

**THIRD AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
OF STONE CREEK RANCH**

STATE OF TEXAS §
 §
COUNTY OF KENDALL §

This Second Amendment to Declaration of Covenants, Conditions, and Restrictions of Stone Creek Ranch, is made the 12 day of October, 2016, by GREEN LAND VENTURES, LTD., a Texas limited partnership ("Declarant"), and PROPERTY OWNERS ASSOCIATION OF STONE CREEK RANCH, INC., a Texas corporation (the "Association").

RECITALS:

WHEREAS, Declarant executed that certain Declaration of Covenants, Conditions, and Restriction of Stone Creek Ranch (the "Declaration") recorded in Volume 1078, Page 791, Real Property Records of Kendall County, Texas, covering the planned community located in Kendall County, Texas, described in plat recorded in Volume 5, Pages 372-373, in the Deed and Plat Records of Kendall County (the "Property"); and

WHEREAS, Declarant and Association executed that certain Amendment to Declaration of Covenants, Conditions, and Restriction of Stone Creek Ranch ("Amendment") recorded in Volume 1144, Page 479 Real Property Records of Kendall County, Texas covering the planned community located in Kendall County, Texas, described in the plat recorded in Volume 5 page 372-373 in the Deed and Plat Records of Kendall County, ("Property"); and

WHEREAS, this Amendment has been approved by Declarant; and

WHEREAS, the undersigned President and Secretary of the Association hereby certify that this Amendment has been approved by sixty-seven percent (67%) of all Members entitled to cast a vote pursuant to Section 5.5 and 8.8 of the Declaration;

AMENDMENT:

NOW, THEREFORE, Declarant and the Association agree that the Declaration is hereby amended to add the following:

ARTICLE TWO - ARCHITECTURAL STANDARDS AND CONSTRUCTION REQUIREMENTS

Variances.

2.9 The Architectural Control Committee may grant variances from compliance with any of the provisions of this Declaration, any Supplemental Declaration or any Design Guideline when, in the opinion of the Architectural Control Committee, in its sole and absolute discretion, the variance will not impair or detract from the high quality development of the Property, and the variance is justified due to unusual or aesthetic considerations or unusual circumstances. All variances must be evidenced by a written instrument, in recordable form, and must be signed by at least two (2) of the members of the Architectural Control Committee. The granting of any variance shall not operate to waive or amend any of the terms or provisions of the Declaration, any Supplemental Declaration or any Design Guideline but shall be applicable only as to the particular Lot and in the particular instance covered by the variance, and the variance shall not be considered to establish a precedent or future waiver, modification or amendment of the terms and provisions hereof. A variance for a lot owner, approved by the ACC, will incur additional and more rigorous scrutiny of the landscape plan. The Committee may require a more robust plan, better than the average neighborhood landscaping, to mitigate the effect on the variance on the appearance of the property and impact on neighboring residences.

Minimum Construction Requirements.

2.11 Construction of all residences, garages, guest quarters and other permitted buildings or structures must conform to the following construction requirements:

- (a) **Size.** Each residence constructed on a Lot must have not less than 2800 square feet, exclusive of open or screened porches, terraces, patios, driveways, and garages.
- (b) **Masonry Required.** The exterior walls of any residence, garage, guest quarters or pool house shall consist of one hundred percent (100%) masonry construction. Masonry is defined as brick, stone, stucco, or other material approved by the Architectural Control Committee. Hardi-Plank and other similar composite or synthetic materials, veneers or panels shall not be acceptable.
- (c) **Garages.** Garages on all Lots shall have a side or rear entry. Garages on a corner Lot shall not face the street abutting the side Lot line. Detached garages must be constructed using the exact materials and colors as the main residence. It is the intent of this provision that garages will not appear visually as the main focus of the residence design. Garages that protrude forward of and perpendicular to the main structure shall not extend more

than 50% of the total garage width.

- (d) Mortar. Mortar for stone and brick joints must be buff or such other neutral color which complements the masonry as approved by the Architectural Control Committee.
- (e) Fireplaces. The fireplace and chimney shall be faced with stone, rock or stucco to complement the residence or other structure to which it is appurtenant.
- (f) Guest Quarters. Guest quarters must be constructed using the exact materials and colors as the main residence.
- (g) Exterior Finish of Slab. The exterior finish materials must extend to within fifteen inches (15") of the finished grade of a Lot so that no more than fifteen inches (15") of the slab is exposed. Any exposed foundation will be faced with underpinning to match the color and texture of the main structure's masonry.
- (h) On-Site Construction. All residences, garages, guest quarters and pool houses shall be built in place on the applicable Lot.
- (i) Mailboxes. Unless otherwise required by U.S. Postal Service regulations, each residence must have a mailbox of a size, style, quality, uniform numbers and appearance as established by the Architectural Control Committee. Mailboxes must be constructed with masonry complimentary to the residence and completed contemporaneously with the residence.

Elevations.

2.14 No building wall shall extend more than twenty feet (20') vertically without an offset in the vertical plane and no single story wall may extend more than thirty-four feet (34') horizontally without a horizontal offset. Horizontal offsets will be at least twenty-four (24) inches in width and vertical offsets will be at least eighteen (18) inches in width.

Setbacks.

2.15 No residence, garage, guest quarters, building, structure or other Improvement, other than landscape plant materials, driveways, walkways, irrigation systems, and fences shall be located on any Lot nearer than seventy (70) feet to the front setback line, or nearer than fifty (50) feet to the rear Lot line, or nearer than twenty (20) feet to any side Lot line. For purposes of this covenant, eaves, steps, patios and open porches shall not be considered as a part of the building; provided, however, construction of any portion of the building shall not encroach upon another lot. On a corner lot the front facing setback shall be seventy

(70) feet from the front lot setback and thirty (30) feet from the twenty (20) foot lateral setback or fifty (50) feet from the curb on the side of the residence. If two or more Lots, or portions of two or more Lots, are consolidated into a building site in conformity with Section 3.9, these building setback requirements shall apply to the resulting building site as if it were one original, platted Lot.

Construction Regulations.

2.17 The following regulations shall apply to all construction unless otherwise agreed in writing by the Architectural Control Committee:

- (a) **Debris and Trash Removal.** Trash and debris shall be removed from each construction site frequently and shall not be permitted to accumulate. All remaining trash and debris on the construction site shall be removed at the end of each week. Lightweight materials, packaging, and other items shall be contained, covered or weighted down to prevent their being blown off the construction site. Contractors are prohibited from dumping, burying or burning trash anywhere within the Community or on adjacent lands except as expressly permitted by the Architectural Control Committee. During the construction period, each construction site and the route to and from the construction site shall be kept neat and clean, and shall be properly policed to prevent it from becoming a public eyesore or affecting other Lots or any open space or Common Areas. Unightly dirt, mud, or debris from activity on each construction site shall be promptly removed and the general area cleaned up at the end of each week. A dumpster is required on-site during construction.
- (b) **Sanitary Areas.** Each contractor shall be responsible for providing adequate sanitary facilities for his construction workers. All such facilities must be serviced on a regular basis during construction.
- (c) **Parking Areas.** Construction crews shall not park on, or otherwise use, other Lots or any open space or Common Areas. Private construction vehicles and machinery shall be parked only within the Lot on which construction is proceeding or in areas designated by the Architectural Control Committee. All vehicles shall be parked so as not to inhibit traffic.
- (d) **Traffic Regulations.** Each contractor shall be responsible for its subcontractors and suppliers obeying the speed limits posted within or for the Community. Adhering to the speed limits shall be a condition included in the contract between the contractor and its subcontractors/suppliers. Repeat offenders may be denied future access to the Community by the Architectural Control Committee.
- (e) **Excavation Materials and Clearing Debris.** Excess excavation materials and clearing debris (brush and trees) must be promptly hauled away from the Community.
- (f) **Restoration or Repair of Property Damages.** Damage and scarring

to any of the Community, Common Areas, open space or another Lot including, but not limited to, streets, driveways, concrete curbs, gutters, utilities, vegetation and/or other Improvements, resulting from construction operations, will not be permitted. If any such damage or scarring occurs, it must be repaired and/or restored promptly and any related expenses shall be borne by the contractor. In the event of default by the contractor in meeting these obligations, the Lot Owner who retained the contractor shall be responsible.

(g) Miscellaneous and General Construction Practices. All Owners will be absolutely responsible for the conduct and behavior of their agents, representatives, employees, builders, contractors and subcontractors while on the premises of the Community. The following practices are specifically prohibited:

- (i) Changing oil on any vehicle or equipment on the site itself or at any other location within the Community other than at a location, if any, designated for that purpose by the Architectural Control Committee;
- (ii) Allowing concrete suppliers, plasterers, painters, or other subcontractors to dump any fluids or other substances, or clean their equipment, anywhere but at the location designated, if any, for that purpose by the Architectural Control Committee;
- (iii) Removing any rocks, plant material, topsoil, or similar items from any property of others within the Community, including other construction sites;
- (iv) Carrying any type of firearms within the Community;
- (v) Using disposal methods or equipment other than those approved by the Architectural Control Committee;
- (vi) Careless disposition of cigarettes and other flammable material. At least one 10-pound ABC rated dry chemical fire extinguisher shall be present and available in a conspicuous place on the construction site at all times;
- (vii) Careless treatment or removal of trees, shrubs or plants not previously approved for removal by the Architectural Control Committee;
- (viii) No pets, particularly dogs, may be brought into the Community by construction personnel. In such event, the Architectural Control Committee, the Board of Directors of the Association, or the Declarant shall have the right to contact authorities to impound the pets, to refuse to permit the contractor or subcontractor involved to continue work on the project, or to take other action as may be permitted by law or the Governing Documents; and

(ix) Catering trucks will be permitted. Trash generated by the purchase of items from these trucks and from construction practices should be contained and disposed of properly. Repeated problems with these requirements could result in the catering trucks being denied admittance to the Community.

(h) Construction Access. The only approved construction access during the time a residence or other Improvement is under construction will be over the approved driveway for the Lot, unless the Architectural Control Committee approves an alternative access point. In no event shall more than one construction access be permitted onto any Lot.

(i) Dust and Noise. The contractor shall be responsible for controlling dust and noise, including, without limitation, music from the construction site.

(j) Construction Signage. Signage will be in accordance with the Architectural Control Committee sign policy.

(k) Utilities. Unless otherwise approved in writing by the Architectural Control Committee, all utilities brought onto the Lot must be buried underground.

Fences and Walls.

2.19 Except as required under subsection (c) of this Section 2.19, no fencing is required. If fencing is installed, the design and materials must be submitted to and approved by the Architectural Control Committee prior to start of construction pursuant to Section 2.2 and must comply with the following requirements:

(a) General Requirements. All fencing along the front property line of any Lot or along any property line abutting a street must be constructed of brick, stone, masonry, wrought iron, or a combination of the foregoing. Any wrought iron fencing facing the front of the property or facing a street on the side of the property (corner or irregular lot) must be attached to masonry columns at every Lot corner. King Ranch fencing shall be allowed only along the side and rear property lines of any Lot except any side or rear property line that abuts a street. Any King Ranch fencing must consist of King Ranch wire mesh attached to peeled cedar posts which are a minimum of three (3) inches in diameter. No wood, board, chain link, cyclone or precast concrete fencing is allowed on any Lot.

