

**Bylaws**  
**Summit Springs POA**

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# BYLAWS OF SUMMIT SPRINGS PROPERTY OWNERS' ASSOCIATION, INC.

## ARTICLE I DEFINITIONS

The words, phrases and terms used in these Bylaws shall have the meanings as set forth in the Declaration of Covenants, Conditions, and Restrictions for Summit Springs Subdivision executed by NLP Summit Springs, LLC, as Developer therein, and recorded in the Official Records of the County Clerk's office in Blanco County, Texas, and Burnet County, Texas, (as modified, amended or supplemented, from time to time, the "Declaration").

Section 1.1 "Association" means and refers to Summit Springs Property Owners' Association, Inc., its successors and assigns, a nonprofit Texas Corporation.

Section 1.2 "Common Area" means all real property owned by the association for the common use and enjoyment of the Owners and as further set forth in the Declaration of Covenants, Conditions, and Restrictions for Summit Springs Subdivision.

Section 1.3 "Developer" means and refers to NLP Summit Springs, LLC, a Delaware Limited Liability Company, its successors and assigns.

Section 1.4 "Declaration" means and refers to the Declaration of Covenants, Conditions, and Restrictions for Summit Springs Subdivision, as it may be amended from time to time.

Section 1.5 "Lot" means and refers to any lot of land shown on the recorded subdivision plat with the exception of the Common Area and as further set forth in the Declaration of Covenants, Conditions, and Restrictions for Summit Springs Subdivision.

Section 1.6 "Member" means and refers to an Owner who is a member of the Association as provided in Article V of the Declaration of Covenants, Conditions, and Restrictions for Summit Springs Subdivision.

Section 1.7 "Owner" means and refers to the record Owner, whether one or more persons or entities, of the fee-simple title to any Lot(s) later developed, but shall not mean or refer to any mortgagee or subsequent holder of a mortgage, unless and until such mortgagee or holder has acquired title pursuant to foreclosure or any proceedings in lieu of foreclosure. Said term "Owner" shall also refer to the heirs, successors and assigns of any Owner. The Developer shall not be deemed an Owner.

Section 1.8 "Subdivision" means and refers to all property including Lots and Common Area on the plat of the subdivision filed by the Developer in the Map and Plat Records of Blanco County, Texas, and Burnet County, Texas, and all areas subject to the Declaration. All references to "Summit Springs" or "Properties" means this subdivision as defined in this Section 1.8.

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Section 1.9 "Turnover Date" shall have the meaning as set forth in the Declaration of Covenants, Conditions, and Restrictions for Summit Springs Subdivision.

**ARTICLE II**  
**ADMINISTRATION OF SUBDIVISION**

Section 2.1 Power and Authority: The Association shall have the following powers and authority:

A. To own, purchase, manage, maintain, repair and replace the Common Area or any other part of the Property for which the Association is responsible under the Governing Documents, as well as any or all of the equipment or property of any type used in connection with the maintenance and preservation thereof.

B. To make assessments against the Owners of Lots in the Subdivision for payment of expenses incurred in accordance with the provisions of the Declaration or as otherwise permitted by law.

C. To promulgate such rules and regulations with respect to the Project, and to perform such deeds and acts as are deemed necessary to achieve the aforesaid objectives, and to promote the recreation, health, safety and welfare of the Members of the Association, all in accordance with the provisions of the Declaration.

D. To do or undertake any other lawful act or activity for which nonprofit corporations may be organized under the Texas Nonprofit Corporation Act (the "Act") and to exercise all powers which may be granted unto the Association by applicable law.

Section 2.2 Official Action: Unless specifically required in the Declaration or otherwise by law, all actions taken or to be taken by the Association shall be valid when such are approved by the Board as hereinafter set forth or when taken by the officer, committee, person or entity to whom such authority has been duly delegated by the Board as permitted in the Governing Documents or as otherwise allowed by law. The Association, its Board, officers, and Members shall at all times act in conformity with the Act, and the Governing Documents.

**ARTICLE III**  
**OFFICES-SEAL-FISCAL YEAR**

Section 3.1 Principal Office and Registered Office: The principal office of the Association shall be located at such places as the Board may fix from time to time. The registered office of the Association required by law to be maintained in the State of Texas may be, but need not be, identical with the principal office.

Section 3.2 Other Offices: The Association may have other offices at such other places within the State of Texas as the Board may from time to time determine or as the affairs of the Association may require.

Section 3.3 Seal: The seal of the Association shall be in the form of two concentric circles with the name of the Association printed between the two concentric circles with a star in the middle with the word "TEXAS" printed in the star.

Section 3.4 Fiscal Year: The fiscal year of the Association shall be fixed by the Board.

#### **ARTICLE IV** **MEMBERSHIP**

Section 4.1 Qualification: Membership in the Association shall be limited to the Owners, and every Owner of a Lot shall automatically be a Member of the Association. "Membership" means all Members as a group. Membership in the Association shall be appurtenant to and may not be separated from Lot ownership. The date of recordation in the Official Records of the County Clerk's office of Blanco County, Texas, or Burnet County, Texas, of the deed conveying any Lot shall govern the date of ownership of that Lot. However, in the case of death, the transfer of ownership shall occur on the date of death (in the case of intestacy), or on the date of probate of the will (in the case of testacy). Until a descendant's will is probated, the Association will rely upon the presumption that a deceased Owner died intestate.

Section 4.2 Place of Meeting: All meetings of the Membership shall be held at a place within Blanco County, Texas, or Burnet County, Texas, or at such other place, either within or without the State of Texas, as designated in the notice of the meeting.

Section 4.3 Annual Meeting: A meeting of the Association shall be held at least once each year. The first annual meeting of the Members will be held within one year from the date of incorporation of the Association or no later than thirty-days after one hundred percent (100%) of the lots have been sold, whichever first occurs. Thereafter, the Annual Meeting of the Association shall be held on the second Tuesday in February of each year at 7:00 p.m., Central Standard Time, if not a legal holiday. If the day for the annual meeting of Members is a legal holiday, the meeting will be held at the same hour on the next following day, which is not a legal holiday. At such meetings, the Board shall be elected in accordance with Article V of these Bylaws, and the Members shall transact such other business as may properly come before the meeting.

Section 4.4 Substitute Annual Meetings: If an Annual Meeting is not held on the day designated by these Bylaws, a Substitute Annual Meeting may be called in accordance with the provisions of Sections 4.5 and 4.6. A meeting so called shall be designated and treated for all purposes as the Annual Meeting.

Section 4.5 Special Meetings: After the first Annual Meeting of the Members, Special Meetings of the Members may be called at any time by the President, by Owners having ten percent (10%) of the votes of the Association, by a majority of the Board, or as permitted by law. Business to be acted upon at all Special Meetings shall be confined to the subjects stated in the notice of such meeting.

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Section 4.6 Notices of Meetings: Written or printed notice stating the time and place of a Membership meeting, including Annual Meetings, and the items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes, and any proposal to remove a director or officer, shall be delivered not less than ten (10) nor more than sixty (60) days before the date of any such Membership meeting, by or at the direction of the President or the Secretary, either by hand delivery or by mail, to the mailing address of each Lot or to any other mailing address designated in writing by an Owner. Notice given to any one tenant in common, tenant by entirety or other joint Owner of a Lot shall be deemed notice to all Owners of the subject Lot. Notice of any Special Meeting shall specifically state the purpose or purposes for which the meeting is called.

Section 4.7 Quorum: Except as otherwise expressly required in these Bylaws, the presence in person or by proxy of Members entitled to cast thirty percent (30%) of the votes which may be cast, shall constitute a quorum at all meetings of the Members. If a quorum is not present or represented at any meeting, the Members entitled to vote shall have the power to adjourn the meeting to another date and time without having to give notice other than the announcement of the new date and time of the meeting. At a subsequent meeting held due to the lack of a quorum then the presence in person or by proxy of Members entitled to cast twenty percent (20%) of the votes which may be cast, shall constitute a quorum at that meeting of the Members. If a quorum is still not present or represented at that meeting then, the Members entitled to vote shall have the power to adjourn the meeting to another date and time, without notice other than the announcement at that meeting of the new date and time of the meeting. At a subsequent meeting held due to a continued lack of a quorum then the presence in person or by proxy of Members entitled to cast fifteen (15%) of the votes which may be cast, shall constitute a quorum at that meeting of the Members. If a quorum is still not present or represented at that meeting then, the Members entitled to vote shall have the power to adjourn the meeting to another date and time, without notice other than the announcement at that meeting of the new date and time of the meeting. At a subsequent meeting held due to a continued lack of a quorum then a majority vote of those votes present in person or by proxy shall constitute a quorum at that meeting of the Members. The Members at any meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of Members leaving less than a quorum in attendance.

Section 4.8 Voting Rights: The voting rights of Members in the Association shall be as set forth in the Declaration. If fee simple title to a Lot is owned of record by more than one person or entity, all such persons or entities shall be Members of the Association, but the vote with respect to any such jointly owned Lot shall be cast as hereinafter provided.

In no event may the vote which may cast with respect to any Lot be divided among joint Owners of the Lot or cast in any manner other than as a whole, it being the intention of this Section 4.8 that there be no "splitting" of votes that may be cast by any Member or Members.

Section 4.9 Proxies: Members may vote either in person or by agents duly authorized by written proxy executed by the subject Member or by his duly authorized attorney-in-fact. A proxy is not valid after the earlier of the term stated therein or the expiration of eleven (11) months from the date of its execution. In order to be effective, all proxies must be dated and filed

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with the Secretary or duly acting Secretary either during or prior to the meeting in question. A Member may not revoke a proxy given pursuant to this Section 4.9 except by actual notice of revocation delivered to the person presiding over a meeting of the Association. The proxy of any Owner will automatically terminate on conveyance by such Owner of his or her lot.

Section 4.10 Majority Vote: The cast of a majority of the votes represented at a meeting at which a quorum is present, in person or by proxy, shall be binding for all purposes except where a different percentage vote is required by these Bylaws, the Declaration, the Certificate of Formation of the Association, or by law.

Section 4.11 Actions By Written Ballots: Any action which may be taken at a meeting of the Membership may be taken without a meeting by written ballot.

## **ARTICLE V** **BOARD**

Section 5.1 General Powers: The business and affairs of the Association shall be managed by the Board or by such committees as the Board may establish pursuant to Article VI of these Bylaws. Provided, however, the Board may not act on behalf of the Association to amend the Declaration, to terminate the planned community, to elect Members of the Board, or to determine the qualifications, powers and duties, or terms of office of Board Members. The Board may, however, fill vacancies in its Membership for the unexpired portion of any term.

Section 5.2 Number, Term, and Qualifications: The initial Board shall consist of the three (3) individuals appointed by the Developer and who need not be Members. Until the Turnover Date, the Board shall consist of three (3) Directors, all of whom shall be appointed by the Developer. The Board members appointed by the Developer need not be Owners in the Subdivision. On or before the 120th day after the date seventy five percent (75%) of the lots that may be created and made subject to the Declaration are conveyed to Owners other than Developer, at least one-third of the Board Members must be elected by Owners other than the Developer. The Members shall elect five (5) Board Members following the Turnover Date, each to serve until the next Annual Meeting (or until a successor is elected and qualified) and each of whom must be a Member. Thereafter the Board shall consist of five (5) individuals. Directors shall be elected to serve staggered terms as follows: Two (2) directors shall be elected to serve for a term of three (3) years; two (2) directors shall be elected to serve for a term of two (2) years; and one director shall be elected to serve for a one-year term. Board members may succeed themselves in office.

Section 5.3 Election of Board Members: Subject to the right of the Developer to appoint Directors as provided in Section 5.2, the election of all Board Members shall be by ballot. Persons receiving the highest number of votes (see Section 4.8) shall be elected. Cumulative voting is not permitted.

Section 5.4 Removal: Any Board Member, other than a Member appointed by the Developer, may be removed from the Board, with or without cause, by a vote of at least sixty-seven percent (67%) of the votes entitled to be cast by all Members present and entitled to vote at

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any meeting of the Membership at which a quorum is present; provided, the notice of the meeting must state the purpose, or one of the purposes, of the meeting is removal of the Board Member. Board Members appointed by the Developer may only be removed by the Developer and can be removed with or without cause. If any Board Members are so removed, their successors as Board Members may be elected by the Developer or the Membership at the same meeting to fill the unexpired terms of the Board Members so removed as provided in Section 5.3.

Section 5.5 Vacancies: A vacancy occurring in the Board may be filled by a majority of the remaining Board Members, though less than a quorum, or by the sole remaining Board Member; provided, however, a vacancy created by an increase in the authorized number of Board Members shall be filled only by election at an Annual or substitute Annual Meeting or at a Special Meeting of Members called for that purpose. The Members may elect a Board Member at any time to fill any vacancy not filled by the Board Members. As provided in Section 5.4, the Developer or the Membership shall have the first right to fill any vacancy created by the Developer or the Membership's removal of a Board Member by electing a replacement at the meeting where the removal occurs.

Section 5.6 Chairman: A Member of the Board shall be elected as Chairman of the Board by the Board Members at the first meeting of the Board. The Chairman shall preside at all meetings of the Board and perform such other duties as may be directed by the Board. Prior to election of a Chairman and/or in the event that the Chairman is not present at any meeting of the Board, the President shall preside.

Section 5.7 Compensation: No Member of the Board shall receive any compensation from the Association for acting as such. Provided, however, each Board Member shall be reimbursed for reasonable out-of-pocket expenses incurred and paid by him on behalf of the Association, and nothing herein shall prohibit the Board from reasonably compensating a Board Member for unusual and extraordinary services, which are beyond services usually and customarily provided by Board Members. Further provided, each Board Member, by assuming office, waives his right to institute suit against or make claim upon the Association for compensation based upon service as a Board Member.

Section 5.8 Loan to Board Members and Officers: No loans shall be made by the Association to its Board Members or officers. The Board Members who vote for or assent to the making of a loan to a Board Member or officer of the Association, and any officer or officers participating in the making of such loan, shall be jointly and severally liable to the Association for the amount of such loan until the repayment thereof.

Section 5.9 Liability of Board Members: To the extent permitted by the provisions of the Act in effect at the applicable time, each Board Member is hereby indemnified by the Association with respect to any liability and expense of litigation arising out of his activities as a Board Member. Such indemnity shall be subject to approval by the Members only when such approval is required by the Act.

Section 5.10 Meetings of the Board:

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A. Regular Meetings and Special Meetings Prior to Control Transfer Date: Prior to the Control Transfer Date as defined in the Declarations can be called without notice to the members unless the meeting is conducted for the purpose of:

1. Adopting or amending the governing documents, including declarations, bylaws, rules, and regulations of the association;
2. Increasing the amount of regular assessments of the association or adopting or increasing a special assessment;
3. Electing non-developer board members of the association or establishing a process by which those members are elected; or
4. Changing the voting rights of members of the association.

B. Regular Meetings and Special Meetings After the Control Transfer Date: After the Control Transfer Date as defined in the Declarations Members shall be entitled to notice of all regular or special meetings of the Board. The notice shall contain the date, hour, place, and general subject of the regular or special board meeting, including a general description of any matter to be brought up for deliberation in executive session. The notice shall be sent in one of two ways:

1. by mail to each property owner not later than the 10th day or earlier than the 60th day before the date of the meeting; *or*
2. by providing at least 72 hours before the start of the meeting by:
  - a. posting the notice in a conspicuous manner reasonably designed to provide notice to property owners' association members:
    - i. in a place located on the association's common property or, with the property owner's consent, on other conspicuously located privately owned property within the subdivision; or
    - ii. on any Internet website maintained by the association or other Internet media; and
  - b. sending the notice by e-mail to each owner who has registered an e-mail address with the association. (It is an owner's duty to keep an updated e-mail address registered with the property owners' association.)

C. Meetings Without Notice: The Board may meet by any method of communication, including electronic and telephonic, without prior notice to owners, if each Director may hear and be heard by every other Director, or the board may take action by unanimous written consent to consider routine and administrative matters or a reasonably unforeseen emergency or urgent necessity that requires immediate board action. Any action

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taken without notice to Members must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special board meeting. The Board may not, without prior notice to owners under Subsection (e), consider or vote on:

1. Fines;
2. Damage assessments;
3. Initiation of foreclosure actions;
4. Initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety;
5. Increases in assessments;
6. Levying of special assessments;
7. Appeals from a denial of architectural control approval; or
8. A suspension of a right of a particular owner before the owner has an opportunity to attend a board meeting to present the owner's position, including any defense, on the issue.

D. Meeting Place: Except for a meeting held by electronic or telephonic means, a board meeting must be held in a county in which all or part of the subdivision is located or in a county adjacent to that county.

E. Quorum: A majority of the Board Members then holding office shall constitute a quorum for the transaction of business and every act or decision done or made by a majority of the Board Members present at a duly held meeting at which a quorum is present, in person or by teleconference, shall be regarded as the act or decision of the Board.

Section 5.11 Presumption of Assent: A Board Member who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his contrary vote is recorded or his dissent is otherwise entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Board Member who voted in favor of such action.

Section 5.12 Powers of the Board: The Board shall have the authority to exercise all powers of the Association necessary for the administration of the affairs of the Subdivision except such powers and duties as by law or by Governing Documents may not be delegated by the Members to the board. The powers that may be exercised by the Board shall include, but

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shall not be limited to, the following:

A. Operation, care, upkeep and maintenance of the Common Area, to extent such operation, care, upkeep, and maintenance is not the obligation of the Owners;

B. Determination of the funds required for operation, administration, maintenance and other affairs of the Project and collection of the assessments for the Owners, as provided in the Governing Documents;

C. Employment and dismissal of personnel (including without limitation the Independent Manager) necessary for the efficient operation, maintenance, repair, and replacement of the Common Area;

D. Adoption of rule and regulations covering the details of the operation, maintenance, repair, replacement, use and modification of the Common Area, the personal conduct of the Members and their guests in using them; and to establish penalties for infractions of such rules and regulations;

E. Opening of bank accounts on behalf of the Association and designating the signatories required therefor;

F. Obtaining insurance as required or permitted under the terms of the applicable provisions of the Declaration;

G. Keeping detailed accurate records of the receipts and expenditures of the Association, obtaining annual audits and/or reviews of financial records of the Association from the Association's public accountant, furnishing the annual reports, and furnishing current budgets. All books and records shall be kept in accordance with good and accepted accounting practices;

H. Keeping a complete record of the minutes of all meetings of the Board and Membership in which a minute book shall be kept and actions taken by the Board and/or Members by written ballot or by consent without meeting shall be inserted into such minute book;

I. Supervising all officers, agents and employees of the Association and insuring that their duties are properly performed;

J. Enforcing, on behalf of the Association, the obligations and assessments provided in the Declaration, including but not limited to, the institution of civil actions to enforce payment of the assessments as provided in the Declaration, the institution of actions to foreclose liens for such assessments in accordance with the terms of the Declaration and the procedures set forth in the Texas Property Code, the imposition of charges for late payment of assessments, and after notice and an opportunity to be heard as provided in The Texas Property Code, levying reasonable fines for violations of the Declaration, Bylaws and rules and regulations of the Association;

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K. Making repairs, additions, and improvements to or alterations or restoration of the Property in accordance with the other provisions of these Bylaws and the Declaration, after damage or destruction by fire or other casualty, or as a result of a condemnation or eminent domain proceeding;

L. Enforcing by any legal means or proceedings, the provisions of the Certificate of Formation of the Association, these Bylaws, the Declaration, or the rules and regulations hereinafter promulgated governing the Property, including use of the Common Area;

M. Paying all taxes and assessments which are or may become liens against any part of the Common Area, and to assess the same against the Owners in the manner herein provided;

N. Hiring attorneys and other professionals;

O. Maintaining and repairing any Lot or Improvement, if such maintenance or repair is required by the Declaration or is necessary in the discretion of the Board to protect the Common Area or any other Lot or Improvement or if the Owner of such Lot has failed or refused to perform such maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair has been delivered or mailed by the Board to said Owner.

P. Entering any Improvement, when necessary, in connection with any maintenance or construction for which the Board is responsible; provided, such entry shall be made during reasonable hours and with notice to the Owner when practicable. Any damage caused thereby shall be repaired by the Board and such expenses shall be treated as an expense of the Association.

Q. Signing all agreements, contracts, deeds and vouchers for payment of expenditures and other instruments in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the President, any Vice President, the Treasurer or the Assistant Treasurer of the Association, and countersigned by any Board Member;

R. Furnishing certificates setting forth amounts of unpaid assessments that have been levied upon a Lot to the Owner or Mortgagee of such Lot, or a proposed purchaser or Mortgagee of such Lot, and imposing and collecting reasonable charges therefore; and

S. Exercising any other powers allowed in the Declaration, the Certificate of Formation, these Bylaws, or otherwise by law.

T. Suspend the voting rights and right to use the recreational facilities of any Member during any period in which such Member is in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed thirty-days for infraction of published rules and regulations;

U. Exercise on behalf of the Association all powers, duties, and authority vested in or

delegated to the Association and not specifically reserved to the membership by the Declaration, Certificate of Formation, or by other provisions of these Bylaws;

V. Declare the office of a member of the Board of Directors to be vacant in the event that such member is absent from three consecutive regular meetings of the Board of Directors; and

W. Employ a manager, independent contractors, and such other employees as they may deem necessary, and to prescribe their duties.

Section 5.13 Independent Manager: The Board may employ or enter into a management contract with any individual, firm or entity it deems appropriate and in the best interest of the Association. The Board may delegate to such person, firm or entity (referred to in these Bylaws as "Independent Manager") such duties and responsibilities in the management of the Property as the Board deems appropriate. Provided, the Board may not delegate to the Independent Manager responsibilities and duties of the Association in violation of the Nonprofit Corporation Act of Texas. The Board shall have authority to fix the reasonable compensation for the Independent Manager. The Independent Manager shall at all times be answerable to the Board and subject to its direction.

