RULES FOR BLUESTEM RESERVE

1. <u>**Rules in General.**</u> The Association has adopted the following Rules to help maximize enjoyment, maintain values, and assure the continued aesthetic beauty of Bluestem Reserve (community). The Rules apply to all Owners, Residents and invitees. The Rules are automatically a part of each lease of a dwelling (even if they are not attached to the lease), and each Owner is responsible for making sure Residents have a copy of the Rules and follow them. You are encouraged to ask your neighbors to follow the Rules. Capitalized terms herein have the same meaning as used in the Declaration of Covenants, Conditions and Restrictions for Bluestem Reserve recorded as Document # 201990157427 of the Official Public Records of Guadalupe County, Texas, as it may be amended (the "Declaration").

2. <u>Communications</u>. Please direct any repair requests, complaints, or Rule violations to:

Bluestem Reserve Owners Association, Inc. Attn: Henry C. Schmidt, III 1414 Branch Road Seguin, Texas 78155

In the event the Association engages a manager to manage the community, the name and contact information of the manager will be identified in a management certificate recorded in the Official Public Records of Guadalupe, Texas, and any repair requests, complaints or Rules violations must be directed to such manager and the Association.

3. <u>Enforcement</u>. The Rules will be strictly enforced. If the Rules are violated by any Resident or invite of the Owner's dwelling, the Owner will be responsible for corrective action, damages and possible fines.

4. <u>Security and Safety</u>. Neither the Association nor the Association's management company, if any, provides or warrants security. Owners should consult management regarding statutory security device obligations as a landlord if Owner ever rents a dwelling. Owners and Residents are requested to report observed hazardous conditions immediately to the Association's management company representative. Neither the Association nor its management company checks for hazardous conditions on a daily basis.

5. **Speed Limits**. Vehicle travel within the community must not exceed 30 mph.

6. <u>Screening</u>. The Association has the right and the responsibility to control the visual attractiveness of the community, including the right to screening of items which are visible from the street and neighboring Lots and which detract from the appearance of the community.

7. **Trash**. Garbage and trash must be placed in waste and recycle containers. Such containers must be screened from view except when awaiting collection on a regular collection day. Fines may be assessed if waste and recycle containers remain on or near the street past the scheduled collection day.

8. <u>Animals</u>. Permitted animals in the community are set out in the Declaration. All animals must be controlled so as not to disturb the neighbors.

9. <u>Annovance and Nuisances</u>. No unsafe, noxious, offensive, or illegal activity, or odor is permitted in the community. No activity may be conducted in the community which in the judgment of the Board of Directors might reasonably be considered as annoying to persons or ordinary sensibilities, or might be reasonably calculated to reduce the desirability of the community. No exterior loudspeakers or flashing lights are allowed. No person may do anything that will increase insurance rates for the community without the prior written consent of the Board.

10. <u>Signs</u>. "For Sale" or "For Rent" signs no more than 9 square feet in area are permitted, but the Board may specify the location. This Rule regarding signs is subject to exceptions for the Declarant under the Declaration.

11. <u>Mailboxes</u>. The Board of Directors has the exclusive right to designate the type, size and location of mailboxes.

12. <u>Antennas</u>. No exposed exterior television or radio antennas or satellite dishes may be installed anywhere on the Property except as approved by the Board or as provided in the Declaration.

13. Parking.

- (a) Parking of vehicles, motorcycles and bicycles in grass areas, dirt areas, flower beds or sidewalks is prohibited. No Owner or Resident may park, store, operate or keep within the community any vehicle over 18 feet long.
- (b) No vehicles may be parked or unattended in such a manner as to block the passage of other vehicles on the streets in the community. No vehicle may be left parked and unattended, in the street, along the curb, or in driveway areas in such a manner as to prevent the ingress and/or egress of emergency vehicles (*i.e.*, fire, EMS) or service vehicles (*i.e.*, refuse trucks). No inoperable vehicle may be stored in the community, other than in an enclosed garage so as not to be visible to neighbors or passersby.

14. <u>Anti-Theft Alarms</u>. Owners and Residents who have vehicles with anti-theft systems may not allow the alarms or horns to go off and disturb other persons in the community for more than four minutes; and any vehicle violating the four-minute rule will be deemed to be illegally parked and subject to immediate towing, without prior notice to the vehicle owner or operator, by the Association under the Texas towing statutes. The Association may, without liability to the owner or operator of the vehicle, cut or disconnect any power source to such alarm or horn to avoid having to tow the vehicle.

15. <u>Towing Illegally Parked Vehicles</u>. Vehicles parked in violation of these rules may be removed and stored without permission of the vehicle's owner or operator. Notice and removal will be in accordance with Chapter 684 of the Texas Transportation Code. An Owner is liable for all costs of towing illegally parked vehicles of the Owner, Resident or invitees.

16. **Driveways**. Driveways may not be used (i) for storage purposes, including storing boats, trailers, RVs or inoperable vehicles or (ii) for repair or restoration of vehicles.

17. <u>Hunting and Fireworks</u>. Hunting with a rifle or pistol is not permitted anywhere in the community nor is the discharge of fireworks.