(b) Front Fencing and Gates. No fence shall be located on any Lot nearer to the front Lot line than the front wall of the main structure except that, upon written approval by the Architectural Control Committee, front fencing with a mechanically operated entry gate installed across the front driveway may be located forward of the main structure but no nearer than fifty (50) feet to the front Lot line. Unless otherwise approved by the Architectural Control

Committee, only two entry gates will be allowed to or from any Lot. An additional gate may be authorized for unusually large Lots or a Lot with extreme topographical conditions. Entry gates must be constructed from steel or wrought iron and must be primed and painted; no galvanized ranch-type gates will be permitted. The Architectural Control Committee must approve all gate and entry designs prior to installation. Any fences and gates installed along the front property line must be a minimum of fifty feet (50') from the front property line of the Lot with masonry columns constructed at every corner of the Lot at a minimum.

(c) Fencing Existing at Time of Development. At the time of development of the Community, there is an existing eight (8) foot deer-proof fence around the sides and rear of the Community. No Owner shall be required to remove and replace such fence unless and until such fence is in need of replacement. If such fence is removed, it must be replaced with fencing of such design and materials as is approved by the Architectural Control Committee in accordance with the requirements of this Section 2.19. Any such replacement fencing must be a minimum of six (6) and a maximum of eight (8) feet in height.

(d) Height. Except as provided in Section 2.19(c) above, no fence or wall constructed on any Lot shall exceed six (6) feet in height.

Driveways.

2.20 All driveways shall be paved with concrete, brick, stone, masonry or any other similar material approved by the Architectural Control Committee. Smooth, broom-finished or pebble-finished concrete is allowed. No asphalt, gravel, pebbles, decomposed granite or similar materials is allowed. Parking pads, stubs, and any surface intended to hold a vehicle of any kind, will conform to the paving requirements specified for driveways.

ARTICLE THREE- USE RESTRICTIONS

Equipment, Service Areas.

3.6 The location of all air conditioning equipment, heat pump units, water softeners, pool service equipment or other such equipment must be first approved by the Architectural Control Committee before installation or use. In addition, all such equipment must be visually screened from view from other Lots and Common Areas by such screening including, without limitation, masonry walls or evergreen vegetation (of sufficient size and density), as approved by the Architectural Control Committee. The Architectural Control Committee may require a masonry wall when they deem that evergreen shrubbery may not provide adequate screening. All screening walls shall be fully landscaped with landscaping of a type, quality and quantity approved by the Architectural Control Committee. Graders,

tractors, mowers and other yard or garden maintenance equipment shall be kept at all times, except when in actual use, in enclosed structures or screened from view in such manner as approved by the Architectural Control Committee. No repair or maintenance work shall be done on any vehicle or equipment of any kind (other than minor emergency repairs), except in enclosed garages or other structures approved by the Architectural Control Committee. Service areas, storage areas, loading areas, wood piles and compost piles shall be appropriately screened from view from other Lots and Common Areas, and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials or scrap or refuse or trash shall be kept stored or allowed to accumulate on any portion of the Property except within enclosed structures or appropriately screened from view from other Lots and Common Areas.

Hazardous Activities

3.12 No activities shall be conducted on any Lot or anywhere within the Community and no Improvements constructed on any Lot that are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms, weapons of any type or fireworks shall be discharged anywhere within the Community. Notwithstanding the foregoing, the Board may, in isolated cases, approve the discharge of fireworks to celebrate a holiday or other event, but, in such event, the party discharging such fireworks shall be designated by the Board and shall be done so in strict accordance with the Association Rules, government restrictions, and other rules and regulations established for that event. No open fires shall be lighted or permitted except (i) while attended within safe and well- designed interior or outdoor fireplaces; (ii) within contained barbecue units while attended and in use for cooking purposes; and/or (iii) in compliance with ordinances, regulations and permit requirements of local governmental authorities. Hunting, whether with firearms or bows or otherwise, shall be prohibited on any Lot or anywhere within the Community.

Signs.

3.15 No sign, poster, banner, advertisement or other display of any kind may be placed or displayed upon any Lot, building, fence, or other Improvement upon such Lot, so as to be visible from any street or Lot except the following:

- (a) One small sign adjacent to Owner's residence notifying the public that the residence is protected by a security monitoring service,
- (b) Signs promoting a political candidate or a position on an issue for which an election is to be held provided, however, that such right shall be limited to one sign per political race and one sign for each issue for which an election is to be held and provided further that such signs may not be erected more than ninety (90) days in advance of the election to which they pertain and must be removed within ten (10) days following such election, and

(c) Prior to the occupancy of a Lot as a residence, a builder may place "open house" directional signs in accordance with rules and regulations promulgated by Architectural Control Committee or the Declarant. Owners will refer to the ACC sign policy for further information.

The Architectural Control Committee shall have the right to promulgate rules and regulations regarding the size, location, composition, color and quality of all permitted signs other than signs erected by Declarant. All permitted signs shall be affixed to wooden posts that are ground-mounted in accordance with the ACC sign policy. Further, all signs visible from the street shall be constructed for low-maintenance and shall be approved in advance by the Architectural Control Committee. In the event a sign is not properly maintained or is in violation of the ACC sign policy, the Architectural Control Committee may give the sign owner written notice thereof. Required repairs or removal must be made within five (5) business days of notification by the Architectural Control Committee. The Architectural Control Committee shall have the right, but not the obligation, to have repairs made and charged to the sign owner or cause the sign to be removed at the Owner's expense. An easement on, over and across the Common Area is hereby retained by Declarant for placement of project signs, project monuments, directional signs, and marketing signs.

On corner Lots, the Declarant and/or the Association reserves the right and an easement, including the right of ingress and egress, to place streets signs, directional signs and traffic signs within a ten (10) foot radius from the corner of such Lots.

Vehicles / Parking.

3.20 Owners shall not park, keep, place or allow more than two (2) passenger vehicles (to include automobiles, passenger vans, light pickup trucks and similar vehicles) in the driveway or in such manner as to be visible from any other portion of the Community for any period in excess of forty-eight (48) hours. All other vehicles, trucks, boats, trailers, tractors, campers, wagons, buses, motor homes, recreational vehicles, motorcycles, and motor scooters shall be kept at all times in enclosed structures or screened from view.

Commercial vehicles (which includes all vehicles having any type of business, commercial or advertising display), construction and repair equipment may be parked in the driveway or in the street in front of any Lot only while a residence or residences are being built or repaired in the immediate vicinity or while providing services to the Lot or residence. No automobile or other vehicle of any type may be parked overnight on any street or on any portion of the Common Area except that guests of Owners may park a vehicle overnight in the street immediately in front of such Owner's Lot for a period not exceeding forty-eight (48) hours. No vehicle which does not have a current license and valid registration or is inoperable may be parked at any time in the street, the driveway, or on any other portion of a Lot unless in an enclosed structure or screened from view. To accommodate guest parking primarily off street, all Owners will be required to provide off street parking

for two vehicles in the form of a parking pad, circular driveway or additional parking space within the driveway area. Vehicles will not be stored or parked off driveway surfaces unless in an enclosure approved by the ACC.

Landscaping and Open Space; Trees.

3.23 Each Lot must consist of a minimum of fifty-one percent (51%) open space upon which no building, structure or permanent improvement including, but not limited to, patios, driveways, walkways, pools, hard surface recreational courts and any other non-permeable improvement, may be constructed or erected. All landscaping must comply with all applicable governmental ordinances and regulations including, without limitation, any landscape ordinance enacted by the City of Fair Oaks from time to time. In addition, the Architectural Control Committee reserves the right to implement a landscaping code (which may be more restrictive or comprehensive than the applicable ordinance) to promote and encourage the use of landscaping vegetation, including lawns, shrubbery, trees and plants, which are drought tolerant or use little or no water in order to encourage water conservation and the preservation of water resources, and to prohibit certain trees, shrubbery, plants and grasses that are invasive or otherwise constitute a nuisance to the Community. No tree within the Property may be removed or destroyed which has a trunk diameter exceeding eight (8") inches unless otherwise approved by the Architectural Control Committee. Further, the Architectural Control Committee reserves the right to promulgate rules and regulation regarding the trimming, cutting, pruning or cutting of oak trees or other trees to prevent the spread of oak wilt and other tree diseases within the Property. Lot owners will review and comply with the current Architectural Control Committee landscape guidelines available as a separate document from these restrictions.

ARTICLE EIGHT – GENERAL PROVISIONS

Enforcement.

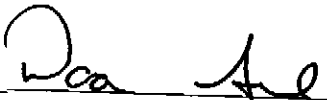
8.1 The Declarant or the Association or any Owner (at his or her own expense) shall have the right to enforce, by any proceeding at law or in equity, all covenants, restrictions, conditions, and reservations imposed by this Declaration or other Governing Documents. Neither the Declarant nor the Association shall be liable to any Owner or Owners for failure to enforce any covenant, restriction, condition, or reservation. Failure to enforce any covenant, restriction, condition, or reservation shall not be deemed a waiver of the right of enforcement either with respect to the violation in question or any other violation. All waivers must be in writing and signed by the party to be bound. The Association Board of Directors is authorized to impose a financial penalty of up to \$100 per day for non-compliance after the delivery of the second notice of violation of the provisions, restrictions and guidelines outlined in paragraph 1.15 of this document. The current total of this penalty shall be due and payable on the date of the next quarterly Association dues payment.

DECLARANT:

GREEN LAND VENTURES, LTD.,

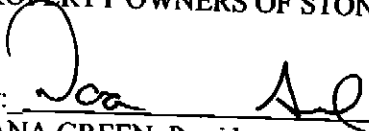
A Texas Limited Partnership

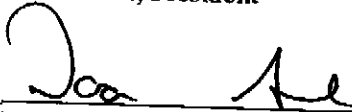
By: D. Green Land Co.,
a Texas corporation, its General Partner

By: 
Dana Green, President

ASSOCIATION:

PROPERTY OWNERS OF STONE CREEK RANCH, INC.

By: 
DANA GREEN, President

By: 
DANA GREEN, Secretary

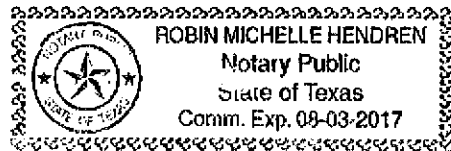
ACKNOWLEDGEMENT

THE STATE OF TEXAS §
 §
COUNTY OF BEXAR §

Before me, the undersigned authority, on this 17 day of December, 2016, personally appeared DANA GREEN, as President of D. Green Land Co., a Texas corporation, General Partner of Green Land Ventures, Ltd., a Texas limited partnership.

Robin M Hendren

Notary Public, The State of Texas



Filed & Recorded in:

**KENDALL COUNTY
DARLENE HERRIN
COUNTY CLERK**

01/05/2017 08:10AM

Document Number : 00308173
Total Fees : \$70.00

Receipt Number - 72958
By Deputy: Harriet P Seidensticker

This Document has been electronically received by this
Office for Recording into the Official Public Records.

We do hereby swear that we do not discriminate due to
Race, Creed, Color, Sex or National Origin.