Section 5.14 Duties: It will be the duty of the board of directors to:

A. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement of such acts and affairs to the Members at each annual meeting, or at any special meeting at which such a statement is requested in writing by one-half (1/2) of the Members entitled to vote at the meeting;

B. Supervise all officers, agents, and employees of the Association and see to it that their duties are properly performed;

C. As more fully provided in the declaration, to:

1. Fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period;

2. Send written notice of each assessment to every Owner subject to the assessment at least thirty (30) days in advance of each annual assessment period; and

3. Foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date, or to bring an action at law against the Owner personally obligated to pay the same;

D. Issue, or cause an appropriate officer to issue, on demand by any person and on imposition of a reasonable charge, a certificate setting forth whether or not any assessment has been paid, a statement in a certificate to the effect that an assessment has been paid constituting conclusive evidence of such payment;

E. Procure and maintain adequate liability and hazard insurance on all property owned by the Association;

F. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

G. Cause the Common Area to be maintained.

## **ARTICLE VI** **COMMITTEES**

Section 6.1 Creation: The Board may create such committees as they deem necessary and appropriate in aiding the Board to carry out its duties and responsibilities

Section 6.2 Vacancy: Any vacancy occurring on a committee shall be filled by a majority of the number of Board Members then holding office at a regular or special meeting of the Board.

Section 6.3 Removal: Any Member of a committee may be removed at any time with or without cause by a majority of the number of Board Members then holding office.

Section 6.4 Minutes: Each committee shall keep regular minutes of its proceedings and report the same to the Board when required.

Section 6.5 Responsibility of Board Members: The designation of committees and the delegation thereto of authority shall not operate to relieve the Board or any Member thereof of any responsibility or liability imposed upon it or him by law.

Section 6.6 Architectural Review Committee: Notwithstanding anything in this Article VI to the contrary, the Architectural Review Committee shall be created, appointed and governed as provided in the Declaration.

## **ARTICLE VII** **OFFICERS**

Section 7.1 Enumeration of Officer: The officers of the Association shall consist of a President, a Secretary, a Treasurer and one or more Vice Presidents, Assistant Secretaries, Assistant treasurers and other officers as the Board may from time to time appoint. Except for the President, no officer need be a Member of the Board.

Section 7.2 Appointment and Term: The officers of the Association shall be appointed annually by the Board at the first meeting of the Board next following the Annual or Substitute Annual Meeting of the Members and shall serve for the terms of one year. Each officer shall hold office until his death, resignation, removal or until his successor is appointed.

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Section 7.3 Removal: Any officer elected or appointed by the Board may be removed by the Board whenever in its judgment the best interest of the Association will be served thereby.

Section 7.4 Vacancy: A vacancy in any office may be filled by the appointment by the Board of a successor to such office. Such appointment may take place at any meeting of the Board. The officer appointed to such vacancy shall serve for the remaining term of the officer he replaces.

Section 7.5 Multiple Offices: The person holding the office of President shall not also hold the office of Secretary or Treasurer at the same time. Any other offices may be simultaneously held by one person. Any officer may also be a Member of the Board.

Section 7.6 President: The President shall be the chief executive officer of the Association and shall preside at all meetings of the Members. In the absence of the Chairman, he shall also preside at all meetings of the Board. He shall see that the orders and resolutions of the Board are carried out; he shall sign all written agreements or instruments on behalf of the Association and co-sign all promissory notes of the Association, if any, with the Treasurer; and he shall have all of the general powers and duties which are incident to the office of President of a corporation organized under the Act in connection with the supervision, control and management of the Association in accordance with the Governing Documents.

Section 7.7 Vice President: The Vice President in the order of their appointment, unless otherwise determined by the Board shall, in the absence or disability of the President, perform the duties and exercise the powers of that office. In addition, they shall perform such other duties and have such other powers as the Board shall prescribe.

Section 7.8 Secretary: The Secretary shall keep the minutes of all meetings of Members and of the Board; he shall have charge of such books and papers as the Board may direct; and he shall, in general, perform all duties incident to the Office of Secretary of a corporation organized under the Act.

Section 7.9 Treasurer: The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial statements. He shall co-sign promissory notes of the Association; he shall prepare a proposed annual budget (to be approved by the Board) and the other reports to be furnished to the Members as required in the Declaration. He shall perform all duties incident to the office of Treasurer of a corporation organized under the Act.

Section 7.10 Assistant Secretaries and Assistant Treasurers: The Assistant Secretaries and Assistant Treasurers shall, in the absence or disability of the Secretary or the Treasurer, respectively, perform the duties and exercise the powers of those offices, and they shall, in general, perform such other duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President of the Board.

Section 7.11 Compensation: Officers shall not be compensated for the usual and

ordinary services tendered to the Association incident to the offices they hold. The Board may, however, reasonably compensate any officer or officers who render unusual and extraordinary services to the Association beyond those usually and customary expected of persons serving as officers. Each officer, by assuming office, waives his right to institute suit against or make claim upon the Association for compensation based upon services usually or customarily rendered by persons occupying the office each holds.

Section 7.12 Indemnification: To the extent permitted by the provisions of the Act in effect at the applicable times, each officer is hereby indemnified by the Association with respect to any liability and expense of litigation arising out of his activities as an officer. Such indemnity shall be subject to approval by the Members only when such approval is required by the Act.

Section 7.13 Amendment Authority: Amendments to the Declaration may be prepared, executed, certified, and recorded by the President, the Secretary, the Treasurer, or any Vice President of the Association.

## **ARTICLE VIII** **AMENDMENTS**

Section 8.1 Amendments by Members: Subject to Section 8.2 and the last sentence of this Section 8.1, these Bylaws may be amended. All persons or entities that own or hereafter acquire any interest in the Property shall be bound to abide by any amendment to these Bylaws, which is duly adopted as provided herein. No amendment to these Bylaws shall be adopted or passed which shall impair or prejudice the rights of Developer provided for in the Governing Documents, without the consent of Developer.

Section 8.2 Amendments by Developer or Board: Developer, for so long as it owns lots in the subdivision, and thereafter the Board, shall have the right to amend these Bylaws for the purposes set forth in the Declaration, without the consent or approval of any other Member.

Section 8.3 Agency Approval: So long as Developer still owns lots in the subdivision, any amendment of these Bylaws, except as expressly provided in Section 8.2 above, shall require the prior written approval of any Agency then holding or insuring any Mortgage.

## **ARTICLE IX** **MISCELLANEOUS**

Section 9.1 Severability: Invalidation of any covenant, condition, restriction or other provisions of the Declaration or these Bylaws shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

Section 9.2 Successors Bound: The rights, privileges, duties and responsibilities set forth in the Governing Documents, as amended for time to time, shall run with the ownership of the Property and shall be binding upon all persons who own or hereafter acquire any interest in the Property.

Section 9.3 Gender, Singular, Plural: Whenever the context so permits, the use of the singular or plural shall be interchangeable in meaning and the use of any gender shall be deemed to include all genders.

Section 9.4 Nonprofit Corporation: No part of the Association's assets or net income shall inure to the benefit of any of the Members, the officers of the Association, or the Members of the Board, or any other private individual either during its existence or upon dissolution except as reasonable compensation paid or distributions made in carrying out its declared nonprofit purposes set forth in the Declaration, the Certificate of Formation of the Association and these Bylaws.

Section 9.5 Books and Records: The books, records, papers of the Association will be subject to inspection by any Member during ordinary business hours. The Declaration, Certificate of Formation, and Bylaws of the Association will be available for inspection by any Member at the principal office of the Association, where copies will be made available for sale at a reasonable price.

Section 9.6 Assessments: As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments, which are secured by a continuing lien on the property against which such assessments are made. Any assessments which are not paid when due, are considered delinquent. If an assessment is not paid within thirty (30) days after the due date, the assessment bears interest from the date of delinquency at the maximum rate allowed by law, and the Association may bring an action at law against the Owner personally obligated to pay the same, or may foreclose the lien against his or her property. Interest, costs, and reasonable attorney fees of any such action will be added to the amount of any assessment due. No Owner may waive or otherwise escape liability for assessments by nonuse of the Common Area or abandonment of his or her lot.

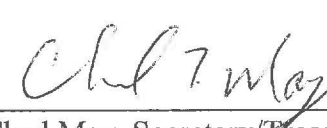
Section 9.7 Conflict: In the case of any conflict between the Certificate of Formation and these Bylaws, the Articles will control. In the case of any conflict between the Declaration and these Bylaws, the Declaration will control.

PASSED, ADOPTED, AND APPROVED on this the 24th day of January 2014.

**Summit Springs Property Owners' Association, Inc.**

By:   
Davy Roberts, President

**ATTEST:**

By:   
Chad May, Secretary/Treasurer

Order: Z3JDT8RF4

\\RROW-SERVER\RDive\Amanda\Summit Springs Property Owners' Association, Inc\Bylaws.docx

Address: 329 Cedar Mountain Drive

Order Date: 03-16-2021

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**Articles of Incorporation**  
**Summit Springs POA**

Order: Z3JDT8RF4  
Address: 320 Cedar Mountain Drive  
Order Date: 03-16-2021  
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## Office of the Secretary of State

### CERTIFICATE OF FILING OF

Summit Springs Property Owners' Association, Inc.  
File Number: 801920859

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 01/24/2014

Effective: 01/24/2014



*NANDITA BERRY*

Nandita Berry  
Secretary of State

Order: Z3JDT8RF4  
Address: 320 Cedar Mountain Drive

Order Date: 03-16-2021

Come visit us on the internet at <http://www.sos.state.tx.us/>

Fax: (512) 463-5709

Dial: 7-1-1 for Relay Services

Document: 526208350002

Form 202

Secretary of State  
P.O. Box 13697  
Austin, TX 78711-3697  
FAX: 512/463-5709



**Certificate of Formation  
Nonprofit Corporation**

Filing Fee: \$25

Filed in the Office of the  
Secretary of State of Texas  
Filing #: 801920859 01/24/2014  
Document #: 526208350002  
Image Generated Electronically  
for Web Filing

**Article 1 - Corporate Name**

The filing entity formed is a nonprofit corporation. The name of the entity is :

**Summit Springs Property Owners' Association, Inc.**

**Article 2 – Registered Agent and Registered Office**

A. The initial registered agent is an organization (cannot be corporation named above) by the name of:

OR

B. The initial registered agent is an individual resident of the state whose name is set forth below:

Name:

**Davy Roberts**

C. The business address of the registered agent and the registered office address is:

Street Address:

**9508 East Highway 71 Spicewood TX 78669**

**Consent of Registered Agent**

A. A copy of the consent of registered agent is attached.

OR

B. The consent of the registered agent is maintained by the entity.

**Article 3 - Management**

A. Management of the affairs of the corporation is to be vested solely in the members of the corporation.

OR

B. Management of the affairs of the corporation is to be vested in its board of directors. The number of directors, which must be a minimum of three, that constitutes the initial board of directors and the names and addresses of the persons who are to serve as directors until the first annual meeting or until their successors are elected and qualified are set forth below.

Director 1: **Davy Roberts**

Title: **Director**

Address: **9508 East Highway 71 Spicewood TX, USA 78669**

Director 2: **Chad May**

Title: **Director**

Address: **9508 East Highway 71 Spicewood TX, USA 78669**

Director 3: **Price Keever**

Title: **Director**

Address: **9508 East Highway 71 Spicewood TX, USA 78669**

**Article 4 - Organization Structure**

A. The corporation will have members.

or

B. The corporation will not have members.

**Article 5 - Purpose**

The corporation is organized for the following purpose or purposes:

**The specific primary purposes for which the association is formed are to provide for maintenance, preservation, and architectural control of the residence lots and common area within a certain subdivided tract of real**

property described as follows:

Summit Springs Subdivision located in Blanco County, Texas, and Burnet County, Texas, according to the plat of the subdivision filed of record in the Map and Plat Records of Blanco County, Texas, and Burnet County, Texas;

And to promote the health, safety, and welfare of the residents within the above-described subdivision.

In furtherance of such purposes, the association will have power to:

- (1) Perform all of the duties and obligations of the association as set forth in a certain declaration of covenants, conditions, and restrictions, referred to in these articles as the declaration, which is applicable to the subdivision and to be recorded in the public records of Blanco County, Texas, and Burnet County, Texas;
- (2) Affix, levy, and collect all charges and assessments pursuant to the terms of the declaration, and enforce payment of them by any lawful means; and pay all expenses related to such enforcement, and all office and other expenses incident to the conduct of the business of the association, including all licenses, taxes, or governmental charges levied or imposed on the property of the association;
- (3) Acquire (by gift, purchase, or otherwise), own, hold, improve, build on, operate, maintain, convey, sell, lease, transfer, dedicate to public use, or otherwise dispose of real and personal property in connection with the affairs of the association;
- (4) Borrow money and, subject to the consent by vote or written instrument of two-thirds of each class of members, mortgage, pledge, convey by deed of trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (5) Dedicate, sell, or transfer all or any part of the common areas to any municipality, public agency, authority, or utility for such purposes and subject to such conditions as may be agreed on by the members. No such dedication or transfer will be effective unless an instrument has been signed by two-thirds of the members, agreeing to such dedication, sale, or transfer;
- (6) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes for Summit Springs Subdivision;
- (7) Have and exercise any and all powers, rights, and privileges that a corporation organized under the Texas Non-Profit Corporation Act by law may now or hereafter have or exercise;

The association is organized and will be operated exclusively for the aforementioned purposes. The activities of the association will be financed by assessments on members as provided in the declaration, and no part of any net earnings will inure to the benefit of any member.

The Corporation is a non-profit corporation and is being organized to qualify as a tax-exempt organization under the Internal Revenue Code Section 501(c)(4) as well as a tax-exempt organization under the laws of the State of Texas from the payment of franchise taxes. When it dissolves, all of its assets will be distributed to the State of Texas or an organization exempt from taxes under Internal Revenue Code Section 501(c)(4) for one or more purposes exempt under the Texas franchise tax.

Upon the dissolution of the Corporation, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(4) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by the District Court of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for purposes consistent with Section 501(c)(4) of the Internal Revenue Code.

**Supplemental Provisions / Information**

Attached please find the Certificate Of Reservation Of Entity Name Of Summit Springs Property Owners' Association, Inc.

[The attached addendum, if any, is incorporated herein by reference.]

**Certificate.pdf**

**Effectiveness of Filing**

A. This document becomes effective when the document is filed by the secretary of state.

**OR**

B. This document becomes effective at a later date, which is not more than ninety (90) days from the date of its signing. The delayed effective date is:

**Organizer**

The name and address of the organizer are set forth below.

**Sandra Witte P.O. Box 9, Port Lavaca, Texas 77979**

**Execution**

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized under the provisions of law governing the entity to execute the filing instrument.

**Sandra Witte**

Signature of organizer.

FILING OFFICE COPY

Order: Z3JDT8RF4  
Address: 320 Cedar Mountain Drive  
Order Date: 03-16-2021  
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**UNANIMOUS WRITTEN CONSENT OF MEMBERS OF  
SUMMIT SPRINGS PROPERTY OWNERS' ASSOCIATION, INC.  
IN LIEU OF ORGANIZATIONAL MEETING**

The undersigned, members of Summit Springs Property Owners' Association, Inc., a Texas nonprofit corporation, pursuant to section 6.201 of the Texas Business Organizations Code, hereby adopt the following resolutions in lieu of holding an Organizational Meeting of the Members.

**ARTICLES OF INCORPORATION**

**RESOLVED**, that the Acknowledgment of Filing issued by the Secretary of State of Texas and the certified copy of the Certificate of Formation of the Corporation filed with the Secretary of State of Texas on January 24, 2014, are approved; and the Secretary of the Corporation is instructed to place same in the minute book of the Corporation.

**BYLAWS**

**RESOLVED**, that the Bylaws submitted to the undersigned are approved and adopted as the Bylaws of the Corporation and the Secretary of the Corporation is instructed to place same or a certified copy thereof in the minute book of the Corporation.

**PRINCIPAL OFFICE**

**RESOLVED**, that the Corporation's principal office be located and maintained at 9508 East Highway 71, Spicewood, Texas 78669, and that meetings of the members from time to time may be held either at the principal office or at such other place as the members shall from time to time order.

**MINUTE BOOK AND CORPORATE RECORDS**

**RESOLVED**, that the corporate record book is adopted as the record book of the corporation, and further,

**RESOLVED**, that the Corporation maintain appropriate corporate records in the corporate record book, including but not limited to originals, copies or certified copies of the Corporation's original and any amended, corrected or restated, Acknowledgment of Filing, Certificate of Formation, Bylaws, minutes of meetings, and written consents.

**OFFICERS**

**RESOLVED**, that the following persons are elected to the offices set forth opposite their names to serve as such at the pleasure of the members or pursuant to the terms of any written employment agreement executed by the Corporation and the respective officer:

<u>Office</u>	<u>Name</u>
President	Davy Roberts
Secretary/Treasurer	Chad May
Vice President	Price Kever

### BANK ACCOUNT

**RESOLVED**, that the Corporation establish in its name one or more accounts with one or more financial institutions on such terms and conditions as may be agreed with said financial institutions, and that the officers of the Corporation are authorized to execute any resolutions required by said financial institutions for such accounts and to designate the person or persons authorized to write checks on such accounts on behalf of the Corporation.

### ORGANIZATIONAL COSTS

**RESOLVED**, that the attorney's fees, filing fees and other expenses and charges incurred and that may be incurred by the Corporation or persons acting on behalf of the Corporation in connection with the formation of the Corporation are reasonable and shall be paid or reimbursed by the Corporation.

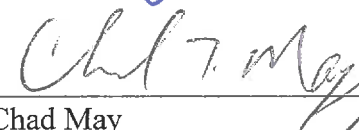
### FURTHER INSTRUCTIONS TO OFFICERS

**RESOLVED**, that the officers of the Corporation are authorized to do all things and take all action necessary and helpful to carry out the above resolutions and all acts of the officers and any persons acting for the Corporation which are consistent with the above resolutions are ratified and adopted as the acts of the Corporation.

DATE: 24th day of January 2014.

  
 \_\_\_\_\_  
 Davy Roberts



  
 \_\_\_\_\_  
 Chad May



  
 \_\_\_\_\_  
 Price Kever





## Office of the Secretary of State

### CERTIFICATE OF RESERVATION OF ENTITY NAME OF

Summit Springs Property Owners' Association, Inc.

The undersigned, as Secretary of State of Texas, hereby certifies that the above entity name has been reserved in this office pursuant to the provisions of Section 5.101 of the Texas Business Organizations Code for the exclusive use of

Sandra Witte  
P.O. Box 9, Port Lavaca , Tx 77979

for a period of one hundred twenty days after the date hereof.

