



Rules Bylaws

Covenants

Balcones Woods Club, Inc.

11204 Alhambra Drive

Austin Texas 78759

www.balconeswoods.org

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Very Important Information

- Please visit the Balcones Woods web site is www.balconeswoods.org for any information.
- Balcones Woods is a deed restricted neighborhood, which helps preserve your home value. The restrictions are a part of the Deed of Trust attaching to each lot in Balcones Woods, and are legally enforceable. The Neighborhood Management Company identifies and correct violations of these restrictions.
- Before you make **any** improvements to your property, please contact the Architectural Control Committee. You are required to submit plans for any landscaping or improvements erected, placed or altered on a property. (See Article VI, Section 1 of the Covenants and Restrictions). If you do not seek approval, the following may occur:
 - Closing may be delayed on the sale of a home if there is a question whether it conforms to neighborhood regulations.
 - If the conformance of an improvement already made to a home is questioned and found to be lacking, the improvement may have to be removed.
- You are required to pay neighborhood dues. They are assessed quarterly and you will receive a statement from the Neighborhood Management Company. Homeowners who allow dues to become delinquent are subject to legal action, including liens on their home.
- Garbage - Please do not place garbage carts at the curb before the pick-up day or leave at the curb after trash pick-up day.
- Balcones Woods has a volunteer Board of Directors and Operating Committee to assist you. Please see the Directory for their contact information and meeting schedules.
- To enter the Common Area (includes swimming pool, tennis courts), you must have a security key. Security applications are available through the security chairperson. (See Directory)

General Information

MAIL DELIVERY - Each resident must provide a mail box adjacent to the curb and free from obstruction for mail delivery. Nearby Post Offices are Balcones Station, 11900 Jollyville Road; Bluebonnet Station 1822 W. Braker; and Northwest Station 7700 Northcross Dr. The phone number is 800-275-8777 for these post offices.

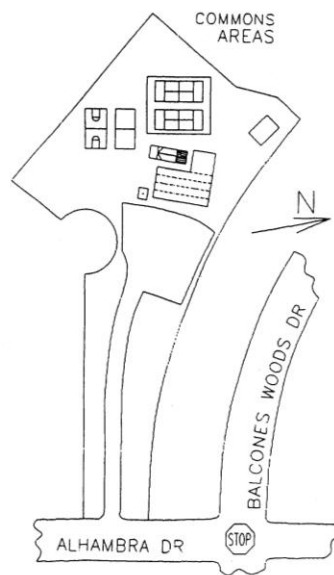
GARBAGE, RECYCLING & YARD WASTE PICK-UP- Balcones Woods is scheduled for regular garbage, recycling, and yard waste pick-up at the curb on Wednesdays. The City of Austin provides each household with one official garbage cart. The city works on a "Pay as you throw" policy. If you have excess garbage that will not fit in your official cart, you can purchase stickers for any extra black bags you set at the curb. The cost of these stickers is \$2.00 each. Stickers may be purchased at local grocery stores.

Garbage - Please do not place garbage carts at the curb before the pick-up day. Neither should they be allowed to sit at the curb after trash pick-up. Trash cans are not allowed to be stored where visible from the street. Twice a year, the city picks up bulk trash items. You will be notified of these times. Trash pick-up is a service for which you are billed monthly by the City of Austin on your utility bill.

Recycling - The city's curb-side recycling program picks up paper (newspaper, magazines, junk mail, computer paper etc.), metals (aluminum cans, steel, tin, etc.), glass, corrugated cardboard (flattened), and plastic bottles (with #1-#7 the bottom), for recycling. Just leave these items at your curb in your large recycle container. All are heartily encouraged to participate.

Yard Waste - The city will pick up yard waste on Wednesdays. You may place your yard waste in special brown paper bags sold at most grocery stores and hardware shops. You may also use plastic garbage cans (not the city issued cart) to put yard waste in, but they must not contain anything other than yard waste. Yard waste may not be placed in plastic bags.

Commons Area Map



COMMON AREA FACILITIES

The Common Area in Balcones Woods is made up of the clubroom, swimming pool, playground area, tennis courts, basketball court, volleyball court, picnic area, and a paved parking area. All of these are located just off of Alhambra Drive between Balcones Woods Drive and Cordova Drive. There is also a ``Green Belt" located beneath a high voltage power line that runs through the neighborhood. This common area is operated for the sole use of Balcones Woods residents and their guests. It is supervised and maintained by the Operating Committee, which has the full authority of the Board of Directors to enforce the Covenants and Restrictions of Balcones Woods as well as other rules and regulations deemed necessary and approved by the board. Here is a brief list of the amenities of the common area:

- 800 Square foot climate-controlled Clubroom with kitchenette (50 person maximum) extra usage fees and reservations required
- Junior Olympic size swimming pool; Wading pool for young children
- Shuffleboard court, two Tennis courts, practice backboard for tennis, Basketball court, Volleyball court
- Playground area with Little Tykes commercial playground equipment with:
 - Large play structure (designed for 5--12 yr. olds) with 16 features including slides, fire fighters pole, and climbing activities.
 - Small play structure (designed for 2--7 yr. olds) with 6 features including slides, climbers, and activity panels.
 - Swings, Climbing sculptures (dinosaur and triceratops)
- Picnic Area with two BBQ grills, six picnic tables, two park benches

Admission to and use of the common area requires that one either be a current resident, or a registered guest of a current resident. For additional information regarding such matters, please see the "Rules and Regulations." Members and their guests are also asked to please help keep the area clean.

TELEPHONE NUMBERS AT THE COMMON AREA

There is one telephone located in the common area. It is for use by the pool personnel only (lifeguards, pool manager, or other authorized persons). Lifeguard Shelter phone 346-0185

* After hours recorded messages for general information updates.

INTERNET CONNECTION

The commons area is now equipped with free WIFI for adults only. If you wish to use the connection during swim season, see the lifeguards on how to log on. If you wish to access the connection in the off season, please contact our Security Chairperson.

COMMON AREA SECURITY KEY

In order to enter the Common Area, you must have a security key. Security applications are available through the security chairperson.

How to use the key: There are five black key readers which are black 1.5 inch by 3 inches tall boxes, there is a small green or red light in the center. There is one at each of the front gates near the gate lock, two on the back wall of the club house labeled Tennis Court and Basketball Court Lights and one on Clubroom Breezeway door for renter access on day of reservation. To open the front gates, place the key within one (1) inch of the small light on the reader and hold for about two seconds, the lock will click and you will be able to open the gate. If you have small children, let them pass and clear the gate area before allowing the hydraulic

arm to close the gate. If the gate is left open for three minutes, an alarm will be activated. To turn on the Court lights, simply pass your electronic key within 1 inch of the desired court key reader and the court light will be turned ON for 2 hours. If the lights go out, it may take up to twenty minutes for them to turn back on. Court lights cannot be turned on during daylight hours. There are also more detailed instructions on how to use the keys posted on signs at the entrance to the pool and Common Area.