STATE OF TEXAS, COUNTY OF KENDALL
I hereby certify that this instrument was e-filed in File
Number Sequence on the date and at the time stamped
hereon and was duly recorded in the OFFICIAL RECORDS
Records of Kendall County, Texas on

01/05/2017
DARLENE HERRIN, COUNTY CLERK
Kendall County, Texas

By: Harriet P Seidensticker Deputy

30334

SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF STONE CREEK RANCH
A PLANNED UNIT DEVELOPMENT

STATE OF TEXAS §
 §
COUNTY OF KENDALL §

This Supplemental Declaration of Covenants, Conditions and Restrictions of Stone Creek Ranch, is made this 19 day of February, 2009, by GREEN LAND VENTURES, LTD., a Texas limited partnership ("Declarant"), and PROPERTY OWNERS ASSOCIATION OF STONE CREEK RANCH, INC., a Texas corporation (the "Association").

RECITALS:

WHEREAS, The Declarant has previously filed a Declaration of Covenants, Conditions and Restrictions of Stone Creek Ranch, a Planned Unit Development, which is recorded in Volume 1078, Page 791 of the Official Records of Kendall County, Texas, related to the Planned Unit Development known as Stone Creek Ranch, the plat of which is recorded in Volume 5, Page 372 of the Plat Records of Kendall County, Texas; and

WHEREAS, The Declarant has also previously filed an Amendment to the Declaration of Covenants, Conditions and Restrictions of Stone Creek Ranch, which is recorded in Volume 144, Page 479 of the Official Records of Kendall County, Texas; and

WHEREAS, The Declarant reserved the right to withdraw property from the common scheme of development described in the original Declaration of Covenants, Conditions and Restrictions of Stone Creek Ranch, a Planned Unit Development; and

WHEREAS, The Property will not require such common area amenities in the event of a default in the re-payment of the loan for the construction of the common area amenities; and

WHEREAS, it is necessary to induce the Lender to provide such loans by assuring the Lender that in the event of a default in the repayment of the loans, such common areas may be devoted to other useful purposes as will enhance the value of the security in the event of default.

NOW, THEREFORE, the Declarant hereby conditionally withdraws the portions of the Property described in Exhibit "A", attached hereto from covenants, conditions and restrictions set forth in the Declaration including, but not limited to Section 3.30 - Business Activities, together with all of the common areas, streets, roads, easements and other areas of the Property necessary to provide unencumbered access to the portions of the Property described in Exhibit "A" (the "Common Area Property").

The Common Area Property shall remain subject to covenants, conditions and restrictions until and unless the condition is satisfied when a state of default is declared to exist by the Lender by the recording of a Statement of Default in the Official Public Records of Kendall County, Texas. A Statement of Default may be filed at any time after the Lender gives written notice of default to the Declarant, and such condition of default is not cured to the sole satisfaction of the Lender within ten (10) days following the date of the notice of default. The recording of the Statement of Default shall constitute notice to the Property Owners Association of Stone Creek Ranch and each owner of any real property interest within Stone Creek Ranch of the termination of the effect of Declaration upon the Common Area Property.

Nothing herein shall expand, enlarge or create any obligation of the Lender to provide notice of any default under the terms of the Note or any instrument securing the Note.

In the event of such a termination of the Declaration with regard to the Common Area Property, such area may thereafter be used for any lawful purpose, commercial, residential or mixed and the Common Area Property shall not be subject to any right, use or easement in favor of the owners of Stone Creek Ranch including, but not limited to that easement granted pursuant to Section 4.7 of the Declaration whether created specifically by grant in any instrument of record, un-recorded instrument, by common law, by equity or by prescription.

Except as provided herein, all provisions of the Declaration, as supplemented and amended, are hereby ratified and confirmed.

DECLARANT:

Green Land Ventures, Ltd.,
a Texas limited partnership

By: D. Green Land Co.,
a Texas corporation, its general partner

By: Dana Green
Dana Green, President

ASSOCIATION:

Property Owners Association of Stone Creek Ranch,
Inc., a Texas Non-Profit Corporation

By: Dana Green
Dana Green, President and Secretary

THE STATE OF TEXAS §
 §
COUNTY OF KENDALL §

This instrument was acknowledged before me on the 19 day of February, 2009, by DANA GREEN, President of D. GREEN LAND CO., general partner of GREEN LAND VENTURES, LTD., a Texas limited partnership, on behalf of said limited partnership, and as President and Secretary of PROPERTY OWNERS ASSOCIATION OF STONE CREEK RANCH, INC., a Texas non-profit corporation, on behalf of said corporation.



Ashlee Pfeiffer
Notary Public in and for the State of Texas

AFTER RECORDING RETURN TO:

PREPARED IN THE LAW OFFICE OF:

Ms. Dana Green
30234 Fairway Ash
Fair Oaks, Texas 78015

Nunley Jolley Cluck Aelvoet LLP
1580 S. Main Street, Suite 200
Boerne, Texas 78006

CLIENT\7000\7600-7699\7675.4 PNB of Somers - Green Land Ventures, Ltd\Supplemental Declaration of Covenants (2).doc

EXHIBIT "A"

Being Park/Open Space Lot 19, Stone Creek Ranch Unit 1, City of Fair Oaks Ranch, Kendall County, Texas, and containing 16.49 acres of land, more or less, according to Plat thereof recorded in Volume 5, Pages 372-373, Kendall County Plat Records.

Filed for Record in:

Kendall County
Darlene Herrin
County Clerk

On: Feb 24, 2009 at 03:27P

Document Number: 00238529
Total Fees : 23.00

Receipt Number - 118580
By Deputy: Paula Pfeiffer

This Document has been received by this Office for Recording into the Official Public Records. We do hereby swear that we do not discriminate due to Race, Creed, Color, Sex or National Origin.

KCAC

STATE OF TEXAS, COUNTY OF KENDALL
I hereby certify that this instrument was filed in File Number Sequence on the date and at the time stamped hereon and was duly recorded in the Official Records of Kendall County, Texas on:



FEB 25 2009
DARLENE HERRIN, County Clerk
Kendall County, Texas

By: Deputy

**AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
OF STONE CREEK RANCH**

STATE OF TEXAS §
 §
COUNTY OF KENDALL §

This Amendment to Declaration of Covenants, Conditions, and Restrictions of Stone Creek Ranch, is made this *29th* day of November, 2008, by GREEN LAND VENTURES, LTD., a Texas limited partnership ("Declarant"), and PROPERTY OWNERS ASSOCIATION OF STONE CREEK RANCH, INC., a Texas corporation (the "Association").

RECITALS:

WHEREAS, Declarant executed that certain Declaration of Covenants, Conditions, and Restrictions of Stone Creek Ranch (the "Declaration") recorded in Volume 1078, Page 791, Real Property Records of Kendall County, Texas, covering the planned community located in Kendall County, Texas, described in plat recorded in Volume 5, Pages 372-373, in the Deed and Plat Records of Kendall County (the "Property"); and

WHEREAS, Declarant and the Association desire to provide certain services to the Owners by and through the Fair Oaks Ranch Homeowners Association, Inc.; and

WHEREAS, this Amendment has been approved by Declarant; and

WHEREAS, the undersigned President and Secretary of the Association hereby certify that this Amendment has been approved by sixty-seven percent (67%) of all Members entitled to cast a vote pursuant to Section 5.5 of the Declaration;

AMENDMENT:

NOW, THEREFORE, Declarant and the Association agree that the Declaration is hereby amended to add the following:

Fair Oaks Ranch Homeowners Association, Inc.

5.11 All Lot Owners shall become and continue to be members of the Fair Oaks Ranch Homeowners Association, Inc. ("FORHA") and shall comply with its articles of incorporation, bylaws and resolutions, the purposes of which are to provide various services and facilities for the use and benefit of the Owners, and all Lot Owners agree to accept such membership and to perform and be bound by the obligations, terms and conditions of membership in such FORHA in accordance with its articles of incorporation, bylaws and resolutions.

Except as provided herein, all provisions of the Declaration, as supplemented and amended, are hereby ratified and confirmed.

DECLARANT:

GREEN LAND VENTURES, LTD.,
A Texas Limited Partnership

By: D. Green Land Co.,
a Texas corporation, its General Partner

By: *Dana Green*
Dana Green, President

ASSOCIATION:

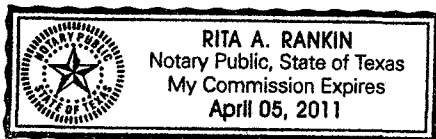
PROPERTY OWNERS ASSOCIATION OF STONE CREEK RANCH, INC.

By: *Dana Green*
DANA GREEN, President

By: *Dana Green*
DANA GREEN, Secretary

THE STATE OF TEXAS §
 §
COUNTY OF BEXAR §

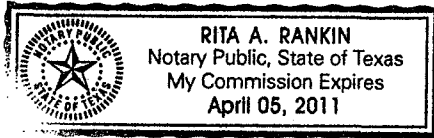
Before me, the undersigned authority, on this 28 day of November 2008,
personally appeared DANA GREEN, as President of D. Green Land Co., a Texas
corporation, General Partner of Green Land Ventures, Ltd., a Texas limited partnership.



Rita A. Rankin
Notary Public, The State of Texas

THE STATE OF TEXAS §
 §
COUNTY OF BEXAR §

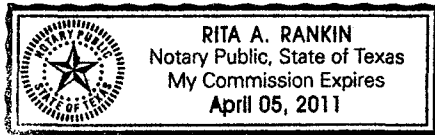
Before me, the undersigned authority, on this 28 day of November 2008, personally appeared DANA GREEN, President of PROPERTY OWNERS ASSOCIATION OF STONE CREEK RANCH, INC.



Rita A. Rankin
Notary Public, The State of Texas

THE STATE OF TEXAS §
 §
COUNTY OF BEXAR §

Before me, the undersigned authority, on this 28 day of November 2008, personally appeared DANA GREEN, Secretary of PROPERTY OWNERS ASSOCIATION OF STONE CREEK RANCH, INC.



Rita A. Rankin
Notary Public, The State of Texas

After Recording, Return To:

Miller & Astoria, LLP
✓10500 Heritage Blvd, Ste 107
San Antonio, Texas 78216

Filed for Record in:
Kendall County
Darlene Herrin
County Clerk

On: Dec 03, 2008 at 10:02A
Document Number: 00236790
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By Deputy: Paula Pfeiffer

This Document has been received by this Office for Recording into the Official Public Records. We do hereby swear that we do not discriminate due to Race, Creed, Color, Sex or National Origin.

STONE CREEK RANCH

A PLANNED UNIT DEVELOPMENT

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

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DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
of
STONE CREEK RANCH
A PLANNED UNIT DEVELOPMENT

Preamble

This Declaration of Covenants, Conditions, and Restrictions is made on the 20th day of August, 2007, by GREEN LAND VENTURES, LTD., a Texas limited partnership ("Declarant"), whose mailing address is 10999 I.H. 10 West, Suite 257, San Antonio, Texas.

Recitals

1. Declarant is the owner of all that certain real property ("the Property") located in Kendall County, Texas, known as STONE CREEK RANCH, being a tract of land containing approximately 239.29 more or less, and being all of the real property shown and described on plat recorded in Volume 5, Pages 372-373, Kendall County Deed and Plat Records.
2. The Declarant has devised a general plan for the entire Property, with specific provisions for particular parts and parcels of the Property. This general plan provides a common scheme of development, improvement, maintenance and sale of the Property for the benefit of the present and future owners of the Property for the purposes of enhancing and protecting the value, desirability and attractiveness of said Property and Community.
3. In accordance with both the doctrines of restrictive covenant and implied equitable servitude, the Declarant desires to restrict the Property according to these covenants, conditions, and restrictions in furtherance of this general development plan.