This name reservation does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 01/23/2014



*NANDITA BERRY*

Nandita Berry  
Secretary of State

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**Budget**  
**Summit Springs POA**

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# Budget Summit Springs

Friday, January 10, 2020 13:10

## Budget 2020 Budget

Date: 1/1/2020 - 12/31/2020

### Operating

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>INCOME</b>													
40002 AMR Application fee	250	250	250	250	250	250	250	250	250	250	250	250	3,000
40000 Assessments	135,720	0	0	0	0	0	0	0	0	0	0	0	135,720
40110 Interest - Reserves	439	439	439	439	439	439	439	439	442	441	440	440	5,275
	136,409	689	689	689	689	689	689	689	692	691	690	690	143,995
<b>EXPENSE</b>													
50120 Clerical	20	20	20	20	20	20	20	20	20	20	20	20	240
50220 Collection Fees - Reil	83	83	83	83	83	83	83	83	83	83	83	83	996
50240 Community Events	0	0	700	0	0	0	0	0	0	0	0	0	700
50260 Coupon & Statement:	0	2,303	0	0	0	0	0	0	0	0	0	0	2,303
50305 Door King Monthly Fe	50	50	50	50	50	50	50	50	50	50	50	50	600
50320 Electricity	77	77	77	77	77	77	77	77	77	77	77	77	924
50370 Gate Repais	250	250	250	250	250	250	250	250	250	250	250	250	3,000
50372 Gate Transmitter	31	31	31	31	31	31	31	31	31	31	31	31	372
50470 Insurance	0	0	0	0	0	0	0	0	3,200	0	0	0	3,200
50480 Internet / Web servic	100	100	100	100	100	100	100	100	100	100	100	100	1,200
50520 Landscape Contract	764	764	764	764	764	764	764	764	764	764	764	764	9,168
50526 Landscape Repairs	75	75	75	75	75	75	75	75	75	75	75	75	900
50540 Legal: Dues Collectio	41	41	41	41	41	41	41	41	41	42	42	47	500
50550 Legal: Fees	833	833	833	833	833	833	833	833	833	833	833	837	10,000
50580 Mailings	125	125	125	125	125	125	125	125	125	125	125	125	1,500
50600 Maintenance & Repai	295	295	295	295	295	295	295	295	295	295	295	295	3,540
50620 Meeting Room Renta	0	75	0	0	75	0	0	75	0	0	75	0	300
50650 Mgmt Servs A	890	890	890	890	890	890	890	890	890	890	890	890	10,680
50890 Property Tax	4,200	0	0	0	0	0	0	0	0	0	0	0	4,200
50910 Reserves	0	0	0	0	0	0	0	0	0	85,000	0	0	85,000
50955 Software -- Smartwet	159	159	159	159	159	159	159	159	159	159	159	159	1,908
50960 Storage	29	29	29	29	29	29	29	29	29	29	29	29	348
51010 Tax Preparation	0	250	0	0	300	0	0	0	0	0	0	0	550
51110 Water	333	333	333	333	333	333	333	333	333	333	333	337	4,000

Budget  
Summit Springs

Budget 2020 Budget

Date: 1/1/2020 - 12/31/2020

Operating

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>EXPENSE</b>													
51120 Website	40	40	40	40	40	40	40	40	40	40	40	40	480
	8,395	6,823	4,895	4,195	4,570	4,195	4,195	4,270	7,395	89,196	4,271	4,209	146,609
Net Income/(Loss)	128,014.00	(6,134.00)	(4,206.00)	(3,506.00)	(3,881.00)	(3,506.00)	(3,506.00)	(3,581.00)	(6,703.00)	(88,505.00)	(3,581.00)	(3,519.00)	<b>(2,614.00)</b>

Income: 143,995

Expense: 146,609

**Total: (2,614)**

# Budget Summit Springs

Friday, January 10, 2020 13:10

## Budget 2020 Budget

Date: 1/1/2020 - 12/31/2020

### Reserve

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>INCOME</b>													
40225 Transfer to Reserves	0	0	0	0	0	0	0	0	0	140,000	0	0	140,000
	0	0	0	0	0	0	0	0	0	140,000	0	0	140,000
Net Income/(Loss)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	140,000.00	0.00	0.00	<b>140,000.00</b>

Income: 140,000  
 Expense: 0  
**Total: 140,000**

**Current Unaudited Financial Documents**  
**Summit Springs POA**

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Order Date: 03-16-2021  
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# Summit Springs POA

## Balance Sheet

Period 01/31/2021

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### Assets

#### Cash

Cking - Western Alliance	103,298.97	
Reserve - Construction Deposits	27,431.69	
Reserve CD-Live Oak Bank 2/9/21 2.15%	267,575.77	
Total Cash	<u>398,306.43</u>	
Total Assets		<u>398,306.43</u>

### Liabilities & Equity

#### Other Liabilities

Construction Deposits	26,000.00	
Total Other Liabilities	<u>26,000.00</u>	

#### Fund Balance

Fund Change-RE Oper	(42,761.14)	
Tran Fr Prior Mgr	537,924.19	
Tran Direct Fr Assn	(27,000.00)	
Tran To New Mgr	(125,000.00)	
Fund Change	29,143.38	
Total Fund Balance	<u>372,306.43</u>	
Total Liabilities & Equity		<u>398,306.43</u>

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# Summit Springs POA

## Income Statement

Period 1/1/2021 To 1/31/2021 11:59:00 PM

	Month to Date	%	Year to Date	%
<b>Operating Income</b>				
<b>Assessments</b>				
Assessments	37,138.67	99.76%	37,138.67	99.76%
Total Assessments	37,138.67	99.76%	37,138.67	99.76%
<b>Other Income</b>				
Interest Income	11.78	0.03%	11.78	0.03%
Late Fee	19.32	0.05%	19.32	0.05%
Prior Mgr - AR Fees	59.70	0.16%	59.70	0.16%
Total Other Income	90.80	0.24%	90.80	0.24%
Total Income	37,229.47	100.00%	37,229.47	100.00%
<b>Expense</b>				
<b>Administrative Expenses</b>				
Accounting	300.00	3.71%	300.00	3.71%
Copies	338.71	4.19%	338.71	4.19%
Legal Expense	5,716.96	70.70%	5,716.96	70.70%
Management Fees	900.00	11.13%	900.00	11.13%
Postage/Delivery	138.00	1.71%	138.00	1.71%
Website Hosting	42.64	0.53%	42.64	0.53%
Total Administrative Expenses	7,436.31	91.96%	7,436.31	91.96%
<b>Property Expenses</b>				
Access Ctrl-Maint	233.32	2.89%	233.32	2.89%
Landscape-Maint	200.00	2.47%	200.00	2.47%
Security/Safety/Monitoring	41.95	0.52%	41.95	0.52%
Total Property Expenses	475.27	5.88%	475.27	5.88%
<b>Utility Expenses</b>				
Communications/Inet	102.13	1.26%	102.13	1.26%
Water	72.38	0.90%	72.38	0.90%
Total Utility Expenses	174.51	2.16%	174.51	2.16%
Total Expense	8,086.09	100.00%	8,086.09	100.00%
Fund Change	29,143.38		29,143.38	

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**Summit Springs POA**  
**Budget Comparison**  
**Period 1/1/2021 To 1/31/2021 11:59:00 PM**

	Current Month Operating				Year to Date Operating				Annual
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	
<b>Income</b>									
<b>Assessments</b>									
Assessments	37,138.67	0.00	37,138.67	0.00%	37,138.67	0.00	37,138.67	0.00%	0.00
Total Assessments	37,138.67	0.00	37,138.67	0.00%	37,138.67	0.00	37,138.67	0.00%	0.00
<b>Other Income</b>									
Interest Income	11.78	0.00	11.78	0.00%	11.78	0.00	11.78	0.00%	0.00
Late Fee	19.32	0.00	19.32	0.00%	19.32	0.00	19.32	0.00%	0.00
Prior Mgr - AR Fees	59.70	0.00	59.70	0.00%	59.70	0.00	59.70	0.00%	0.00
Total Other Income	90.80	0.00	90.80	0.00%	90.80	0.00	90.80	0.00%	0.00
Total Income	37,229.47	0.00	37,229.47	0.00%	37,229.47	0.00	37,229.47	0.00%	0.00
<b>Expense</b>									
<b>Administrative Expenses</b>									
Accounting	300.00	0.00	300.00	0.00%	300.00	0.00	300.00	0.00%	0.00
Copies	338.71	0.00	338.71	0.00%	338.71	0.00	338.71	0.00%	0.00
Legal Expense	5,716.96	0.00	5,716.96	0.00%	5,716.96	0.00	5,716.96	0.00%	0.00
Management Fees	900.00	0.00	900.00	0.00%	900.00	0.00	900.00	0.00%	0.00
Postage/Delivery	138.00	0.00	138.00	0.00%	138.00	0.00	138.00	0.00%	0.00
Website Hosting	42.64	0.00	42.64	0.00%	42.64	0.00	42.64	0.00%	0.00
Total Administrative Expenses	7,436.31	0.00	7,436.31	0.00%	7,436.31	0.00	7,436.31	0.00%	0.00
<b>Property Expenses</b>									
Access Ctrl-Maint	233.32	0.00	233.32	0.00%	233.32	0.00	233.32	0.00%	0.00
Landscape-Maint	200.00	0.00	200.00	0.00%	200.00	0.00	200.00	0.00%	0.00
Security/Safety/Monitoring	41.95	0.00	41.95	0.00%	41.95	0.00	41.95	0.00%	0.00
Total Property Expenses	475.27	0.00	475.27	0.00%	475.27	0.00	475.27	0.00%	0.00
<b>Utility Expenses</b>									
Communications/Inet	102.13	0.00	102.13	0.00%	102.13	0.00	102.13	0.00%	0.00
Water	72.38	0.00	72.38	0.00%	72.38	0.00	72.38	0.00%	0.00
Total Utility Expenses	174.51	0.00	174.51	0.00%	174.51	0.00	174.51	0.00%	0.00
Total Expense	8,086.09	0.00	8,086.09	0.00%	8,086.09	0.00	8,086.09	0.00%	0.00
Fund Change	29,143.38	0.00	29,143.38	0.00%	29,143.38	0.00	29,143.38	0.00%	0.00

Order: Z3JDT8RF4  
Address: 320 Cedar Mountain Drive  
Order Date: 03-16-2021  
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**Summit Springs POA**  
**12 Month Income Statement with Annual Variance Estimate**  
**Period 1/1/2021 To 1/31/2021 11:59:00 PM**

	Operating														
	01/2021	02/2021	03/2021	04/2021	05/2021	06/2021	07/2021	08/2021	09/2021	10/2021	11/2021	12/2021	Total	Budget	Variance
<b>INCOME</b>															
<b>Assessments</b>															
Assessments	37,139	0	0	0	0	0	0	0	0	0	0	0	37,139	0	37,139
TOTAL Assessments	37,139	0	0	0	0	0	0	0	0	0	0	0	37,139	0	37,139
<b>Other Income</b>															
Interest Income	12	0	0	0	0	0	0	0	0	0	0	0	12	0	12
Late Fee	19	0	0	0	0	0	0	0	0	0	0	0	19	0	19
Prior Mgr - AR Fees	60	0	0	0	0	0	0	0	0	0	0	0	60	0	60
TOTAL Other Income	91	0	0	0	0	0	0	0	0	0	0	0	91	0	91
TOTAL INCOME	37,229	0	0	0	0	0	0	0	0	0	0	0	37,229	0	37,229
<b>EXPENSES</b>															
<b>Administrative Expenses</b>															
Accounting	300	0	0	0	0	0	0	0	0	0	0	0	300	0	300
Copies	339	0	0	0	0	0	0	0	0	0	0	0	339	0	339
Legal Expense	5,717	0	0	0	0	0	0	0	0	0	0	0	5,717	0	5,717
Management Fees	900	0	0	0	0	0	0	0	0	0	0	0	900	0	900
Postage/Delivery	138	0	0	0	0	0	0	0	0	0	0	0	138	0	138
Website Hosting	43	0	0	0	0	0	0	0	0	0	0	0	43	0	43
TOTAL Administrative Expense	7,436	0	0	0	0	0	0	0	0	0	0	0	7,436	0	7,436
<b>Property Expenses</b>															
Access Ctrl-Maint	233	0	0	0	0	0	0	0	0	0	0	0	233	0	233
Landscape-Maint	200	0	0	0	0	0	0	0	0	0	0	0	200	0	200
Security/Safety/Monitoring	42	0	0	0	0	0	0	0	0	0	0	0	42	0	42
TOTAL Property Expenses	475	0	0	0	0	0	0	0	0	0	0	0	475	0	475
<b>Utility Expenses</b>															
Communications/Inet	102	0	0	0	0	0	0	0	0	0	0	0	102	0	102
Water	72	0	0	0	0	0	0	0	0	0	0	0	72	0	72
TOTAL Utility Expenses	175	0	0	0	0	0	0	0	0	0	0	0	175	0	175
TOTAL EXPENSES	8,086	0	0	0	0	0	0	0	0	0	0	0	8,086	0	8,086
Excess Revenue / Expense	29,143	0	0	0	0	0	0	0	0	0	0	0	29,143	0	29,143

# Summit Springs POA

## Balance Sheet

Period 12/31/2020

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### Assets

#### Cash

Cking - Western Alliance	199,278.25
Reserve - Construction Deposits	27,428.20
Reserve CD-Live Oak Bank 2/9/21 2.15%	267,092.78
Total Cash	<u>493,799.23</u>

Total Assets

493,799.23

### Liabilities & Equity

#### Other Liabilities

Construction Deposits	26,000.00
Total Other Liabilities	<u>26,000.00</u>

#### Fund Balance

Tran Fr Prior Mgr	537,924.19
Tran Direct Fr Assn	(27,000.00)
Fund Change	(43,124.96)
Total Fund Balance	<u>467,799.23</u>

Total Liabilities & Equity

493,799.23

Order: Z3JDT8RF4  
Address: 320 Cedar Mountain Drive  
Order Date: 03-16-2021  
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# Summit Springs POA

## Income Statement

Period 12/1/2020 To 12/31/2020 11:59:00 PM

	Month to Date	%	Year to Date	%
<b>Operating Income</b>				
<b>Assessments</b>				
Assessments	4,516.00	92.39%	8,803.00	21.79%
Total Assessments	4,516.00	92.39%	8,803.00	21.79%
<b>Other Income</b>				
Arch Review Fee	250.00	5.11%	1,225.00	3.03%
Interest Income	3.57	0.07%	1,922.16	4.76%
Key/Remote Fee	75.00	1.53%	250.00	0.62%
Late Fee	0.00	0.00%	244.00	0.60%
Legal Expense Reimb	0.00	0.00%	25.00	0.06%
Miscl Income	0.00	0.00%	27,500.00	68.06%
Prior Mgr - AR Fees	43.48	0.89%	438.78	1.09%
Total Other Income	372.05	7.61%	31,604.94	78.21%
Total Income	4,888.05	100.00%	40,407.94	100.00%
<b>Expense</b>				
<b>Administrative Expenses</b>				
Copies	34.64	0.24%	396.37	0.47%
Legal Expense	9,486.25	64.60%	35,183.73	42.12%
Management Fees	900.00	6.13%	4,500.00	5.39%
Postage/Delivery	13.00	0.09%	158.50	0.19%
Website Hosting	127.92	0.87%	170.56	0.20%
Total Administrative Expenses	10,561.81	71.93%	40,409.16	48.38%
<b>Non-Recurring Expenses</b>				
NR-Refund to Owners	0.00	0.00%	0.00	0.00%
Total Non-Recurring Expenses	0.00	0.00%	0.00	0.00%
<b>Property Expenses</b>				
Access Ctrl-Maint	45.00	0.31%	405.75	0.49%
Landscape-Maint	200.00	1.36%	2,375.00	2.84%
Paving	0.00	0.00%	30,243.83	36.21%
Security/Safety/Monitoring	39.95	0.27%	159.80	0.19%
Signage Install/Maint	0.00	0.00%	184.51	0.22%
Total Property Expenses	284.95	1.94%	33,368.89	39.95%
<b>Tax/Ins/Interest Exp</b>				
Ins-D & O	0.00	0.00%	1,461.00	1.75%
Ins-F&EC or Package	0.00	0.00%	3,554.00	4.25%
Taxes-Property	3,645.95	24.83%	3,645.95	4.36%
Total Tax/Ins/Interest Exp	3,645.95	24.83%	8,660.95	10.37%
<b>Utility Expenses</b>				
Communications/Inet	102.13	0.70%	408.52	0.49%
Electric	0.00	0.00%	354.81	0.42%
Water	89.46	0.61%	330.57	0.40%
Total Utility Expenses	191.59	1.30%	1,093.90	1.31%
Total Expense	14,684.30	100.00%	83,532.90	100.00%
Fund Change	(9,796.25)		(43,124.96)	

Order: Z3JDT8RF4  
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**Summit Springs POA**  
**Budget Comparison**  
**Period 12/1/2020 To 12/31/2020 11:59:00 PM**

	Current Month Operating				Year to Date Operating				Annual
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	
<b>Income</b>									
<b>Assessments</b>									
Assessments	4,516.00	0.00	4,516.00	0.00%	8,803.00	0.00	8,803.00	0.00%	0.00
Total Assessments	4,516.00	0.00	4,516.00	0.00%	8,803.00	0.00	8,803.00	0.00%	0.00
<b>Other Income</b>									
Arch Review Fee	250.00	0.00	250.00	0.00%	1,225.00	0.00	1,225.00	0.00%	0.00
Interest Income	3.57	0.00	3.57	0.00%	1,922.16	0.00	1,922.16	0.00%	0.00
Key/Remote Fee	75.00	0.00	75.00	0.00%	250.00	0.00	250.00	0.00%	0.00
Late Fee	0.00	0.00	0.00	0.00%	244.00	0.00	244.00	0.00%	0.00
Legal Expense Reimb	0.00	0.00	0.00	0.00%	25.00	0.00	25.00	0.00%	0.00
Misc Income	0.00	0.00	0.00	0.00%	27,500.00	0.00	27,500.00	0.00%	0.00
Prior Mgr - AR Fees	43.48	0.00	43.48	0.00%	438.78	0.00	438.78	0.00%	0.00
Total Other Income	372.05	0.00	372.05	0.00%	31,604.94	0.00	31,604.94	0.00%	0.00
Total Income	4,888.05	0.00	4,888.05	0.00%	40,407.94	0.00	40,407.94	0.00%	0.00
<b>Expense</b>									
<b>Administrative Expenses</b>									
Copies	34.64	0.00	34.64	0.00%	396.37	0.00	396.37	0.00%	0.00
Legal Expense	9,486.25	0.00	9,486.25	0.00%	35,183.73	0.00	35,183.73	0.00%	0.00
Management Fees	900.00	0.00	900.00	0.00%	4,500.00	0.00	4,500.00	0.00%	0.00
Postage/Delivery	13.00	0.00	13.00	0.00%	158.50	0.00	158.50	0.00%	0.00
Website Hosting	127.92	0.00	127.92	0.00%	170.56	0.00	170.56	0.00%	0.00
Total Administrative Expenses	10,561.81	0.00	10,561.81	0.00%	40,409.16	0.00	40,409.16	0.00%	0.00
<b>Property Expenses</b>									
Access Ctrl-Maint	45.00	0.00	45.00	0.00%	405.75	0.00	405.75	0.00%	0.00
Landscape-Maint	200.00	0.00	200.00	0.00%	2,375.00	0.00	2,375.00	0.00%	0.00
Paving	0.00	0.00	0.00	0.00%	30,243.83	0.00	30,243.83	0.00%	0.00
Security/Safety/Monitoring	39.95	0.00	39.95	0.00%	159.80	0.00	159.80	0.00%	0.00
Signage Install/Maint	0.00	0.00	0.00	0.00%	184.51	0.00	184.51	0.00%	0.00
Total Property Expenses	284.95	0.00	284.95	0.00%	33,368.89	0.00	33,368.89	0.00%	0.00
<b>Tax/Ins/Interest Exp</b>									
Ins-D & O	0.00	0.00	0.00	0.00%	1,461.00	0.00	1,461.00	0.00%	0.00
Ins-F&EC or Package	0.00	0.00	0.00	0.00%	3,554.00	0.00	3,554.00	0.00%	0.00
Taxes-Property	3,645.95	0.00	3,645.95	0.00%	3,645.95	0.00	3,645.95	0.00%	0.00
Total Tax/Ins/Interest Exp	3,645.95	0.00	3,645.95	0.00%	8,660.95	0.00	8,660.95	0.00%	0.00
<b>Utility Expenses</b>									
Communications/Inet	102.13	0.00	102.13	0.00%	408.52	0.00	408.52	0.00%	0.00
Electric	0.00	0.00	0.00	0.00%	354.81	0.00	354.81	0.00%	0.00
Water	89.46	0.00	89.46	0.00%	330.57	0.00	330.57	0.00%	0.00
Total Utility Expenses	191.59	0.00	191.59	0.00%	1,093.90	0.00	1,093.90	0.00%	0.00
Total Expense	14,684.30	0.00	14,684.30	0.00%	83,532.90	0.00	83,532.90	0.00%	0.00
Fund Change	(9,796.25)	0.00	(9,796.25)	0.00%	(43,124.96)	0.00	(43,124.96)	0.00%	0.00

Order: Z3JDT8RF4  
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Order Date: 03-16-2021  
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**Summit Springs POA**  
**12 Month Income Statement with Annual Variance Estimate**  
**Period 12/1/2020 To 12/31/2020 11:59:00 PM**

	Operating														
	01/2020	02/2020	03/2020	04/2020	05/2020	06/2020	07/2020	08/2020	09/2020	10/2020	11/2020	12/2020	Total	Budget	Variance
<b>INCOME</b>															
<b>Assessments</b>															
Assessments	0	0	0	0	0	0	0	0	2,305	1,982	0	4,516	8,803	0	8,803
TOTAL Assessments	0	0	0	0	0	0	0	0	2,305	1,982	0	4,516	8,803	0	8,803
<b>Other Income</b>															
Arch Review Fee	0	0	0	0	0	0	0	0	475	0	500	250	1,225	0	1,225
Interest Income	0	0	0	0	0	0	0	480	469	11	959	4	1,922	0	1,922
Key/Remote Fee	0	0	0	0	0	0	0	0	175	0	0	75	250	0	250
Late Fee	0	0	0	0	0	0	0	0	19	225	0	0	244	0	244
Legal Expense Reimb	0	0	0	0	0	0	0	0	0	25	0	0	25	0	25
Misc Income	0	0	0	0	0	0	0	0	0	0	27,500	0	27,500	0	27,500
Prior Mgr - AR Fees	0	0	0	0	0	0	0	0	81	315	0	43	439	0	439
TOTAL Other Income	0	0	0	0	0	0	0	480	1,219	575	28,959	372	31,605	0	31,605
TOTAL INCOME	0	0	0	0	0	0	0	480	3,524	2,557	28,959	4,888	40,408	0	40,408
<b>EXPENSES</b>															
<b>Administrative Expenses</b>															
Copies	0	0	0	0	0	0	0	0	12	302	48	35	396	0	396
Legal Expense	0	0	0	0	0	0	0	1,017	17,438	4,880	2,362	9,486	35,184	0	35,184
Management Fees	0	0	0	0	0	0	0	900	900	900	900	900	4,500	0	4,500
Postage/Delivery	0	0	0	0	0	0	0	0	3	122	21	13	159	0	159
Website Hosting	0	0	0	0	0	0	0	0	43	43	(43)	128	171	0	171
TOTAL Administrative Expense	0	0	0	0	0	0	0	1,917	18,396	6,246	3,288	10,562	40,409	0	40,409
<b>Property Expenses</b>															
Access Ctrl-Maint	0	0	0	0	0	0	0	0	68	158	135	45	406	0	406
Landscape-Maint	0	0	0	0	0	0	0	200	(200)	0	2,175	200	2,375	0	2,375
Paving	0	0	0	0	0	0	0	0	10,081	20,163	0	0	30,244	0	30,244
Security/Safety/Monitoring	0	0	0	0	0	0	0	0	40	40	40	40	160	0	160
Signage Install/Maint	0	0	0	0	0	0	0	0	0	185	0	0	185	0	185
TOTAL Property Expenses	0	0	0	0	0	0	0	200	9,989	20,545	2,350	285	33,369	0	33,369
<b>Tax/Ins/Interest Exp</b>															
Ins-D & O	0	0	0	0	0	0	0	0	1,461	0	0	0	1,461	0	1,461
Ins-F&EC or Package	0	0	0	0	0	0	0	0	3,554	0	0	0	3,554	0	3,554
Taxes-Property	0	0	0	0	0	0	0	0	0	0	0	3,646	3,646	0	3,646
TOTAL Tax/Ins/Interest Exp	0	0	0	0	0	0	0	0	5,015	0	0	3,646	8,661	0	8,661
<b>Utility Expenses</b>															
Communications/Inet	0	0	0	0	0	0	0	0	0	204	102	102	409	0	409
Electric	0	0	0	0	0	0	0	0	146	0	209	0	355	0	355
Water	0	0	0	0	0	0	0	0	72	0	169	89	331	0	331
TOTAL Utility Expenses	0	0	0	0	0	0	0	0	218	204	480	192	1,094	0	1,094
TOTAL EXPENSES	0	0	0	0	0	0	0	2,117	33,618	26,996	6,118	14,684	83,533	0	83,533
Excess Revenue / Expense	0	0	0	0	0	0	0	(1,637)	(30,094)	(24,439)	22,841	(9,796)	(43,125)	0	(43,125)

**Declaration-CC&Rs**  
**Summit Springs POA**

Order: Z3JDT8RF4  
Address: 320 Cedar Mountain Drive  
Order Date: 03-16-2021  
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**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR SUMMIT SPRINGS PROPERTY OWNERS' ASSOCIATION, INC.**

STATE OF TEXAS §  
COUNTY OF BLANCO § KNOWN ALL MEN BY THESE PRESENTS  
COUNTY OF BURNET §

This declaration made on the date hereinafter set forth by NLP Summit Springs, LLC, a Delaware Limited Liability Company, hereinafter referred to as "Developer".

