEHICLES.** All vehicles on the Property, whether owned or operated by the Residents or their families and guests, are subject to this Section and Rules adopted by the Board. No truck with tonnage $\frac{3}{4}$ tonnage, vehicle with advertising signage, bobcat trucks, mobile home, motor home, camper, bus, trailer, boat, aircraft, inoperable vehicle, or any other similar

vehicle or any vehicular equipment, mobile or otherwise, which the Board deems to be a nuisance, unsightly, or inappropriate, may be kept, parked, or stored anywhere on the Property without Board approval. The foregoing restriction does not apply to vehicles and equipment temporarily on the Property in connection with the construction or maintenance of a Dwelling. Vehicles that transport inflammatory or explosive cargo prohibited from the Property at all times. The Association may affect the removal of any vehicle of this Section or the Rules without liability to the Owner or operator of the vehicle. Vehicles used primarily for business or economic purposes are also prohibited, unless same vehicle is also used as Owner's personal vehicle.

10.20. **LANDSCAPING.** No person may perform landscaping, planting or gardening on the Common Area or Areas of Common Responsibility, without the Board's prior written approval.

10.21. **FIREARMS.** Use of firearms in the subdivision is strictly prohibited. Firearms shall include pistols, breach-loaded weapons, rifles, shotguns, or bows.

10.22. **MOTELS.** Motels including Air BNB or any derivative thereof, shall be deemed a business use, and are expressly prohibited in the subdivision.

10.23. **CONSTRUCTION.** All construction is to be of new material, except where materials other than new materials, in the opinion of the Board or ACC, believe such materials would confirm in appearance with other structures in the subdivision. All construction projects must be completed no later than six (6) months after laying foundations or beginning of construction.

10.24. **OUTSIDE TOILETS.** No outside toilets shall be installed or maintained on any Lot and all plumbing shall be connected with a sanitary sewer approved by the State and Local Health Department prior to occupancy.

ARTICLE 11

MORTGAGEE PROTECTION

11.1. **INTRODUCTION.** This Article establishes certain standards for the benefit of Mortgagees, and is written to comply with Chapter VI of Fannie Mae's Selling Guide in effect at the time of drafting. If a Mortgagee requests from the Association compliance with the guidelines of an Underwriting Lender, the Board, without approval of Owners or Mortgagees, may amend this Article and other provisions of the Governing Documents, as necessary, to meet the requirements of the Underwriting Lender. This Article is supplemental to, not a substitution for, any other provision of the Documents. In case of conflict, this Article controls.

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
RUNNING MEADOWS WEST UNIT 2

11.2. **KNOWN MORTGAGEES.** An Owner who mortgages his/her Lot will notify the Association, giving the complete name and address of his/her Mortgagee and the loan number. An Owner will also provide that information on request by the Association from time to time. The Association's obligations to Mortgagees under the Governing Documents extend only to those Mortgagees will be conclusively satisfied by the Mortgagees known to the Association, without regard to other holders of mortgages on Lots. The Association may rely on the information provided by Owners and Mortgagees.

11.3. **ELIGIBLE MORTGAGEES.** "Eligible Mortgagee" shall be deemed to mean a Mortgagee that submits to the Association a written notice containing its name and address, the loan number, the identifying number and street address of the mortgaged Lot, and the types of actions for which the Eligible Mortgagee requests timely notice. A single notice per Lot will be valid so long as the Eligible Mortgagee holds a mortgage on the Lot. The Board will maintain this information. A representative of an Eligible Mortgagee may attend and address any meeting that an Owner may attend.

11.4. **MORTGAGEE RIGHTS.**

11.1.1. *Termination.* An action to terminate the legal status of the Property after substantial destruction or condemnation must be approved by at least fifty-one percent (51%) of Eligible Mortgagees, in addition to the required consents of Owners. An action to terminate the legal status for reasons other than substantial destruction or condemnation must be approved by at least sixty-seven percent (67%) of Eligible Mortgagees. The approval of an Eligible Mortgagee is implied when the Eligible Mortgagee fails to respond within thirty (30) days after receiving the Association's written request for approval of a proposed amendment, provided the Association's request was delivered by certified or registered mail, return receipt requested.

