

liability and casualty insurance, worker's compensation insurance, fidelity and indemnity insurance, officers and directors liability insurance, as well as such other insurances or bonds as the Association shall deem necessary or desirable.

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

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

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

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

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

8.09 Power to Adopt Rules and Regulation. The Association shall have the power to make reasonable rules and regulations regarding the use of the Common Area. The Association shall also have the right to promulgate such rules and regulations with respect to the Subdivision so long as the Board of the Association deems such rules and regulations necessary to promote the recreation, health, safety and welfare of the Members of the Association, or may be necessary or desirable to further the common interest of the Members and to improve and enhance the attractiveness, desirability and safety of the Subdivision all in accordance with the provisions of these Restrictions. The rules and regulations may be enforced in the same manner as any other provision of these Restrictions.

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

8.11 Remedies. In the event a Tract Owner fails to remedy any violation of these

Restrictions, after written notice by the Association, the Association, or its authorized representatives, may take any one or more of the following actions:

- (a) Enter upon the Tract Owner's property and remove the violating condition, document the violating condition and/or cure the violation, at the expense of the Tract Owner, and the violating Tract Owner shall pay on demand all costs and expenses, including reasonable attorney's fees, incurred by the Association in removing such violating condition;
- (b) Assess a charge of \$50.00 per day against any Tract Owner and/or his Tract until the violating condition is corrected. The Violation charge may be increased by the Association in accordance with increases in the National Consumer Price Index using 2021 as a base year. Failure to pay such assessment by the violating Tract Owner within ten (10) days from receipt of assessment will result in a lien against the Tract with the same force and effect as the lien for Annual or Special Assessments;
- (c) File suit in order to enforce the above remedies and/or pursue any other remedy which may be available at law or in equity;
- (d) Suspend an Owner's right to use the Common Area; and/or
- (e) Take any action allowed by the Texas Property Code.

After a Tract Owner receives a written notice of a violation of these Restrictions, the violating Tract Owner shall not be entitled to any further notice of the same violation if it occurs within a six (6) month period. The Association reserves the easement across each Owner's Tract for the purpose of correcting or removing conditions in violation of these Restrictions, and in doing so, shall have no liability for trespass or other tort in connection therewith, or arising from such correction or removal of a violating condition. The Association shall further have the right to have any vehicle or other property stored or used in violation of these Restrictions removed from the Owner's Tract at the expense of the Owner and stored at the expense of the Owner.

## **ARTICLE IX**

### **GENERAL PROVISIONS**

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

9.02 Amendments. Except for any amendment affecting any existing Improvements, these Restrictions may be amended or changed, in whole or in part, at any time by a two-third (2/3) majority vote of every Member entitled to vote. Copies of any records pertaining to such