FREQUENTLY ASKED QUESTIONS

Q: I have guests coming to the pool, courts, or playscape, how do I let them in?

A: It will be up to resident to watch for guests and open the gate for them. Opening the gate from inside the club area DOES NOT require your electronic security key. DO NOT PROP THE GATE OPEN FOR GUESTS OR LEAVE A KEY ON A STRING BY THE READER. Either of these activities by any Balcones Woods resident is cause for your electronic key to be deactivated and reported to the Board of Directors. In these cases you can lose your Common Area privileges for a specified period. Any activity that compromises our security system can not be allowed.

Q: Can I exit the facilities without an electronic key?

A: Yes, however once the door closes behind you, it will lock and you will need the key to get back in. If you have to exit for any reason, we recommend to always take your key with you.

Q: Are these electronic keys waterproof?

A: The keys are sealed, occasionally getting water on the keys should not damage them, however, submerging and leaving in water could damage your key.

Q: Do these keys require a battery to operate?

A: No, this particular key does not require a battery at all.

Q: I went up to use the pool and forgot my electronic key at my house -- do I have to go back to my house and get my key?

A: It depends. If all lifeguards are on duty, they can NOT leave their station to open the gate for you. It would be safer for the children in the pool, in this case for you to go home and get your key. If a lifeguard is currently NOT watching the pool AND if you are a valid recognized user of the pool area, a lifeguard will be allowed to let you in. If the lifeguard does NOT recognize you, you must supply your name and address for identification. Later in the season, if you forget your key, the lifeguards will instruct you to go back to your home and get your key.

Q: Can I or my children just get into the park area without my electronic key?

A: No, additionally only children that are 9 years old and older can access the park area by themselves. Children under 9 years of age must be accompanied by a responsible person. This rule applies to the sport courts as well.

Q: What about Neighborhood arranged events, such as swim team events and parties, 4th of July, Easter Egg Hunt, Adult Casino Night etc?

A: These are some of the special events during which the gates will be unlocked and NOT require electronic key access.

Q: Is there a record of my access time logged when I use my electronic key?

A: Your electronic key ID and access time are logged in a computer every time you use your key. Additionally the key reader at the front gates and court lights you used are also logged.

Q: Can I purchase addition keys for my children who are 9 years and older?

A: Yes, additional keys will cost between 4 and 5 dollars.

Q: Can I get a security key if my club dues have not been paid?

A: NO, additionally if you already have a key and your dues have not been paid, your

key will be deactivated.

Q: How do I report a problem with my electronic key, report a lost key, or report on a security related problem at the Common Area.

A: Contact Alan Heinzke at 346-6465, email: security@balconeswoods.org

SWIMMING POOL

The swimming pool is "junior Olympic" in size and includes a diving well equipped with a one meter board. During normal hours of operation, fully qualified lifeguards are on duty to ensure everyone's safety and enjoyment of the pool. There is also a manager to oversee the operation and maintenance of the pool and other common area facilities. See the "Rules and Regulations," and www.balconeswoods.org for current operating hours of the pool.

TENNIS COURTS

There are two tennis courts located just west of the pool. The courts are lighted to permit play until as late as 10:00 PM or 11:00 PM (depending on the season) and are also protected by wind screens. There is also a practice backboard just beyond the west court. Sign-up sheets posted at the courts allow players to reserve a court. (see the "Rules and Regulations" for further information). Many of the tennis players in our area participate on teams in the Austin City Tennis League. For more information, call a member of the Operating Committee. The tennis court lights are controlled by a timer, which is set by the Security system. They come on/off at same time every evening, depending on the season.

BASKETBALL AND VOLLEYBALL COURTS

Just south of the pool and tennis courts are a basketball court and a volleyball court. Both are regulation size. Equipment (ie. balls) may be checked out from the lifeguards during regular pool operating hours.

COVENANTS AND DEED RESTRICTIONS

Balcones Woods was developed in seven sections: 1, 2, 3A, 3B, 4, 5, and 6A. As each section was developed, it was included under the umbrella of a set of deed restrictions and covenants. Each homeowner in the neighborhood (or tenant) is obliged to abide by these restrictions. Copies are on the web site www.balconeswoods.org and in a separate booklet.

There are rules regarding unsightly objects, including:

- Cable television dish systems are not to be installed on the front of a house.
- Room sized portable air conditioners are not to be installed on the front of the house and not on any side on a corner lot that is visible from the street.
- Children's large oversized toys are not to be kept, stored, or installed on the front side of a house.

Thanks for your help with keeping Balcones Woods a beautiful place to call home.

DUES

One of the stipulations of the covenants is that each homeowner pay quarterly dues. These dues can be paid the first of each month. However, they are assessed quarterly, at which time you will receive a statement from the Neighborhood Management Company, giving you a current status of your account. Provisions were made in the covenants to adjust the amount of the monthly dues once each year. With the first quarterly statement each year, you will be advised of the new amount for the coming year. As of January 2011, the yearly dues are \$402.60. The increase is limited to 5% each year, unless other provisions are made by vote of the general membership. (For additional information, see the "Covenants and Restrictions.") In addition and under special circumstances, the Board may declare a special assessment to be

paid by each homeowner in the association.

Checks for dues, etc. should be made payable to "Balcones Woods Club, Inc." and mailed to: Balcones Woods Club, P.O. Box 203310, Austin, TX 78720 - 3310

If you have an accounting issue that needs to be resolved, you may contact Haley Hogan of Goodwin Management at (512) 502-7507 (512) 502-7507

Homeowners who allow dues to become delinquent are subject to legal action, including liens on their home.

RESALE CERTIFICATES

Please contact Carol Hardy in the resale department of Goodwin Management. You can either email or fax her the **property address, buyer and seller information.**

Carol.Hardy@GoodwinTX.com
512 502-7543 512 502-7543 Office
512 346-4873 Fax

BWC Fee Schedule:
\$250 Resale Certificate \$150 Transfer Fee \$ 95 Refinance Fee

Covenants, Conditions, and Restrictions

One of the benefits of living in a controlled neighborhood like Balcones Woods is the restrictions on and use which keep our neighborhood one of the best looking in Austin. These restrictions are a part of the Deed of Trust attaching to each lot in Balcones Woods, and as such are legally enforceable. One of the responsibilities of the Management Company and Operating Committee is to identify and correct violations of these restrictions.

Your neighborhood is actually divided into seven (7) sections as sections Two, Two-A, and Three-B were added, their covenants, conditions, and restrictions were made to be the same as for Section One. When Sections Four, Five, and Six-A were added, however, certain modifications were made to Article V, Sections 9, 10, and 12 of these covenants, conditions, and restrictions. The complete text for Section One, and the modifications for Sections Four, Five, and Six-A, are included in this book.

As a homeowner or renter in Balcones Woods, you should familiarize yourself with each section of the covenants, conditions, and restrictions. The most common violations include boats, trailers, or recreational vehicles stored on the premises; signs other than "For Sale" signs erected on the premises; poorly maintained lawns; major auto repair; dumping of lawn clippings and refuse on the association's property; and commercial enterprises conducted on the premises. Violations should be reported to the Management Company or a member of the Operating Committee or Board of Directors. Each year dozens of violations are corrected through enforcement procedures followed by the Operating Committee and the association's

legal counsel.