11.1.2. *Inspection of Books.* Mortgagees may inspect the Association's books and records, including the Governing Documents, by appointment, during normal business hours.

11.1.3. *Financial Statements.* If a Mortgagee so requests, the Association will give the Mortgagee an audited statement for the preceding fiscal year within one hundred twenty (120) days after the Association's fiscal year-end. A Mortgagee may have an audited statement prepared at its own expense.

11.1.4. *Right of First Refusal.* Any right of first refusal imposed by the Association with respect to a lease, sale, or transfer of a Lot does not apply to a lease, sale, or transfer

by a Mortgagee, including transfer by deed in lieu of foreclosure or foreclosure of a deed of trust lien.

11.5. **INSURANCE POLICIES.** If an Underwriting Lender is a Mortgagee or an Owner, the Association will comply with this Section in addition to the other Insurance requirements of this Declaration. The following provisions are derived from Chapter 7, Part VI, Fannie Mae's Selling Guide, revised May 12, 1993.

11.5.1. Named Insured. The Association's insurance policies covering the Common Areas must name the Association as the named insured.

11.5.2. Notice of Cancellation. Insurance policies maintained by the Association should require the insurer to notify in writing each Mortgagee named in the mortgage clause at least then (10) days before the insurer cancels or substantially changes the Association's coverage. Additionally, the Association will use its best efforts to send timely written notice to Eligible Mortgagees of a lapse, cancellation, or material modification of any insurance policy maintained by the Association.

11.5.3. Insurance Carder. The Association's hazard insurance policy must be written by an insurance carder that meets or exceeds the requirements, from time to time, of an Underwriting Lender.

11.5.4. Policy Deductible. The deductible on the Association's hazard insurance policy must not exceed the maximum limits permitted by an Underwriting Lender. Funds to cover the deductible should be included in the Association's operating reserves account.

11.5.5. Full Replacement Cost. The Association's hazard insurance policy should cover one hundred percent (100%) of the insurable replacement cost of the insurance improvements, if required by an Underwriting Lender.

11.5.6. Endorsements. The Association will obtain endorsements to its hazard insurance policy as required by an Underwriting Lender.

11.5.7. Liability Coverages. The amount of the Association's liability insurance should be at least that required by an Underwriting Lender.

ARTICLE 12

AMENDMENTS

12.1. **CONSENTS REQUIRED.** Except as otherwise provided by the Declaration, amendments to these Declarations shall be in compliance with the requirements of Texas Property Code 209.0041, as amended and enacted on September 1, 2011. Pursuant to these Declarations and Texas Property Code 209.0041, amendments are valid only by a vote of sixty-seven percent (67%) of the total votes allocated to property owners in the proper owner's association.

12.2. **METHOD OF AMENDMENT.** This Declaration may be amended by any method selected by the Board from time to time, pursuant to the Bylaws, provided the method gives an Owner of each Lot the substance if not exact wording of the proposed amendment, a description in layman's terms of the effect of the proposed amendment, and an opportunity to vote for or against the proposed amendment.

12.3. **EFFECTIVE.** To be effective, an amendment must be in the form of a written instrument (1) referencing the name of the Property, the name of the Association, and the recording data of this Declaration and any amendments hereto; (2) signed and acknowledged by an officer of the Association, certifying the requisite of Owners and, if required, Eligible Mortgagees; and (3) recorded in the real property records of every county in which the Property is located.

ARTICLE 13

INSURANCE

13.1. **GENERAL PROVISIONS.** All insurance affecting the Property is governed by the provisions of this Article, with which the Board will make every reasonable effort to comply.

13.1.1. **Insurer.** Insurance policies and bonds obtained and maintained by the Association must be issued by responsible companies authorized to do business in the State of Texas.

13.1.2. **Insured.** The Association must be the named insured on all policies obtained by the Association.