**WITNESSETH:**

WHEREAS, Developer is the Owner of that certain tract of land located in Blanco County, Texas, and Burnet County, Texas, containing 860.45 acres more or less and being more fully described on the map and plat recorded in Cab. 3, Slides 148 - 158 of the Map and Plat Records of Blanco County, Texas, and under Instrument No. 201401042 of the Official Public Records of Burnet County, Texas, hereinafter referred to as "Subdivision;"

WHEREAS, it is the desire and purpose of Developer to place certain restrictions, easements, covenants, conditions and reservations (hereinafter "Restrictions") upon the Subdivision in order to establish a uniform plan for its development, insure the use of the subdivision for residential purposes only, prevent nuisances, prevent the impairment of the value of the Subdivision, maintain the desired character of the community, and insure the preservation of such uniform plan for the benefit of the present and future Owners of the Tracts within the Subdivision, and to promote the health, safety, and welfare of the residents within the Subdivision;

NOW, THEREFORE, Developer hereby adopts, establishes and imposes upon the Subdivision, the following Restrictions for the purposes of enhancing and protecting the value, desirability and attractiveness of the Subdivision, which Restrictions shall run with the land and inure to the benefit of each Owner and his invitees:

**ARTICLE I  
DEFINITIONS**

1.01 Architectural Control Committee or ACC. "Architectural Control Committee" or "ACC" shall mean the Developer until the Control Transfer Date and thereafter a committee initially appointed by the Developer pursuant to these Restrictions to review and approve plans for the construction of Improvements as more specifically provided by Section 4.02 hereof. Board appointment shall mean property owners only, not developer board.

1.02 Annual Assessment. "Annual Assessment" means the amount set forth in Section 6.02 hereof.

1.03 Assessment. "Assessment" means the Annual Assessment, Special Assessments or

other charges, interest, penalties and fees authorized by these Restrictions together with the cost and expense incurred in collecting Assessments, including, but not limited to court costs and attorney's fees.

1.04 Association. "Association" means and refers to the Developer until the Control Transfer Date and thereafter Summit Springs Property Owners Association, Inc. and its successors and assigns.

1.05 Board of Directors. "Board of Directors" means and refers to the Developer prior to the Control Transfer Date and the thereafter, the Board of Directors of the Association appointed by the Director.

1.06 Bylaws. "Bylaws" mean the Bylaws of the Association as from time to time amended.

1.07 Certificate of Formation. "Certificate of Formation" shall mean the Certificate of Formation of Summit Springs Property Owners Association, Inc., and any amendments thereto, which have been or will be filed in the office of the Secretary of State of the State of Texas.

1.08 Common Area. "Common Area" means the portions of the Subdivision, including any applicable easements, owned by the Association for the common use and enjoyment of the Members including, but not limited to, all roads and the entrance, together with such other property as the Association may acquire in the future for the common use and enjoyment of the Members.

1.09 Common Area Expense. "Common Area Expense" means all expense necessary to maintain, replace, repair and expand the Common Area as well as all necessary expense to operate the Association including, but not limited to, casualty and liability insurance, directors and officers liability insurance and all other reasonable and necessary expenses of the Association. Additionally, Common Area Expense shall include (a) the cost of repair and maintenance of the roads, (b) mowing of the Common Areas (c) Common Area maintenance and replacement of landscaping, (d) as well as such other expense and capital enhancements as may be determined by the Board of Directors to promote the safety, health, recreation and welfare of the Members and maintain the Subdivision in an attractive manner, including but not limited to the maintenance of the private water well located on Lot 40 and the existing concrete dam located behind Lots 38 and 47.

1.10 Control Transfer Date. The "Control Transfer Date" shall mean the earlier date of: 1.) Developer no longer owns any part of the entire Subdivision, including but not limited to Common Areas; 2.) Fifteen (15) years from date of recordation of this Declaration; or 3.) Developer, in its sole discretion, voluntarily relinquishes control of the Association as set forth in Sections 4.02(a) or 7.01 hereof. Notwithstanding this provision, on or before the 120th day after the date seventy five percent (75%) of the lots that may be created and made subject to this Declaration are conveyed to owners other than Developer, at least one-third of the board members must be elected by owners other than the Developer.

1.11 Construction Deposit. The Construction Deposit has the meaning described in Section 4.07 hereof.

1.12 Developer. "Developer" means and refers to NLP Summit Springs, LLC, a Delaware Limited Liability Company, its successors and assigns.

1.13 Improvement. "Improvement" means every structure and all appurtenances of every type and kind, including but not limited to buildings, outbuildings, patios, storage buildings, barns, garages, decks, stairs, retaining walls, screening walls, fences, landscaping art or statuary, poles, signs, exterior air conditioning units, exterior water softener fixtures or equipment, pumps, wells, tanks, reservoirs, pipes, utilities, lines, meters, antennas, towers, satellite dishes or any other sound or data receivers or transmitters. The term "Improvement" excludes the interior of each residence, guest quarters, barn or other approved building and the ACC shall have no authority to approve or disapprove improvements made to the interior of such buildings where the exterior of the building is not affected by the interior improvement.

1.14 Member. "Member" means and refers to every current Owner of a lot.

1.15 Notice. Whenever any "notice" is required by these Restrictions, such notices shall be in writing and shall be deemed received when actually received, or five days after the deposit of such notice in the United States mail, postage prepaid and addressed to the last known address of an Owner appearing on the books of the Association, whether or not such notice is actually received. It shall be the duty of each lot Owner to keep the Association apprised of its current address.

1.16 Owner. "Owner" means and refers to the record owner, whether one or more persons or entities, of the fee-simple title to any Lot(s), but shall not mean or refer to any mortgagee or subsequent holder of a mortgage, unless and until such mortgagee or holder has acquired title pursuant to foreclosure or any proceedings in lieu of foreclosure. Said term "Owner" shall also refer to the heirs, successors and assigns of any Owner. The Developer shall not be deemed an Owner.

1.17 Plans or Specifications. "Plans" or "Specifications" means any and all drawings and documents describing the construction or erection of any Improvement, including, but not limited to, those indicating location, size, shape, configuration, materials, site plans, excavation and grading plans, foundation plans, drainage plans, fencing plans, elevation drawings, floor plans, specifications concerning building products and construction techniques, samples of exterior colors and materials, plans for utility services, and all other documentation or information relevant to the construction or installation of any Improvement.

1.18 Plat. "Plat" means and refers to the plat of Summit Springs Subdivision filed on July 9, 2014, in Volume 3, Page 148-158 of the Map and Plat Records of Blanco County, Texas, and filed on February 10, 2014, under Instrument No. 201401042 of the Map and Plat Records of Burnet County, Texas.

1.19 Road. Road or roads means property or any road located within the Subdivision which has been dedicated for the purpose of ingress and egress through the Subdivision for the benefit of the property Owners.

1.20 Recreational Vehicle or RV. Recreational Vehicle is defined in Section 3.08 hereof.

1.21 Special Assessment. "Special Assessment" shall have the meaning given to that term in Section 6.03 hereof.

1.22 Subdivision. "Subdivision" means Summit Springs Subdivision as shown on the Plat.

1.23 Tract or Lot. "Tract" or "Lot" means the 238 individual tracts of land or lots identified on the Plat or any amendments thereto.

1.24 Vote of Members. "Vote of Members" means the affirmative vote of two thirds (2/3) of the Members entitled to vote who are present at a meeting of Members, either in person or by written proxy. In accordance with Section 5.04, only one Member is entitled to vote for each Tract and only one vote shall be counted for each Tract even though a Tract may have several Owners.

## **ARTICLE II**

### **RESERVATIONS, EXCEPTIONS AND DEDICATIONS**

2.01 Property Subject to Restrictions. The Subdivision, including all the individual Tracts, are subject to these Restrictions which shall run with the land and be binding on all parties having or acquiring any right, title or interest therein, or any part thereof, and shall inure to the benefit of each owner thereof. As of the date of these Restrictions there are two existing homes built on lots 26 and 96. Any building restriction contained herein shall not apply to these existing improvements, and any variance that exists shall have been deemed accepted by the ACC.

2.02 Utility Easements. The Subdivision and each Tract shall be subject to the easements reserved herein and in favor of the Association, the Tract Owners and the utility companies. A utility easement measuring fifteen feet (15') in width is reserved along the front of each Tract. A utility easement measuring fifteen feet (15') in width and centered on the common boundary line that any Tract in the Subdivision shares with another Tract is reserved. A utility easement fifteen feet (15') in width is reserved along the perimeter boundary lines of the Subdivision. The utility easements shall be used for the construction, maintenance and repair of utilities, including but not limited to, electrical systems, telephone, cable, water, gas and any other utilities which the Developer or utility providers may install for the benefit of the Tract Owners. Notwithstanding the foregoing, the Developer has no obligation to provide utilities and all such utilities shall be provided by the local utility companies in accordance with the policies of such utility companies. All utility easements in the Subdivision may also be used for the construction of drainage facilities in order to provide for improved surface drainage of the Tracts. The Developer reserves the right to grant specific utility easements without the joinder of any Tract Owner to public utility providers within the boundaries of any of the easements herein reserved. Any utility company serving the Subdivision shall have the right to enter upon any utility easement for the purpose of installing, repairing, and maintaining their respective facilities. Neither Developer nor any utility company, political subdivision or other authorized entity using the easements herein reserved shall be liable for any damages done by them or their assigns, agents or employees to fences, shrubbery, trees and lawns or any other property of the Tract Owners located within the easements.

2.03 Underground Utilities Required. All utilities installed or constructed which are located in the easements which run along any Tract boundary line which is shared in common with another Tract boundary line shall be located underground. Utilities along the perimeter boundary lines of the Subdivision may be above ground. The ACC or the developer, prior to the transfer control date, shall have authority to grant variances to the underground utility requirement in situations where the installation of underground utilities is impractical as a result of the existence of extensive solid rock or other terrain or subterranean conditions.

2.04 Construction of Improvements on Utility Easements. No buildings or walls shall be located over, under, upon or across any portion of any utility easement. The Owner of each Tract shall have the right to construct, keep and maintain concrete drives, landscaping, fences and similar improvements across any utility easement, and shall be entitled to cross such easements at all times for purposes of gaining access to and from such Tracts, provided, however, any concrete drive, landscaping, fencing or similar improvement placed upon any utility easement shall be constructed, maintained and used at the Owner's risk and each Tract Owner shall be responsible for repairing any damage caused by the utility providers to Improvements constructed within the easements located on his Tract.

2.05 Road Easement. A road easement as shown on the Plat and measuring fifty (50') to sixty feet (60') in width is reserved in favor of the Association and the Tract Owners (including their guests, invitees and tenants) for the purpose of granting the Tract Owners ingress and egress to and from their Tracts and to the Common Areas. No Tract Owner shall be prevented from using the road easement as a result of any failure of a Tract Owner to comply with these Restrictions or pay Assessments. Except as specifically set forth herein, no Improvement shall be constructed on or over the road easement except as authorized by the Association. Tract Owners shall not take any action which would prevent other Tract Owners from using the road easement. The Association reserves the right to make reasonable rules and regulations regarding the use of the road easement. The road easement may also be used for the construction, installation and maintenance of landscaping and utilities provided that such utilities are installed underground.

### **ARTICLE III** **USE RESTRICTIONS FOR TRACTS**

3.01 Single Family. Except as specifically set forth in these Restrictions, all Tracts shall be used for single family residential purposes only. Except as expressly permitted herein, only one single family residence for each Tract is permitted.

3.02 Minimum Square Footage. Every single family dwelling shall contain at least one thousand eight hundred (1,800) square feet of living area, excluding porches, garages and storage areas.

3.03 Garages. All single family dwelling units, except approved guest quarters, shall have at least a two-car attached, or detached garage. All garages must be constructed out of the same materials as used for the main dwelling. All garages shall be located on the Tract as indicated by the Architectural Control Committee approved site plan.

3.04 Guest/Servants Quarters. One guest or servant quarters may be built upon each Tract provided the guest or servant quarters contains no less than five hundred (500) square feet and is no more than half the size of the main house. Guest or servant quarters must be built along with or after the construction of the main dwelling and may not be built or occupied prior to the main dwelling unit being occupied. Guest or servant quarters must be constructed with material harmonious with the main dwelling.

3.05 Barns, Workshops & Storage Buildings. One permanent metal, rock, and/or hardiplank barn, workshop or storage building shall be allowed so long as such building has rock wainscoat or approved landscaping beginning at the bottom of the building and extending three feet (3') upward and is constructed with material harmonious with the main dwelling. Detailed plans and specifications for barns and workshops must be submitted to the Developer or ACC in order to be considered for approval. Such structures must be located behind the main dwelling site and may be constructed on the Tracts prior to the main dwelling being constructed or occupied. No portable storage buildings shall be allowed.

3.06 Barns as Temporary Living Space. Guest quarters located inside of a barn which is constructed on the Property shall be allowed so long as the guest quarters are not used as a permanent residence. Guest quarters shall not be rented for income and cannot compromise more than thirty percent of the interior space of such barn. Such guest quarters may be used as the lot owner's temporary residence during the construction of the main dwelling or as a "weekend getaway" for such lot owner prior to the construction of the residence. All barns, workshops, and storage buildings must be approved by the Developer or, after the Control Transfer Date, the ACC.

3.07 No Prefabricated or Mobile Homes. No prefabricated structures or mobile homes are permitted to be located on any Tract except as permitted by Section 3.08 hereof.

3.08 Temporary Structures & Use of RVs. No structure of a temporary character, whether trailer, motor home, recreational vehicle, tent, basement, shack, garage, barn or other outbuilding shall be maintained or used on any Tract at any time as a residence, either temporarily or permanently, except as provided below. No Tract shall be used as a camping ground.

Prior to the construction of a residence on a Tract, an Owner may use a recreational vehicle camper or motor home (Recreation Vehicle or "RV") for camping purposes no more than seven (7) days out of any thirty (30) day period and no more than twenty-five (25) days per year. TEMPORARY CAMPING OR USING ANY TYPE OF RECREATIONAL VEHICLE, WILL NO LONGER BE PERMITTED, ONCE FIFTY (50) OR MORE RESIDENCES HAVE BEEN BUILT ON THE LOTS IN THE COMMUNITY. With written approval from the ACC, an RV may be used as a temporary residence during construction, not to exceed twelve (12) months, provided an approved septic system has been installed for the RV and the RV is placed at the rear of the construction site.

Temporary structures, including a business office, portable restroom facilities, or construction storage facilities may be located on a Tract while the main residence for a Tract is actively under construction, provided that such are removed upon substantial completion of

construction and are not located on a Tract for longer than the time allowed for construction of a main residence pursuant to Section 3.12 hereunder.

The Developer reserves the exclusive right to install and make use of a temporary office or temporary storage facilities within Subdivision while the developer is selling Tracts or building homes in the subdivision.

3.09 Storage of Trailers, RVs and Boats. All trailers, RVs, trucks (other than pickups with a rated capacity of one (1) ton or less), boats, personal water craft, tractors, wagons, buses, motorcycles, motor scooters, all-terrain vehicles, golf carts and other recreational vehicles, lawn or garden equipment, farm or ranch equipment, construction equipment and other similar items shall be stored in enclosed structures or reasonably screened from view from the road.

3.10 Construction Sites. All construction sites shall have sufficient portable restroom facilities or other adequate restroom facilities as determined by the Architectural Control Committee or Developer prior to transfer control date. Construction Sites shall be kept neat and clean at all times and comply with such construction site guidelines as may be established by the Architectural Control Committee from time to time.

3.11 Building Envelope. The Building Envelope on any Tract may be any size, subject to the approval of the ACC or the developer, prior to the transfer control date. **IF, HOWEVER, A BUILDING ENVELOPE EXCEEDS ONE ACRE, THE OWNER OF THE TRACT OF A BUILDING ENVELOPE EXCEEDING ONE ACRE, MAY BE SUBJECT TO THE LOSS OF AD VALOREM TAX EXEMPTIONS AND ROLLBACK TAX LIABILITY.**

3.12 Construction Time. Any construction of any Improvement shall be completed, as to the exterior, within twelve (12) months from the construction commencement date.

3.13 Height Restrictions. No Improvement shall be erected, altered or placed on any Tract which exceeds the lesser of thirty-five feet (35') in height (measured from the ground to the topmost part of the roof) or 2 - 1/2 stories in height.

3.14 Construction Materials. All Improvements must be built with new construction materials and must be built in place on the Tract. All construction materials used shall be of materials such as wood, rock, brick, hardiplank or stucco. The use of aluminum siding or vinyl siding is prohibited. The Architectural Control Committee or the developer prior to transfer control date may authorize the use of other materials on a case by case basis. Barns and other out buildings may be constructed of metal or materials listed above. Log cabins may be built as long as they comply with building requirements and are approved by the Architectural Control Committee.

3.15 Roofing Materials. Only the following roofing materials may be used for the main residence, guest quarters and garages: slate, stone, concrete tile, clay tile, or other tile of ceramic nature, metal or composition shingles with a thirty (30) year or more warranty. Colors of roofing material are subject to the approval of the Architectural Control Committee or the Developer (prior to the transfer control date) approval. The Architectural Control Committee or the Developer (prior to the transfer control date) shall have the authority and sole discretion to approve other roof

treatments and materials which are harmonious with the surrounding homes and the Subdivision as a whole. The materials and colors of Roofs on all other structures must be approved by the Architectural Control Committee or Developer (prior to the transfer control date). Owners may install roof shingles that are wind and hail resistant, energy efficient or solar generating, if the quality and appearance are comparable to the subdivision standard. All such materials will need approval from the Architectural Control Committee or Developer (prior to the transfer control date).

3.16 Color. All exterior color schemes for Improvements are subject to the prior written approval of the Architectural Control Committee or Developer (prior to the transfer control date).

3.17 Masonry. Any residence, guest quarters or garage shall be constructed from at least fifty-one percent (51%) masonry materials. Masonry materials includes masonry veneer, stucco, brick, rock and all other materials commonly referred to in the Blanco County, Texas and Burnet County, Texas, area as masonry, and specifically excludes hardiboard or any synthetic material. Tract Owners are encouraged to use hardiboard materials where non masonry materials are permitted. Notwithstanding the foregoing, log houses are not required to meet the masonry requirements if otherwise approved by the Architectural Control Committee or Developer (prior to the transfer control date), which approval may be withheld at the Architectural Control Committee's or Developer's (prior to the transfer control date) sole discretion.

3.18 Construction Equipment Damage. Tract Owners shall be responsible for any damage caused to the roads by construction equipment or trucks making deliveries to their Tracts.

3.19 Propane Fuel Storage. Propane fuel storage for residential use may be located on the Tracts and may be placed above ground or below ground. The exact location and quantity of said fuel storage tanks are subject to written approval of the Architectural Control Committee or Developer (prior to the transfer control date). All above ground tanks, pumps, vent pipes and other equipment must be concealed or attractively screened.

3.20 Consolidated Building Site. Any Owner of one or more adjoining Tracts may, with the prior written approval of the Board of Directors and with the approval of the Blanco County Commissioners Court and the Burnet County Commissioners Court, if required, consolidate two or more Tracts into one Tract or building site, in which case the common boundary line between any combined Tract shall be eliminated and the setback lines shall be measured from the remaining exterior boundary lines. Any portion of any utility easement located within the common boundary lines of any combined Tract shall be eliminated if such utility easements are not being used at the time any Tracts are combined. No Tract shall be deemed to be combined with another Tract until such time as an appropriate re-plat of the combined Tracts is filed with the Blanco County Plat Records or Burnet County Plat Records and all necessary approvals have been obtained. Any Tracts which are combined as provided above shall be assessed as one Tract for Assessment purposes. Developer shall not be liable for any fees associated with Tract consolidation.

3.21 Setback Lines. Except for fencing, light posts, driveways, walkways and landscaping, all other improvements must be located on the Tract as indicated by the Setback Lines set forth on the recorded Plat of the Subdivision. Any exterior lighting, including but not limited to light post, must be approved by the Architectural Control Committee or Developer (prior to the

transfer control date). The Architectural Control Committee or Developer (prior to the transfer control date) has the sole discretion to reject any exterior lighting, as it is the intent of these restrictions that exterior lighting be installed so that there is down lighting. If Owner fences more than one acre surrounding its main dwelling site, then in order to maintain a uniform appearance of fences along the roads, all fencing must be located at the property lines. The Architectural Control Committee or Developer (prior to the transfer control date) may waive or alter any setback line, if in the Architectural Control Committee's or Developer's (prior to the transfer control date) sole discretion, such waiver or alteration is necessary to permit effective utilization of a Tract due solely to drainage or land contour related concerns.

3.22 Maintenance. The Owner shall keep its Improvements in good condition and repair at all times and ensure that all Improvements are adequately painted and otherwise maintained by the Owner.