BALCONES WOODS IS YOUR NEIGHBORHOOD AND YOUR RESPONSIBILITY

THIS DECLARATION is an amendment to and shall supersede the Declaration of September 21, 1971, recorded in Book 4174, Page 852, Deed Records of Travis County, Texas, and is made on the date hereinafter set forth by BALCONES WOODS, a general partnership composed of Greater Northwest, Inc., a Texas corporation, and Austex Development Co., Ltd., a Texas limited partnership, and by N P C ASSOCIATES, a partnership, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Austin, Travis County, Texas, which is more particularly described as:

Lots 1 through 17, Block 1, Lots 1 through 8, Block 2; Lot 40, Block 3; Lots 17 through 20, Block 11; Lots 1 through 10, Block 12; Lots 1 through 26, Block 13; Lots 1 through 14, Block 14; Lots 1 through 20, Block 15; Lot 1, Block 16, BALCONES WOODS, SECTION ONE, a subdivision in the City of Austin, Travis County, Texas, according to the plat thereof recorded in Book 53, Page 9, Plat Records, Travis County, Texas.

WHEREAS, Declarant desires to create thereon a residential community with permanent parks, playgrounds, open spaces, and other common facilities for the benefit of the said community; and

WHEREAS, Declarant desires to provide for the preservation of the values and amenities in said community and for the maintenance of said parks, playgrounds, open spaces and other common facilities; and to this end, desires to subject the property herein described to the covenants, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Declarant has deemed it desirable for the efficient preservation of the values and amenities in said community, to create a Home Owner's Association to which should be delegated and assigned the powers of maintaining, administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created;

NOW THEREFORE, Declarant hereby declares that all of the properties described shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof:

ARTICLE I DEFINITIONS

Section 1. "Association" shall mean and refer to the Balcones Woods Club, Inc., its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, or a fee simple title to any lot which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

'Owner' and 'Member' are used interchangeably throughout this document.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such annexations and additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows:

Lot 20, Block 15, BALCONES WOODS, Section One, a subdivision in Travis County, Texas, according to the plat thereof, recorded in Book 53, Page 9, Plat Records, Travis County, Texas.

Section 5. "Lot" shall mean and refer to any plot of land which is restricted to a single family dwelling use shown upon any recorded subdivision map or the Properties.

Section 6. "Declarant" shall mean and refer to BALCONES WOODS, a general partnership and NPC ASSOCIATES, a general partnership, their successors and assigns if such successors or assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development.

Section 7. "Member" shall mean and refer to every person or entity who holds membership in the Association.

ARTICLE II PROPERTY RIGHTS IN THE COMMON AREAS

Section 1. Owner's Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every lot, subject to the following provisions:

- A. The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area and to limit the number of guests of members;
- B. The right of the Association to suspend the voting rights and right to use of the recreational facilities by a member for any period during which any assessment against his lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;
- C. The right of the Association to dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two thirds (2/3) of each class of members agreeing to such dedication, sale or transfer has been recorded.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the bylaws, his right of enjoyment to the Common Area and facilities to his tenants or contract purchasers who reside on the property.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2.

The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the declarant and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, they as a group shall be considered a voting member. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot.

Class B. The Class B member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of following events, whichever occurs earlier:

- (1) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership or
- (2) On January 1, 1982.

ARTICLE IV
COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each lot owned within the Properties, except those exempt under Section 11 of this Article, hereby covenants, and each Owner of any lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, (2) special assessments for capital improvements, and (3) special assessments for home improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall, to the full extent permitted by law, be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successor in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area.

Section 3. Maximum Annual Assessment until January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment shall be \$180.00 per lot for Class A members and \$60.00 per lot for Class B members.

A. From and after January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment may be increased each year not more than

5% above the maximum assessment for the previous year without a vote of the membership.

B. From and after January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment may be increased above 5% by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

C. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessment authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Section 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6. Special Assessments for Home Improvements. When, in the opinion of the Board of Directors of the Association, any lot or the exterior of any improvements thereof is not being maintained in an acceptable manner by comparison to the other properties in the area, the Board shall have the authority in behalf of the Association to bring such lot and the exterior of such improvements to an acceptable standard, and to levy a special assessment against such lot for the cost thereof.

Section 7. Uniform Rate of Assessment. Both annual and special assessments for capital improvements must be fixed at a uniform rate for all lots held by Class A members and may be collected on a monthly, quarterly, semi-annual or annual basis. Class B members shall be assessed at a uniform rate per lot equal to one-third (1/3) of the Class A members' assessment per lot.

Section 8. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all lots on the first day of the month following conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each lot at least thirty (30) days before January 1 of each year. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified lot have been paid.

Section 9. Effect of nonpayment of Assessments: Remedies of the Association. A deed of trust lien against the residential lots herein described is being granted by Declarant to W. W. Patterson, Trustee, for the benefit of the Association, and it is contemplated that vendor's liens will be reserved in deeds conveying such lots to secure the assessments herein provided. If any assessment is not paid within thirty (30) days after the due date, the assessment shall become delinquent and shall bear interest from the due date at the rate of six percent (6%) and the Association may either (1) bring an action at law against the Owner personally obligated to pay the same, or (2) foreclose any lien against the property which secures such assessment, or (3) both, and, in either event, there shall be added to the amount of such assessment interest as provided and all costs of collection, including reasonable attorney's fees. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his lot.

Section 10. Subordination of the Liens to Mortgages. The liens of the assessments mentioned and provided for herein shall be subordinate to the lien of any first mortgage or any other purchase money lien or construction lien. However, the sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof. No extinguishment of the lien shall relieve the delinquent lot Owner from his personal obligation and liability therefore.

Section 11. Nuisances. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No vehicle or motor repair work other than minor emergency repair shall be conducted on any lot or in the street or streets adjoining any lot. No "A"-frame, hoist or other device for lifting vehicles or parts thereof, and no disabled vehicle shall be stored or parked in the open on any lot or on any street adjoining any lot.

Section 12. Unsightly Objects. No motor boat, camper, truck or trailer, or unsightly vehicles or objects shall be parked or stored between the curb and building line of any lot. A boat or recreational camper may be permitted provided it is retained in back of the front wall of house and shielded by privacy fence.

Section 13. Signs. No sign of any kind shall be displayed to the public view on any single family residential lot except for one sign of not more than five square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period.

Section 14. Oil and Mining Operations. No oil drilling, oil development operation, operation, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, crude oil tanks, tunnels, mining excavations, or shafts be permitted upon or in any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained, or permitted upon any lot.

Section 15. Livestock and Poultry. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any lot, except that dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for commercial purposes.

Section 16. Garbage and Refuse Disposal. No lot shall be used or maintained as dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition and screened from public view.

