Longview Woodlands Development Homeowner's Association

Rules and Regulations

(Adopted by Association at 2006 Annual Meeting of Members)

1. Document Change Control

1.1. Document Change History

Date	Description of Change	
10/19/2005	10/19/2005 Original draft document approved for distribution by Board	

1.2. Document Owner

This document is owned and managed by the Longview Woodlands Development Homeowners' Association, Inc. and its Board of Directors. The current Secretary of the Association is responsible for incorporating any changes approved by the Association into this document.

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3. Document Purpose

3.1. This Document's Role

This document is one of four managing documents for the Longview Woodlands Development Homeowners' Association, Inc. The other three documents are (1) the Declaration of Covenants, Conditions, and Restrictions of The Woodlands Development (CC&Rs) and (2) the Articles of Incorporation and (3) the By-Laws of the Association.

This document is referenced primarily in Articles 3.05 (b) and 7.04 of the CC&Rs. The Rules and Regulations are meant to supplement and further clarify the CC&Rs and By-Laws with respect to the day-to-day maintenance, operation and enjoyment of the Development and may be amended from time to time by the Association. As stated in the CC&Rs, the Rules and Regulations are of equal dignity with and shall be enforceable in the same manner as the provisions of the CC&Rs.

Each owner, by accepting conveyance of an individual lot and/or residential unit, agrees to comply with and abide by these Rules and Regulations.

3.2. County Record References

The original plats identifying the individual lots for all three development phases of The Woodlands subdivision, the original and amended CC&Rs, and the transfer of the common areas to the Association are all recorded in the Gregg County real estate records and the specific recording information is shown in the By-Laws. Gregg County Records Volume and Page number references are as follows:

Description	Volume	Page				
Plats	1409	128				
	1431	127				
	1476	381				
	1610	299				
	2022	477				
	2068	317				
Original Total Lots 121; ultimately combined to be 118						
Total Lots						
CC&Rs	1480	84				
	2104	320				
Second CC&Rs restated first and added reference to Phase						
III only						
Common Areas	2068	319				

4. CC&R Clarifications and Additional Definitions

4.1. Clarifications

This rule section is meant to provide further clarification related to certain references in the CC&Rs that the Board of Directors or the Association membership felt were not clear or adequate. If an item is not referenced, the CC&Rs are the controlling document.

4.1.1. **Operating a Business**

Operating a business within a residence of The Woodlands Development shall mean a business or commercial activity where customers, suppliers and/or employees of the business find it necessary to come to the residence to complete transactions, deliver goods/freight or work regular hours. It shall not include residents who are employees of companies working remotely from home over the internet or self-employed residents who maintain a home office, where there is no regular apparent customer, supplier or employee traffic to or from the residence and which there is no advertising of the business at an address within The Woodlands Development.

4.1.2. Total Yard Care

Total yard care furnished by the Association and included in the annual assessments to homeowners shall mean the mowing, edging, and periodic fertilizing of only <u>lawns</u> within The Woodlands Development. It shall not include trimming of shrubs, bushes, weeding/maintenance of flowerbeds, pruning/maintenance of trees, or maintenance of the sprinkler system, such care being the sole responsibility of each homeowner. Owners with issues regarding lawn care should direct those issues to the Vice President of the Board, per section 9.2.1 of this document.

4.1.3. Management of Subdivision

Management now rests fully with the Longview Woodlands Development Homeowners' Association, Inc. (Association) through its Members and the Board of Directors since all conditions of interim management in the CC&Rs have been met and full management authority has been transferred to the Association.

4.1.4. Name of Association

Although the CC&Rs refer to the name of the homeowners' association to be "Woodlands Development Homeowners' Association", the Articles of Incorporation filed with the Secretary of State's office show the corporation's name to be "Longview Woodlands Development Homeowners' Association, Inc."

4.1.5. Voting Rights

All votes now rest with homeowners and none with the original developer, Yowell Builders, Inc. Each Homeowner has one vote for each lot owned plus one vote for each residence built upon a lot.

4.1.6. Regular Assessments

Regular annual assessments include, but are not limited to, year-round lawn care for each residence. Regular annual assessments also include security lighting on streets and alleys; water for, maintenance of, and property taxes on common areas; office supplies, copying, postage, and related office expenses; liability insurance and surety bonds; meeting expenses; and expenses for certain social functions.

4.2. Additional Definitions

This section is meant to provide additional definitions not provided in the CC&Rs or By-Laws. These definitions and/or explanations have evolved over time and are presented in this document as part of the overall Rules and Regulations of the Association.

No additional definitions have been identified at this time.

5. General Rules for Residents

These are the responsibilities for each Owner or Resident of The Woodlands.

