Annex: Summary of Additional CC&R Amendments

In addition to the main updates summarized in the community communication, the following additional Articles and Sections of the Declaration were also amended as part of the Second Amendment to the CC&Rs:

1. Section 4.5 - Fifteen (15) Year Limitation

- Formally ends any remaining Declarant rights at the conclusion of the Development Period.

2. Section 6.1 – Special Enforcement Rights of the Board

- Updated to match Texas Property Code standards.

- Clarifies enforcement procedures, notice requirements, fines (up to \$750), and permits self-help action for violations.

- Emergency violations may be corrected immediately.

- The HOA may place a lien on a property and initiate foreclosure if fines and compliance costs remain unpaid.

3. Section 7.2 – Termination

- Increases the owner approval threshold to terminate the HOA from 75% to 90% of all Members.

4. Sections 9.2 & 9.3 – Additional Common Properties & Acceptance

- Removed Declarant authority.

- HOA can accept new common areas with a 51% vote of the membership.

5. Sections 10.9.1 to 10.12 – Assessments, Liens, and Collection Policies

- Expanded Board authority to set assessments and enforce collection.
- Establishes late fees, interest, trip charges, and legal/collection fees.
- Allows non-judicial foreclosure (power of sale) for unpaid assessments.
- 6. Sections 10.17 & 10.18 Declarant Subsidy and Assessments
- Clarifies Declarant financial contributions are not loans.
- Strengthens protections against Declarant reimbursement claims.
- 7. Sections 11.5 & 11.6 Indemnification and Dispute Resolution
- Provides broader protection for the Board and management against legal liability.
- Updates enforcement and dispute resolution procedures to comply with Texas law.
- 8. Section 12 Rights to Inspect, Develop, and Easements
- Removed all Declarant provisions.
- Grants inspection and easement rights to the HOA.
- 9. Sections 14.1 & 14.2 Expansion Rights
- Restricts Declarant rights to control expansions and clarifies HOA's authority.
- 10. Section 15 General Provisions
- 15.2: Raised HOA termination threshold from 67% to 75%.
- 15.5: Adds modern notice methods (e.g., email, website).
- 15.8: Clarifies liability for trespass.
- 15.12: Deletes outdated liability limitations clause.

Additional Board Member Input:

- Replace the 5th most common violation with updated guidance regarding visibility of trash cans from the street.

- Homeowners should be reminded that violations may be reported directly to Essex via the "Contact Us" form at <u>www.cyprusvillashoa.com</u>.

- It is important to understand that unpaid assessments, fines and enforcement costs can result in the HOA placing a lien on the property and, in extreme cases, initiating foreclosure proceedings.

For complete legal text, please refer to the full recorded Second Amendment document available at <u>www.cyprusvillashoa.com</u> or upon request from management.