Section 17. Commercial Use. Except for Lot 20 which is hereby expressly excepted here from, no lot or part of any property in Balcones Woods, Section 1, shall ever be used for a business of commercial purposes or for carrying on any trade or profession, except that Balcones Woods, its successors, or agents, may erect and maintain sales offices and exhibit houses in Balcones Woods, Section One.

Section 18. Use of Lot 20. Lot 20 may be used as a club and for general educational, professional and recreational purposes, including necessary buildings or structures which are customarily constructed in connection with such uses.

Section 19. Resubdivision. No corner lot may be resubdivided or used so as to permit an additional dwelling to face on a side street.

ARTICLE VI ARCHITECTURAL CONTROL

Section 1. Review by Committee. No improvements shall be erected, placed or altered, on any lot, nor shall any landscaping be performed unless complete plans, specifications, and lot plans therefor, showing exterior design, height, building material and color scheme thereof, the location of the structure platted horizontally and vertically, the location of driveways, the general plan of landscaping, fencing, walls, and the grading plan shall have been submitted to and approved in writing by the Architectural Control Committee, and a copy of such plans, specifications, and lot plans as finally approved, deposited with the Architectural Control Committee.

Section 2. Purpose. The Architectural Control Committee shall exercise its best judgment to see that all improvements, construction, landscaping and alterations on lands within Balcones Woods, Section One conform to and harmonize with the existing surrounding and structures and that trees and environment are protected.

Section 3. Procedures. The Architectural Control Committee shall approve or disapprove all plans and requests within thirty (30) days after submission. In the event the Architectural Control Committee fails to take any action within thirty days after requests have been submitted, approval will be presumed, and this procedure will be deemed to have been fully complied with.

Section 4. Records. The Architectural Control Committee shall maintain written records of all applications submitted to it and of all actions taken.

Section 5. Members. The Architectural Control Committee shall consist of not more than three (3) members who shall be appointed by the Board of Directors of the Association. The following are hereby appointed to serve at this time and until the members of the committee are appointed by the Board of Directors, to wit Walter R Carrington, Clyde Copus, Jr., and W. W. Patterson. The majority of the committee may designate a representative to act for it. Neither the members of the committee nor its designated representative shall be entitled to any compensation for the services performed pursuant to this covenant. At any time the then record owners of the majority of the lots shall have the power through a duly recorded written

instrument to change the membership of the committee or to withdraw from the committee or restore to it any of its powers and duties.

Section 6. Modification. The Architectural Control Committee shall have authority to reduce the floor area requirements contained herein by 5%, and to modify or waive the masonry requirement. In addition, when in the opinion of the Architectural Committee a waiver or modification of any other restrictive covenants herein would not impair or detract from the high quality of this subdivision, it may by written instrument in recordable form waive or modify any such restriction.

Section 7. Liability. The Architectural Control Committee shall not be liable in damages to any person submitting requests for approval or to any owner within Balcones Woods, Section One by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove any such request.

ARTICLE VII GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to 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 this Declaration. Failure by the Association or by an Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by Judgement or court order in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with the title and bind the land in Balcones Woods, Section One for a period of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first thirty (30) year period by an instrument signed by the owners of not less than eighty percent (80%) of the lots, and thereafter by an instrument signed by the owners of not less than two-thirds (2/3) of the lots. Declarant reserves the right to modify the restrictive covenants or to impose different restrictive covenants on those lots or tracts included in land hereafter annexed to the Association. To be effective, any amendment of this Declaration must be recorded.

Section 4. Annexation to the Association. Additional land developed for single family residential use within the area described in Exhibit A which is attached hereto and made a part hereof may be annexed to the Association by the Declarant without the consent of members at any time before September 21, 1981; provided, however, that nothing herein shall be construed to require declarant to annex additional lands. Thereafter, any additional land may be annexed to the Association with the consent of two-thirds (2/3) of each class of members voting at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days and not more than 60 days in advance of the meeting, setting forth the purpose of the meeting. The presence of members or of proxies entitled to cast sixty percent (60%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth above, and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 5. FHA/VA Approval. As long as there is a class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration; Annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

IN WITNESS WHEREOF, the undersigned, being the declarant herein, has hereunto set its hand and seal this 28th day of January, 1974

Note: In this space on the original documents are the signatures of the officers of Greater Northwest, Inc., Austex Development Co, Ltd, and NPC ASSOCIATES

MODIFICATIONS TO THE COVENANTS, CONDITIONS AND RESTRICTIONS

The re-written Sections 9, 10, and 12 of Article V apply to neighborhood Sections Four, Five, and Six-A only. For all other sections of the neighborhood, the original document wording applies.

Section 9. Existing Dwellings and Prohibited Structures. No existing dwelling shall be moved on to any lot in this subdivision. No trailer, boat, camper, travel trailer, motor home or other vehicle shall be placed or used on any lot at any time either as a residence or otherwise, temporarily or permanently.

Section 10. Outbuildings. As used herein, an outbuilding is defined as a structure such as a tool shed, tent, shack, garage, barn or like structure other than the main dwelling. All outbuildings shall be subject to the following restrictions:

(1) Any outbuilding must be placed within the confines of a privacy fence. The privacy fence must be constructed on and across the rear boundary and across the side boundary of the lot to a point at least even with the rear line of the dwelling on the lot; the said privacy fence must join with the dwelling on two sides of the dwelling, must be at least six feet in height, measured from the ground, and must be of even height throughout.

(2) Only one such outbuilding on any lot may exceed the height of the privacy fence; in no event shall any outbuilding exceed eight feet in height measured from the ground, nor may any such outbuilding which exceeds the height of the privacy fence cover an area on the ground greater than 200 square feet.

Section 12. Unsightly Objects. No boat, motor boat, camper, truck, trailer, motor home, recreational vehicle, travel trailer or unsightly vehicle or objects shall be parked or stored between the curb and building line of any lot or on any street adjoining any lot. A boat, motor home, recreational vehicle or camper may be permitted provided it is retained in back of the front wall of house and shielded by at least a six foot privacy fence. For the purposes of servicing or cleaning, any of the above items may be parked between the curb and building of a lot for not more than 72 hours in any 30 day period.

Bylaws

ARTICLE I NAME AND LOCATION

The name of the corporation is BALCONES WOODS CLUB INC., hereinafter referred to as the "Association". The registered office of the corporation shall be located at P.O. Box 14508, 6010 Brooks, Austin, Texas 78761, but meetings of members and directors may be held at such places within Travis County, Texas, as may be designated by the Board of Directors.

ARTICLE II DEFINITIONS

Section 1. "Association" shall mean and refer to BALCONES WOODS CLUB, INC., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Declarant" shall mean and refer to Balcones Woods, a partnership, composed of Greater Northwest, Inc., a Texas corporation, and Austex Development Co., Ltd., a Texas limited partnership, its successors and assigns if such successors or assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development.

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions and any amendments thereto applicable to the Properties recorded in the Office of the County Clerk of Travis County, Texas.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association monthly and special assessments which are secured to the full extent provided by law, by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of six percent (6%) per annum; and the Association may either (1) bring an action at law against the Owner personally obligated to pay the same or (2) foreclose the lien against the

property, or (3) both. Interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his lot.

