

**RULES & REGULATIONS FOR SELF-STORAGE RENTAL SPACE
AT DEVIL'S HOLLOW PARK**

In keeping with the intent and spirit of the Amended Covenants dated August 28, 2000, the Property Owners Association (POA) Board of Directors has established the following Rules and Regulations for storage of items at Devil's Hollow Park: (Note: ONLY CURRENT BLUE LAKE ESTATES PROPERTY OWNERS AND SPECIFIED FAMILY MEMBERS SHALL BE ALLOWED TO STORE SPECIFIED ITEMS IN DEVIL'S HOLLOW PARK).

SELF-SERVICE STORAGE FACILITY LIEN AND SECURITY INTEREST: To secure the Property Owner's performance under these Rules and Regulations, the Property Owner grants to the POA a lien and security interest against all of the Property Owner's nonexempt personal property that is in the storage facility. This agreement is a security agreement for the purposes of the Uniform Commercial Code. The POA may file a copy of this agreement as a financing statement.

The POA will have a lien for unpaid storage fees against all of the Property Owner's nonexempt personal property that is in the storage facility and may seize such nonexempt property if the Property Owner fails to pay storage fees. Chapter 59 of the Property Code governs the rights and obligations of the parties regarding self-storage facility liens. The POA may sell or dispose of any seized property in accordance with the provisions of § 59.041 et seq. of the Texas Property Code.

Description of Approved, Commercially Built, Storable Items – NO EXCEPTIONS:

- BOAT TRAILER with or without a BOAT
- PERSONAL WATER CRAFT (PWC) TRAILER with or without one or two PERSONAL WATER CRAFT
- UTILITY TRAILER or VEHICLE TRAILER for a single vehicle
- MOTOR HOME with or without a VEHICLE DOLLY (if kept under the back of the motor home)
- TRAVEL TRAILER
- 5th WHEEL TRAVEL TRAILER

Registration and Space Assignment:

ALL stored items shall have an official Blue Lake Identification Number (BL ID #) affixed in the following locations: Trailers or vehicle dollies – on the right side (facing the trailer hitch) on the vertical surface of the trailer tongue, within 18” of the ball coupler, 5th wheel trailers on the right side on the vertical surface of the hitch, motor homes on the right front of the vehicle 3” to 6” above the bumper and boats and PWC on the right side (facing the bow) of the boat, in line with and 12” to the right (toward the stern) of the registration number.

BL ID #'s are obtained at 2900 Blue Lake Drive at the Municipal Utilities District (MUD) office Monday through Friday 9:00 AM to 4:00 PM. The BL ID #(’s), space assignment and padlock combination will be issued after a RENTAL Application Form is completely filled out for each applicable item listed above and the appropriate fee paid.

Fees:

The annual fee for storage in Devil's Hollow Park for Motor Homes, Travel Trailers, 5th Wheel Travel Trailers, Boat Trailers, PWC Trailers, Utility Trailers and Vehicle Trailers are shown on a separate schedule. (Fees are subject to change depending on improvements and maintenance costs). Billing statements will be sent via US mail, showing space assignment, a description of the item(s), applicable comments and amount due. Payment is due and payable on receipt of statement. Payments not received within 60 days of billing are considered non-compliant. Annual rentals are from September 1 through August 31.

(Date)

(Signature)

Fees (continued):

Initial fee charged is pro-rated at time of application through the following August 31. If the rental is terminated prior to August 31, a pro-rated refund is available ONLY if notification is received in writing and sent to: Blue Lake POA, 2900 Blue Lake Drive, Horseshoe Bay, TX 78657. Notification must provide date vacated, assigned space number, phone number and renter's name and address where the refund is to be sent.

Condition and Maintenance Requirements:

- All boats and personal watercraft shall be located on a trailer, with tires properly inflated.
- A boat cover, PWC cover or tarpaulin shall cover all boats and personal watercraft.
- All boats and personal watercraft shall have drains opened and shall be properly tilted for drainage.
- All boats and personal watercraft by law require a Texas Parks & Wildlife Identifying Number.
- All boats and personal watercraft by law require a Texas Parks & Wildlife Expiration Date Sticker.
- All trailers should have a Current License Plate and Expiration Date Sticker.
- All Travel Trailers and 5th Wheel Trailers should have a Current State License Plate and Expiration Date Sticker.
- All Motor Homes should have a Current State License Plate / Sticker Registration and Current State Inspection.
- All above items shall have a BL ID # affixed as described in Registration & Space Assignment section above.
- All above items shall be moveable for grounds maintenance. (i.e. weed eating or spraying weeds, paving, etc.)
- None of the above items may be stored while awaiting or undergoing restoration, normal maintenance excluded.

Noncompliance of Rules and Regulations.

The POA Board of Directors shall notify (by certified mail, return receipt requested) the owner of stored property of any noncompliance with these Rules & Regulations and shall inform such owner that failure to correct such noncompliance within 90 days from the receipt of such notification will allow the POA Board of Directors, at its option, to correct the noncompliance at the owner's expense OR to declare the stored item "abandoned" and dispose of such item according to law.

In the event that the noncompliance has not been corrected within such 90-day period, then the POA Board of Directors, at its option, will declare the item "abandoned". The POA Board of Directors shall notify the owner (by certified mail return receipt requested) that UNLESS the owner shall remove the stored property within 30 days from the receipt thereof AND due payments made, the POA Board of Directors shall dispose of such stored "abandoned" property according to law and any expenses, court costs and/or attorney's fees thereof shall be borne by such owner.

Indemnification Clause

By using the self-storage rental area, the renter agrees that the POA, its Board of Directors (as an entity and on behalf of each individual member) and its Officers is NOT responsible for any theft, loss or damage to any stored property OR personal injury or death arising at or from using the self-storage rental area alleged to be or actually caused or contributed to by any negligence of the POA. **Each person using the self-storage area, as well as all guests or visitors of the user, shall utilize such premises and facility at his/her own risk.** Each renter using self-storage rental space also agrees to hold harmless and indemnify the POA for any damages, expenses, court costs, judgment interest, and/or attorney(s) fees because of any claim, demand, or cause of action alleging any theft, loss, damage or injury to property or person arising from use of the self-storage rental area alleged to be caused or actually caused by the negligence of any guest or visitor of the renter, or alleged to be caused or actually caused by the negligence of the POA.

(Date)

(Signature)

Entrance to Devil's Hollow Park.

A chain and combination padlock secures both entrance gates to Devil's Hollow Park. The combination will be changed annually (more often, if deemed necessary) after annual payments have been received. In September, the new combination will be sent, via US mail, to owners of stored property, that have made their annual payment.

Please keep this padlock combination number confidential for safety and security purposes. When leaving Devil's Hollow Park, it is the renter's responsibility to remove any trash or debris near your storage area and secure the gate with the chain and combination padlock. (Spin the four dials to thoroughly mix the numbers).

Each owner of property stored or to be stored in Devil's Hollow Park shall receive a dated and signed photocopy of these Rules & Regulations and agrees to the following:

"I, the undersigned, owner of the property described on page 1 of this 4 page document titled Devil's Hollow Application Form and pages 2, 3 & 4, Rules and Regulations for Self-Storage Rental Space at Devil's Hollow Park with signature and the same date on all three pages, and I agree that I have read, understand and have received a photocopy of the original document and that I will comply with and abide by such Storage Rules & Regulations and I fully understand the penalties for noncompliance."

Initial Rental Fee Amount _____

Check # _____

(Date)

(Signature)