NOW, THEREFORE, it is declared that all of the Property shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, conditions, reservations, charges and liens, which shall run with the Property and shall inure to the benefit of each Owner.

ARTICLE ONE – DEFINITIONS

Unless the context otherwise specifies or requires, the following words and phrases when used in this Declaration or any Supplemental Declaration shall have the following meaning:

Architectural Control Committee.

1.1. "Architectural Control Committee" or the "ACC" means the committee created and empowered pursuant to this Declaration.

Assessments.

1.2. "Assessment(s)" means and refers to all monetary charges against each Owner and each Lot made by the Association in accordance with and for the purposes set forth herein.

Association.

1.3. "Association" means the PROPERTY OWNERS ASSOCIATION OF STONE CREEK RANCH, INC., a Texas non-profit corporation, or its successors and assigns, or any other incorporated association consisting of all Owners. Each Owner shall become a Member of the Association contemporaneously with acquiring a Lot, without any further documentation of any kind.

Association Rules.

1.4 "Association Rules" means and refers to the rules, regulations or policies adopted by the Declarant or the Board as the same may be amended from time to time.

Board.

1.5. "Board" means the Board of Directors of the Association.

Bylaws.

1.6. "Bylaws" means and refers to the Bylaws of the Association as the same may be amended or restated from time to time.

Certificate of Formation.

1.7. "Certificate of Formation" means and refers to the Certificate of Formation of the Association as the same may be amended or restated from time to time.

Common Area.

1.8. "Common Area" means that portion of the Property owned or to be owned by the Association for the common use, benefit and enjoyment of the Members of the Association and all facilities and improvements located thereon including, but not limited to, private streets, swimming pool, clubhouse, signs, gates, guardhouse, monuments, Community

Wall, medians, islands, any interior walls or fences, bridges, walkways, easements, open spaces, greenbelts, parks, water quality areas, and related improvements and equipment. The Common Area to be owned by the Association shall include: (i) any area of land shown on the Plat of the Property identified thereon as being held for passive or recreational purposes for the benefit of all Owners including, but not limited to, all lots designated as open spaces, greenbelts, parks, and water quality areas, (ii) the streets within the Property, including the entry way street, as indicated on the Plat, (iii) the Community Wall, swimming pool, and clubhouse and (iv) other land or improvements deeded or transferred to the Association by the Declarant or any third party for the common use, benefit and enjoyment of the Members. Declarant reserves the right to effectuate redesigns, reconfigurations or deletions of the Common Area by any means including, but without limitation, amending the Plat.

Community.

1.9. "Community" shall mean the Stone Creek Ranch Development.

Community Wall.

1.10. "Community Wall" shall mean the wall or fence described in Section 4.4 hereof.

Declarant.

1.11. "Declarant" means GREEN LAND VENTURES, LTD., a Texas limited partnership, and its successors and assigns. Any assignment of the rights of Declarant must be expressly set forth in writing and the mere conveyance of a portion of the Property without written assignment of the rights of Declarant hereunder shall not be sufficient to constitute an assignment of the rights of Declarant hereunder.

Declaration.

1.12. "Declaration" means and refers to this Declaration of Covenants, Conditions and Restrictions and any Supplemental Declaration, as same may be amended or supplemented from time to time.

Design Guidelines.

1.13. "Design Guidelines" means and refers to any additional criteria and guidelines established by the Architectural Control Committee applicable to architecture, design, construction, placement, location, alteration and maintenance of Improvements, landscaping and vegetation, as the same may be adopted and/or amended from time to time, by the Architectural Control Committee in accordance with Section 2.7 of this Declaration.

Development.

1.14. "Development" shall mean the Property, which Declarant purposes to develop and subdivide into units or phases to be known as Stone Creek Ranch, a subdivision in Kendall County, Texas.

Governing Documents.

1.15. "Governing Documents" means and refers to the Declaration, Certificate of Formation, Bylaws, Association Rules, Design Guidelines and any other written rule, regulation or policy, whether now existing or hereafter promulgated by the Declarant, the Board or the Architectural Control Committee from time to time.

Improvement.

1.16. "Improvement" shall mean every structure, addition, thing or object, whether temporary or permanent, and all appurtenances thereto of every type and kind constructed or placed, or intended to be placed, or added upon any portion of any Lot by or on behalf of any Owner (including the Association) including, but not limited to, all buildings, residences, garages, guest quarters, outbuildings, accessory buildings, storage buildings, playhouses, greenhouses, gazebos, patios, recreational courts (such as tennis courts, basketball courts and other sports courts), playscapes, swimming pools (in-ground or above ground), garages, fences, trash enclosures, animal enclosures, screening walls, retaining walls, stairs, decks, landscaping (including hardscape and softscape), tanks, reservoirs, cisterns or other water collection containers, poles (including, without limitation, basketball poles and flag poles), signs, exterior air-conditioning or water softeners, antenna and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or other utilities, and shall, where appropriate to the context, include any disturbance of the soil, clearing, grading, landscaping, removal of trees or other vegetation, placement of moveable items.

Lot.

1.17. "Lot" means any of the parcels of land within the Property shown on any Plat of the Property, on which there is or will be built a single family dwelling or which parcel of land is described as a Lot on the Plat. The term "Lot", however, does not include any lot designated as Common Area.

Member.

1.18. "Member" or "Members" means and refers to all Owners. Membership in the

Association is mandatory.

Owner.

1.19. "Owner" or "Owners" means the record owner or owners of the fee simple title to any Lot or portion of a Lot within the Property. "Owner" includes a Seller under a contract for deed but excludes all mortgagees and others having only a security interest in a Lot.

Plans and Specifications.

1.20. "Plans and Specifications" shall mean any and all documents and drawings designed to guide or control the construction or erection of any Improvement including, but not limited to, those indicating location, size, shape, configuration, materials, site plans, excavation and grading plans, foundation plans, drainage plans, clearing plans, sewage disposal system plans, landscaping and fencing plans, signage, lighting, elevation drawings, floor plans, specifications on all building products and construction techniques, samples or exterior colors, plans for utility services, and all other documentation or information relevant to such Improvement. The Plans and Specifications must locate by scaled drawings all sidewalks, driveways, utility lines and all other Improvements.

Plat.

1.21. "Plat" means the subdivision plat of the Property recorded in Plat Records of Kendall County, Texas, and any amendments or supplements thereto and any other subdivision plat of the Community.

Preferred Builders.

1.22. "Preferred Builders" means those builders or contractors specifically approved by the Architectural Control Committee for construction of Improvements within the Community.

Property.

1.23. "Property" shall mean the tract of land containing approximately 239.29 acres, more or less, located in Kendall County, Texas, and more particularly described on the Plat recorded in Volume 5, Pages 372-373, of the Deed and Plat Records of Kendall County, Texas, and shall also include any subsequent real property made subject to the covenants, conditions and restrictions of this Declaration or any Supplemental Declaration by filing of a Supplemental Declaration describing such additional property.

Supplemental Declaration.

1.24. "Supplemental Declaration" shall mean and refer to any declaration of covenants, conditions and restrictions which may be recorded hereafter in order to (i) subject any area of the Property to further covenants, conditions or restrictions, (ii) withdraw land from the Property or (iii) annex additional land into the Community.

ARTICLE TWO - ARCHITECTURAL STANDARDS AND CONSTRUCTION REQUIREMENTS

Architectural Control Committee.

2.1. Declarant shall designate and appoint an Architectural Control Committee consisting of not less than three (3) persons but not more than seven (7), as Declarant deems appropriate. Declarant shall have the right to remove any member of the Architectural Control Committee. The Declarant may delegate the right to appoint or remove members of the Architectural Control Committee to the Board by written instrument. Thereafter, the Board shall have the right to appoint or remove all members of the Architectural Control Committee. In the event Declarant fails to delegate its rights hereunder to the Board, such rights shall automatically devolve to the Board upon the recording of any transfer or conveyance of the Common Areas to the Association.

Approval of Plans and Specifications.

2.2. No Improvement of any kind shall be commenced, erected, constructed, placed or maintained upon any Lot or the Common Area, nor shall any exterior addition or change or alteration be made thereto unless and until the Plans and Specifications therefore and the primary builder to perform such construction shall have been submitted to and approved by the Architectural Control Committee in accordance herewith. In furtherance of, but not in limitation of, the foregoing, the Architectural Control Committee must review and approve in writing all of the following projects on the Property:

- (a) construction of any residence, detached garage, guest house, pool house, children's playhouse, fence, wall, swimming pool, recreational court or other structure and/or Improvement;
- (b) any exterior addition, change, or alteration to any residence, detached garage, guest house, pool house, other building, fence, wall, or other structure and/or Improvement;
- (c) any landscaping or grading of any Lot or Lots, including paving of driveways, installation of any hardscape or softscape, and installation of any irrigation system.

Application for Approval.

2.3. To obtain approval for any Improvement or to take any action described in Section 2.2, an Owner must submit an application to the Architectural Control Committee along with the Plans and Specifications for the proposed work or Improvement prior to commencing construction of an Improvement, or any addition, change or alteration to an Improvement. Such Plans and Specifications shall detail, without limitation, the nature, shape, height, materials, colors, and location of the proposed work or Improvement and any other information or materials as may be requested by the Architectural Control Committee. An application can be rejected for providing insufficient information. The Architectural Control Committee shall have the right to set and require a reasonable submission fee for each set of Plans and Specifications and materials submitted for review. This submission fee shall be in addition to any compensation paid to a professional under Section 2.23.

Standard for Review.

2.4. The Architectural Control Committee shall review applications for proposed work or Improvements in order to (i) ensure conformity of the proposal with the Governing Documents, and (ii) ensure harmony and compatibility of the external design, colors and materials within the Community, surrounding structures and topography. The Architectural Control Committee shall have broad, discretionary authority to interpret and apply these standards. In rejecting an application, the Architectural Control Committee should detail the reasons for rejection. The Architectural Control Committee shall not be responsible for policing or supervising the construction of any Improvement or ensuring compliance of any construction with the approved Plans and Specifications, nor shall its approval of any Plans or Specifications be deemed approval thereof in relation to structural safety, engineering soundness, or conformance with applicable building or other codes or ordinances of any applicable governmental regulatory authorities.

Failure of Committee to Act.

2.5. If the Architectural Control Committee fails to either approve or reject an application for proposed work within thirty (30) days after receipt of a complete set of the Plans and Specifications and any other information or materials requested by it, then such approval will be deemed to have been given. Any such approval, however, will remain subject to approval of the primary builder under Section 2.6.

Approved Builders.

2.6. The Architectural Control Committee may adopt a list of approved builders (the "Preferred Builders") from time to time. Violations of applicable covenants, conditions, restrictions, Association Rules, Design Guidelines or other rules or policies contained in the Governing Documents shall be grounds for removal of a builder from the approved list. If an Owner proposes to use a primary builder which is not a Preferred Builder, the Owner must submit in writing the name, address and three references for such proposed contractor for approval by the Architectural Control Committee. Any builder that is not a Preferred Builder shall not be allowed to build any spec or model home but will be allowed to build a residence under contract for the use and occupancy of an existing Owner provided that the Plans and Specifications are properly approved in accordance with the Governing Documents. Any builder that is not a Preferred Builder may not exhibit any signage or other advertising display during construction.