13.1.3. **Association as Trustee.** Each Owner irrevocably appoints the Association, acting through its Board, as his/her trustee to negotiate, receive, administer, and distribute the proceeds of any claim against an insurance policy maintained by the Association.

13.1.4. Notice of Cancellation or Modification. Each insurance policy maintained by the Association should contain a provision requiring the insurer to give at least ten (10) days' prior written notice to the Board before the policy may be canceled, terminated, materially modified, or allowed to expire, by either the insurer or the insured.

13.1.5. Deductibles. An insurance policy obtained by the Association may contain a reasonable deductible, which will be paid by the party who would be liable for the loss or repair in the absence of insurance. If a loss is due wholly or partly to an act or omission of an Owner or Resident or other invitees, the Owner must reimburse the Association for the amount of the deductible that is attributable to the act or omission.

13.1.6. Mortgage Clause. The Association's policies should contain the standard mortgage clause naming either the Mortgage or its servicer followed by the successors and assigns.

13.2. **CASUALTY OR HAZARD.** The Association will obtain blanket all-risk insurance, if reasonably available, for all Common Area improvements insurable by the Association. If blanket all-risk insurance is not reasonably available, then at a minimum, the Association will obtain an insurance policy providing fire and extended coverage. This insurance must be in an amount sufficient to cover one hundred percent (100%) of the replacement cost of any repair or reconstruction in event of damage or destruction from any insured hazard, excluding land, foundations, and excavations.

13.2.1. Common Area Insured. The Association will insure Common Areas, including personal property owned by the Association, such as records, furniture, fixtures, equipment, and supplies. Also, the Association will insure any Lot owned by the Association.

13.2.2. Endorsements. To the extent reasonably available, the Association will obtain endorsements to its hazard insurance policy as required by the "Endorsements" paragraph of the Mortgagees Protection article of this Declaration.

13.3. **GENERAL LIABILITY.** The Association will maintain a commercial general liability insurance policy over the Common Areas – expressly excluding the liability of each Owner and Resident within his/her Lot – for bodily injury and property damage resulting from the operation, maintenance, or use of the Common Areas. If the policy does not contain a severability of interest provision, it should contain an endorsement to preclude the insurer's denial of an Owner's claim because of negligent acts of the Association or other Owners. If available, the Association may obtain liability insurance over the Area of Common

Responsibility for bodily injury and property damage resulting from the maintenance of the Area of Common Responsibility.

13.4. DIRECTORS & OFFICERS LIABILITY. To the extent it is reasonably available, the Association will maintain Directors and Officers liability insurance, errors and omissions insurance, indemnity bonds, or other insurance the Board deems advisable to insure the Association's Directors, officers, committee Members, and managers against liability for an act or omission in carrying out their duties in these capacities.

13.5. OTHER COVERAGES. The Association may maintain any insurance policies and bonds deemed by the Board to be necessary or desirable for the benefit of the Association, including but not limited to the following:

13.5.1. Worker's Compensation. The Association may maintain worker's compensation insurance if and to the extent necessary to meet the requirements of State Law or if the Board so chooses.

13.5.2. Fidelity Coverage. The Association may maintain blanket fidelity coverage for any person who handles or is responsible for funds held or administered by the Association, whether or not the person is paid for his services. The policy should be for an amount that exceed the greater of (1) the estimated maximum funds, including reserve funds that will be in the Association's custody or any time the policy is in force; or (2) an amount equal to three (3) months of regular Assessments on all Lots. A management agent that handles Association funds should be covered for its own fidelity insurance policy with the same coverage.

13.5.3. Other Coverage. The Association does NOT insure the contents of Dwellings. The Association strongly urges each Owner and Resident to adequately insure such property. The police maintained by the Association are NOT for the benefit of Individual Owners and Residents.

ARTICLE 14

TERMINATION

14.1. TERMINATION. Termination of the terms of this Declaration and the status of the Property as a planned unit development are according to the following provisions:

14.1.1. *Terminate.* In all other circumstances, an amendment to terminate must be approved by Owners of at least eighty percent (80%) of the Lots and by certain Mortgagees pursuant to the Mortgagee Protection article of this Declaration.