5.1. Only Residential Units

To ensure compliance with governmental requirements for such developments:

- Each lot shall be used for a residential unit for a single family and for no other purpose.
- No commercial business shall be operated within The Woodlands. Please see above definitions regarding businesses.

5.2. Structural Requirements

To ensure compatibility in appearance of The Woodlands:

- Driveways must be of concrete or other comparable hard surface approved by the Architectural Control Committee, excluding asphalt.
- All residences must have a sprinkler system and concrete walkway.
- All rear yards must have a compatible six-foot privacy fence made of maximum durable material to withstand weathering.
- All residences must have appropriate landscaping. Railroad landscaping ties are prohibited in front yards.

5.3. Exterior Architectural Changes or Improvements

To ensure architectural integrity and appearance of The Woodlands:

- The Architectural Control Committee (ACC) must approve all plans and/or specifications for modifications or improvements to the exterior of a residential unit in writing prior to the commencement of work. Some more routine work and/or materials may be pre-approved. It is the Owner's responsibility to refer to the ACC's procedures and documents and/or contact the ACC to ensure plans are in compliance.
- No storage buildings, workshops, sheds, or similar structures can be constructed without advance approval from the ACC.
- Garages may not be enclosed for additional living area.
- Exterior repainting color must be compatible with other residences.
- Each resident is responsible for cleaning up all construction litter in a timely manner.

5.4. Parking of Vehicles on Streets and Alleys

To promote safety, security, and overall appearance of The Woodlands:

- Overnight parking of trailers, boats, motor homes, or similar vehicles is prohibited.
- Long-term parking is defined as parking longer than one week.
- Long-term parking of any vehicle on the streets is prohibited.
- Streets and alleys must be kept clear for emergency vehicles.

5.5. Exterior Maintenance/Repair

To maintain the appearance of all residences in The Woodlands, each owner must regularly maintain the exterior appearance of the residence:

- Repair and regularly maintain all exterior structures.
- Regularly maintain flower beds, shrubbery, and trees.
- Regularly maintain privacy fencing.

5.6. Pets

To provide for a friendly neighborhood:

- Only dogs, cats and typical house pets are permitted.
- They must be contained within the fenced area of the residence.
- If they are outside the individual fenced enclosure, they must be on a leash and in control at all times.
- When walking pets, residents shall clean up after their pet and not allow their pet to leave "deposits" at their neighbor's residence.
- Pets are not to disturb neighbors from excessive noise.
- Residents are expected to keep their property clean of pet excrement, so as to not promote odors or health problems within The Woodlands.

5.7. Signs

To maintain the integrity and appearance of the neighborhood, the only signs permitted are:

- Real estate signs advertising a property for sale or rent.
- Small alarm company signs.
- Customary house number signs.

All other signs are prohibited.

5.8. Garage or Estate Sales

To maintain safety and security in The Woodlands:

- Garage or estate sales are discouraged.
- Directional signs for garage or estate sales are prohibited in The Woodlands, including any common areas.
- No signs are permitted in the yard of the garage or estate sale.

5.9. Noxious or Offensive Activity

To preserve the integrity of The Woodlands as a neighborhood:

- No noxious or offensive activity shall be carried on in any residence or in the Common Areas.
- Nothing shall be done within the Woodlands which may be or become an annoyance or nuisance to the other owners.

6. Penalties for Violation of Rules

6.1. CC&R Reference

Article 7.06 of the CC&Rs is the reference for this rule section.

6.2. Fines

In the event any Owner violates any of the CC&Rs or these Rules and Regulations, the Board of Directors shall have the right to impose a fine of up to Two Hundred Fifty Dollars (\$250.00) for each violation.

6.3. Obligation to Pay

In the event a fine is imposed, the fine shall constitute a contractual obligation of the Owner to the Association and shall be payable to the Association within ten (10) days from the Owner's receipt of the demand for payment.

6.4. Remedy for Non-Payment of Fine

The Association may enforce collection of any such fine in the same manner as provided in Article 4 of the CC&Rs for collection of regular assessments, which could result in a lien placed on the property and then foreclosure of the property, subject to proper notification and appeals processes.

7. **Procedures for Enforcement of Rules**

7.1. CC&R Reference

Articles 7.06, 7.09, and 4.06 of the CC&Rs are the references for these procedures.

7.2. Initial Face-to-Face or Verbal Contact

In the event an Owner/Occupant is deemed to be in violation of the CC&Rs or these Rules and Regulations, the Board of Directors will contact the Owner in person or via phone to discuss the violation and seek voluntary compliance. The Board member will ensure the Owner understands the resulting procedures the Board is duty-bound to execute and the potential consequences should the Owner not come into voluntary compliance. The Board member should give the Owner thirty (30) days to comply.