Design Guidelines, Establishment of Rules.

2.7. The Architectural Control Committee may adopt, revise and/or amend Design Guidelines from time to time. The Design Guidelines shall not conflict with but may be more restrictive than the covenants, conditions and restrictions set forth in this Declaration. All Improvements shall be constructed in accordance with the Design Guidelines, and the Architectural Control Committee shall have the authority to disapprove any proposed Improvement based on the restrictions set forth in the Design Guidelines. Any decision of the Architectural Control Committee pursuant to this Section shall be final and binding so long as it is not arbitrary, capricious or discriminatory. In the event of a conflict between the Design Guidelines and this Declaration (or any Supplemental Declaration), the Declaration shall control. The Architectural Control Committee may charge an Owner a reasonable fee for each set of Design Guidelines supplied to any Owner.

In addition, the Architectural Control Committee may adopt such procedural and substantive rules, not in conflict with this Declaration, as it may deem necessary or proper for the performance of its duties, including but not limited to, the establishment of a reasonable schedule including days of the week and times for the performance of construction activities and the establishment of fines for the violation of any applicable covenants, conditions, restrictions, Association Rules, Design Guidelines or other rules or policies contained in the Governing Documents.

PRIOR TO ACQUIRING ANY INTEREST IN A LOT, EACH PROSPECTIVE PURCHASER, TRANSFEREE, MORTGAGEE, AND OWNER IS STRONGLY ENCOURAGED TO CONTACT THE ARCHITECTURAL CONTROL COMMITTEE TO OBTAIN AND REVIEW THE MOST RECENT DESIGN GUIDELINES AND RULES WHICH WILL CONTROL THE DEVELOPMENT, CONSTRUCTION AND USE OF THE LOT. THE GUIDELINES AND RULES MAY CONTAIN STANDARDS, REQUIREMENTS, OR LIMITATIONS IN ADDITION TO THOSE EXPRESSLY SET FORTH OR REFERRED

TO IN THIS DECLARATION AND MORE STRINGENT STANDARDS, REQUIREMENTS, OR LIMITATIONS THAN ANY SPECIFIC STANDARD, REQUIREMENT OR LIMITATION SET FORTH OR REFERRED TO IN THIS DECLARATION. It shall be the responsibility of each Owner or other applicant to become aware of the current Design Guidelines and rules as of the date of application. Failure by the Owner or other applicant to do so shall not bind the Architectural Control Committee to approve or disapprove any feature or matter submitted to it, or to waive the exercise of the Architectural Control Committee's discretion as to any such matter.

Delegation of Authority.

2.8. The Architectural Control Committee may, by resolution unanimously adopted in writing, designate one or more of its members or an agent acting on its behalf to take any action and perform any duties for and on behalf of the Architectural Control Committee. In the absence of such designation, the vote of the majority of all the members of the Architectural Control Committee taken without a meeting shall constitute an act of the Architectural Control Committee.

Variances.

2.9. The Architectural Control Committee may grant variances from compliance with any of the provisions of this Declaration, any Supplemental Declaration or any Design Guideline when, in the opinion of the Architectural Control Committee, in its sole and absolute discretion, the variance will not impair or detract from the high quality development of the Property, and the variance is justified due to unusual or aesthetic considerations or unusual circumstances. All variances must be evidenced by a written instrument, in recordable form, and must be signed by at least two (2) of the members of the Architectural Control Committee. The granting of any variance shall not operate to waive or amend any of the terms or provisions of the Declaration, any Supplemental Declaration or any Design Guideline but shall be applicable only as to the particular Lot and in the particular instance covered by the variance, and the variance shall not be considered to establish a precedent or future waiver, modification or amendment of the terms and provisions hereof.

Type of Buildings Permitted.

2.10. No residence, building, structure or similar Improvement shall be erected, altered, or permitted to exist on any Lot other than one detached single-family dwelling with an attached and/or detached garage, and such detached guest quarters or pool house as may be approved by the Architectural Control Committee. No residence, detached garage, guest quarters or other building, structure or Improvement shall exceed two stories in height. Garages maintaining functional capacity for parking at least two (2) vehicles are required and may be either attached to or detached from the residence. Attached garages

shall not accommodate more than three (3) vehicles. Detached garages shall not accommodate more than two (2) vehicles. No storage buildings or green houses of any kind will be permitted. Other ancillary buildings, such as children's playhouses, are permitted only upon the approval of the Architectural Control Committee in its sole discretion. The residence, garage, guest quarters and all permitted buildings must comply with the construction requirements of Section 2.11 and be approved by the Architectural Control Committee. However, Declarant, as well as any other person engaged in the construction and sale of residences on the Property, shall have the right, during the construction and sales period, to construct and maintain such facilities as may be reasonably necessary or convenient for its business of constructing and selling residences on the Property, including, but not limited to, offices and storage areas.

Minimum Construction Requirements.

2.11. Construction of all residences, garages, guest quarters and other permitted buildings or structures must conform to the following construction requirements:

- (a) Size. Each residence constructed on a Lot must have not less than 2800 square feet, exclusive of open or screened porches, terraces, patios, driveways, and garages.
- (b) Masonry Required. The exterior walls of any residence, garage, guest quarters or pool house shall consist of one hundred percent (100%) masonry construction. Masonry is defined as brick, stone, stucco, or other material approved by the Architectural Control Committee. Hardi-Plank and other similar composite or synthetic materials, veneers or panels shall not be acceptable.
- (c) Garages. Garages on all Lots shall have a side or rear entry. Garages on a corner Lot shall not face the street abutting the side Lot line. Detached garages must be constructed using the exact materials and colors as the main residence.
- (d) Mortar. Mortar for stone and brick joints must be buff or such other neutral color which complements the masonry as approved by the Architectural Control Committee.
- (e) Fireplaces. The fireplace and chimney shall be faced with stone, rock or stucco to complement the residence or other structure to which it is appurtenant.
- (f) Guest Quarters. Guest quarters must be constructed using the exact materials and colors as the main residence.
- (g) Exterior Finish of Slab. The exterior finish materials must extend to within

fifteen inches (15") of the finished grade of a Lot so that no more than fifteen inches (15") of the slab is exposed.

(h) On-Site Construction. All residences, garages, guest quarters and pool houses shall be built in place on the applicable Lot.

(i) Mailboxes. Unless otherwise required by U.S. Postal Service regulations, each residence must have a mailbox of a size, style, quality, uniform numbers and appearance as established by the Architectural Control Committee. Mailboxes must be constructed with masonry complimentary to the residence and completed contemporaneously with the residence.

Roofs.

2.12. All roofs shall be constructed of fireproof materials consisting of slate, tile, metal, or other material approved by the Architectural Control Committee. All roofing on any improvement shall be neutral in color such as brown, tan, grey, black or similar neutral colors or a red barrel tile roof. No blue roofs or other bright colored roofs shall be allowed nor shall any metal roofs on brick buildings be allowed. Roof fans, attic fans, attic ventilators, solar panels, or other similar roof penetrations must be installed on the portion of the roof having the least visibility from the street or other adjoining Lots.

Foundations.

2.13. The foundations of all residences, garages, guest quarters and all permitted outbuildings, whether attached or detached, must be concrete slab-on-grade and must be fully enclosed at the perimeter. Such foundations must be designed by a professional engineer expert in foundation design, in accordance with the most recent criteria established by the Builders Research and Advisory Board (B.R.A.B.) or Post Tension Institute (P.T.I.) or other comparable standard designated by the Architectural Control Committee.

Elevations.

2.14. No building wall shall extend more than twenty feet (20') vertically without an offset in the vertical plane and no single story wall may extend more than thirty-four feet (34') horizontally without a horizontal offset.

Setbacks.

2.15. No residence, garage, guest quarters, building, structure or other Improvement, other than landscape plant materials, driveways, walkways, irrigation systems, and fences shall be located on any Lot nearer than seventy (70) feet to the front Lot line, or nearer than fifty (50) feet to the rear Lot line, or nearer than twenty (20) feet to any side Lot line. For purposes of this covenant, eaves, steps, patios and open porches shall not be considered as a part of the building; provided, however, construction of any portion of the building shall not encroach upon another Lot. If two or more Lots, or portions of two or more Lots, are consolidated into a building site in conformity with Section 3.9, these building setback requirements shall apply to the resulting building site as if it were one original, platted Lot.

Construction Bond.

2.16. The Architectural Control Committee shall have the authority to require a bond, letter of credit or cash deposit ("bond") in an amount to be set by the Architectural Control Committee in favor of either the Declarant or the Association and to be provided to the Architectural Control Committee by the builder or contractor or the Owner prior to the commencement of construction. Fines will be imposed against the builder/contractor and may be charged against the bond for repeated violations of the Governing Documents in accordance with such rules as may be adopted by the Architectural Control Committee from time to time. Declarant shall not be required to post any such bond.

Construction Regulations.

2.17. The following regulations shall apply to all construction unless otherwise agreed in writing by the Architectural Control Committee:

(a) Debris and Trash Removal. Trash and debris shall be removed from each construction site frequently and shall not be permitted to accumulate. All remaining trash and debris on the construction site shall be removed at the end of each week. Lightweight materials, packaging, and other items shall be contained, covered or weighted down to prevent their being blown off the construction site. Contractors are prohibited from dumping, burying or burning trash anywhere within the Community or on adjacent lands except as expressly permitted by the Architectural Control Committee. During the construction period, each construction site and the route to and from the construction site shall be kept neat and clean, and shall be properly policed to prevent it from becoming a public eyesore or affecting other Lots or any open space or Common Areas. Unightly dirt, mud, or debris from activity on each construction site shall be promptly removed and the general area cleaned up at the end of each week. A dumpster is required on-site during construction.

(b) Sanitary Areas. Each contractor shall be responsible for providing adequate sanitary facilities for his construction workers. All such facilities must be serviced on

a regular basis during construction.

(c) Parking Areas. Construction crews shall not park on, or otherwise use, other Lots or any open space or Common Areas. Private construction vehicles and machinery shall be parked only within the Lot on which construction is proceeding or in areas designated by the Architectural Control Committee. All vehicles shall be parked so as not to inhibit traffic.

(d) Traffic Regulations. Each contractor shall be responsible for its subcontractors and suppliers obeying the speed limits posted within or for the Community. Adhering to the speed limits shall be a condition included in the contract between the contractor and its subcontractors/suppliers. Repeat offenders may be denied future access to the Community by the Architectural Control Committee.

(e) Excavation Materials and Clearing Debris. Excess excavation materials and clearing debris (brush and trees) must be promptly hauled away from the Community.

(f) Restoration or Repair of Property Damages. Damage and scarring to any of the Community, Common Areas, open space or another Lot including, but not limited to, streets, driveways, concrete curbs, gutters, utilities, vegetation and/or other Improvements, resulting from construction operations, will not be permitted. If any such damage or scarring occurs, it must be repaired and/or restored promptly and any related expenses shall be borne by the contractor. In the event of default by the contractor in meeting these obligations, the Lot Owner who retained the contractor shall be responsible.