18. <u>Yard or Garage Sales</u>. No garage sale, yard sale, moving sale, rummage sale or similar activity is permitted without first securing the consent of Declarant or the Board.

19. **Flags**. The Association regulates flags as provided in the Declaration. Generally, an Owner or Resident may fly on his Lot the United States flag, the Texas state flag and an official or replica flag of any branch of the United States armed services.

20. <u>Criminal Activity</u>. No person may violate any criminal laws, health codes or other applicable laws while in the community.

21. **Drainage**. No person may interfere with the established drainage pattern in the community.

22. <u>Fines</u>. The Association uses fines to discourage violations of the Governing Documents and to encourage compliance when a violation occurs – not to punish violators or generate revenue for the Association. Although a fine may be an effective and efficient remedy for certain types of violations or violators, it is only one of several methods available to the Association for enforcing the Governing Documents. The Association's use of fines does not interfere with its exercise of other rights and remedies for the same violation. Nor may the Association use fines to the exclusion of other remedies.

An Owner is liable for fines levied by the Association for violations of the Governing Documents by the Owner, the Resident or Residents of Owner's dwelling and the relatives, guests, employees and agents of the Owner and Resident. Regardless of who performs the violation, the Association will direct its communications primarily to the Owner, although the Association may send copies of its notices to the Resident.

The Board may levy reasonable fines on Owners for violating the Declaration or Rules, characterized as Individual Assessments. The minimum fine for each violation is \$25.00. Each day of violation may be deemed a separate violation by the Board. Fines may be assessed only if the Owner is notified of the nature and approximate date of the violation and the amount of the fine. Any Owner and/or Resident who has been fined may appeal the fine and appear before the Board to ask that the fine be dropped and to explain why. In order to appeal a fine, the Owner must request such appeal in writing within 30 days of management's mailing of the fine notice to the Owner. There must be notice of the alleged infraction and fine to the Owner no later than 45 days from the alleged infraction.

23. **Declaration Provisions.** Many of these Rules are directly from the Declaration which apply to Owners, Residents and invitees. Some of the Rules are in addition to what is in the Declaration. All Declaration provisions apply – even if not set forth therein. Except for provisions of these Rules that come from the Declaration, the policies may be changed or added to by the Board.

24. **Non-Liability and Release of the Association, Officers and Directors**. THE DECLARANT, THE ASSOCIATION AND ITS OFFICERS AND DIRECTORS ARE NOT LIABLE TO OWNERS, RESIDENTS AND PERSONS ON THE PROPERTY AT THEIR INVITATION OR WITH THEIR PERMISSION, FOR PROPERTY DAMAGE, PERSONAL INJURIES OR HARM RESULTING AT

ANY TIME FROM NEGLIGENT CONDUCT OF THE DECLARANT, THE ASSOCIATION'S OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS RELATING TO ENFORCEMENT OR NON-ENFORCEMENT OF THE ASSOCIATION'S DECLARATION OR RULES. BY ACCEPTANCE OF A DEED OR LEASE, OWNERS AND RESIDENTS, AS WELL AS PERSONS ON THE PROPERTY AT THEIR INVITATION OR WITH THEIR PERMISSION, ARE DEEMED TO HAVE RELEASED THE DECLARANT, THE ASSOCIATION AND ITS OFFICERS AND DIRECTORS FROM SUCH LIABILITY, TO THE EXTENT AUTHORIZED BY LAW. THE FOREGOING DOES NOT RELEASE AN OFFICER OR DIRECTOR FROM LIABILITY FOR ACTS OR OMISSIONS WHICH ARE (1) A BREACH OF THE OFFICER'S OR DIRECTOR'S DUTY OF LOYALTY AND FIDUCIARY DUTY TO THE ASSOCIATION OF ITS MEMBERS, (2) ACTS OR OMISSIONS NOT IN GOOD FAITH OR INVOLVING INTENTIONAL MISCONDUCT OR A KNOWING VIOLATION OF LAW, (3) A TRANSACTION FROM WHICH AN OFFICER OR DIRECTOR RECEIVES AN IMPROPER BENEFIT, WHETHER OR NOT THE BENEFIT RESULT FROM AN ACTION TAKEN WITHIN THE SCOPE OF THE DIRECTOR'S OFFICE, OR (4) AN ACT OR OMISSION FOR WHICH THE LIABILITY OF THE DIRECTOR IS EXPRESSLY PROVIDED BY STATUTE.

Date of adoption by Board of Directors: March 20, 2019.

BLUESTEM RESERVE OWNERS ASSOCIATION, INC.

By: Henry C. Schmidt, III Name: President Title:

THE STATE OF TEXAS §

COUNTY OF COMAL §

This instrument was acknowledged before me on March 29, 2019, by HENRY C. SCHMIDT, III, President of BLUESTEM RESERVE OWNERS ASSOCIATION, INC., a Texas non-profit corporation, on behalf of same and in the capacity herein stated.

5A KAREN JUBELA OTAP -----BLIC STATE OF TEXAS A BARA EXP 05/03/2023 Notary Public, State of Texas 4 TANK H 020420-9