7.3. Certified Letter/Fine

In the event an Owner/Occupant remains in violation of the CC&Rs or these Rules and Regulations beyond the period of time given for compliance after the initial contact, the Board of Directors will send a Certified letter to the Owner again citing the violation and requesting compliance. The Board of Directors may also impose a fine of up to \$250, per the CC&Rs.

7.4. Notification Procedures

The Association must follow the notification and hearing procedures set forth in Chapter 209 of the Texas Property Code. The written notice (Rule 7.3 above) must:

- Describe of the violation and the amount due from the Owner/Occupant
- Inform the Owner/Occupant that the Owner/Occupant:
 - Is entitled to a reasonable period to cure the violation and avoid a fine (ordinarily 30 days)
 - May request a hearing within 30 days of receipt of the written notice

7.5. Hearing Procedures

The Association must honor on Owner/Occupant's request for a hearing to discuss and verify facts and resolve the matter at issue:

- Hearing is before the Board of Directors within 30 days of receipt of the written request for a hearing from the Owner/Occupant
- Owner/Occupant must provide written request for the hearing to the Board of Directors
- Board of Directors must inform the Owner/Occupant of the date, time, and place of the hearing within 10 days of the hearing date
- Association and Owner/Occupant may also use Alternative Dispute Resolution services
- The statute provides for the handling of attorney fees and costs related to the notification and hearing process

7.6. Additional Remedies for Enforcement

If the Hearing or Alternative Dispute Resolution process does not cure the violation, the Association may file a lien upon the property, institute foreclosure proceedings on the property, or seek judicial or non-judicial relief. Chapter 209 of the Texas Property Code provides for notification to the Owner/Occupant of such proceedings and an Owner/Occupant's rights to redeem the property after foreclosure.

8. Paying Assessments

8.1. Liability for Assessments

Article 4.05 of the CC&Rs provide that each Regular Monthly or Annual Assessment and each Special Assessment shall be a separate, distinct, and personal debt and obligation of the individual Owner against whom the same are assessed. The amount of any assessment not paid when due shall be deemed to be delinquent.

8.2. Procedures for Paying Assessments

Historically, the original By-Laws and CC&Rs made reference to both annual and monthly assessments. Monthly assessments were more feasible when the development first started and there were a small number of homes. However, because of the number of residences we have currently and to reduce costs to the Association, the regular assessments are billed annually. The Board now permits three options for payment:

- Pay in full annually on or before January 1st.
- Pay semi-annually on or before January 1st and July 1st.
- Pay quarterly on or before the first day of each quarter, January 1st, April 1st, July 1st, and October 1st.

The payment option chosen should be communicated to the Association Treasurer prior to the first of the year. Payments are to be made to "Longview Woodlands Development HOA" and mailed/delivered to the current Association Treasurer.

8.3. Remedies for Nonpayment of Assessments

Article 4.06 of the CC&Rs and Section 7.07 of the By-Laws are the reference for these remedies. The remedies for this rule section are:

8.3.1. Delinquency defined

• 30 days after original due date

8.3.2. Late charges and interest

- \$10 Late charge at the discretion of the Board of Directors
- 10% interest charge from original due date

8.3.3. Acceleration of remainder of balance due

• Any remaining balance that otherwise would be payable in installments becomes immediately due and payable in full

8.3.4. Filing of lien on property at discretion of Board of Directors

References in the CC&Rs for remedies after 10 or 15 days of delinquency have been combined into the thirty-day rule above.

8.4. Foreclosure After Filing Lien on Property

If upon applying a lien to the property, full payment is not received within 30 days of recording of the lien, the lien may be foreclosed either through appropriate judicial proceedings by the Association or by public sale without judicial proceedings.

9. **Procedures for Communications**

9.1. Board or Board Committees to Membership

9.1.1. Informal

- Announcements for social gatherings
- Items of neighborhood interest

Economically, e-mail is preferable, but not all residents have an e-mail account. Until most residents have email addresses on file with the Secretary of the Association, the Board or Committees will deliver informal communications through written notices placed on residents' front or back entrances or by telephone.

9.1.2. Formal

- Notice of Annual and Special Meetings of Members Mail, fax, or written notice placed on front or back entrances.
- Financial and other reports at Annual Meeting of Members Handed out at Annual Meeting
- Annual Budget to all Members Included with regular assessment billing in December for upcoming year
- Billings for regular annual and special assessments Regular US Postal Service
- Notice of violation of CC&Rs or Rules and Regulations Certified US Postal Service
- Other formal notices As dictated by legal requirements

In most instances, the Board will deliver formal communications through the appropriate US Postal Service.

9.1.3. Address/Phone/E-Mail Listing

The Secretary of the Association will distribute the latest address/phone/email listing to all residents once a year in January. This will be delivered to the front or back entrances of the residence.