(g) Miscellaneous and General Construction Practices. All Owners will be absolutely responsible for the conduct and behavior of their agents, representatives, employees, builders, contractors and subcontractors while on the premises of the Community. The following practices are specifically prohibited:

(i) Changing oil on any vehicle or equipment on the site itself or at any other location within the Community other than at a location, if any, designated for that purpose by the Architectural Control Committee;

(ii) Allowing concrete suppliers, plasterers, painters, or other subcontractors to dump any fluids or other substances, or clean their equipment, anywhere but at the location designated, if any, for that purpose by the Architectural Control Committee;

(iii) Removing any rocks, plant material, topsoil, or similar items from any property of others within the Community, including other construction sites;

(iv) Carrying any type of firearms within the Community;

- (v) Using disposal methods or equipment other than those approved by the Architectural Control Committee;
- (vi) Careless disposition of cigarettes and other flammable material. At least one 10-pound ABC rated dry chemical fire extinguisher shall be present and available in a conspicuous place on the construction site at all times;
- (vii) Careless treatment or removal of trees, shrubs or plants not previously approved for removal by the Architectural Control Committee;
- (viii) No pets, particularly dogs, may be brought into the Community by construction personnel. In such event, the Architectural Control Committee, the Board of Directors of the Association, or the Declarant shall have the right to contact authorities to impound the pets, to refuse to permit the contractor or subcontractor involved to continue work on the project, or to take other action as may be permitted by law or the Governing Documents; and
- (ix) Catering trucks will be permitted. Trash generated by the purchase of items from these trucks and from construction practices should be contained and disposed of properly. Repeated problems with these requirements could result in the catering trucks being denied admittance to the Community.
- (h) Construction Access. The only approved construction access during the time a residence or other Improvement is under construction will be over the approved driveway for the Lot, unless the Architectural Control Committee approves an alternative access point. In no event shall more than one construction access be permitted onto any Lot.
- (i) Dust and Noise. The contractor shall be responsible for controlling dust and noise, including, without limitation, music from the construction site.
- (j) Construction Signage. Temporary construction signs shall be limited to one sign per Lot, not to exceed six square feet of total surface area. The sign shall be free standing and its design and location shall be subject to the review and approval of the Architectural Control Committee.
- (k) Utilities. Unless otherwise approved in writing by the Architectural Control Committee, all utilities brought onto the Lot must be buried underground.

Construction Completion.

2.18. Any residence constructed any on Lot, together with the garage, driveways, sidewalks, and other Improvements associated with the residence, must be commenced within three (3) months from the date of approval under Section 2.2 and completed within twelve (12) months of such approval unless extended, in writing, by the Architectural Control Committee. The Architectural Control Committee may, in its sole discretion, grant extensions of the completion deadline.

Guest quarters and other permitted Improvements may be constructed simultaneously with the main residence, but no building or other structure may be constructed prior to construction of the main residence. Construction of all accessory structures visible from a street must be commenced within three (3) months from the date of approval under Section 2.2 and completed within nine (9) months from the date of such approval unless otherwise extended, in writing, by the Architectural Control Committee.

If all or any portion of the Improvements are damaged or destroyed by fire or other casualty, it shall be the duty of the Owner thereof, with all due diligence, to reconstruct such Improvements in a manner which will substantially restore it to its appearance and condition immediately prior to the casualty. Any variation or deviation from the original approved Plans and Specifications must be submitted to and approved by the Architectural Control Committee in accordance with Section 2.2. Reconstruction shall be undertaken within six (6) months after the damage occurs unless otherwise extended, in writing, by the Architectural Control Committee.

Due to the impossibility of being able to ascertain the exact amount of actual damages, Owner's failure to comply with this Section 2.18 shall result in liquidated damages being due to the Association in the amount of \$100.00 for each day of noncompliance.

Fences, Walls.

2.19. Except as required under subsection (c) of this Section 2.19, no fencing is required. If fencing is installed, the design and materials must be submitted to and approved by the Architectural Control Committee prior to start of construction pursuant to Section 2.2 and must comply with the following requirements:

- (a) General Requirements. All fencing along the front property line of any Lot or along any property line abutting a street must be constructed of brick, stone, masonry, wrought iron, or a combination of the foregoing. Any wrought iron fencing must be attached to masonry columns at every Lot corner. King Ranch fencing shall be allowed only along the side and rear property lines of any Lot except any side or rear property line that abuts a street. Any King Ranch fencing must consist

of King Ranch wire mesh attached to peeled cedar posts which are a minimum of three (3) inches in diameter. No wood, board, chain link, cyclone or precast concrete fencing is allowed on any Lot.

(b) Front Fencing and Gates. No fence shall be located on any Lot nearer to the front Lot line than the front wall of the main structure except that, upon written approval by the Architectural Control Committee, front fencing with a mechanically operated entry gate installed across the front driveway may be located forward of the main structure but no nearer than fifty (50) feet to the front Lot line. Unless otherwise approved by the Architectural Control Committee, only one entry gate will be allowed to or from any Lot. A second gate may be authorized for unusually large Lots or a Lot with extreme topographical conditions. Entry gates must be constructed from steel or wrought iron and must be primed and painted; no galvanized ranch-type gates will be permitted. The Architectural Control Committee must approve all gate and entry designs prior to installation. Any fences and gates installed along the front property line must be a minimum of fifty feet (50') from the front property line of the Lot with masonry columns constructed at every corner of the Lot at a minimum.

(c) Fencing Existing at Time of Development. At the time of development of the Community, there is an existing eight (8) foot deer-proof fence around the sides and rear of the Community. No Owner shall be required to remove and replace such fence unless and until such fence is in need of replacement. If such fence is removed, it must be replaced with fencing of such design and materials as is approved by the Architectural Control Committee in accordance with the requirements of this Section 2.19. Any such replacement fencing must be a minimum of six (6) and a maximum of eight (8) feet in height.

(d) Height. Except as provided in Section 2.19(c) above, no fence or wall constructed on any Lot shall exceed six (6) feet in height.

Driveways.

2.20. All driveways shall be paved with concrete, brick, stone, masonry or any other similar material approved by the Architectural Control Committee. Smooth, broom-finished or pebble-finished concrete is allowed. No asphalt, gravel, pebbles, decomposed granite or similar materials is allowed.

Inspection.

2.21. There is reserved to the Architectural Control Committee, and their agents and contractors, a right of ingress and egress upon and over each Lot at any reasonable time

or times to inspect the progress or status of any construction, alteration or other work as to the compliance with approved Plans and Specifications.

No Waiver of Future Approvals.

2.22. The approval or consent of the Architectural Control Committee to any Plans or Specifications for any work done or proposed in connection with any other matter requiring the approval or consent of the Architectural Control Committee shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any Plans and Specifications or other matter whatever, subsequently or additionally submitted for approval or consent by the same or a different person.

Professional Advice.

2.23. The Architectural Control Committee may employ the services of an architect, engineer or other person whom it deems qualified to render advice and may pay a reasonable compensation for such services, which compensation may be charged to any Owner or other applicant who has submitted Plans and Specifications or materials which are reviewed by such architect, engineer or other person, provided that such compensation may only be charged to such Owner or other applicant after first informing the Owner or applicant in advance that such compensation will be charged. Any such professional shall be entitled to such compensation even if serving the Architectural Control Committee as an advisory member.

Construction Activities.

2.24. Notwithstanding any provision herein to the contrary, this Declaration shall not be construed so as to unreasonably interfere with or prevent normal construction activities during the construction of Improvements by an Owner (including Declarant) upon any Lot within the Property. Specifically, no such construction activities shall be deemed to constitute a nuisance or a violation of this Declaration by reason of noise, dust, presence of vehicles or construction machinery, posting of signs or similar activities, provided that such construction is pursued to completion with reasonable diligence and conforms to usual construction practices in the area. In the event of any dispute regarding such matters, a temporary waiver of the applicable provision may be granted by the Architectural Control Committee, provided that such waiver shall be only for the reasonable period of such construction.

ARTICLE THREE - USE RESTRICTIONS

General.

3.1. All Lots and Common Area shall be improved, occupied, maintained and used in accordance with the Governing Documents.

Common Area Use.

3.2. No land within the Common Area shall be improved, used or occupied, except in such manner as shall have been approved by Declarant. Such required approval shall extend to the nature, duration and type of use, occupancy and improvement. In addition, the hours of operation for the entry gate or other means of controlled access to the Property shall be determined by the Declarant in its sole and absolute discretion. Access to any of the Common Area may be limited to those Owners, their family and guests, current in the payment of Assessments, fines and other charges and in compliance with the Governing Documents, or otherwise conditioned or restricted, or made available to Owners, their family and guests, all on such terms and conditions as Declarant may determine, in its sole discretion. Declarant reserves the right to promulgate reasonable use restrictions for the Common Area. Declarant may, by written instrument, delegate its rights and authorities under this Section 3.2 to the Board. In the event Declarant fails to delegate its rights and authorities hereunder to the Board, such rights and authorities shall automatically devolve to the Board upon the recording of any transfer or conveyance of the Common Areas to the Association.

Common Area/Recreational Improvements.

3.3. Any proposed construction of recreational improvements within the Common Area shall be subject to approval by the Architectural Control Committee.

Common Area/Vehicles, Etc.

3.4. No motorcycles, motorbikes or other motorized vehicles (except those used for maintenance, repairs and upkeep of the Common Area) shall be permitted or operated on any park, open space, easement or other greenbelt areas of the Community. Any motorized vehicles operated on any street within the Community must be driven by a validly licensed driver.

Residential Use Only.

3.5. All Lots shall be used for private, single-family residential purposes only. Single family use consists of use as a dwelling by two or more natural persons who are related by

marriage, blood, adoption or kinship or by not more than two (2) natural persons who are not related by marriage, blood, adoption or kinship, but shall also include any hired staff residing on the premises. However, Declarant, as well as any other person engaged in the construction and sale of residences on the Property, shall have the right, during the construction and sales period, to use facilities as may be reasonably necessary or convenient for its business purpose of constructing and selling residences on the Property.

Equipment, Service Areas.

3.6. The location of all air conditioning equipment, heat pump units, water softeners, pool service equipment or other such equipment must be first approved by the Architectural Control Committee before installation or use. In addition, all such equipment must be visually screened from view from other Lots and Common Areas by such screening including, without limitation, masonry walls, as approved by the Architectural Control Committee. All screening walls shall be fully landscaped with landscaping of a type, quality and quantity approved by the Architectural Control Committee. Graders, tractors, mowers and other yard or garden maintenance equipment shall be kept at all times, except when in actual use, in enclosed structures or screened from view in such manner as approved by the Architectural Control Committee. No repair or maintenance work shall be done on any vehicle or equipment of any kind (other than minor emergency repairs), except in enclosed garages or other structures approved by the Architectural Control Committee. Service areas, storage areas, loading areas, wood piles and compost piles shall be appropriately screened from view from other Lots and Common Areas, and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials or scrap or refuse or trash shall be kept stored or allowed to accumulate on any portion of the Property except within enclosed structures or appropriately screened from view from other Lots and Common Areas.

Exterior Lighting.

3.7. The number and location of exterior lights must be approved by the Architectural Control Committee so as not to cause light pollution or unnecessary illumination of any adjacent Lot, residence or Common Area. All exterior lights located or placed on any Improvement, any tree or elsewhere on the Lot must have housings which can shield or directionally focus the light source downward at an angle of not more than thirty degrees (30°). No exposed bulb or wrap around lens ("yard lights") are permitted; and the light bulb in any exterior light fixture may not exceed one hundred (100) watts. Holiday lighting shall be allowed annually only during the two (2) month period beginning on November 15 and ending on the immediately following January 15.

Window or Wall Units.