ARTICLE IV MEETINGS OF MEMBERS

Section 1. Rights and Obligations of Members. Members, as the same are defined in the Declaration of Covenants, Conditions and Restrictions, which are recorded in Book 4174, Page 852, etc., of the Deed Records of Travis County, Texas shall constitute the voting members and shall be entitled to participate in the affairs of the Association and shall be subject to assessments, and shall receive the required notices as set forth in these bylaws and in other instruments concerning this association.

Section 2. Annual Meetings. Each regular annual meeting of the members shall be held on the third or fourth Tuesday or Thursday of each January of each year, at the hour of 7 o'clock, P.M. If the day for the annual meeting of the members is a legal holiday, the meeting shall be held at the same hour on the first day following which is not a legal holiday.

Section 3. Special meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-tenth (1/10) of all the votes of the membership.

Section 4. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days, but not more than 50 days, before such meeting to each member entitled to vote thereat, addressed to the members address last appearing on the books of the Associations or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in case of a special meeting, the purpose of the meeting. Such notice shall also specify those members nominated for election to the Board of Directors, the Operating Committee, and to any other position which the members are permitted to elect or recommend. Such notice shall be deemed delivered when deposited in the United States Mail, addressed to the member at his address as set out above.

Section 5. Quorum. The presence at the meeting of the members entitled to cast, or of proxies entitled to cast, one tenth (1/10) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 6. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his lot.

Section 7. Action Taken Without Meeting. Members shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of two thirds (2/3) of all members entitled to vote, and filing the same with the secretary of the Association. Any action so approved shall have the same effect as though taken at a meeting of the members.

Section 8. Business Agenda. The business agenda of any meeting shall be limited to those items spelled out in the notice of the meeting. Members wishing to propose items for the annual meeting must submit those items in writing to the board of directors by December 1. Those items requested by 28 or more members are to be included in the agenda of the meeting. Items requested by less than 15 members will be included if approved by a majority of the board. A proxy is to be included with each meeting notice to allow each member to vote on the business items for that meeting.

ARTICLE V BOARD OF DIRECTORS; SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of the Association shall be managed by a board of not less than three directors, the exact number of which shall be determined at each annual meeting.

Section 2. Term of Office. At each annual meeting, the members shall elect 1/3 of the directors for a term of three years. If the number of directors is changed, then any directors elected following such change shall be for terms of from one to three years respectively so that insofar as it is possible, 1/3 of the number of the board will be elected each year thereafter.

Section 3. Removal. Any director may be removed from the board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of a majority of all of the directors and filing the same with the secretary of the Association. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE VI NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nomination Committee. Nominations may also be made from the floor at the annual meeting. The Nomination Committee shall consist of a chairman who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations, either by the Nominating Committee or from the floor at the annual meeting, shall be made from among members who have been members of the Association for at least one year prior to the nomination. No director shall be elected to serve a successive term as directors.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as

they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VII MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held every three months without notice, at such place and hour as may be fixed from time to time by resolution of the board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

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

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as an act of the board.

ARTICLE VIII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

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

(b) suspend the voting rights and use of the recreational facilities of a member during any period in which such members shall be 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 60 days for infraction of published rules and regulations.

(c) exercise for the Association all powers, duties and authority vested in or delegated to this association and not reserved to the membership by other provisions of these bylaws, the Articles Of Incorporation or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and (e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

(f) foreclose the lien against any lot or 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, or both.

Section 2. Duties. It shall 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 report thereof to the members at the annual meeting of the members, or at any special meeting when such report is requested in writing by one-fourth (1/4) of the members who are entitled to vote;

(b) supervise all officers, agents and employees of this association and to see 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 thereto, such assessment notice being mailed with the notice of the annual meeting of the members;

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the board for issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area to be maintained;

(h) cause the exterior of any dwelling to be maintained when such is deemed necessary by the board of directors and to levy a special assessment against each lot for the cost thereof, provided that the member is given due notice and opportunity to correct any maintenance deficiency.

ARTICLE IX OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a president, a vicepresident, a secretary, and a treasurer, and such officers as the board may from time to time by resolution create. All officers shall be members of the Association.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The board may elect such other officers as the affairs of the association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the board. Any officer may resign at any time giving written notice to the board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by an appointment by the board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President (a) The president shall preside at all meetings of the Board of Directors and

members; shall see that orders and resolutions of the board are carried out; shall sign all leases, mortgages, deeds and other written instruments; shall co-sign promissory notes; and shall exercise and discharge such other duties as required by the board.

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

Secretary (c) The secretary shall record the votes and keep the minutes of all meetings and the proceedings of the board and of the members; serve notice of the meetings of the board and of the members; keep appropriate current records showing the members of the association together with their addresses; and shall perform such other duties as required by the board.

Treasurer (d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the association and shall disburse such funds as directed by resolution of the board of directors; shall cosign promissory notes of the Association; keep proper records of books of accounts; in the case where an independent certified public accountant is not used to keep the association books, cause an audit of the association books to be made by a certified public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its annual regular meetings and deliver a copy of each to the members. The treasurer shall serve as member of the Operating Committee and shall perform his responsibilities in conjunction with the duties of that committee.

ARTICLE X COMMITTEES

The board of directors shall appoint an Architectural Control Committee, as provided in the Declaration. The board shall also appoint a Nominating Committee and an Operating Committee, as provided in these bylaws. In addition, the board shall appoint such other committees as deemed appropriate in carrying out the purposes of the Association. All committee members shall be members of the Association.

ARTICLE XI OPERATING COMMITTEE

Section 1. Purpose. An operating committee shall be designated, by resolution adopted by a majority of the directors, which shall have and exercise the following authority in the day-to-day management of the Association. The designation of this committee and the delegation of limited authority thereto shall not operate to relieve the board of directors, or any individual director, of any responsibility imposed upon it or him by law.

Section 2. Composition of the Operating Committee. The committee shall be composed of eleven (11) members, consisting of a president; vice-president; secretary; treasurer, who shall also be the Association treasurer; six members-at-large; and the immediate past president.

Section 3. Election. The Board of Directors shall elect or appoint the members of the committee except for the president as noted below, taking into consideration the committee membership recommendations expressed by a vote of the Association members at each annual meeting.

(a) The President of the operating Committee shall be nominated as provided in ARTICLE VI, Section 1 (by a nominating committee). Election to the Operating Committee shall be by secret Written Ballot, as Provided in Article VI, Section 2.