ARTICLE 15

GENERAL PROVISIONS

15.1. **COMPLIANCE.** The Owners hereby covenant and agree that the administration of the Association will be in accordance with the provisions of the Documents and all applicable laws, regulations, and ordinances, as same may be amended from time to time, of any governmental or quasi-governmental entity having jurisdiction over the Association or Property.

15.2. **FAIR HOUSING COMPLIANCE.** The Association affirmatively desires and intends to comply with the spirit and letter of fair housing laws and ordinances. The provisions of this Declaration and the Rules promulgated by the Board may not be used to discriminate against any class of people protected by fair housing laws and ordinances.

15.3. **NOTICE.** All demands or other notices required to be sent to an Owner or Resident by the terms of this Declaration may be sent by ordinary or certified mail, postage prepaid, to the party's last known address as it appears on the records of the Association at the time of mailing. If an Owner fails to give the Association an address for mailing notices, all notices may be sent to the Owner's Lot, and the Owner is deemed to have been given notice whether or not he/she actually receives it.

15.4. **SEVERABILITY.** Invalidation of any provision of this Declaration by judgment or court order does not affect any other provision, which remained in full force and effect. The effect of a general statement is not limited by the enumeration of specific matters similar to the general.

15.5. **CAPTIONS.** The captions of articles and sections are inserted only for convenience and are in no way to be construed as defining or modifying the text to which they refer.

15.6. **INTERPRETATION.** Whenever used in the Documents, unless the context provides otherwise, a reference to a gender includes all genders. Similarly, a reference to the singular includes the plural, the plural the singular, where the same would be appropriate.


16.7. **DURATION.** Unless terminated or amended by Owners as permitted herein, the provisions of this Declaration run with and bind the Property and will remain in effect perpetually to the extent permitted by law.

CERTIFICATION & ACKNOWLEDGMENT

As the Board of Directors of *RUNNING MEADOWS UNIT 2 HOMEOWNER'S ASSOCIATION, INC* and the initial and sole member of *RUNNING MEADOWS UNIT 2 HOMEOWNER'S ASSOCIATION, INC*. I certify that the foregoing Bylaws of *RUNNING MEADOWS UNIT 2 HOMEOWNER'S ASSOCIATION, INC*. were adopted for the benefit of the Association by the Board of Directors of *RUNNING MEADOWS UNIT 2 HOMEOWNER'S ASSOCIATION, INC*.

SIGNED this 30 day of Aug, 2022.

By:



Ken Dietz, President Board of Directors
RUNNING MEADOWS UNIT 2 HOMEOWNERS ASSOCIATION, INC.

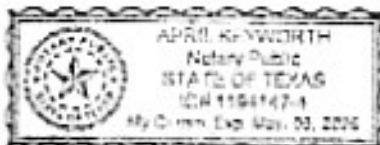
STATE OF TEXAS §

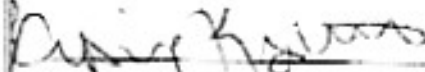
COUNTY OF SMITH §

BEFORE ME, the undersigned authority, a Notary Public, on this day personally appeared Ken Dietz, President of *Running Meadows Unit 2 Homeowners Association, Inc.*, a Texas corporation, known to me to be the person whose name is subscribed to the foregoing Instrument, and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

Sworn to and subscribed before me on this 30 day of Aug, 2022, by Ken Dietz, President of Ken Dietz Homes, Inc.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 30 day of Aug, 2022.




NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

Smith County
Karen Phillips
Smith County Clerk

Document Number: 202201033611

eRecording - Real Property

RESTRICTION

Recorded On: August 30, 2022 03:25 PM

Number of Pages: 37

Billable Pages: 36

" Examined and Charged as Follows: "

Total Recording: \$166.00

***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 202201033611
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User: Alma D



STATE OF TEXAS
COUNTY OF SMITH

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Smith County, Texas.

Karen Phillips
Smith County Clerk
Smith County, TX

Karen Phillips