3.23 Alteration or Removal of Improvements. No exterior Improvements shall be altered, modified or removed without the prior written approval of the Architectural Control Committee or Developer (prior to the transfer control date). Improvements may be repainted the same color without approval of the Architectural Control Committee or Developer (prior to the transfer control date).

3.24 Walls and Fences. Walls, fences and light posts, if any, must be approved prior to Construction by the Architectural Control Committee or Developer (prior to the transfer control date) and must be constructed of new material, and unless otherwise permitted by the Architectural Control Committee or Developer (prior to the transfer control date), constructed of masonry, wrought iron, wood, metal, pipe, or ranch fencing with t-posts. Wood fences must be constructed in a low profile, open view, style with horizontal rails. Fence heights shall not exceed five feet (5'). Chain link fencing is prohibited, except if used as a dog run and only if such fencing is not visible from any road. If pipe fencing is used, such fences must have a minimum of three (3) horizontal pipes along the front of the lot and otherwise conform with the Architectural Control Committee's or Developer's (prior to the transfer control date) specifications. The community's perimeter fencing is not to be altered or removed on any lot.

3.25 Mailboxes. All mailboxes will be erected at the Subdivision entrance. The construction of mailboxes will be coordinated with the United States Postal Service. The Association or the Developer (prior to the transfer control date) shall have the right to make such other rules and regulations regarding the location and construction of mailboxes as may be reasonable and necessary.

3.26 Driveways. The first fifty linear feet (50') of any driveway which is connected to any road shall be constructed of concrete, asphalt, or brick paving. All driveways shall begin where the paved portion of any road ends. All driveways must be shown on the plans submitted to the Architectural Control Committee or Developer (prior to the transfer control date), completed no later than thirty (30) days after the completion of the main residence and approved by the Architectural Control Committee or Developer (prior to the transfer control date) prior to construction.

3.27 Antennas, Towers and Satellite Dishes. Antennas, towers, satellite dishes or other sound or data receivers or transmitters of any kind shall not exceed ten feet (10') above the roof of the residence or accessory building upon which they are attached. Any antenna, tower or satellite dishes or other sound or data receivers or transmitters must be located to the side or the rear of the residence or accessory building and not within twenty five feet (25') of any property line. The Architectural Control Committee or Developer (prior to the transfer control date) must approve all exterior antennas, towers, satellite dishes or other sound or data receivers or transmitters.

3.28 Prohibited Activities and Nuisance. No activity (including the operation of a bed and breakfast or similar activity) whether for profit or not, shall be conducted on any Tract which is not related to the occupation of a Tract for single family residential purposes, unless said activity meets the following criteria: (a) no exterior sign of the activity is present, (b) no additional traffic is created as a result of the activity, and (c) no toxic substances (as determined at the sole discretion of the Association) are stored on the Tract. Nothing herein shall prohibit the use of home offices in compliance with the preceding subsections (a), (b) and (c). This restriction is waived in regard to the customary sales activities required to sell homes in the Subdivision. No activity which constitutes a nuisance or annoyance shall occur on any Tract. The Association shall have the sole and absolute discretion to determine what constitutes a nuisance or annoyance. All exterior lighting must be approved by the Developer or, after the Control Transfer Date, the ACC. The Developer or ACC has the sole discretion to reject any exterior lighting, as it is the intent of these restrictions that exterior lighting be installed so that there is down lighting.

3.29 Garbage and Trash Disposal. No Tract shall be used to maintain as a dumping ground for rubbish, landscape trimmings, or other debris. All Tracts shall be kept in a neat and orderly condition. No refrigerators, freezers, washing machines, dryers, furniture, tools, equipment, toys, or other such items shall be stored outside of a building on any Tract. No junk of any kind or character shall be kept on any Tract. Trash, garbage, landscape trimmings, or other debris shall not be allowed to accumulate on any Tract. Any such items shall be kept in sanitary containers and shall be disposed of regularly in accordance with all applicable laws, rules and regulations. All equipment for the storage or disposal of trash and other debris shall be kept in a clean and sanitary condition. Except on established garbage collection days and in connection solely with that collection process, all trash containers shall be stored in enclosed structures or screened from view from the Road. Controlled burn piles which are concealed from public view are permitted in accordance with applicable laws, rules, and regulations.

3.30 Unregistered or Junked Motor Vehicles Prohibited. No Tract shall be used as a depository for abandoned, junked or unregistered motor vehicles, boats, airplanes, trailers or other similar items.

3.31 Signs. No signs, advertising, billboards or advertising structure of any kind may be erected or maintained on any Tract without the consent in writing of the Architectural Control Committee or Developer (prior to the transfer control date). Political signs for a political candidate or ballot item for election, as set forth in the Texas Property Code §202.009, may be displayed on a Lot but can only be displayed on or after the 90<sup>th</sup> day before the date of the election to which the sign relates and must be removed 11 days after the election. The sign must be ground mounted, 2' x 3' in size and a Lot Owner may only display one sign for each candidate or ballot item. In addition

to other signs which may be allowed by the Architectural Control Committee or Developer (prior to the transfer control date), the Architectural Control Committee or Developer (prior to the transfer control date) shall allow one (1) professionally made sign not more than twenty-four inches (24") by thirty inches (30") advertising Owner's Tract for sale or rent and one (1) professionally made sign, not more than twelve inches (12") by twenty-four inches (24") identifying the name of the Tract Owner. The term "professionally made sign" does not include plastic or metal pre-made "for sale" or "for rent" signs. No signs shall be nailed to a tree. Signs erected on any Tract advertising "for sale" or "for rent" shall not be permitted during the Developer's control of the Subdivision.

3.32 Animal Husbandry. Domestic livestock and exotic animals shall be allowed only on Tracts 5 acres or larger, so long as such animals do not exceed one (1) animal for every two (2) fenced acres and do not become a nuisance or threat to other Owners. The Association shall have the sole discretion in determining if any animal is a nuisance and make regulations on banning such animal. Pigs, hogs and peacocks are not allowed on any Tract. Chickens, turkeys and other birds shall only be allowed so long as such birds are kept in a coup and do not exceed twenty (20) birds per Tract. Regardless of lot size, coups must be preapproved by the ACC in writing to ensure they are screened from view. All animals being raised by the individual Tract Owners must be kept in a fenced area on the Owner's Tract. No overgrazing is permitted on any portion of the Tract as determined by the sole discretion of the Association. Dogs, cats or other common household pets may be kept on a Tract. Dogs will not be permitted to run loose in the Subdivision. Dogs and cats must be vaccinated for rabies and other diseases required by applicable laws, rules and regulations and shall be licensed or registered as may be required by applicable laws, rules and regulations. No feedlots for any type shall be permitted. **IF THE OWNER OF THE TRACT FENCES THE PROPERTY WHERE A BUILDING ENVELOPE EXCEEDS ONE ACRE, IT MAY BE SUBJECT TO THE LOSS OF AD VALOREM TAX EXEMPTIONS AND SUBJECT TO ROLLBACK TAX LIABILITY.**

3.33 Mineral Development. No Owner shall be allowed to permit on their own behalf, commercial drilling, mineral development operations, mineral refining, quarrying, mining or water operation of any kind in, on or under any Tract owned by such lot owner. Developments of water sources for an individual Owner's use, including the construction of windmills for individual water extraction are permitted provided that advance written approval of the Architectural Control Committee or Developer (prior to the transfer control date) is obtained.

3.34 Drainage. Natural established drainage patterns for drainage will not be impaired by any Tract Owner. Driveway culverts must be installed and shall be of sufficient size to afford proper drainage of ditches without allowing water to pool, back up or be diverted from its natural course. Drainage culvert installation is subject to the inspection and approval of the Architectural Control Committee or Developer (prior to the transfer control date) and shall comply with any applicable governmental rules and regulations. All water retainage structures (ponds, dams and other facilities) not already existing within the Subdivision must be reviewed and approved by the Architectural Control Committee or Developer (prior to the transfer control date) prior to construction and must comply with all governmental rules and regulations.

3.35 Re-plating and Subdividing. No Tract may be subdivided into smaller tracts.

3.36 Maintenance and Landscaping of Lots. It shall be the responsibility of each Owner to prevent the development of any unclean, unsightly, or unkempt condition of buildings or grounds on such Tract which would tend to substantially decrease the beauty of the neighborhood as a whole or the specific area. Each Owner shall be required to landscape the area around his home. Occupancy prior to completion of landscaping shall require the written approval of the ACC, shall be for good cause only, and shall be no earlier than one hundred twenty days prior to completion of landscaping.

3.37 Firearms. The discharge of firearms in the Subdivision is strictly prohibited.

3.38 Hunting. No hunting of any kind is allowed in Subdivision.

3.39 Water Wells and Irrigation Systems No water wells or irrigation water wells of any type that draw upon water from creeks, streams, rivers, lakes, ponds, wetlands, canals, or other groundwater, whether surface or subsurface waters, within the Subdivision shall be installed, constructed, or operated within the Subdivision by any person, unless prior written approval has been received from the Developer or, after the Control Transfer Date, the ACC in accordance with Section 4.02 of this Declaration. This Section shall not apply to the Developer, and it may not be amended without the written consent of the Developer or the ACC. It is the intent of this restriction that no private water wells or individual drinking water supply systems shall be allowed upon any Lot within the Subdivision. All lots shall be connected to the Subdivision Central Water System for all of its water needs, whether potable or non-potable. Such lot connections shall comply with all Federal, State, and Local Rules, Regulations, and Ordinances and shall further comply with the Rules and Regulations of the Central Water Supply System for the Subdivision.

#### **ARTICLE IV** **ARCHITECTURAL CONTROL COMMITTEE**

4.01 Basic Control & Applications.

- (a) No Improvements of any character shall be erected or placed, or the erection or placing thereof commenced, or changes made to the exterior design or appearance of any Improvement, including those existing residences on Lots 26 and 96, without first obtaining the Architectural Control Committee's or Developer's (prior to the transfer control date) approval. No demolition or destruction of any Improvement by voluntary action shall be made without first obtaining the Architectural Control Committee's or Developer's (prior to the transfer control date) approval.
- (b) Each application made to the Architectural Control Committee or Developer (prior to the transfer control date) for approval, shall contain an application in the form specified by the Architectural Control Committee or Developer (prior to the transfer control date), two sets of professionally drawn Plans and Specifications for all proposed Improvements, showing the location of all Improvements in the Tract, and any applicable fees or deposits together with such other reasonable necessary information as the Architectural Control Committee or Developer (prior to the transfer control date) shall request. These plans must be submitted in PDF format to the Developer, or after the Control Transfer Date, to the ACC. A non-

refundable fee of \$250.00 is required at time of plan submittal to cover administrative costs involving the home plan approval process.

4.02 Architectural Control Committee.

- (a) All ACC authority is initially vested in the Developer. The ACC authority of the Developer shall cease upon the appointment of a three (3) member Architectural Control Committee by the developer. The Developer shall continue to have ACC authority as to any Plans and Specifications or Construction projects submitted to the Developer prior to the initial appointment of the ACC members.
- (b) After the initial members of the ACC are appointed by the Developer, the Developer shall cause an instrument transferring ACC authority to the Association to be recorded in the Official Public Records of Real Property, Blanco County, Texas, and the Official Public Records of Real Property, Burnet County, Texas. Subsequent appointments of the ACC members shall be by the Board of Directors. The ACC members shall serve staggered terms with the first term ending on the date of the next succeeding annual meeting of Members following the Control Transfer Date. After the Control Transfer Date, each Member of the ACC must be an Owner of a Tract in the Subdivision.

4.03 Effect of Inaction. All approvals or disapprovals issued by the ACC shall be in writing. In the event the ACC fails to approve or disapprove any request received by it in compliance with the Article IV within thirty (30) days following the submission of a completed application and full compliance with the declarations set out herein, such request shall be deemed approved and the construction of any Improvements may commence in accordance with the Plans and Specifications submitted for approval. Any ACC approval obtained as a result of inaction by the ACC shall not authorize the construction of any Improvement in violation of these Restrictions.

4.04 Effect of Approval. The granting of an ACC approval (whether in writing or by lapse of time) shall constitute only an expression of opinion by the ACC that the proposed Improvement to be erected complies with these Restrictions; and such approval shall not prevent the Association from requiring removal of any Improvement which fails to comply with these Restrictions. Further, no ACC member shall incur any liability by reason of the good faith exercise of the authority granted hereunder.

4.05 Variance. The ACC or the Developer, may on a case by case basis, authorize variances from the requirements of the Restrictions if, in the reasonable opinion of the ACC or the Developer, the Restrictions unreasonably restrain the development of a Tract in accordance with the general scheme of the Subdivision. The developer will retain the right to grant variances after the Control Transfer Date so long as the Developer continues to own Tracts in the Subdivision. All variances shall be in writing and signed by the Developer or if granted by the ACC then it must be signed by at least two (2) members of the ACC. No violation of these Restrictions shall be deemed to have occurred with respect to any matter for which a variance is granted. The granting of such a variance shall not operate to waive any of the terms and provisions of these Restrictions for any purpose except as to the particular Lot and improvements and the particular provision covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all governmental

laws and regulations affecting the use of the Owner's Lot.

4.06 Construction Deposit. A deposit of \$1,000.00 must be paid at the time Plans and Specifications are submitted for the construction of a new residence, barn, workshop or storage building. This deposit will be held for the purpose of securing a Tract Owner's performance, during the construction process, of the obligations imposed by these Restrictions, for wear and tear on the Subdivision roads by construction equipment and construction traffic, and for damage to the Common Areas. Upon completion of construction, the Tract Owner will be refunded the deposit less any obligations incurred as a result of any uncured violation of these Restrictions, any damage to the roads of the Subdivision and any damage to the Common Areas.

## **ARTICLE V**

### **SUMMIT SPRINGS PROPERTY OWNERS' ASSOCIATION, INC.**

5.01 Non-Profit Corporation. Summit Springs Property Owners' Association, Inc., a non-profit corporation, has been (or will be) organized and it shall be governed by the Certificate of Formation and Bylaws of said Association; and all duties, obligations, benefits, liens and rights hereunder in favor of the Association shall vest in said corporation.

5.02 Bylaws. The Association has adopted, or may adopt, whatever Bylaws it may choose to govern the organization and operation of the Association, provided that the same are not in conflict with the terms and provisions hereof.

5.03 Membership. Every person or entity who is a record Owner of any Tract shall be a "Member" of the Association. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation or those only having an interest in the mineral estate. Memberships shall be appurtenant to and may not be separated from the Tracts. Regardless of the number of persons who may own a Tract, there shall be but one membership for each Tract and one (1) vote for each Tract. Ownership of the Tracts shall be the sole qualification for Membership.

5.04 Voting Rights. The Association shall have two classes of voting memberships. Developer shall be entitled to ten (10) votes for each Lot owned. Each Tract, other than those owned by the Developer, shall have only one vote regardless of the number of Owners of the Tract. In the event that more than one person owns a Tract and the group of Owners do not have a unified vote for purposes hereunder, then the Association shall not recognize the vote for that Tract and such vote shall not be counted when the calculating membership votes. Notwithstanding the foregoing, the presence of any Owner of a Tract at a meeting of Members permits the inclusion of the Tract represented when calculating any necessary quorum.

## **ARTICLE VI**

### **ASSESSMENTS**

6.01 Assessments. Each Tract Owner by acceptance of a deed therefore, whether or not it shall be expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association the Assessments provided herein. The Assessments shall be a charge on the Tracts

and shall be a continuing lien upon the Tract against which each such Assessment is made. Both Annual and Special Assessments must be fixed at a uniform rate for all Tracts subject to assessment and may be collected on a monthly basis or on an annual basis at the discretion of the Board of Directors.

6.02 Annual Assessment.

- (a) An Annual Assessment shall be paid by each of the Tract Owners and the Annual Assessment shall be used to pay all reasonable and necessary operating expenses and reserve requirements of the Association as herein provided. The Annual Assessment for the year of purchase shall be pro-rated as of the purchase date and then shall be paid annually.
- (b) The initial amount of the Annual Assessment applicable to each Tract will be five hundred dollars (\$500.00) per Tract. The Annual Assessment is payable in advance and is due on the thirty first (31) day of January during each calendar year. All other matters relating to the collection, expenditure and administration of the Annual Assessment shall be determined by the Board of Directors of the Association, subject to the provisions hereof.
- (c) The Board of Directors of the Association, from and after the Control transfer Date, shall have the further right at any time to adjust, alter, increase or decrease the Annual Assessment from year to year as it deems proper to meet the reasonable operating expenses and reserve requirements of the Association and to enable the Association to carry out its duties hereunder. However, the Board of Directors shall not increase the Annual Assessment by more than ten percent (10%) from the previous year without the affirmative Vote of the Members.

6.03 Special Assessments. In addition to the Annual Assessment, the Association, upon the Vote of the Members, may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted.

6.04 Interest of Assessment. Any Assessment which is not paid within thirty (30) days after the due date shall bear interest from the due date at the lesser of (i) the rate of eighteen percent (18%) per annum or (ii) the maximum rate permitted by law.

6.05 Creation of Lien and Personal Obligation. In order to secure the payment of the Assessments, each Owner of a Tract hereby grants the Association a contractual lien on such Tract which may be foreclosed by non-judicial foreclosure, pursuant to the provisions of Section 51.002 of the Texas Property Code (and any successor statute); and each such Owner hereby expressly grants the Association a power of sale in connection therewith. The Association shall, whenever it proceeds with non-judicial foreclosure pursuant to the provisions of said section 51.002 of the Texas Property Code, designate in writing a Trustee to post or cause to be posted all required notices of such foreclosure sale and to conduct such foreclosure sale. The Trustee may be changed at any time and from time to time by the association by means of written instrument executed by the President or any Vice-President of the Association and filed of record in the Official Public Records of Real Property of Blanco County, Texas, or the Official Public Records of Real Property of

Burnet County, Texas depending on which county the property is located. In the event the Association has determined to non-judicially foreclose the lien provided herein pursuant to the provisions of said Section 51.002 of the Texas Property Code and to exercise the power of sale hereby granted, the Association, or the Association's agent, shall give notice of the foreclosure sale as provided by the Texas Property Code as then amended. Upon request by the Association, the Trustee shall give any further notice of foreclosure sale as may be required by the Texas Property Code as then amended, and shall convey such Tract to the highest bidder for cash by Trustee's Deed. Out of the proceeds of such sale, if any, there shall first be paid all expenses incurred by the Association in connection with collecting the Assessments and foreclosing on the Tract, including reasonable attorney's fees and a reasonable trustee's fee; second, from such proceeds there shall be paid to the Association and amount equal to the amount of the Assessment in default; and third, the remaining balance shall be paid to the Tract Owner or Lien Holder for the benefit of the Tract Owner. Following any such foreclosure, each occupant of a Tract which is foreclosed upon shall be deemed a tenant at sufferance and may be removed from possession by any and all lawful means, including a judgment for possession in an action for forcible detainer.

In the event of non-payment by any Owner of any Assessment or other charge, fee, assessment levied hereunder, the Association may, in addition to foreclosing the lien hereby retained, and exercising the remedies provided herein, exercise all other rights and remedies available at law or in equity, including but not limited to bringing an action at law against the Owner personally obligated to pay the same.

It is the intent of the Provisions of this 6.05 to comply with the provisions of said Section 51.002 of the Texas Property Code relating to non-judicial sales by power of sale. In the event of the amendment of Section 51.002 of the Texas Property Code, the Association, acting without joinder of any Owner or Mortgagee, may, by amendment to these Restrictions, file any required amendments to these Restrictions so as to comply with said amendments to Section 51.002 of the Texas Property Code or any other statute applicable to foreclosures.

**Notwithstanding anything contained this Article VI, all notices and procedures relating to foreclosures shall comply with Chapter 209 of the Texas Property Code.**

6.06 Notice of Lien. In addition to the right of the Association to enforce the Assessment, the Association may file a claim of lien against the Tract of the delinquent Owner by recording a Notice ("Notice of Lien") setting forth (a) the amount of the claim of delinquency, (b) the interest thereon, (c) the costs of collection which have been accrued thereon, (d) the legal description and street address of the Tract against which the lien is claimed, and (e) the name of the Owner thereof. Such Notice of Lien shall be signed and acknowledged by an officer of the Association or other duly authorized agent of the Association. The lien shall continue until the amounts are fully paid or otherwise satisfied. When all amounts claimed under the Notice of Lien and all other costs and assessments which may have accrued subsequent to the filing of the Notice of Lien and all other costs and assessments which may have accrued subsequent to the filing of the Notice of Lien have been paid or satisfied, the Association shall execute and record a notice releasing the lien upon payment by the Owner of a reasonable fee as fixed by the Association to cover the preparation and recordation of such release of lien instrument.

6.07 Liens Subordinate to Mortgages. The lien described in this Article VI shall be deemed subordinate to any lien in favor of any bank, mortgage company, real estate lending establishment, financial institution, insurance company, savings and loan association, or any other third party lender, including the Developer, who may have advanced funds, in good faith, to any Tract Owner for the purchase, improvement, equity lending, renewal, extension, rearrangement or refinancing of any lien secured by a Tract, provided that any such lien holder has made due inquiry as to the payment of any required assessments at the time the lien is recorded. Any consensual lien holder who obtains title to any Tract pursuant to the remedies provided in a deed of trust or mortgage or by judicial foreclosure shall take title of the Tract free and clear of any claims for unpaid assessments or other charges against said Tract which accrued prior to the time such holder acquired title to such Tract. No such sale or transfer shall relieve such holder from liability for any Assessments or other charges or assessments thereafter becoming due. Any other sale or transfer of a Tract shall not affect the Association's lien for Assessments or other charges or assessments. The Association shall make a good faith effort to give each such mortgage sixty (60) days advance written notice of the Association's foreclosure of an Assessment lien, which notice shall be sent to the nearest office of such mortgage by prepaid United State registered or certified mail, return receipt requested, and shall contain a statement of delinquent Assessment or other charges or assessments upon which the said action is based, provided however, the Association's failure to give such notice shall not impair or invalidate any foreclosure conducted by the Association pursuant to the provisions of this Article VI.