9.2. Membership to Board or Board Committees

9.2.1. Informal

- Requests for information In person, telephone or email to any Board or appropriate Committee member
- Lawn care complaints In person or telephone to Vice-President.
- Requests for Board consideration (not needing an official record) In person, telephone, or email first to President of the Association or to any Board or appropriate Committee member

9.2.2. Formal

- Request for consideration of item at Annual Meeting of Members Written request within 15 days of date of Annual Meeting of Members, in person or by US Postal Service to President or Secretary of the Association
- Request for consideration of item by Board of Directors Written request at any time before quarterly Board meetings, in person, by US Postal Service to President or Secretary of the Association.

Other formal items cannot be communicated via e-mail.

9.2.3. Address/Phone Number/E-Mail Address Changes

Each Owner should communicate any change in address, phone number or e-mail to both the Secretary and Treasurer of the Association as soon as possible to allow timely updates of Association records.

10. Summary of Board of Director Meetings, Meetings of Members, Voting, and Board Election

The Association By-Laws are the reference for this section.

10.1. Frequency of Meetings

10.1.1. Regular Board of Directors Meetings

The Board of Directors of the Association meets quarterly at a location within The Woodlands Development at a time determined by the Association's Officers.

10.1.2. Special Board of Directors Meetings

The President of the Association can call a special meeting of the Board to discuss specific topics, as needed. As with regular meetings, the meeting is held within The Woodlands Development at a time determined by the Association's Officers.

10.1.3. Annual Meeting of Members

The Association membership meets annually around (on or before) December 1^{st} each year to review Association business and vote on matters related to the Association, including election of Officers and Directors. Notification of the place, date, and time will be communicated to Owners between ten (10) and sixty (60) days prior.

10.1.4. Special Meetings of Members

- If there are special circumstances requiring participation or a vote of the membership, a special meeting of the membership can be called by the President, the Board, or Members representing 1/10 of the total votes. Notification of the place, date, and time will be communicated to Owners between ten (10) and sixty (60) days prior.
- Members can call for a special meeting of the membership to approve or reject certain acts of the Board of Directors with a petition signed by Members representing 1/5 of the total votes.

10.2. Summary of Membership Voting

10.2.1. Voting Entitlement

Voting is based on the ownership of an individual Lot and/or Residential Unit. The Owner of each Lot is entitled to one (1) vote per Lot plus one (1) additional vote for any Residential Unit or part thereof built on an individual Lot. If there are multiple owners of a Lot or Residential Unit, one person must be designated to cast the vote(s) attributable to the Lot and/or Residential Unit.

10.2.2. Methods of Voting

At any Meeting of Members, every Member having the right to vote shall be entitled to vote in person or by a written proxy. Proxy forms will be provided with the formal Notice of any Meeting of Members. Any proxy shall be filed with the Secretary of the Association prior to or at the time of the Meeting of Members.

10.3. How the Board of Directors is Elected

10.3.1. Number of Directors and Tenure

The Board of Directors consists of five (5) Directors, each who serve as the Officers of the Association. The Officers of the Association are President, Vice-President, Secretary, Treasurer, and Director of Membership Activities. Directors/Officers serve in staggered terms with three (3) Directors/Officers elected at the Annual Meeting of Members held in odd-numbered years and two (2) Directors/Officers elected at the Annual Meeting of Members held in even-numbered years. A Director's/Officer's term of two (2) years begins January 1st following the Annual Meeting of Members in which the Director/Officer was elected and ends on December 31st of the second year. All Directors must be Members of the Association. A Member can serve multiple terms but no person can serve on the Board of Directors for more than two (2) consecutive terms.

10.3.2. Nominations for Officers and Directors

Before each election of Officers and Directors, the Board of Directors appoints a five-person Nominating Committee to nominate candidates for election to those Officer and Director positions which terms will expire at the next Annual Meeting of Members. The Nominating committee is composed of five (5) Members, including two (2) Directors and three (3) non-Director Members. Additional nominations may be made from the floor at the Annual Meeting of Members.

11. Procedures for Amendments of this Document

These Rules and Regulations may be altered or amended by a majority vote of Members voting in person or by proxy at a duly called Regular or Special Meeting of Members at which a quorum is present as set forth in Section 4.06 of the Association By-Laws. Notice of a Meeting of Members to consider a proposed amendment to this document shall be delivered not less than ten (10) days and no more than sixty (60) days before the date of the Meeting of Members at which the amendment is to be considered. Said notice shall comply with the requirements of Section 4.05 of the Association By-Laws in all other respects. When amendments are adopted, the Rules and Regulations document should reflect the date of amendment so readers are aware of the most current document.