Section 4. Term. The members of the Operating Committee shall be elected annually by the board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 5. Duties. The duties of the Operating Committee shall be as follows:

- (a) to conduct monthly meetings to discharge their duties;
- (b) to enforce the rules and regulations adopted by the board of directors governing the use of the Common Areas and facilities and to enforce the penalties for infraction thereof which are established by the Board of Directors;
- (c) to enforce suspension of Common Area privileges, as directed by the Board of Directors;
- (d) to establish a welcoming committee to greet new members of the association;
- (e) to assist the association's secretary in maintaining current membership records;
- (f) to monitor, maintain, and collect the Common Area assessments due the Association;
- (g) to authorize ordinary expenditures for the association within the limits of the annually approved budget, without prior approval by the board of directors. Any two of the following officers shall jointly sign all checks in amounts exceeding \$50.00: president, vice-president, treasurer. Checks up to and including \$50.00 shall be signed by any one of the aforementioned officers.
- (h) to maintain and make available to the board of directors or Association officers records of all financial transactions and the proceedings of all meetings for the purpose of review and sanction.
- (i) The president of the operating committee shall be empowered as a voting member of the BOARD OF DIRECTORS.

Section 6. The Board of Directors shall by resolution develop operating rules and regulations for the operating committee.

ARTICLE XII BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation, and the bylaws of the Association shall be maintained by the directors, officers and members of the operating committee for inspection by any member. New members of the Association shall be provided copies of the Declaration, the Articles of Incorporation, the Bylaws, and the rules and regulations governing the use of the Common Area and facilities.

ARTICLE XIII AMENDMENTS

These bylaws may be amended at a regular or special meeting of the members by a vote of two-thirds (2/3) of a quorum of membership. Votes may be cast in person or by proxy.

ARTICLE XIV MISCELLANEOUS

- (1) The fiscal year of the Association shall begin on the first day of January and end on the thirty-first day of December of every year.
- (2) In the case of any conflict between the Articles of Incorporation and these bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these bylaws, the Declaration shall control.
- (3) Report of the Annual Meeting of the Members. Within thirty days following each annual meeting, a notice shall be delivered to each member which sets forth:

- (a) the names of the current directors, officers, and all committee members;
 - (b) a summary of the action taken by the members at the annual meeting.
- (4) Indemnity. The association shall indemnify an association official against and reimburse such official for the following arising by reason of the official's status:
- (a) judgments, fines and amounts paid in settlement of an action against the official, if the official is adjudged not to have been negligent nor guilty of misconduct in the performance of an official duty;
 - (b) amounts paid in settlement of an action against the official actually and reasonably incurred if the settlement is adjudged to be to the Association's advantage to dispose of trouble some, time consuming and expensive litigation against its officials and is adjudged not to have been the result of reckless or willful conduct in the performance of an official duty;
 - (c) expenses (including attorney's fees) actually and reasonably incurred in connection with the defense or settlement of an action if the official is adjudged not to have been guilty of reckless or willful conduct in the performance of an official duty.

As used herein:

- (a) Association Official--shall mean a person who is or was a director, official, committee member, employee or agent of the association, or is or was serving at the request of the association as a director, officer, committee member, employee or agent of another corporation, partnership, a joint venture, trust or other enterprise or entity.
- (b) Action--shall mean an action, suit, or proceeding, whether civil, criminal, administrative or investigative, whether by or in the right of the association or otherwise, against an official by reason of his status as an association official.
- (c) Adjudged--means a determination made by a majority of the board of directors not involved in the matter in controversy (whether or not a quorum), by independent council selected by the board of directors or by a court of competent jurisdiction.

The foregoing bylaws are the bylaws, as amended through January 27, 1994, adopted by members of the BALCONES WOODS CLUB, INC. on the 27th day of January, 1994. All bylaws effective prior to January 27, 1994, are hereby repealed and declared ineffective.

EXECUTED this 27th day of January, 1994.

Common Area Rules

INTRODUCTION - The following sets of Rules and Regulations pertain to the use of the Balcones Woods Club swimming pool, Clubroom, tennis courts, basketball courts, sports courts, and all other facilities and surrounding grounds. These Rules and Regulations were approved by the 2009 Board of Directors. They apply to each and every homeowner and/or resident in Balcones Woods, and their families and guests. All members are expected to read these Rules and Regulations and to abide by them.

These Rules and Regulations have SAFETY as a primary objective, but also are intended to promote courtesy and fairness, and to protect the properties of the Club. Each and every rule has a purpose.

The manager and lifeguards do not make the rules. They are hired by a committee of homeowners from Balcones Woods. However, it is their duty to enforce these Rules and Regulations and, thus, among other things, to ensure the safety of all individuals who use the pool and other facilities. The manager and lifeguards are instructed to enforce these Rules and Regulations consistently, without discrimination among pool users, or users of the other facilities. Therefore, if homeowners have questions, comments, or suggestions, it is asked that they contact the manager rather than confront the guards. The Rules and Regulations can best be amended in this manner. The pool manager will be in constant contact with the Pool Committee.

We must all work together to keep the pool and other facilities operating smoothly and the premises neat and free of litter. Please keep in mind that the Rules and Regulations are intended to ensure safety, protect property, eliminate confusion, and to allow all members and their guests to have maximum use and enjoyment of the Balcones Woods Club facilities. Your cooperation will be appreciated.

EMPLOYEES OF THE CLUB

The manager and lifeguards have been charged with the responsibility of enforcing these Rules and Regulations. Any conduct, by any person, deemed by the lifeguard on duty to be dangerous or unwarranted is grounds for a word of caution, or a reprimand, or suspension from the premises for at least a 24-hour period by the lifeguard. Such suspensions will be documented. Conduct warranting longer suspensions or other actions will be handled on an individual basis by the Pool Committee or Operating Committee (in conjunction with the manager and/or lifeguards).

No member of the Club shall at any time reprimand, punish in any way, or issue orders to any employee of the Club. All complaints relative to alleged employee misconduct or otherwise, should be referred to the manager or a member of the Pool or Operating Committees for resolution.

HOURS OF OPERATION

The common area is open from sun-up until 11:00 PM. The area must be vacated by closing time. For additional detail on individual areas, see the applicable rules for those facilities.

GENERAL RULES AND REGULATIONS

I. APPLICABILITY AND ACCOUNTABILITY

- A. Members will be held strictly accountable for the character and conduct of their guests. It is the responsibility of the member to inform his/her guests of these Rules and Regulations.
- B. Rules apply to adults and children alike; infractions will be handled in the same manner for all age groups.

- C. No loud, boisterous language, disorderly or ungentlemanly or unladylike conduct, or inappropriate public displays of affection will be permitted.
- D. No pets will be allowed on the Club premises at any time.
- E. Except for maintenance, official, or emergency vehicles, motorized vehicles (e.g. dirt bikes, 4WD vehicles, etc.) are not allowed on any non-paved part of the common areas.
- F. NO PARKING OR DRIVING ON GRASS! Violations could lead to suspension of common area usage and paying for damage to grass and sprinkler system.
- G. NO GLASS CONTAINERS OF ANY KIND ARE ALLOWED IN THE COMMON AREA.
- H. No skateboards, bicycles, roller skates, etc. are allowed on the sport court surfaces (e.g. tennis courts, basketball court, volleyball court, etc.) at any time.
- I. All inflatable playscapes and waterslides to be installed at the park or pool must be accompanied with a copy of a Balcones Woods resident's homeowner's insurance policy or an event insurance policy paid up-to-date. A deposit of \$150 per item is required. A nonrefundable fee of \$50 per item will be charged for each use. The fee, deposit and insurance documentation need to be turned in when the reservation is made with the Pool Personnel Chair.
- J. If an outside coach is hired by members for instruction at the pool, courts or park, the coach or team that wish to use the commons area need to show proof of general liability insurance to the Operating Committee via the Pool Personnel Chair. No organized sports are allowed on the commons area without a general liability policy paid to cover the activity.
- K. The commons area is now equipped with free WIFI. Only adults are allowed access through the Balcones Woods connection. If you wish to use the connection during swim season, see a guard in the guardhouse and they will tell you how to log on. If you wish to access the connection in the off season, please contact our Security Chairperson.