6.08 Purpose of the Assessments. The Annual Assessments and Special Assessments shall be used exclusively for the purpose of promoting the health, safety, security and welfare of the Subdivision and the maintenance of the Common Areas. In particular, the Assessments shall be used for any Improvement or services in furtherance of these purposes and the performance of the Association's duties described herein, including the maintenance of any drainage easements, Common Areas, Common Area Expenses, the enforcement of these Restrictions and the establishment and maintenance of reserve funds. The Assessments may be used by the Association for any purpose which, in the judgment of the Association's Board of Directors, is necessary or desirable to maintain the property value of the Subdivision, including but not limited to, providing funds to pay all taxes, insurance, repairs, utilities and any other expense incurred by the Association. Except for the Association's use of the Assessments to perform its duties as described in these Restrictions, the use of the Assessments for any of these purposes is permissive and not mandatory. It is understood that the judgment of the Board of Directors as to the expenditure of Assessments shall be final and conclusive so long as such judgment is exercised in good faith.

6.09 Handling of Assessments. The collection and management of the Assessment shall be performed by the Developer until the Transfer Control Date, at which time the Developer shall deliver to the Association all funds on hand together with all books and records of receipt and disbursements. The Developer, and upon transfer, the Association, shall maintain a separate account for these funds.

6.10 Developer Exemption. In consideration of the Subdivision infrastructure, the Developer shall be exempt from the payment of all Assessments.

## ARTICLE VII

## DEVELOPER'S RIGHTS AND RESERVATIONS

7.01 Period of Developer's Rights and Reservations. Developer shall have, retain and reserve certain rights as set forth in these Restrictions with respect to the Association from the date hereof, until the earlier of the date the Developer gives written notice to the Association of Developer's termination of the rights described in this Article VII or the Control Transfer Date. Notwithstanding the foregoing, the Developer rights set forth in Sections 7.02 and 7.03 shall not be released until such time as a document relinquishing said rights is filed of record or the Developer no longer holds record title to any Tracts in the Subdivision. The rights and reservations hereinafter set forth shall be deemed accepted and reserved in each conveyance by the Developer whether or not specifically stated therein. The rights, reservations and easements set forth herein shall be prior and superior to any other provisions of these Restrictions and may not, without Developer's prior written consent, be modified, amended, rescinded or affected by any amendment to these Restrictions. Developer's consent to any amendment shall not be construed as consent to any other amendment.

7.02 Developer's Rights to Grant and Create Easements. Developer shall have and hereby reserves the right, without the consent of any Owner or the Association, to grant or create temporary or permanent easements throughout the Subdivision, for ingress, egress, utilities, cable and satellite television systems, communication and security systems, drainage, water and other purposes incidental to the development, sale, operation and maintenance of the Subdivision. The rights reserved to the Developer under this Section 7.02 apply to the entire Subdivision, including Tracts previously sold by the developer.

7.03 Developer's Rights to Convey Common Areas to the Association. Developer shall have and hereby reserves the right, but shall not be obligated to, convey real property and improvements thereon, if any, to the Association for use as Common Areas at any time and from time to time in accordance with these Restrictions, without the consent of any other Owner or Association.

7.04 Annexation of Additional Areas. Developer may cause additional real property to be annexed into Subdivision, by causing a written Annexation Declaration confirming the annexation thereof, to be recorded in the Official Public Records of Real Property of Blanco County, Texas, and the Official Public Records of Real Property of Burnet County, Texas. No consent shall be required of the Association or any Member thereof, each Owner being deemed to have appointed the Developer as his agent and attorney-in fact to effect this Annexation, which power hereby granted to the Developer is and shall be a power coupled with any interest. Thereafter, the Association shall be the Association for the entirety of the Development, including the annexed property.

7.05 Developer Control of Association and ACC. Until such time Developer elects to establish the Association and the ACC all authority and powers reserved to the Association, the Board of Directors or the ACC shall be held and exercised by the Developer. The Developer may elect to transfer control of the Association or the ACC at the same time or at different times in which case the Control Transfer Date may be different for the Association and the ACC. The initial Board of Directors of the Association, made up of Owners, shall be designated by the Developer.

**ARTICLE XIII**  
**DUTIES AND POWERS OF THE PROPERTY OWNERS ASSOCIATION**

8.01 General Duties and Powers of the Association. The Association has been formed to further the common interest of the Members. The Association, acting through the Board of Directors or through persons to whom the Board of Directors has designated such powers (and subject to the provisions of the bylaws), shall have the duties and powers hereinafter set forth and, in general, the power to do anything that may be necessary or desirable to further the common interest of the Members and to improve and enhance the attractiveness, desirability and safety of the Subdivision. The Board of Directors shall minimally be composed of three individuals serving three year staggered terms, with the titles of President, Vice-President, and Secretary/Treasurer, being assigned annually by the board of Directors.

8.02 Duty to Accept the Property and Facilities Transferred by Developer. The Association shall accept title to any real property, improvements to real property, personal property and any related equipment which the Developer transfers to the Association, together with the responsibility to perform any all maintenance and administrative functions associated therewith, provided that such property and responsibilities are not inconsistent with the terms of these Restrictions. Property interest transferred to the Association by the Developer may include fee simple title, easements, leasehold interests and licenses to use such property. Any property or interest in property transferred to the Association by the Developer shall, except to the extent otherwise specifically approved by resolution of the Board of Directors, be transferred to the Association free and clear of all liens and mortgages (other than the lien for property taxes and assessments not then due and payable), but shall be subject to the terms of any declaration of covenants, conditions and restriction or easements set forth in the transfer instrument. Except as otherwise specifically approved by resolution of the board of Directors, no property or instrument transferred to the Association by the Developer shall impose upon the Association any obligation to make monetary payments to the developer or any affiliate of the developer including, but not limited to, any purchase price, rent charge or fee.

8.03 Other Insurance Bonds. The Association shall obtain such insurance as may be deemed necessary or desirable by the Board or by law, including but not limited to, comprehensive liability and casualty insurance, worker's compensation insurance, fidelity and indemnity insurance, officers and directors liability insurance, as well as such other insurances or bonds as the Association shall deem necessary or desirable.

8.04 Duty to Prepare Annual Budgets. The Association shall prepare an annual budget for the Association and deliver a copy of the annual budget to the Members along with, or prior to, the delivery of the invoice sent to each Tract Owner for the Annual Assessment. The Association shall strive to deliver the annual budget and the Annual Assessment invoice at least thirty (30) days before the start of each calendar year.

8.05 Duty to Levy and Collect Assessments. The Association shall levy, collect and enforce the Assessments as provided in these Restrictions.

8.06 Duty to Provide Annual Financial Statement. The Association shall prepare an annual financial statement, including a balance sheet, for review by the Members.

8.07 Duties with Respect to Architectural Approvals. The Association, through the ACC, shall perform the ACC duties described in these Restrictions.

8.08 Power to Acquire Property and Construct Improvements. The Association may acquire property or an interest in property (including leases and easements) for the common benefit of Owners including any improvements and personal property. The Association may construct improvements on the Subdivision property and may demolish any existing improvements.

8.09 Power to Adopt Rules and Regulation. The Association shall have the power to make reasonable rules and regulations regarding the use of the Common Areas. The rules and regulations may be enforced in the same manner as any other provision of the Restrictions.

8.10 Enforcement of Restrictions. The Association (or any Owner if the Association fails to do so after reasonable written notice) shall enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of these Restrictions. Failure by the Association or any Owner to enforce any covenants or restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter. If it becomes necessary for any Owner or the Association to file a Court action to enforce these Restrictions, the defaulting Owner shall be liable for all reasonable attorney's fees and costs incurred by the enforcing Owner or the Association to obtain compliance by the defaulting Owner. The defaulting Owner shall be liable for all damages suffered by the enforcing Owner or the Association which shall be in an amount established by the Court.

8.11 Remedies. In the event a Tract Owner fails to remedy any violation of these Restrictions within ten (10) days after written notice by the Association, the Association, or its authorized representatives, may take any one or more of the following actions:

- (a) Enter upon the Tract Owner's property and remove the violating condition, or cure the violation, at the expense of the Tract Owner, and the violating Tract Owner shall pay on demand all costs and expenses, including reasonable attorney's fees, incurred by the Association in removing such violating condition;
- (b) Assess a charge of \$50.00 per day against any Owner and/or his Tract until the violating condition is corrected. The Violation charge may be increased by the Association in accordance with increases in the National Consumer Price Index using 2010 as a base year. Failure to pay such assessment by the violating Owner within ten (10) days from receipt of assessment will result in a lien against the Tract with the same force and effect as the lien for Annual or Special assessments;
- (c) File suit in order to enforce the above remedies and/or pursue any other remedy which may be available at law or in equity;

After a Tract Owner receives a written notice of a violation of these Restrictions, the violating Tract Owner shall not be entitled to any further notice of the same violation if it occurs within a six (6) month period. The Association reserves the easement across each Owner's Tract for

the purpose of correcting or removing conditions in violation of these Restrictions, and in doing so, shall have no liability for trespass or other tort in connection therewith, or arising from such correction or removal of a violating condition. The Association shall further have the right to have any vehicle or other property stored or used in violation of these Restrictions removed from the Owner's Tract at the expense of the Owner and stored at the expense of the Owner.

8.12 Authority to Combine ACC and Board. In order to efficiently manage the Association, and to perform the duties of the Association, the Association may elect to combine the duties of the Board of Directors and the duties of the ACC into one body to be known as the ACC/ Board.

## **ARTICLE IX** **GENERAL PROVISIONS**

9.01 Term. The provisions hereof shall run with the land and shall be binding upon all Owners, their guests and invitees and all other persons claiming under them for a period of forty (40) years from the date these Restrictions are recorded. These Restrictions shall be automatically extended for successive periods of twenty (20) years each time unless these Restrictions are cancelled by a two-thirds (2/3) majority Vote of the Members and an appropriate document is recorded evidencing the cancellation of these Restrictions.

9.02 Amendments. Except for any amendment affecting any existing Improvements, these Restrictions may be amended or changed, in whole or in part, at any time by a two-third (2/3) majority Vote of the Members. Copies of any records pertaining to such amendments shall be retained by the Association permanently.

9.03 Amendment by the Developer. The Developer shall have and reserve the right at any time prior to the Control Transfer Date, without the joinder or consent of any Owner or other party, to amend these Restrictions by an instrument in writing duly signed, acknowledged, and filed for record so long as the Developer owns at least one Tract of land and provided that any such amendment shall be consistent with and is furtherance of the general plan and scheme of development of the Subdivision and evidenced by these Restrictions.

9.04 Severability. Each of these provisions of these Restrictions shall be deemed independent and severable and the invalidity or unenforceability or partial invalidity or partially unenforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision.

9.05 Liberal Interpretation. The provisions of these Restrictions shall be liberally construed as a whole to effectuate the purpose of these Restrictions.

9.06 Successors and Assigns. The provisions hereof shall be binding upon and inure to the benefit of the Owners, the developer and the Association, and their respective guests, invitees, heirs, legal representatives, executors, administrators, successors and assigns.

9.07 Effect of Violation on Mortgages. No violation of the provisions herein contained or

any portion thereof, shall affect the lien of any mortgage or deed of trust presently or hereafter placed of record or otherwise affect the rights of the mortgage under any such mortgage, the holder of any such lien or beneficiary of any such mortgage, lien or deed of trust may, nevertheless, be enforced in accordance with its terms, subject, nevertheless, to the provisions herein contained.

9.08 Terminology. All personal pronouns used in these Restrictions, whether used in the masculine, feminine or neuter gender, shall include all other genders, the singular shall include the plural and vice versa. Title of Articles and Sections are for convenience only and neither limits nor amplifies the provisions of these Restrictions. The terms "herein", "hereof" and similar terms, as used in this instrument, refer to the entire agreement and are not limited to referring only to the specific paragraph, Section or Article which such terms appear.

IN WITNESS WHEREOF, the undersigned, being the Developer, herein, has hereunto set its hand on this the 11<sup>th</sup> day of February, 2014.

NLP Summit Springs, LLC, a Delaware limited liability company

By: National Land Partners II, LLC, a Delaware limited liability company, sole Member

By: American Land Partners, Inc., a Delaware corporation, Manager

By: *Davy Roberts*  
Davy Roberts, Authorized Agent

STATE OF TEXAS           §  
  §  
COUNTY OF Burnet     §

This instrument was acknowledged before me on this the 11<sup>th</sup> day of FEBRUARY, 2014, by Davy Roberts, Authorized Agent of NLP Summit Springs, LLC, in the capacity therein stated and as the act and deed of said company.

*Shirane*  
Notary Public, State of Texas



**FILED AND RECORDED**

OFFICIAL PUBLIC RECORDS

*Janet Parker*

201401059

February 11, 2014 01:10:29 PM

FEE: \$100.00

Janet Parker, County Clerk  
Burnet County, Texas

VOL 494 PAGE 0070

Filed this 10<sup>th</sup> day of July 2014  
2:55 P.M.

KAREN NEWMAN  
County Clerk, Blanco County, Texas  
By Karen Newman ~~Clerk~~

STATE OF TEXAS  
COUNTY OF BLANCO

I hereby certify that this instrument was FILED in 10 Number Sequence on the  
date and the time stamped hereon, by me and was duly RECORDED in Official  
Public records of Blanco County, Texas on

JUL 10 2014



Karen Newman  
COUNTY CLERK  
BLANCO COUNTY, TEXAS

## Summit Springs Property Owners' Association

### Board Member Ethics Guidelines and Conflict of Interest Policy

Adopted by the Board of Directors on May 20, 2017 pursuant to their authority under the "Declaration of Covenants, Conditions, and Restrictions for Summit Springs Property Owners' Association, Inc.", Article XIII, DUTIES AND POWERS OF THE PROPERTY OWNERS ASSOCIATION, Section 8.01 General Duties and Powers of SSPOA.

#### **Code of Ethics**

All Board members and Board-appointed Committee members will:

- Do their best to ensure that the Summit Springs Property Owners' Association (SSPOA) and Summit Springs community are well maintained, financially secure, and operating in the best interests of the members of SSPOA
- Focus their efforts on the goals of SSPOA and not their personal goals
- Refrain from using their service on the Board or Committee for their personal advantage or for the advantage of their friends or associates
- Respect and support the majority decisions of the Board and Committee
- Keep all confidential Board and/or Committee information confidential
- Approach all Board and Committee issues with an open mind, prepared to make the best decisions for everyone involved
- Do nothing to violate the trust of those who elected or appointed them to serve on the Board or Committee
- Never exercise authority as a Board or Committee member except when acting in a Board or Committee meeting or as delegated by the Board or its President
- Follow the laws governing Planned Communities, the By-Laws and Covenants of SSPOA, and other policies of the SSPOA including, but not limited to this Conflict of Interest Policy and Procedure.

#### **Conflict of Interest Policy and Procedure**

**Purpose:** The purpose of this policy is to protect the Summit Springs Property Owners' Association interests when it is entering into a transaction or arrangement that might benefit the private interests of a Director of SSPOA or a Board-appointed Committee member, or might result in a possible excess benefit transaction. This policy applies to any member of the Board of Directors and any member of a Board-appointed Committee, whether they are an Officer, a Director at Large, or member of a Board-appointed Committee.

#### **Definitions:**

**Conflicts involving financial interest:**

A Conflict of Interest shall be deemed to exist when any Director or Committee member knowingly has, directly or indirectly, through business, investment, or family:

- a) An ownership, investment, income or other interest in any entity with which SSPOA has a transaction or arrangement,
- b) A compensation arrangement with SSPOA or any entity or individual with which SSPOA has or is contemplating a transaction or arrangement

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. Anything with a value of \$50 or more shall be considered substantial.

**Conflicts involving significant relationships:**

A Conflict of Interest shall be deemed to exist when any Director or Committee Member has a significant relationship with a non-profit or for-profit entity that has or is negotiating a transaction with SSPOA. This definition shall include, but not be limited to, sitting on the board of a non-profit, or having a leadership role or other significant role in the operations of a for-profit or non-profit, even if there is no compensation.

**Conflicts involving benefit to property:**

A Conflict of Interest shall also be deemed to exist when a Director's property or a Committee member's property will disproportionately benefit from a Board or Committee decision relative to other members of SSPOA.

A Conflict of Interest shall be deemed *nonexistent* when any Director or Committee member or their property value will benefit from a Board or Committee decision in a manner that is consistent relative to other members of SSPOA.

**Conflicts involving Bid and/or Awarded Work on Behalf of SSPOA:**

No member of the Board or of a Board-appointed Committee may bid on or be awarded work on behalf of the SSPOA while a member, or for a three-year period after that member's term is concluded. This prohibition includes entities in which the Board or Committee member or any family member has a financial interest or employment relationship.

**Procedures:**

1. **Conflict of Interest Disclosure Form:** Beginning May 20, 2017, all current Directors and newly elected or appointed Directors, and all current Board-appointed Committee members and newly appointed Committee members will sign a conflict of interest disclosure form prior to initially voting on any matters put before the Board or a Committee. The form may be found at the end of this document. This form will be effective for their entire term and any subsequent terms.
2. **Duty to Disclose:** In connection with any conflict of interest the interested Director or Committee member must disclose the existence of the interest to the Board prior to or at the beginning of any discussion involving the conflict of interest.

3. **Recusal of Self:** Any Director or Committee member with a conflict or potential conflict of interest shall abstain from voting on any matter that involves their interest and shall give the other members of the Board or Committee an opportunity to discuss the matter without the presence of the interested party.
4. **Violations of this policy:**
  - a. If any Board member or other member of SSPOA has reasonable cause to believe that a Director or Committee member has failed to disclose conflict of interest, that individual shall notify the Board of Directors either verbally at a meeting of the Board or in writing, outlining the basis for such belief.
  - b. The Board shall give the Director or Committee member in question an opportunity to explain the alleged failure to disclose.
  - c. The Board may then take any of the following actions as reasonable steps to correct the violation, which shall be determined by majority vote:
    - i. Suspend their voting privileges for specific related matters
    - ii. Require them to leave the room for the duration of consideration of and action on related matters
    - iii. Reprimand them and in egregious cases remove them from the Board or Committee
    - iv. Determine that no conflict of interest exists
5. **Documentation:** Board minutes will reflect the disclosure of conflicts of interest and potential conflicts of interest as well as any action outlined under section 4 of these procedures.

**Code of Ethics and Conflict of Interest Disclosure Form  
Summit Springs Property Owners' Association**

This form is to be completed by all members of the Summit Springs Property Owners' Association Board of Directors and Board-appointed Committees prior to initially voting on any matter before the Board or Committee.

Name:

Address:

- I have read SSPOA's Code of Ethics and Conflict of Interest Policy & Procedure
- I agree to abide by SSPOA's Code of Ethics and Conflict of Interest Policy & Procedure
- I have no conflicts or potential conflicts of interest to disclose at this time
- I have or a family member has a financial interest in or significant relationship with the following entities that have arrangements with or currently would like to have arrangements with SSPOA:

Name of the entity:

Relationship to the entity:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

I hereby certify that the information set forth above is true and complete to the best of my knowledge.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

These guidelines and policy has been accepted and approved by the Board of Directors at a Board of Directors meeting held on May 20, 2017.



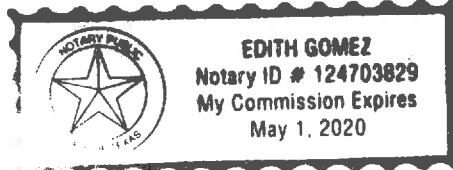
Signed  
Douglas Plas  
Managing Agent, Summit Springs Property Owners Association

June 7, 2017  
Date

JURAT:

The State of Texas  
County of Williamson  
Subscribed and sworn to before me on this 7 day of June, 2017 by Doog Plas

Edith Gomez  
(Notary's Signature)  
Notary Public, State of Texas



(seal)

Filed this 8 day of June 2017  
2:54 PM

Laura Walla  
County Clerk, Blanco County, Texas  
By Shelii K Maley Deputy

STATE OF TEXAS  
COUNTY OF BLANCO  
I hereby certify that this instrument was FILED in File Number Sequence on the date and the time stamped hereon by me and was duly RECORDED in Official Public records of Blanco County, Texas on

JUN 08 2017



Laura Walla  
COUNTY CLERK  
BLANCO COUNTY, TEXAS

After Recording Return to:   
Preferred Association Management Company  
1101 Arrow Point Drive, Suite 101  
Cedar Park, TX 78613

Order: Z3JDT8RF4  
Address: 320 Cedar Mountain Drive  
Order Date: 03-16-2021  
Document not for resale  
HomeWiseDocs

Filed this 20<sup>th</sup> day of June 2012  
1:32 a.m.

Laura Walla  
County Clerk, Blanco County, Texas

By  Deputy

171782

**Summit Springs Property Owners' Association, Inc.**  
**c/o Preferred Association Management Company**

**PO Box 200145**

**Austin, TX 78720-0145**

**Office (512-918-8100) Fax (512-918-9181)**

**Policies**

**Payment Plan**

Any owner who is delinquent on the annual assessment may contact the Board of Directors through the management company and request a payment plan. A payment plan may also be established for any unpaid collection costs, late fees, fines and special assessments. The Board of Directors shall agree to all reasonable payment plans. Failure by the owner requesting the payment plan to comply with the agreed upon payment plan shall cause it to be terminated. The agreed upon payment plan shall be considered in breach of the agreement if two or more consecutive payments are missed. If two or more consecutive payments are missed, the Board of Directors shall instruct the management company to serve notice to the owner that their payment plan is in jeopardy of being terminated if a payment is not received within thirty (30) days of the date of the notice. The notice shall be sent via certified return receipt mail as well as first class USPS mail. The address of the owner shall be verified with the county's tax assessor's office. The county's tax assessor's records shall be deemed the appropriate mailing address for any such notices. If a payment plan has been terminated, the Board of Directors may elect to collect the unpaid amount(s) through all options available to them provided by the Texas Property Code which may include foreclosure actions on the property.