3.8. No window or wall type air conditioners or water coolers shall be permitted to be used, placed or maintained on or in any building or in any part of the Property, without the prior written consent of the Architectural Control Committee.

Resubdivision or Consolidation.

3.9. No Lot shall be resubdivided or split except that any person owning two or more adjoining Lots may consolidate those Lots into one building site, with the privilege of constructing Improvements, as permitted by this Declaration, on the building site with the prior written approval of the Architectural Control Committee. Notwithstanding the foregoing, Declarant, its successors or assigns, reserves the right to combine, resubdivide and/or replat Lots 137 and 138 at its sole discretion at any time.

Easements.

3.10. Easements for the installation and maintenance of utilities and drainage facilities are reserved as shown on the Plat. No utility company, water district, political subdivision, or other authorized entity using these easements shall be liable for any damage done by them or their assigns, agents, employees, or servants, to any shrubbery, trees, plantings, or other Improvement or property of the Owner situated in the easement.

Noxious or Offensive Activities Prohibited.

3.11. No noxious or offensive activities shall be carried on, in, upon, or around any Lot, any Common Area or other areas of the Community, nor shall anything be done thereon which may be or may become an annoyance or a nuisance to other Owners or residents, or which shall in any way interfere with the quiet enjoyment of any Owner or resident. The Board shall be the sole judge as to whether an activity is noxious, offensive or creates a nuisance.

Hazardous Activities.

3.12. No activities shall be conducted on any Lot or anywhere within the Community and no Improvements constructed on any Lot which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms, weapons of any type or fireworks shall be discharged anywhere within the Community. Notwithstanding the foregoing, the Board may, in isolated cases, approve the discharge of fireworks to celebrate a holiday or other event, but, in such event, the party discharging such fireworks shall be designated by the Board and shall be done so in strict accordance with the Association Rules and other rules and regulations established for that event. No

open fires shall be lighted or permitted except (i) while attended within safe and well-designed interior or outdoor fireplaces; (ii) within contained barbecue units while attended and in use for cooking purposes; and/or (iii) in compliance with ordinances, regulations and permit requirements of local governmental authorities. Hunting, whether with firearms or bows or otherwise, shall be prohibited on any Lot or anywhere within the Community.

Prohibited Residential Uses.

3.13. No structure not approved for residential use by the Architectural Control Committee, including but not limited to trailers, manufactured housing units, mobile homes, motor homes, recreational vehicles, basements, tents, shacks, garages, or other outbuildings or structures, shall be used on any Lot at any time as a residence, either temporarily or permanently.

Unightly Property.

3.14. No article of property of any kind, including, without limitation, any lawn or garden decorations, deemed to be unsightly by the Architectural Control Committee shall be permitted to remain on any Lot so as to be visible from other Lots or Common Areas. All landscaping, statuary, mailboxes, house numbers, lighting or other Improvements on any Lot which are not concealed from view from every other Lot and from the Common Areas must be harmonious and in keeping with the overall character and aesthetics of the Community.

Signs.

3.15. No sign, poster, banner, advertisement or other display of any kind may be placed or displayed upon any Lot, building, fence, or other Improvement upon such Lot, so as to be visible from any street or Lot except the following:

- (a) One sign of customary and reasonable dimension advertising the sale or rental of Owner's Lot,
- (b) One small sign adjacent to Owner's residence notifying the public that the residence is protected by a security monitoring service,
- (c) Signs promoting a political candidate or a position on an issue for which an election is to be held provided, however, that such right shall be limited to one sign per political race and one sign for each issue for which an election is to be held and provided further that such signs may not be erected more than ninety (90) days in advance of the election to which they pertain and must be removed within ten (10) days following such election, and

(d) Prior to the occupancy of a Lot as a residence, a builder may place model home signs, directional signs, marketing or promotional signage in accordance with rules and regulations promulgated by Architectural Control Committee or the Declarant.

The Architectural Control Committee shall have the right to promulgate rules and regulations regarding the size, location, composition, color and quality of all permitted signs other than signs erected by Declarant. All permitted signs shall be affixed to a stake or pole that is ground-mounted. Further, all signs visible from the street shall be constructed for low maintenance and shall be approved in advance by the Architectural Control Committee. In the event a sign is not properly maintained, the Architectural Control Committee may give the sign owner written notice thereof. Required repairs must be made within five (5) business days of notification by the Architectural Control Committee. The Architectural Control Committee shall have the right, but not the obligation, to have repairs made and charged to the sign owner. An easement on, over and across the Common Area is hereby retained by Declarant for placement of project signs, project monuments, directional signs, and marketing signs.

On corner Lots, the Declarant and/or the Association reserves the right and an easement, including the right of ingress and egress, to place streets signs, directional signs and traffic signs within a ten (10) foot radius from the corner of such Lots.

Rubbish, Trash and Garbage.

3.16. No Lot shall be used or maintained as a dumping ground for rubbish, trash or other debris of any kind. All garbage (including all recyclable waste), trash and other refuse shall be kept in sanitary, covered, animal proof containers within enclosures or appropriately screened from view except to make available for collection and then only for the shortest time reasonably necessary to effect such collection. All refuse, garbage and trash not collected by a governmental agency or other collection service shall be collected or disposed of by Owner, at Owner's expense. There shall be no burning or incineration of trash, garbage, leaves, brush, or other debris on any Lot. In the event the Owner fails or refuses to keep, or cause to be kept, Owner's Lot or any Improvements thereon free from rubbish, trash or other debris of any kind, and such failure or refusal shall continue for thirty (30) days after delivery of written notice thereof to Owner, then the Association may enter upon such Lot and remove or correct the same at the expense of the Owner and such entry shall not be deemed a trespass.

Sewage Disposal.

3.17. All septic systems must conform to all governmental and quasi-governmental regulations. Owner or applicant must obtain applicable and necessary permits. To protect the underground water from contamination, septic systems may not be constructed within one hundred fifty feet (150') of any water well.

Water Supply.

3.18. Water used for residential use and consumption for each Lot may be purchased from the water company owning and operating a Certificate of Convenience and Necessity covering the Property or its successors and assigns. The drilling of water wells on any Lot is prohibited. The foregoing provision shall not prohibit the Declarant or the water company servicing the Community from drilling water wells on part of the Common Area or upon Lots owned by the Declarant or such water company.

Animals.

3.19. No livestock, poultry, fowl or outdoor birds of any kind shall be raised, bred, boarded or kept on any Lot for any purpose. Only domestic household pets living inside a residence or inside an outdoor fenced enclosure shall be allowed provided that no domestic household pets shall be raised, bred, boarded or kept on any Lot for commercial purposes, and, specifically, no kennels, stables, enclosures or runs of any kind for the purpose of breeding dogs or cats or any other animals will be permitted. Not more than four (4) household pets may be kept or maintained on any Lot. Household pet is defined as dogs, cats, birds, and other domestic pets within the ordinary meaning and interpretation of such words. No animal shall be allowed outside a residence or enclosure unless restrained in some manner (such as by leash) by an adult or person capable of maintaining control over the animal. Owners are responsible for disposing of any waste left by the Owner's animal anywhere within the Community other than Owner's Lot. All outside fenced enclosures containing animals must be kept clean, sanitary and reasonably free of insects, vermin and manure. No animal which is or may become a nuisance or danger to any Owner, resident, guest or invitee shall be allowed to remain on the Property. The Board shall be the sole judge of whether an animal constitutes a nuisance or danger. Barking between the hours of 10:00 p.m. and 6:00 a.m. shall be deemed a nuisance.

Vehicles / Parking.

3.20. Owners shall not park, keep, place or allow more than two (2) passenger vehicles (to include automobiles, passenger vans, light pickup trucks and similar vehicles) in the driveway or in such manner as to be visible from any other portion of the Community for any period in excess of forty-eight (48) hours. All other vehicles, trucks, boats, trailers, tractors, campers, wagons, buses, motor homes, recreational vehicles, motorcycles, and motor scooters shall be kept at all times in enclosed structures or screened from view.

Commercial vehicles (which includes all vehicles having any type of business, commercial or advertising display), construction and repair equipment may be parked in the driveway or in the street in front of any Lot only while a residence or residences are being built or repaired in the immediate vicinity or while providing services to the Lot or residence. No automobile or other vehicle of any type may be parked overnight on any street or on any portion of the Common Area except that guests of Owners may park a vehicle overnight in the street immediately in front of such Owner's Lot for a period not exceeding forty-eight (48) hours. No vehicle which does not have a current license and valid registration or is inoperable may be parked at any time in the street, the driveway, or on any other portion of a Lot unless in an enclosed structure or screened from view.

Wood-Burning Stoves and Fireplaces.

3.21. No fireplace or wood-burning stove shall be installed or used on any Lot unless it meets the requirements, standards, and complies with all safety codes and construction requirements within the industry and otherwise complies with all rules, statutes, ordinances, guidelines and regulations of all local, state and federal governmental bodies having jurisdiction over the construction and use of fireplaces and wood-burning stoves.

Poles, Masts, and Media Receptors.

3.22. No antenna, mast, dish or other apparatus or equipment intended for the reception of radio, television, satellite, cellular or other media may be placed or maintained on any Lot unless within the envelope of a building or structure without the prior written consent of the Architectural Control Committee, EXCEPT that a dish or antenna intended for the reception of satellite television which is one meter or less in diameter may be placed on a Lot without the prior written consent of the Architectural Control Committee if located in a place shielded from view from the street or other Lots to the maximum extent possible to allow an acceptable quality signal. The Architectural Control Committee is hereby empowered to regulate the placement and required screening of any such media receptors to the full extent permissible without violating any applicable federal law or Federal Communications Commission rules or regulations.

Landscaping and Open Space; Trees.

3.23. Each Lot must consist of a minimum of fifty-one percent (51%) open space upon which no building, structure or permanent improvement including, but not limited to, patios, driveways, walkways, pools, hard surface recreational courts and any other non-permeable improvement, may be constructed or erected. All landscaping must comply with all applicable governmental ordinances and regulations including, without limitation, any landscape ordinance enacted by the City of Fair Oaks from time to time. In addition, the Architectural Control Committee reserves the right to implement a landscaping code (which

may be more restrictive or comprehensive than the applicable ordinance) to promote and encourage the use of landscaping vegetation, including lawns, shrubbery, trees and plants, which are drought tolerant or use little or no water in order to encourage water conservation and the preservation of water resources, and to prohibit certain trees, shrubbery, plants and grasses that are invasive or otherwise constitute a nuisance to the Community. No tree within the Property may be removed or destroyed which has a trunk diameter exceeding eight (8") inches unless otherwise approved by the Architectural Control Committee. Further, the Architectural Control Committee reserves the right to promulgate rules and regulation regarding the trimming, cutting, pruning or cutting of oak trees or other trees to prevent the spread of oak wilt and other tree diseases within the Property.

Maintenance.

3.24. Each Owner shall maintain all Improvements in good repair and in a good and attractive condition and shall keep all shrubs, trees, grass and plantings of every kind on such Owner's Lot mowed, trimmed, weeded and maintained in a clean, attractive manner and free of trash and other unsightly material. All dead grass and other vegetation must be removed and replaced. The obligations of Owner to maintain the Lot hereunder shall extend to the curb of the Lot.

Transformers.

3.25. All electrical transformer boxes must be visually screened from view from other Lots and Common Areas by such screening including, without limitation, masonry walls and/or landscaping, as approved by the Architectural Control Committee.