II. Security Keys

- A. Members must be up to date, with respect to paying Club dues, in order obtain security keys and gain access to common areas.
- B. Security keys will be supplied only to Balcones Woods homeowners and or residents and their immediate families.

III. GUESTS AND PARTIES

Guests must be accompanied by a member of the Club at all times. Keep in mind that the number of children playing on either playscape must not exceed manufacturer's safety specifications (25 for the toddler playscape and 25 for the older child playscape).

SWIM SEASON/NON SWIM SEASON PARTIES

Fill out the Commons Area Request Form and give it to the Pool Manager *at least* one week in

advance depending on the party size. Approved reservations will be recorded in a notebook in the guardhouse. A Commons Area Request Form can be found online at www.balconeswoods.org or ask a pool manager or pool operations chair.

Fees and Deposits

Fees and Deposits for Parties are determined by the Board and charged based on the number of residents and non-residents attending. The list can be found at www.balconeswoods.org. On the web site, there are fees posted for:

- Pool Only [Swim Season Only]
- Clubroom Only [Swim Season/Non-Swim Season]
- Pool and Clubroom [Swim Season Only]
- Playground Only [All Seasons]

All Fees and Deposits must be submitted with reservation form. Deposits will be forfeited if proper clean-up is not completed as per checklist posted and/or capacity exceeds fire code limits.

HOURS OF OPERATION

- A. The swimming pool will be open for the full swimming based on the Austin Independent School District yearly Calendar. Pool will open for daily use on the first day of student summer break. Pool hours are from 12:00 noon until 10:00 p.m. daily during Blue Wave Swim Team Season. After swim team season the pool opens at 10:00 a.m. Monday through Saturday and 12:00 noon on Sundays.
- B. In addition to the full swimming season the pool will be open on a weekend basis beginning the first Saturday in May. Also, after Labor Day through the remainder of September, it will be open on a weekend basis.
- C. There will be an adult swim (for those 18 years of age or older) for ten minutes of each hour. Additionally, the period from 9:00 PM until 10:00 PM will be reserved for adults.
- D. One lane for lap swimming will be available after 5:00 PM each day.
- E. Weather-related Opening and Closing:
 - 1. The pool will be open if the air temperature is above 70 degrees F.
 - 2. The pool will be closed if, in the opinion of the lifeguard on duty, rain is hard enough to restrict visibility of the bottom of the pool. The pool will normally remain open in light rain.
 - 3. The pool will be closed if there is lightning or thunder. The pool will be kept cleared for at least thirty minutes following the lightning or thunder. Patrons will be restricted to the grass areas during this period.
- F. Anyone found in the fenced common area outside of the operating hours will be subject to suspension from the pool for one year.

II. GENERAL RULES FOR THE POOL

- A. No loud, boisterous language, disorderly or ungentlemanly or unladylike conduct, or inappropriate public displays of affection will be permitted. This includes but is not limited to:
1. Spitting
 2. "Chicken fighting"
 3. Running on the deck areas
 4. "Roughhousing" of any kind
 5. Inappropriate sunbathing
 6. No use of any tobacco products
 7. No gum allowed
 8. Please try to use non-greasy sun lotion to help pool operations and cleaning.
 9. Please do not use metal hairpins while swimming
 10. No weapons or fireworks allowed
 11. No temporary or permanent signage to be installed on Balcones Woods Club, Inc. property without Board approval.
- B. Glass bottles or any other kind of containers made of glass are strictly prohibited on the Club premises.
- C. Foreign materials and inflatable objects:
1. No person shall take, throw, admit or allow any foreign substance in the swimming pool or on the deck areas surrounding the pool.
 2. Inflatable balls and Nerf balls are allowed. Tennis balls and other types of balls are not allowed. Balloons are not allowed.
 3. Free-floating devices (e.g. rafts, air mattresses, boats, canoes, etc.) will be permitted in the deep end of the pool at the lifeguards' discretion. These devices must be no larger than required for one (1) person. Standing on flotation devices or jumping from them is not allowed.
 4. Small, solid objects to be used for the purpose of recovery by surface diving may be permitted with prior approval of the lifeguard on duty at the time.
 5. Soft rubber or soft plastic toys may be used by the children in the wading pool.
 6. The Balcones Woods Club kickboards are for the use only by the swim team during their practice session (8:00 AM until 11:00 AM).
- E. Age Restrictions:
1. The wading pool is reserved for the exclusive use and enjoyment of those children below the age of six (6). Each child using the wading pool shall be closely attended by a responsible person. The lifeguard shall not be required nor expected to perform babysitting duties in addition to maintaining a close watch on the main swimming area.
 2. Any child under nine (9) years of age, who is using either the swimming pool or the surrounding grounds, must be closely watched by a responsible person.

F. Diving Area

1. No running off of the diving board. No jumping or diving off of the side of the board.
2. No objects (including articles of clothing) are to be thrown from the board.
3. No stunt diving.
4. Only one bounce on the board is permitted for each dive.
5. One shall not mount the diving board until the diving area is clear and the preceding diver has reached the nearest ladder in the diving well (not side of the pool!). Divers should exit from the pool using the appropriate ladder. Exceptions to this rule may be granted by the lifeguard on duty (e.g. for a diving "coach" in the pool to ensure safe diving for small, inexperienced divers).
6. The board may be opened or closed with permission of the lifeguard on duty at the time. Diving is allowed off of the side of the pool into the diving well only when the board is closed. Cartwheels off of the sides are not permitted.
7. Diving into the pool from the side is allowed only in water deeper than five feet (i.e. only on the deep side of the white lifeguard stand).
8. Swimming under the lane rope (i.e. crossing through the lap lane during lane swimming times) is prohibited.

TENNIS RULES AND REGULATIONS

I. HOURS OF OPERATION

- A. Courts may be used between sun-up and 11:00 PM each day from May 1 through the end of September. Courts may be used between sun-up and 10:00 PM each day from October 1 through the end of April.

II. RESERVATIONS

- A. All persons using the courts must sign the reservation sheet before the start of play.
- B. Reservations will be for 1-1/2 hours or less, beginning on the hour or the half hour.
- C. Reservations can be made as much as one (1) day in advance. However, to accommodate unusual situations, one (1) reservation may be made as much as one (1) week in advance.
- D. Courts not claimed within 15 minutes of the reserved time are defaulted to the next group waiting to play.
- E. No single or double matches will play for more than 1-1/2 hours while others are waiting to play.
- F. No group may schedule consecutive reservations in advance.