**Late Fee**

All regular assessments are charged on an annual basis. The annual assessment is due on or before 1st of January. Payment of the assessment is due by the last day of the month in which the assessment was charged. A late fee of 18% per annum shall be assessed to any property owner whose payment has not been received by the management company by that date.

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If the same violation is noted within a six-month period of time, the property owner causing the violation shall receive a Second Notification Letter advising them of the continued violation to the Association's rule and the risk of the Board of Directors exercising their Right of Entry onto the property to cure the violation, and/or Right to Assess a fine of up to \$50 per day until the violation is corrected. The Second Notification letter shall be sent out Certified Mail, Return Receipt as well as USPS first class. The cost of the certified mailing will be posted

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Any owner that is 60 days delinquent shall be sent a Demand Letter.

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The Certified Demand letter will advise the owner that their account is being turned over to attorney for collections and that a lien will be placed on their property. The letter will also advise the owner that they have a right to a hearing per Texas Property Code Chapter 209.

Any owner that has a delinquent balance of \$1000.00 or greater shall have a lien placed on their property by the Association. All costs associated with sending notifications to the delinquent property owner shall be paid for by the property owner. The Board may avail themselves to all avenues to collect the delinquent account that are afforded to them under Texas law.

These policies have been accepted and approved by the Board of Directors at a Board of Directors meeting held on May 20, 2017.



Signed

JUNE 14, 2017,

Date

Douglas Plas – Managing Agent Summit Springs Property Owners' Association, Inc

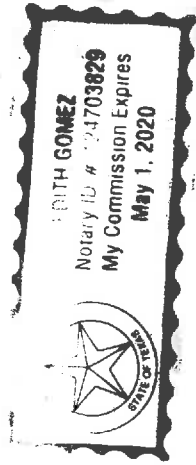
JURAT:

The State of Texas

County of Williamson

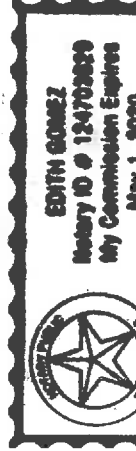
Subscribed and sworn to before me on this 14 day of June, 2017 by

Doug Plas  
(Seal)



Edith Gomez  
(Notary's Signature)

Notary Public, State of Texas



**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.**

**SPECIAL WARRANTY DEED**

THE STATE OF TEXAS           §  
  §       KNOW ALL MEN BY THESE PRESENTS:  
COUNTY OF BURNET           §  
COUNTY OF BLANCO         §

THAT, **NLP Summit Springs, LLC**, a Delaware Limited Liability Company, hereinafter called "Grantor", for good and valuable consideration, including but not limited to fulfilling the requirements of building and conveying to Summit Springs Property Owners' Association, Inc. the common property within the Summit Springs Subdivision, said property is set forth more fully on the map and plat recorded under Clerk's Instrument Number 201401042 of the Official Public Records of Burnet County, Texas, and on the map and plat recorded under Clerk's Instrument Number 201402019 of the Official Public Records of Burnet County, Texas and as revised by the Replat recorded under Clerk's Instrument Number 201708307 of the Official Public Records of Burnet County, Texas, and the map and plat recorded under Vol. 3, Page 148 of the Official Public Records of Blanco County, Texas, reference to which is herein made for any and all purposes as though set forth fully herein; in hand paid by **Summit Springs Property Owners' Association, Inc.**, a Texas Non-Profit Corporation, whose mailing address is 1101 Arrow Point Drive, Suite 101, Cedar Park, Texas 78613, hereinafter called "Grantee", the receipt and sufficiency of which is hereby acknowledged and confessed, HAS GRANTED, SOLD AND CONVEYED, and by these presents does GRANT, SELL AND CONVEY unto the

Order: Z3JDT8RF4  
Address: 320 Cedar Mountain Drive  
Order Date: 03-16-2021  
Document not for resale  
HomeWiseDocs

said Grantee all those certain lots, tracts or parcels of land, lying and being situated in Burnet County, Texas and Blanco County, Texas, and being more particularly described as follows:

**TRACT 1:** The following roads located in the Summit Springs Subdivision, as shown on the map and plat recorded under Clerk's Instrument Number 201401042 of the Official Public Records of Burnet County, Texas, and on the map and plat recorded under Clerk's Instrument Number 201402019 of the Official Public Records of Burnet County, Texas and as revised by the Replat recorded under Clerk's Instrument Number 201708307 of the Official Public Records of Burnet County, Texas, and the map and plat recorded under Vol. 3, Page 148 of the Official Public Records of Blanco County, Texas

- (a) Summit Springs Drive
- (b) Vintage Oak Court
- (c) Cedar Mountain Drive
- (d) Brumley View Court
- (e) Bosque Trail
- (f) Rolling Waters Court
- (g) Blackbuck Court
- (h) Mesa Grande Court
- (i) Clear Springs Court
- (j) Rock Bend Court
- (k) Bluff Point Court
- (l) Future Road Way

SUBJECT TO a reservation by Grantor, and Grantor's assigns, of a nonexclusive pedestrian and vehicular access easement over the property conveyed in this deed.

FURTHER SUBJECT TO all easements, restrictions, reservations, permits, declarations, mineral and royalty reservations, and any other documents appearing of record affecting the above described property.

TO HAVE AND TO HOLD all of the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said Grantee, Grantee's successors and assigns, forever; and Grantor does hereby bind itself, its

successors and assigns, to WARRANT AND FOREVER DEFEND all and singular the said premises unto the said Grantee, Grantee's successors and assigns, against every person whomsoever lawfully claiming, or to claim the same or any part thereof, by, through and under Grantor, but not otherwise subject to the above referred to easements, restrictions, reservations, permits, declarations, mineral and royalty reservations, and any other documents appearing of record.

GRANTOR HAS NOT MADE, AND DOES NOT MAKE ANY REPRESENTATIONS, WARRANTIES OR COVENANTS OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, WITH RESPECT TO THE QUALITY OR CONDITION OF THE PROPERTY, THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH GRANTEE MAY CONDUCT THEREON, COMPLIANCE BY THE PROPERTY WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND SPECIFICALLY, GRANTOR DOES NOT MAKE ANY REPRESENTATIONS REGARDING HAZARDOUS WASTE, AS DEFINED BY THE TEXAS SOLID WASTE DISPOSAL ACT AND THE REGULATIONS ADOPTED HEREUNDER, OR THE U.S. ENVIRONMENTAL PROTECTION AGENCY REGULATIONS, FOR THE DISPOSAL OF ANY HAZARDOUS WASTE OR ANY OTHER HAZARDOUS OR TOXIC SUBSTANCES IN OR ON THE PROPERTY. EXCEPT FOR THE WARRANTIES EXPRESSLY CONTAINED HEREIN, THE PROPERTY IS HEREBY SOLD, TRANSFERRED, AND ASSIGNED TO GRANTEE "AS IS" AND "WITH ALL FAULTS".

EFFECTIVE as of the 1<sup>st</sup> day of FEB, 2018.

**[Signatures follow on next pages.]**

NLP Summit Springs, LLC, A Delaware  
Limited Liability Company

By: Price Keever  
Price Keever, Authorized Agent

STATE OF TEXAS

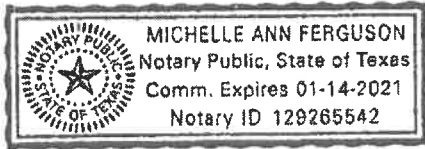
COUNTY OF BLANCO

§  
§  
§

**CERTIFICATE OF ACKNOWLEDGMENT**

Before me, the undersigned Notary Public, on this day personally appeared Price Keever who is personally known to me (or proved to me through a federal or state issued ID with photo and signature of person identified) to be the person whose name is subscribed to the foregoing instrument, and who has acknowledged to me that he is the Authorized Agent of NLP Summit Springs, LLC and that by authority duly given and as the act of NLP Summit Springs, LLC executed the instrument for the purposes and considerations expressed.

Given under my hand and seal of office on this the 1<sup>st</sup> day of FEB 2018.



Michelle Ferguson  
Notary Public in and for The State of Texas



**Important Information**  
**Summit Springs POA**

Order: Z3JDT8RF4  
Address: 320 Cedar Mountain Drive  
Order Date: 03-16-2021  
Document not for resale  
HomeWiseDocs

This document is currently either not available or not applicable for this association.

\*\*\*\*REMAINDER OF PAGE LEFT INTENTIONALLY BLANK.\*\*\*\*

**Insurance Dec Page  
Summit Springs POA**

Order: Z3JDT8RF4  
Address: 320 Cedar Mountain Drive  
Order Date: 03-16-2021  
Document not for resale  
HomeWiseDocs



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

09/28/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Galloway Insurance Agency PO Box 4366  Horseshoe Bay TX 78657		<b>CONTACT NAME:</b> Fran Duncan <b>PHONE (A/C, No, Ext):</b> (830) 598-5636 <b>FAX (A/C, No):</b> (830) 598-1854 <b>E-MAIL ADDRESS:</b> Fran@gallowayinsurance.com	
		<b>INSURER(S) AFFORDING COVERAGE</b>	
		<b>INSURER A:</b> AmTrust Ins Co of Kansas	<b>NAIC #</b> 15954
		<b>INSURER B:</b> Cincinnati Insurance Companies	
		<b>INSURER C:</b>	
		<b>INSURER D:</b>	
		<b>INSURER E:</b>	
		<b>INSURER F:</b>	
<b>INSURED</b> Summit Springs POA c/o Goodwin & Company 11149 Research Blvd #100 Austin TX 78759			

**COVERAGES**

CERTIFICATE NUMBER: CL2092807749

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.


INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS		
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b>			KPP1060890 00	09/09/2020	09/09/2021	EACH OCCURRENCE	\$ 1,000,000	
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000	
	GEN'L AGGREGATE LIMIT APPLIES PER:							MED EXP (Any one person)	\$ 5,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PERSONAL & ADV INJURY	\$ 1,000,000	
	OTHER:							GENERAL AGGREGATE	\$ 2,000,000
								PRODUCTS - COMP/OP AGG	\$ 2,000,000
									\$
	<b>AUTOMOBILE LIABILITY</b>						COMBINED SINGLE LIMIT (Ea accident)	\$	
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person)	\$	
	<input type="checkbox"/> OWNED AUTOS ONLY	<input type="checkbox"/> SCHEDULED AUTOS					BODILY INJURY (Per accident)	\$	
	<input type="checkbox"/> HIRED AUTOS ONLY	<input type="checkbox"/> NON-OWNED AUTOS ONLY					PROPERTY DAMAGE (Per accident)	\$	
									\$
	<b>UMBRELLA LIAB</b>						EACH OCCURRENCE	\$	
	<b>EXCESS LIAB</b>	<input type="checkbox"/> OCCUR	<input type="checkbox"/> CLAIMS-MADE				AGGREGATE	\$	
	DED	RETENTION \$						\$	
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>						PER STATUTE	OTHER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> Y <input type="checkbox"/> N	<input type="checkbox"/> N/A				E.L. EACH ACCIDENT	\$	
	If yes, describe under DESCRIPTION OF OPERATIONS below							E.L. DISEASE - EA EMPLOYEE	\$
								E.L. DISEASE - POLICY LIMIT	\$
B	Directors & Officers Liability			EMO 0455197	09/09/2020	09/09/2023	Each Claim	1,000,000	
							Aggregate	1,000,000	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Certificate holder is also shown as additional insured.

Property Includes:  
 Mailbox Kiosk \$10,609  
 Gate/Fence/Mechanicals \$53,045  
 Water Well Equipment \$5,305

**CERTIFICATE HOLDER****CANCELLATION**

Goodwin & Company 11149 Research Blvd #100  Austin TX 78759	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
--	--

Order: Z3U

Address: 320 Cedar Mountain Blvd

Order Date: 03-16-2021

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# **Rules and Policies**

## **Summit Springs POA**

Order: Z3JDT8RF4  
Address: 320 Cedar Mountain Drive  
Order Date: 03-16-2021  
Document not for resale  
HomeWiseDocs

Filed this 20<sup>th</sup> day of June 2012  
1:32 a.m.

Laura Walla  
County Clerk, Blanco County, Texas

By [Signature] Deputy

171782

**Summit Springs Property Owners' Association, Inc.**  
**c/o Preferred Association Management Company**

**PO Box 200145**

**Austin, TX 78720-0145**

**Office (512-918-8100) Fax (512-918-9181)**

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Signed

JUNE 14, 2017,

Date

Douglas Plas – Managing Agent Summit Springs Property Owners' Association, Inc

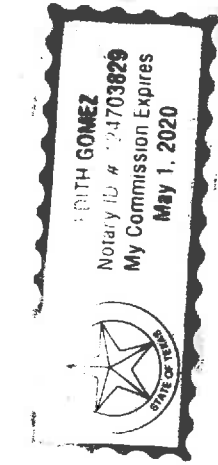
JURAT:

The State of Texas

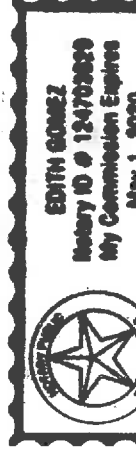
County of Williamson

Subscribed and sworn to before me on this 14 day of June, 2017 by

Doug Plas  
(Seal)



Edith Gomez  
(Notary's Signature)  
Notary Public, State of Texas





# Summit Springs Property Owners' Association

## Board Member Ethics Guidelines and Conflict of Interest Policy

Adopted by the Board of Directors on May 20, 2017 pursuant to their authority under the "Declaration of Covenants, Conditions, and Restrictions for Summit Springs Property Owners' Association, Inc.", Article XIII, DUTIES AND POWERS OF THE PROPERTY OWNERS ASSOCIATION, Section 8.01 General Duties and Powers of SSPOA.

### Code of Ethics

All Board members and Board-appointed Committee members will:

- Do their best to ensure that the Summit Springs Property Owners' Association (SSPOA) and Summit Springs community are well maintained, financially secure, and operating in the best interests of the members of SSPOA
- Focus their efforts on the goals of SSPOA and not their personal goals
- Refrain from using their service on the Board or Committee for their personal advantage or for the advantage of their friends or associates
- Respect and support the majority decisions of the Board and Committee
- Keep all confidential Board and/or Committee information confidential
- Approach all Board and Committee issues with an open mind, prepared to make the best decisions for everyone involved
- Do nothing to violate the trust of those who elected or appointed them to serve on the Board or Committee
- Never exercise authority as a Board or Committee member except when acting in a Board or Committee meeting or as delegated by the Board or its President
- Follow the laws governing Planned Communities, the By-Laws and Covenants of SSPOA, and other policies of the SSPOA including, but not limited to this Conflict of Interest Policy and Procedure.

### Conflict of Interest Policy and Procedure

**Purpose:** The purpose of this policy is to protect the Summit Springs Property Owners' Association interests when it is entering into a transaction or arrangement that might benefit the private interests of a Director of SSPOA or a Board-appointed Committee member, or might result in a possible excess benefit transaction. This policy applies to any member of the Board of Directors and any member of a Board-appointed Committee, whether they are an Officer, a Director at Large, or member of a Board-appointed Committee.

### Definitions:

**Conflicts involving financial interest:**

A Conflict of Interest shall be deemed to exist when any Director or Committee member knowingly has, directly or indirectly, through business, investment, or family:

- a) An ownership, investment, income or other interest in any entity with which SSPOA has a transaction or arrangement,
- b) A compensation arrangement with SSPOA or any entity or individual with which SSPOA has or is contemplating a transaction or arrangement

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. Anything with a value of \$50 or more shall be considered substantial.

**Conflicts involving significant relationships:**

A Conflict of Interest shall be deemed to exist when any Director or Committee Member has a significant relationship with a non-profit or for-profit entity that has or is negotiating a transaction with SSPOA. This definition shall include, but not be limited to, sitting on the board of a non-profit, or having a leadership role or other significant role in the operations of a for-profit or non-profit, even if there is no compensation.

**Conflicts involving benefit to property:**

A Conflict of Interest shall also be deemed to exist when a Director's property or a Committee member's property will disproportionately benefit from a Board or Committee decision relative to other members of SSPOA.

A Conflict of Interest shall be deemed *nonexistent* when any Director or Committee member or their property value will benefit from a Board or Committee decision in a manner that is consistent relative to other members of SSPOA.

**Conflicts involving Bid and/or Awarded Work on Behalf of SSPOA:**

No member of the Board or of a Board-appointed Committee may bid on or be awarded work on behalf of the SSPOA while a member, or for a three-year period after that member's term is concluded. This prohibition includes entities in which the Board or Committee member or any family member has a financial interest or employment relationship.

**Procedures:**

1. **Conflict of Interest Disclosure Form:** Beginning May 20, 2017, all current Directors and newly elected or appointed Directors, and all current Board-appointed Committee members and newly appointed Committee members will sign a conflict of interest disclosure form prior to initially voting on any matters put before the Board or a Committee. The form may be found at the end of this document. This form will be effective for their entire term and any subsequent terms.
2. **Duty to Disclose:** In connection with any conflict of interest the interested Director or Committee member must disclose the existence of the interest to the Board prior to or at the beginning of any discussion involving the conflict of interest.

3. **Recusal of Self:** Any Director or Committee member with a conflict or potential conflict of interest shall abstain from voting on any matter that involves their interest and shall give the other members of the Board or Committee an opportunity to discuss the matter without the presence of the interested party.
4. **Violations of this policy:**
  - a. If any Board member or other member of SSPOA has reasonable cause to believe that a Director or Committee member has failed to disclose conflict of interest, that individual shall notify the Board of Directors either verbally at a meeting of the Board or in writing, outlining the basis for such belief.
  - b. The Board shall give the Director or Committee member in question an opportunity to explain the alleged failure to disclose.
  - c. The Board may then take any of the following actions as reasonable steps to correct the violation, which shall be determined by majority vote:
    - i. Suspend their voting privileges for specific related matters
    - ii. Require them to leave the room for the duration of consideration of and action on related matters
    - iii. Reprimand them and in egregious cases remove them from the Board or Committee
    - iv. Determine that no conflict of interest exists
5. **Documentation:** Board minutes will reflect the disclosure of conflicts of interest and potential conflicts of interest as well as any action outlined under section 4 of these procedures.

**Code of Ethics and Conflict of Interest Disclosure Form  
Summit Springs Property Owners' Association**

This form is to be completed by all members of the Summit Springs Property Owners' Association Board of Directors and Board-appointed Committees prior to initially voting on any matter before the Board or Committee.

Name:

Address:

- I have read SSPOA's Code of Ethics and Conflict of Interest Policy & Procedure
- I agree to abide by SSPOA's Code of Ethics and Conflict of Interest Policy & Procedure
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Name of the entity:

Relationship to the entity:

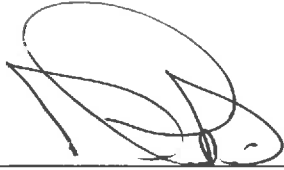
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

I hereby certify that the information set forth above is true and complete to the best of my knowledge.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

These guidelines and policy has been accepted and approved by the Board of Directors at a Board of Directors meeting held on May 20, 2017.

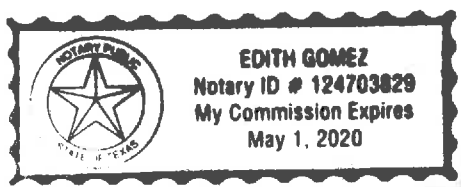


JUNE 7, 2017  
Date

Signed  
Douglas Plas  
Managing Agent, Summit Springs Property Owners Association

JURAT:  
The State of Texas  
County of Williamson  
Subscribed and sworn to before me on this 7 day of June, 2017 by Doug Plas

Edith Gomez  
(Notary's Signature)  
Notary Public, State of Texas



(seal)



FILED AND RECORDED  
OFFICIAL PUBLIC RECORDS

Janet Parker

Janet Parker, County Clerk  
Burnet County Texas  
6/8/2017 11:57:01 AM  
FEE: \$32.00                      201705597  
POLICY

**After Recording Return to:**  
Preferred Association Management Company  
1101 Arrow Point Drive, Suite 101  
Cedar Park, TX 78613

Order: Z3JDT8RF4  
Address: 320 Cedar Mountain Drive  
Order Date: 03-16-2021  
Document not for resale  
HomeWiseDocs

## Summit Springs Property Owners' Association

### Board Member Ethics Guidelines and Conflict of Interest Policy

Adopted by the Board of Directors on May 20, 2017 pursuant to their authority under the "Declaration of Covenants, Conditions, and Restrictions for Summit Springs Property Owners' Association, Inc.", Article XIII, DUTIES AND POWERS OF THE PROPERTY OWNERS ASSOCIATION, Section 8.01 General Duties and Powers of SSPOA.

#### **Code of Ethics**

All Board members and Board-appointed Committee members will:

- Do their best to ensure that the Summit Springs Property Owners' Association (SSPOA) and Summit Springs community are well maintained, financially secure, and operating in the best interests of the members of SSPOA
- Focus their efforts on the goals of SSPOA and not their personal goals
- Refrain from using their service on the Board or Committee for their personal advantage or for the advantage of their friends or associates
- Respect and support the majority decisions of the Board and Committee
- Keep all confidential Board and/or Committee information confidential
- Approach all Board and Committee issues with an open mind, prepared to make the best decisions for everyone involved
- Do nothing to violate the trust of those who elected or appointed them to serve on the Board or Committee
- Never exercise authority as a Board or Committee member except when acting in a Board or Committee meeting or as delegated by the Board or its President
- Follow the laws governing Planned Communities, the By-Laws and Covenants of SSPOA, and other policies of the SSPOA including, but not limited to this Conflict of Interest Policy and Procedure.

