MONTGOMERY TRACE RULES

Passed: May 15, 2003 Revisions Approved: December 21, 2006

In an effort to provide for the safety and well-being of all residents of Montgomery Trace, the Association Board has established the following rules, which are in addition to the Covenants and By-laws of record. This establishment of rules is in accordance with the Montgomery Trace Covenants Article VIII, Section 14: Rules and Regulations Governing Use of Commons and Facilities.

"Rules and regulations governing the use of all commons and facilities will be made and enforced by the Authority, to insure the best and mutual enjoyment thereof of all the qualified property owners and their guests."

General:

G1 - No Discharging of Firearms in Development

This is in accordance with the Order regulating discharge of firearms that was adopted on February 27, 2006 at the Honorable Commissioners' Court of Montgomery County, Texas. The order makes it a third degree misdemeanor to discharge a firearm in a lot ten acres or under in a platted subdivision in an unincorporated part of the county. The exceptions are for self-defense and for law enforcement officers in discharge of their duties.

G2 - No Loose Dogs in the Development

Article IV, Section 5 of our covenants requires property owners to control their animals in a manner so that they will not become offensive to the neighborhood. Additionally, Montgomery County has passed an ordinance that requires animals to be vaccinated and leashed, etc. The ordinance is enforced through the Montgomery County Health Department Animal Control Division. Their phone number is 281.353.9791, ext. 7738. If a dog or cat is running loose or becoming a nuisance in the neighborhood, they will provide you with specific information regarding their services.

G3 - Limits on Outdoor Burning

- a. No burning of household trash. This is in accordance with legislation passed in September of 2005 in Montgomery County which bans the burning of household trash on less than five acres of land or in a neighborhood." A "neighborhood" is a platted or unplatted subdivision, or property within 300 feet of a subdivision. The law does not affect the burning of limbs, brush and leaves in unincorporated areas of the county.
- b. Other outdoor burning limits. The TCEQ has regulations on the outdoor burning of limbs and leaves, including that all fires must be kept 300 feet from any structures and those doing the burning can be cited if the smoke travels onto someone else's property and causes a nuisance. For more information, contact the Montgomery County Fire Marshal's office at (936) 538-8288.

Lakes & Dams:

L1 - No Swimming in the Lakes

The Association does not carry insurance coverage for accidents or injuries arising from swimming in our lakes. Additionally, general coverage for these accidents will be voided unless the Association posts signs at the lakes that state: 'No Swimming'. There is no provision in our covenants that allows for swimming in the lakes.

L2 - No Vehicles on the Dams Except for Maintenance.

The dams were not constructed to be used as private or public roads in the community. Use of motorized vehicles may cause damage to the dam and cause the Association to incur additional costs of maintenance.

L3 - Water May Not be Removed from the Lakes for Watering Lawns or Other Use Without Approval of the Montgomery Trace Property Owners Association.

Water in all lakes has been captured for the benefit of all property owners. Drawing water for personal use can significantly affect lake levels for those lakes with small drainage areas and affect the enjoyment by other property owners. Moreover, in some cases, the Association was required to obtain a water rights permit from the state which limits the use of the water for other than recreational use and may require that the Association purchase water to keep the lake full.

Parks and Reserves:

P1 - No Hunting or Firearms in Parks and Reserves

The Association does not carry liability insurance coverage for the hunting or firearm discharge in our Parks and Reserves and therefore does not allow such activity. This rule does not preclude scheduled game management under the control of a recognized wildlife management professional that has been authorized by the Association.

P2 - Guests Using Commons Must be Accompanied by a Property Owner or be Temporarily Staying with a Resident

In an effort to minimize vandalism, littering, and inappropriate use of our parks and commons, the Association has decided to control access by limiting use to residents and guests. Property Owners should display a Montgomery Trace sticker on their vehicles when using the community amenities to assist in controlling use. Stickers are available to all owners by contacting the Association management company or your Section Representative.

P3 - Motorized Vehicles in Parks are Limited to Graveled Roads and Parking Areas This is to minimize the damage to the non-graveled areas. Experience has shown that serious rutting is occurring in parks due to off road traffic in wet weather. This has created ruts that harden and create a hazard for walking and make it difficult to mow. It degrades the appearance of the park and encourages other to do the same as well as increasing the cost to

maintain these areas.

P4 - No Unlicensed Motorized Vehicles in Parks

Due to damage to our roads and park areas caused by trail bikes and ATVs being used in these areas, the Association has determined that no unlicensed motorized vehicles are to be allowed in the parks. This rule is to minimize further damage that has subsequently caused erosion in the drainage ditches and degradation of the appearance of the parks. The Association does not carry liability insurance to cover these types of potentially unsafe activities.

Texas State Law limits the use of ATVs on roadways and provides legal remedy for property owners if operators of these motorized vehicles are trespassing.

P5 - Park Hours are Sunrise to Sunset

This provides an enforceable mechanism to control vandalism and late night disturbances. This does not preclude special approved events organized by the neighborhood that run into the evening.

Trails:

T1 - No Motorized Vehicles on Trails

This rule is established to minimize the damage and potential erosion issues that can occur with the use of these types of vehicles on unpaved trails. Additionally, trail bikes and ATVs are a potential hazard to hikers and horseback riders for which the trails are designated and may create a safety hazard and liability for the Association. This rule does not preclude the use of motorized vehicles for maintenance.