- G. No person may have more than one reservation at any one time.
- H. The Operating Committee may, from time to time, reserve court time (e.g. for lessons for Club members or for other special events).

III. GENERAL TENNIS RULES

- A. Rubber soled shoes must be worn while playing. Also, do not wear black rubber types that may leave marks on the courts.
- B. Good tennis etiquette must be observed at all times.
- C. Persons entering or departing the far court (2) and having to cross court one (1) should wait until the point is played on court one. Please do not enter or cross court one when a ball is in play.
- D. No more than four (4) persons will be permitted on a single court at one time.
- E. Only those playing tennis will be allowed inside the court area. All others watching or waiting to play must stay outside the fence.
- F. The courts should be used with care. Do not slam balls into the windscreen, hit the net with your racquet or generally abuse the courts.
- G. The last group using the courts at night is asked to please turn off the lights and close the gate.

IV. BACKBOARD

- A. Please limit play to one-half (1/2) hour if others are waiting.
- B. Be considerate of players on the tennis courts. Move closer to the hit softer if you are having control problems. Please try to keep from hitting the ball over the fence into the courts.

SPORTS COURTS RULES AND REGULATIONS

I. HOURS OF OPERATION

- A. The basketball and volleyball courts may be used between the hours of sun-up to 11:00 PM. However, if equipment is borrowed from the lifeguards, it must be returned before the pool closes (10:00 PM).
- B. The shuffleboard court may be used any time during normal pool operating hours.
- C. If others are waiting to use the court, then playing time on the court is limited as follows:
 - Basketball court..... 1- 1 1/2 hours
 - Volleyball court..... 1- 1 1/2 hours

- Shuffleboard court.....1 hour

II. GENERAL RULES

- A. Good sportsmanship is the key to play on the courts.
- B. Persons playing should make every effort to work newly arrived players into their game if possible and consistent with normal practices of the game being played.
- C. During pool season, equipment for the volleyball court, the basketball court, and the shuffleboard court will normally be available for checkout from the lifeguards. Give them your pool pin and sign their checkout sheet. Please return the signed-out equipment after your game.
- D. Do not abuse the equipment. The budget is limited and money for replacement equipment may not be available.

Clubroom rules and regulations include all pool rules plus cleaning requirements after each rental use. A checklist for cleaning is posted in the clubroom and presented to each renter at time of reservation approval. Hours of operation are 10:00 am—10:00 pm Monday through Friday and noon to 9:00 pm on Sunday. Like the pool, the Clubroom can only be rented for 2 hours.

Architectural Committee

Because the purpose and methods of the Architectural Control Committee are often misunderstood by homeowners, the Board has issued a set of clarifications regarding the criteria for evaluating and approving proposals and for issuing waivers.

PURPOSE OF THE ARCHITECTURAL CONTROL COMMITTEE

According to the Association Covenants and Restrictions, the committee: shall exercise its best judgment to see that all improvements, construction, landscaping, and alterations within Balcones Woods lands conform to and harmonize with the existing surrounding and structures an that trees and environment are protected" {(See Article VI, Section 2 of the Covenants and Restrictions).

The committee performs this duty by reviewing plans for improvements to homes in the neighborhood, and is guided by the Covenants and Restrictions and by the existing conditions of properties in the neighborhood. The Architectural Control Committee is comprised of three members, who are appointed by the Board of Directors, and who report to the Board. At least two committee members must agree in order for approval of a proposal or addition to be issued. Once a request for approval has been made, the committee has 30 days to review and rule on a request (See Article VI, Section 3 of the Covenants and Restrictions). Every attempt is made to review requests in a timely manner, but homeowners are advised to submit proposals well before beginning work. If an improvement which has not been cleared by the committee is later disputed, its' acceptability may be ruled retroactively, and homeowners may then be required to alter or remove it.

SUBMITTING PROPOSALS

To request approval on a proposed improvement, contact the Chairperson of the Architectural Control Committee. Homeowners are required to submit plans for any landscaping or improvements erected, placed or altered on a property. (See Article VI, Section 1 of the Covenants and Restrictions). If approval is not sought, the following may occur:

* Closing may be delayed on the sale of a home if there is a question whether it conforms to neighborhood regulations.

* If the conformance of an improvement already made to a home is questioned and found to be lacking, the improvement may have to be removed.

DOCUMENTATION

There is an Architectural Control Application online at www.balconeswoods.org. Three copies of the planned changes are needed to submit to the Architectural Control Committee Chairperson. Approval by the Architectural Control Committee is only on the planned changes and not the end product. The end product cannot differ from the plan or violate any Balcones Woods Club deed or covenant restrictions. All work must be completed in 6 months or an extension needs to be filed. All approved plans are only good for 90 days. If projected has not started by the 90 days, a new application must be submitted.

The committee, upon reviewing the proposed improvement, will submit the completed form stating their ruling on the proposal to the homeowner and Board of Directors.

WAIVERS

According to the Association Covenants, the committee may vote to wave or modify a covenant, if the proposed addition or change under consideration will not detract from the appearance of the neighborhood (See Article VI, Section 6 of the Covenants and Restrictions). In order to clarify and systematize policy concerning waivers, the committee will evaluate proposals based on the following considerations.

Waivers Concerning Outbuildings

According to the Covenants and Restrictions of the neighborhood regarding outbuildings, Sections 1, 2, and 3 are constrained by different policies than Sections 4, 5, and 6. The Covenants and Restrictions state that there shall be no outbuildings on any property in Sections 1, 2, and 3, but that outbuildings are allowed in sections 4, 5, and 6, as long as they are placed within a privacy fence and do not exceed a height of 8 feet or an area of 200 square feet. (See Article VII, Section 10 of the Covenants and Restrictions). For purposes of consistency, the Architectural Control Committee will issue a waiver allowing homeowners in Sections 1, 2, and 3 to own outbuildings as well, as long as they conform to the restrictions in Article VII, Section 10.

For purposes of clarity and consistency, the height restriction on outbuildings will be evaluated according to the following criteria.

- An outbuilding may not itself exceed 8 feet in height from its bottom to its tallest point.

Please Note: Although waivers will be issued upon request for outbuildings in Sections 1, 2, and 3 that meet the above criteria, homeowners still must request approval for outbuildings of this sort in order to comply with the neighborhood association guidelines.

Other Waivers

A waiver may be considered when a proposed improvement is in violation of Covenants and Restrictions under the following circumstances:

- a) Signed documentation is obtained from immediate neighbors stating that they do not object to the proposal.
- b) The proposal does not detract from the appearance of the immediate vicinity in the opinion of a majority of the Architectural Control Committee members.
- c) The proposal is in keeping with the appearance of the neighborhood in general in the opinion of a majority of the Architectural Control Committee members.

If a proposed or disputed improvement is in violation of the Covenants and Restrictions, and if immediate neighbors do not approve the proposal, no waiver shall be issued.