#### **Conflict of Interest Policy and Procedure**

**Purpose:** The purpose of this policy is to protect the Summit Springs Property Owners' Association interests when it is entering into a transaction or arrangement that might benefit the private interests of a Director of SSPOA or a Board-appointed Committee member, or might result in a possible excess benefit transaction. This policy applies to any member of the Board of Directors and any member of a Board-appointed Committee, whether they are an Officer, a Director at Large, or member of a Board-appointed Committee.

#### **Definitions:**

#### **Conflicts involving financial interest:**

A Conflict of Interest shall be deemed to exist when any Director or Committee member knowingly has, directly or indirectly, through business, investment, or family:

- a) An ownership, investment, income or other interest in any entity with which SSPOA has a transaction or arrangement,
- b) A compensation arrangement with SSPOA or any entity or individual with which SSPOA has or is contemplating a transaction or arrangement

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. Anything with a value of \$50 or more shall be considered substantial.

**Conflicts involving significant relationships:**

A Conflict of Interest shall be deemed to exist when any Director or Committee Member has a significant relationship with a non-profit or for-profit entity that has or is negotiating a transaction with SSPOA. This definition shall include, but not be limited to, sitting on the board of a non-profit, or having a leadership role or other significant role in the operations of a for-profit or non-profit, even if there is no compensation.

**Conflicts involving benefit to property:**

A Conflict of Interest shall also be deemed to exist when a Director's property or a Committee member's property will disproportionately benefit from a Board or Committee decision relative to other members of SSPOA.

A Conflict of Interest shall be deemed *nonexistent* when any Director or Committee member or their property value will benefit from a Board or Committee decision in a manner that is consistent relative to other members of SSPOA.

**Conflicts involving Bid and/or Awarded Work on Behalf of SSPOA:**

No member of the Board or of a Board-appointed Committee may bid on or be awarded work on behalf of the SSPOA while a member, or for a three-year period after that member's term is concluded. This prohibition includes entities in which the Board or Committee member or any family member has a financial interest or employment relationship.

**Procedures:**

1. **Conflict of Interest Disclosure Form:** Beginning May 20, 2017, all current Directors and newly elected or appointed Directors, and all current Board-appointed Committee members and newly appointed Committee members will sign a conflict of interest disclosure form prior to initially voting on any matters put before the Board or a Committee. The form may be found at the end of this document. This form will be effective for their entire term and any subsequent terms.
2. **Duty to Disclose:** In connection with any conflict of interest the interested Director or Committee member must disclose the existence of the interest to the Board prior to or at the beginning of any discussion involving the conflict of interest.

3. **Recusal of Self:** Any Director or Committee member with a conflict or potential conflict of interest shall abstain from voting on any matter that involves their interest and shall give the other members of the Board or Committee an opportunity to discuss the matter without the presence of the interested party.
4. **Violations of this policy:**
  - a. If any Board member or other member of SSPOA has reasonable cause to believe that a Director or Committee member has failed to disclose conflict of interest, that individual shall notify the Board of Directors either verbally at a meeting of the Board or in writing, outlining the basis for such belief.
  - b. The Board shall give the Director or Committee member in question an opportunity to explain the alleged failure to disclose.
  - c. The Board may then take any of the following actions as reasonable steps to correct the violation, which shall be determined by majority vote:
    - i. Suspend their voting privileges for specific related matters
    - ii. Require them to leave the room for the duration of consideration of and action on related matters
    - iii. Reprimand them and in egregious cases remove them from the Board or Committee
    - iv. Determine that no conflict of interest exists
5. **Documentation:** Board minutes will reflect the disclosure of conflicts of interest and potential conflicts of interest as well as any action outlined under section 4 of these procedures.

**Code of Ethics and Conflict of Interest Disclosure Form  
Summit Springs Property Owners' Association**

This form is to be completed by all members of the Summit Springs Property Owners' Association Board of Directors and Board-appointed Committees prior to initially voting on any matter before the Board or Committee.

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Address:

- I have read SSPOA's Code of Ethics and Conflict of Interest Policy & Procedure
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I hereby certify that the information set forth above is true and complete to the best of my knowledge.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

These guidelines and policy has been accepted and approved by the Board of Directors at a Board of Directors meeting held on May 20, 2017.

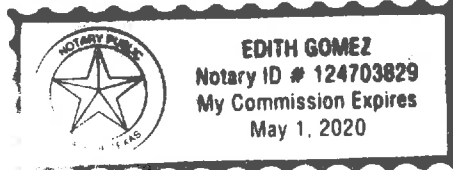


Signed  
Douglas Plas  
Managing Agent, Summit Springs Property Owners Association

June 7, 2017  
Date

JURAT:  
The State of Texas  
County of Williamson  
Subscribed and sworn to before me on this 7 day of June, 2017 by Doog Plas

Edith Gomez  
(Notary's Signature)  
Notary Public, State of Texas



(seal)

Filed this 8 day of June 2017  
2:54 PM

Laura Walla  
County Clerk, Blanco County, Texas  
By Shelli K Maley Deputy

STATE OF TEXAS  
COUNTY OF BLANCO  
I hereby certify that this instrument was FILED in File Number Sequence on the date and the time stamped hereon by me and was duly RECORDED in Official Public records of Blanco County, Texas on

JUN 08 2017



Laura Walla  
COUNTY CLERK  
BLANCO COUNTY, TEXAS

After Recording Return to:   
Preferred Association Management Company  
1101 Arrow Point Drive, Suite 101  
Cedar Park, TX 78613

Order: Z3JDT8RF4  
Address: 320 Cedar Mountain Drive  
Order Date: 03-16-2021  
Document not for resale  
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**Summit Springs Property Owners' Association, Inc.**  
**c/o Preferred Association Management Company**  
**PO Box 200145**  
**Austin, TX 78720-0145**  
**Office (512-918-8100) Fax (512-918-9181)**

**Policies**

**Payment Plan**

Any owner who is delinquent on the annual assessment may contact the Board of Directors through the management company and request a payment plan. A payment plan may also be established for any unpaid collection costs, late fees, fines and special assessments. The Board of Directors shall agree to all reasonable payment plans. Failure by the owner requesting the payment plan to comply with the agreed upon payment plan shall cause it to be terminated. The agreed upon payment plan shall be considered in breach of the agreement if two or more consecutive payments are missed. If two or more consecutive payments are missed, the Board of Directors shall instruct the management company to serve notice to the owner that their payment plan is in jeopardy of being terminated if a payment is not received within thirty (30) days of the date of the notice. The notice shall be sent via certified return receipt mail as well as first class USPS mail. The address of the owner shall be verified with the county's tax assessor's office. The county's tax assessor's records shall be deemed the appropriate mailing address for any such notices. If a payment plan has been terminated, the Board of Directors may elect to collect the unpaid amount(s) through all options available to them provided by the Texas Property Code which may include foreclosure actions on the property.

**Late Fee**

All regular assessments are charged on an annual basis. The annual assessment is due on or before 1st of January. Payment of the assessment is due by the last day of the month in which the assessment was charged. A late fee of 18% per annum shall be assessed to any property owner whose payment has not been received by the management company by that date.

**Violation/Fine Policy**

Violations to any of the Association's Rules & Regulations shall be handled in the following manner:

First Infractions shall receive a Courtesy Letter advising them of the Association's rule that is being violated and giving them ten (10) days to cure the violation.

If the same violation is noted within a six-month period of time, the property owner causing the violation shall receive a Second Notification Letter advising them of the continued violation to the Association's rule and the risk of the Board of Directors exercising their Right of Entry onto the property to cure the violation, and/or Right to Assess a fine of up to \$50 per day until the violation is corrected. The Second Notification Letter shall be sent out Certified Mail, Return Receipt as well as USPS first class. The cost of the certified mailing will be posted

to the owners account for reimbursement to the Association. The address of the owner shall be verified with the county's tax assessor's office. The county's tax assessor's records shall be deemed the appropriate mailing address for any such notices.

If the same violation continues, the property owner shall be sent a Final Letter advising them that the Board of Directors has assessed a fine of up to \$50.00 per day for the violation until the violation is corrected. Any property owner who has been assessed a Final Letter may request a hearing before the Board of Directors to dispute the fine. The hearing must be requested within thirty (30) days of the fine notification in accordance with Texas Property Code, Chapter 209.

**Collection Policy**

Any owner that has an outstanding balance at the end of any month is subject to collection proceedings.

Any owner that is 30 days delinquent shall be sent a Past Due Letter.

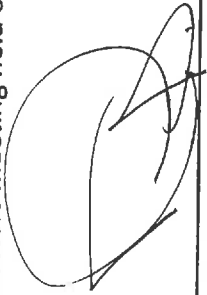
Any owner that is 60 days delinquent shall be sent a Demand Letter.

Any owner that is 90 days delinquent shall be sent a Certified Demand Letter.

The Certified Demand letter will advise the owner that their account is being turned over to attorney for collections and that a lien will be placed on their property. The letter will also advise the owner that they have a right to a hearing per Texas Property Code Chapter 209.

Any owner that has a delinquent balance of \$1000.00 or greater shall have a lien placed on their property by the Association. All costs associated with sending notifications to the delinquent property owner shall be paid for by the property owner. The Board may avail themselves to all avenues to collect the delinquent account that are afforded to them under Texas law.

These policies have been accepted and approved by the Board of Directors at a Board of Directors meeting held on May 20, 2017.



Signed

Douglas Plas – Managing Agent Summit Springs Property Owners' Association, Inc

JUNE 14, 2017.

Date

JURAT:

The State of Texas

County of Williamson

Subscribed and sworn to before me on this 14 day of June, 2017 by

Doug Plas  
(Seal)



Order: Z3JDT8RF4  
Address: 20 Clarks Mountain Drive  
Edith Gomez  
(Notary's Signature)  
Notary Public, State of Texas  
HomeWiseDocs



FILED AND RECORDED  
OFFICIAL PUBLIC RECORDS

Janet Parker

Janet Parker, County Clerk  
Burnet County Texas

6/20/2017 10:49:41 AM

FEE: \$20.00

RES

After Recording Return to:

Preferred Association Management  
Company

1101 Arrow Point Drive, Suite 101  
Cedar Park, TX 78613

201705998

BURNET COUNTY CLERK'S OFFICE  
220 SOUTH PIERCE STREET  
BURNET, TX 78611  
512-756-5406

Receipt Time: 06/20/2017 10:49:41 AM

Receipt #: 194462

Issued To: PREFERRED ASSOCIATION MANAGEMENT COMPANY

Documents

#	Type	# Pages	Quantity	Reference #	Book / Page	Amount
1	RESTRICTIONS	2	1	201705998		\$20.00
<b>Total :</b>						\$20.00

Payments

#	Type	Payment #	Amount	NSF
1	CREDIT CARD	100153649696	\$20.00	
<b>Total Payments:</b>			\$20.00	

THANK YOU  
Org: JANE F PARKER RRF4  
Address: CEDAR Mountain Drive  
Order Date: 03-16-2021  
Docu: AGRANTtot for resale  
HomeWiseDocs

Filed this 20<sup>th</sup> day of June 2012  
1:32 a.m.

Laura Walla  
County Clerk, Blanco County, Texas

By [Signature] Deputy

171782

**Summit Springs Property Owners' Association, Inc.**  
**c/o Preferred Association Management Company**

**PO Box 200145**

**Austin, TX 78720-0145**

**Office (512-918-8100) Fax (512-918-9181)**

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Date

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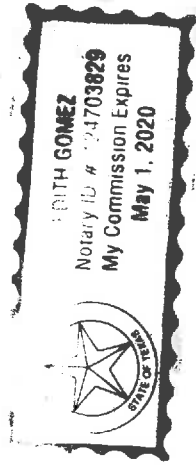
JURAT:

The State of Texas

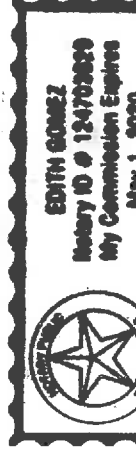
County of Williamson

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Doug Plas  
(Seal)



Edith Gomez  
(Notary's Signature)  
Notary Public, State of Texas





# Summit Springs Property Owners' Association

## Board Member Ethics Guidelines and Conflict of Interest Policy

Adopted by the Board of Directors on May 20, 2017 pursuant to their authority under the "Declaration of Covenants, Conditions, and Restrictions for Summit Springs Property Owners' Association, Inc.", Article XIII, DUTIES AND POWERS OF THE PROPERTY OWNERS ASSOCIATION, Section 8.01 General Duties and Powers of SSPOA.

### Code of Ethics

All Board members and Board-appointed Committee members will:

- Do their best to ensure that the Summit Springs Property Owners' Association (SSPOA) and Summit Springs community are well maintained, financially secure, and operating in the best interests of the members of SSPOA
- Focus their efforts on the goals of SSPOA and not their personal goals
- Refrain from using their service on the Board or Committee for their personal advantage or for the advantage of their friends or associates
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- Keep all confidential Board and/or Committee information confidential
- Approach all Board and Committee issues with an open mind, prepared to make the best decisions for everyone involved
- Do nothing to violate the trust of those who elected or appointed them to serve on the Board or Committee
- Never exercise authority as a Board or Committee member except when acting in a Board or Committee meeting or as delegated by the Board or its President
- Follow the laws governing Planned Communities, the By-Laws and Covenants of SSPOA, and other policies of the SSPOA including, but not limited to this Conflict of Interest Policy and Procedure.

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**Purpose:** The purpose of this policy is to protect the Summit Springs Property Owners' Association interests when it is entering into a transaction or arrangement that might benefit the private interests of a Director of SSPOA or a Board-appointed Committee member, or might result in a possible excess benefit transaction. This policy applies to any member of the Board of Directors and any member of a Board-appointed Committee, whether they are an Officer, a Director at Large, or member of a Board-appointed Committee.

### Definitions:

**Conflicts involving financial interest:**

A Conflict of Interest shall be deemed to exist when any Director or Committee member knowingly has, directly or indirectly, through business, investment, or family:

- a) An ownership, investment, income or other interest in any entity with which SSPOA has a transaction or arrangement,
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1. **Conflict of Interest Disclosure Form:** Beginning May 20, 2017, all current Directors and newly elected or appointed Directors, and all current Board-appointed Committee members and newly appointed Committee members will sign a conflict of interest disclosure form prior to initially voting on any matters put before the Board or a Committee. The form may be found at the end of this document. This form will be effective for their entire term and any subsequent terms.
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4. **Violations of this policy:**
  - a. If any Board member or other member of SSPOA has reasonable cause to believe that a Director or Committee member has failed to disclose conflict of interest, that individual shall notify the Board of Directors either verbally at a meeting of the Board or in writing, outlining the basis for such belief.
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**Code of Ethics and Conflict of Interest Disclosure Form  
Summit Springs Property Owners' Association**

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Name:

Address:

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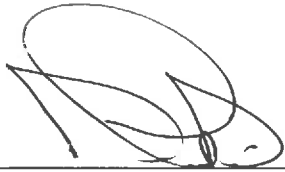
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

I hereby certify that the information set forth above is true and complete to the best of my knowledge.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_


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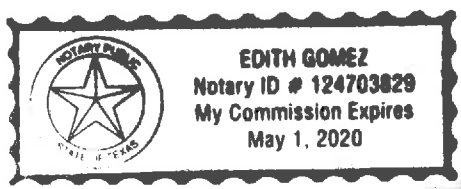


JUNE 7, 2017  
Date

Signed  
Douglas Plas  
Managing Agent, Summit Springs Property Owners Association

JURAT:  
The State of Texas  
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(Notary's Signature)  
Notary Public, State of Texas



(seal)



FILED AND RECORDED  
OFFICIAL PUBLIC RECORDS



Janet Parker, County Clerk  
Burnet County Texas  
6/8/2017 11:57:01 AM  
FEE: \$32.00                      201705597  
POLICY

**After Recording Return to:**  
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- Follow the laws governing Planned Communities, the By-Laws and Covenants of SSPOA, and other policies of the SSPOA including, but not limited to this Conflict of Interest Policy and Procedure.

#### **Conflict of Interest Policy and Procedure**

**Purpose:** The purpose of this policy is to protect the Summit Springs Property Owners' Association interests when it is entering into a transaction or arrangement that might benefit the private interests of a Director of SSPOA or a Board-appointed Committee member, or might result in a possible excess benefit transaction. This policy applies to any member of the Board of Directors and any member of a Board-appointed Committee, whether they are an Officer, a Director at Large, or member of a Board-appointed Committee.

#### **Definitions:**

**Conflicts involving financial interest:**

A Conflict of Interest shall be deemed to exist when any Director or Committee member knowingly has, directly or indirectly, through business, investment, or family:

- a) An ownership, investment, income or other interest in any entity with which SSPOA has a transaction or arrangement,
- b) A compensation arrangement with SSPOA or any entity or individual with which SSPOA has or is contemplating a transaction or arrangement

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. Anything with a value of \$50 or more shall be considered substantial.

**Conflicts involving significant relationships:**

A Conflict of Interest shall be deemed to exist when any Director or Committee Member has a significant relationship with a non-profit or for-profit entity that has or is negotiating a transaction with SSPOA. This definition shall include, but not be limited to, sitting on the board of a non-profit, or having a leadership role or other significant role in the operations of a for-profit or non-profit, even if there is no compensation.

**Conflicts involving benefit to property:**

A Conflict of Interest shall also be deemed to exist when a Director's property or a Committee member's property will disproportionately benefit from a Board or Committee decision relative to other members of SSPOA.

A Conflict of Interest shall be deemed *nonexistent* when any Director or Committee member or their property value will benefit from a Board or Committee decision in a manner that is consistent relative to other members of SSPOA.

**Conflicts involving Bid and/or Awarded Work on Behalf of SSPOA:**

No member of the Board or of a Board-appointed Committee may bid on or be awarded work on behalf of the SSPOA while a member, or for a three-year period after that member's term is concluded. This prohibition includes entities in which the Board or Committee member or any family member has a financial interest or employment relationship.

**Procedures:**

1. **Conflict of Interest Disclosure Form:** Beginning May 20, 2017, all current Directors and newly elected or appointed Directors, and all current Board-appointed Committee members and newly appointed Committee members will sign a conflict of interest disclosure form prior to initially voting on any matters put before the Board or a Committee. The form may be found at the end of this document. This form will be effective for their entire term and any subsequent terms.
2. **Duty to Disclose:** In connection with any conflict of interest the interested Director or Committee member must disclose the existence of the interest to the Board prior to or at the beginning of any discussion involving the conflict of interest.

3. **Recusal of Self:** Any Director or Committee member with a conflict or potential conflict of interest shall abstain from voting on any matter that involves their interest and shall give the other members of the Board or Committee an opportunity to discuss the matter without the presence of the interested party.
4. **Violations of this policy:**
  - a. If any Board member or other member of SSPOA has reasonable cause to believe that a Director or Committee member has failed to disclose conflict of interest, that individual shall notify the Board of Directors either verbally at a meeting of the Board or in writing, outlining the basis for such belief.
  - b. The Board shall give the Director or Committee member in question an opportunity to explain the alleged failure to disclose.
  - c. The Board may then take any of the following actions as reasonable steps to correct the violation, which shall be determined by majority vote:
    - i. Suspend their voting privileges for specific related matters
    - ii. Require them to leave the room for the duration of consideration of and action on related matters
    - iii. Reprimand them and in egregious cases remove them from the Board or Committee
    - iv. Determine that no conflict of interest exists
5. **Documentation:** Board minutes will reflect the disclosure of conflicts of interest and potential conflicts of interest as well as any action outlined under section 4 of these procedures.

**Code of Ethics and Conflict of Interest Disclosure Form  
Summit Springs Property Owners' Association**

This form is to be completed by all members of the Summit Springs Property Owners' Association Board of Directors and Board-appointed Committees prior to initially voting on any matter before the Board or Committee.

Name:

Address:

- I have read SSPOA's Code of Ethics and Conflict of Interest Policy & Procedure
- I agree to abide by SSPOA's Code of Ethics and Conflict of Interest Policy & Procedure
- I have no conflicts or potential conflicts of interest to disclose at this time
- I have or a family member has a financial interest in or significant relationship with the following entities that have arrangements with or currently would like to have arrangements with SSPOA:

Name of the entity:

Relationship to the entity:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

I hereby certify that the information set forth above is true and complete to the best of my knowledge.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

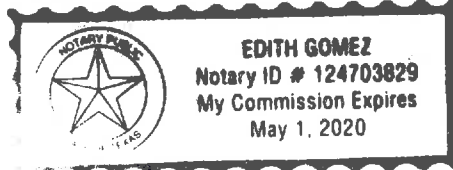
These guidelines and policy has been accepted and approved by the Board of Directors at a Board of Directors meeting held on May 20, 2017.

Signed  
Douglas Plas  
Managing Agent, Summit Springs Property Owners Association

June 7, 2017  
Date

JURAT:  
The State of Texas  
County of Williamson  
Subscribed and sworn to before me on this 7 day of June, 2017 by Doog Plas

Edith Gomez  
(Notary's Signature)  
Notary Public, State of Texas



(seal)

Filed this 8 day of June 2017  
2:54 PM

Laura Walla  
County Clerk, Blanco County, Texas  
By Shelli K Maley Deputy

STATE OF TEXAS  
COUNTY OF BLANCO  
I hereby certify that this instrument was FILED in File Number Sequence on the date and the time stamped hereon by me and was duly RECORDED in Official Public records of Blanco County, Texas on

JUN 08 2017



Laura Walla  
COUNTY CLERK  
BLANCO COUNTY, TEXAS

After Recording Return to:   
Preferred Association Management Company  
1101 Arrow Point Drive, Suite 101  
Cedar Park, TX 78613

Order: Z3JDT8RF4  
Address: 320 Cedar Mountain Drive  
Order Date: 03-16-2021  
Document not for resale  
HomeWiseDocs