Noise.

3. 26. No exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security or public safety purposes) shall be located, used or placed on any of the Property such that it becomes or will become clearly audible at the property line of adjoining Lot Owners. No noise or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to any other portion of the Community or to its residents.

Underground Utility Lines.

3.27. No utility lines, including but not limited to, wires or other devices for the communication or transmission of telephone or electric current or power, or cable television or any other type of line or wire shall be erected, placed or maintained anywhere in or upon any portion of the Property unless the same shall be contained in pipes, conduit or cables installed and maintained underground or concealed in, under or on buildings or other Improvements as approved in writing by the Architectural Control Committee; provided

however that no provision hereof shall be deemed to forbid the erection of temporary power or telephone structures incident to the construction of buildings or other Improvements or the use of model homes or construction trailers which have been previously approved in writing by the Architectural Control Committee and further provided that this provision shall not apply to existing utilities. The installation of utility facilities, including without limitation the location, type of installation equipment, trenching method and other aspects of the installation for both temporary and permanent utilities shall be shown in the Plans and Specifications and shall conform to all requirements of governmental authorities or the applicable utility provider.

Tanks.

3.29. No fuel oil, propane or butane tanks (other than tanks customarily used with barbeque equipment) placed or maintained anywhere in or upon any portion of the Property unless the same shall be maintained underground in a manner so as not to constitute a safety hazard.

Address.

3.29. A plaque or other means of identifying the address of each residence must be placed as close as possible to the front entry and shall be easily read from the street at night. Size, color and material of the numbers must be compatible with the design and color of the residence.

Business Activities.

3.30. Except as hereafter provided, no trade, craft, business, professional, commercial or manufacturing enterprise or activity of any kind, including day care, nurseries, or parochial schools, shall be conducted or carried on upon any Lot, or within any Improvement located on a Lot, nor shall any goods, equipment, vehicles (including buses, trucks and trailers of any description) or materials or supplies used in connection with any trade, craft, business, professional, commercial or manufacturing endeavor, wherever the same may be conducted, be kept, parked, stored, dismantled, or repaired on any Lot or on any street within the Community except that the Board may, in specific cases, make exceptions to the storage of such items if screened and/or covered in a manner acceptable to the Architectural Control Committee. These restrictions shall not restrict the following:

(a) The use of a private office within a residence so long as related activities do not result in vehicular traffic to or through the Community or create an annoyance or nuisance to the neighborhood or the adjoining Owners. The Board shall be the sole judge as to whether the activity creates an annoyance or nuisance.

(b) The right of Declarant or other builder approved by Declarant to use any of the homes built as a sales center or as a model home for the promotion and

marketing of said new homes.

Rentals.

3.31. No residence shall be rented or leased for less than six (6) months. Any lease or rental agreement must be in writing and must be expressly made subject to this Declaration and all other Governing Documents. Owner must furnish a copy, along with the name of each lessee to the Board with ten (10) days of execution of the lease agreement.

Swimming Pools.

3.32. Movable, above-ground swimming pools in excess of six feet (6') in diameter are prohibited. All swimming pools in excess of six feet (6') in diameter must be permanently built into the ground. No fiberglass pools shall be permitted. Unless otherwise approved, all pools must be located behind the residence and screened from view as approved by the Architectural Control Committee.

Compliance with Provisions of the Governing Documents.

3.33. Each Owner shall, and by accepting ownership of a Lot covenants and agrees to, comply strictly with the provisions of the Governing Documents as the same may be amended from time to time. Failure to comply with any of the Governing Documents shall constitute a violation of this Declaration, and subject to the requirements of Chapter 209 of the Texas Property Code, shall give rise to such actions as allowed hereunder including, without limitation, fines, removal of privileges, limitations on use of Common Area, and a cause of action to recover sums due for fines, penalties, Assessments, damages or injunctive relief or both, asserted by the Board on behalf of the Association or by any aggrieved Owner.

No Warranty of Enforceability.

3.34. WHILE DECLARANT HAS NO REASON TO BELIEVE THAT ANY OF THE RESTRICTIVE COVENANTS OR OTHER TERMS AND PROVISIONS CONTAINED IN THIS ARTICLE THREE OR ELSEWHERE IN THIS DECLARATION ARE OR MAY BE INVALID OR UNENFORCEABLE FOR ANY REASON OR TO ANY EXTENT, DECLARANT MAKES NO WARRANTY OR REPRESENTATION AS TO THE PRESENT OR FUTURE VALIDITY OR ENFORCEABILITY OF ANY SUCH RESTRICTIVE COVENANTS, TERMS, OR PROVISIONS. ANY OWNER ACQUIRING A LOT IN RELIANCE ON ONE OR MORE OF SUCH RESTRICTIVE COVENANTS, TERMS OR PROVISIONS SHALL ASSUME ALL RISKS OF THE VALIDITY AND ENFORCEABILITY THEREOF AND, BY ACQUIRING THE LOT, AGREES TO HOLD DECLARANT AND THE

ASSOCIATION HARMLESS THEREFROM.

ARTICLE FOUR - EASEMENTS

Reserved Easements.

4.1. All dedications, limitations, restrictions and reservations shown on the Plat and all grants and dedications of easements, rights-of-way, restrictions and related rights, made by Declarant prior to the Property becoming subject to this Declaration, are incorporated herein by reference and made a part of this Declaration for all purposes, as if fully set forth herein, and shall be construed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant conveying any part of the Property. If a party to whom the easement is reserved is not indicated on the Plat, such easement shall be reserved in favor of the Declarant, its successors and assigns. Declarant reserves the right to make changes in and additions to said easements and rights-of-way for the purpose of most efficiently and economically developing the Property and other property made subject to this Declaration. Further, Declarant reserves the right, without the necessity of the joinder or consent of any Owner or other person or entity, to grant, dedicate, reserve or otherwise create, at anytime or from time to time rights-of-way and easements for access, ingress and egress for public or private utility purposes, (including, but without limitation, gas, water, cable television, electricity, telephone and drainage) in favor of any person or entity, along and on either or both sides of any Lot line, along the front Lot line and along the rear Lot line of each Lot, which said easements shall have a maximum width of ten (10) feet on each side of such Lot line, twenty (20) feet from the front Lot line and ten (10) feet from the rear Lot line. An easement over the Common Area shown on the Plat is hereby retained by Declarant, its successors and/or assigns or designees, for the benefit of the Community.

Installation and Maintenance.

4.2. There is hereby created for the benefit of all easement owners, Declarant, the Association, and their successors and assigns, a perpetual easement upon, across, over and under all of the Property for ingress and egress for the purpose of installing, replacing, repairing, maintaining and extending all utilities, including, but not limited to, water, sewer, gas, cable, television, telephones, electricity and appurtenances thereto. By virtue of this easement, it shall be expressly permissible for the utility companies and other entities supplying service to install and maintain pipes, wires, conduits, service lines or other utility facilities or appurtenances thereto, on, across and under the Property, within the utility easements from time to time existing and from service lines situated within such easements to the point of service on or in any Improvement located within the Property. Notwithstanding any provision contained in this Section, no water, cable, or other utilities or appurtenances thereto may be relocated on the Property until approved by Declarant or the

Architectural Control Committee. The utility companies providing a service shall have the right to remove all rubbish, trash, vegetation, obstructions, Improvements, underground irrigation equipment and other encroachments situated within any utility easement on any Lot or other portions of the Property, in order to maintain, repair and operate such utility service and shall have the right to trim overhanging trees and shrubs located on portions of the Property abutting such easements.

Drainage Easement.

4.3 Each Owner covenants to provide easements for drainage and water flow, as contours of land and the arrangement of Improvements approved by the Architectural Control Committee. No Improvement on any Lot or any other act by Owner shall inhibit, alter, retain, divert or increase the flow of water flowing across or from any Lot in conflict with the drainage and grading plan for the Property unless approved in writing by the Architectural Control Committee. Each Owner further covenants not to alter, disturb or displace any trees or other vegetation within the drainage easements or natural creeks as shown on the Plat; alter, change or modify the design of any drainage easement so as to affect in any way the flow of surface water; or place, store or allow to accumulate anything including, without limitation, any trash, debris or other materials without or upon any easement area. There shall be no construction of Improvements, temporary or permanent, in any drainage easement or natural creeks, except as approved in writing by the Architectural Control Committee.

Community Wall/Fence.

4.4 Developer intends to construct a wall or fence along the front boundary of the Property facing Ammann Road and along both sides of the entry way into the Community up to the first intersection. An easement for the construction, reconstruction, repair, and maintenance of the Community Wall and/or fence (including, without limitation, all columns) now or hereafter erected on any Lot is hereby reserved to Declarant and the Association upon and across each such Lot. No Owner of any Lot on which the Community Wall or fence is placed shall do or permit any act which damages, defaces or alters such wall or fence. From and after construction of such wall or fence, it shall be maintained by the Association in substantially the same condition and configuration as originally constructed.

Surface Areas; Nonliability to Owner for Easement Use.

4.5. Each Owner shall maintain the surface area of all easements located within the Lot or Lots owed by Owner and all Improvements located therein except for such Improvements for which a public authority or utility company is responsible. The surface of easement areas for underground utility services may be used only for planting of shrubbery, trees, lawns or flowers. However, neither Declarant nor any supplier of any utility or service using any easement area shall be liable to any Owner or to the Association for any damage done by them or their respective agents, employees, servants or assigns, to any of the aforesaid vegetation, landscaping, aboveground or underground Improvement, structure or irrigation system as a result of any activity relating to the construction, maintenance, operation or repair of any facility in any such easement area.

Title to Easement and Appurtenances Not Conveyed.

4.6 Title to any Lot conveyed by Declarant by contract, deed or other conveyance shall not be held or construed in any event to include the title to any easement, street, roadway or the Common Area or any drainage, water, gas, cable, sewer, storm sewer, electrical light, electrical power, telegraph or telephone easement or facility, or any pipes, lines, poles or conduits on or in any utility facility or appurtenances thereto, constructed by or under Declarant or its agents through, along or upon any Lot or any part thereof to serve said Lot or any other portion of the Property. The rights to maintain, repair, sell, or lease such appurtenances and easements to any municipality or other governmental agency or to any public or private utility service corporation or to any other party is hereby expressly reserved in Declarant, its successors and assigns.

Use of Common Area.

4.7 Each Owner shall have an easement of use and enjoyment in and to all Common Area (including rights of ingress and egress over the streets within the Property) which shall be appurtenant to and shall pass with title to such Owner's Lot, subject to the following provisions:

(a) The right of the Association to suspend the Owner's voting rights and right to use the Common Area for any period during which any Assessment against such Owner's Lot, or any fine or other charge, remains unpaid, and for any period during which the Owner is in violation of the Governing Documents;

(b) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be approved by a majority vote of the Members;

- (c) The right of the Association to borrow money for the purpose of improving the Common Area and, in furtherance thereof, upon the approval of sixty-seven percent (67%) of the numbers of votes entitled to be cast pursuant to Section 5.5 hereof, to mortgage the Common Area, all in accordance with the Governing Documents;
- (d) The right of the Association to make reasonable rules and regulations regarding the use or suspension of use of the Common Area and any facilities thereon, and any prohibited conduct thereon, including, without limitation, requirements for entrance into the Community, maximum rates of vehicular speed, driving and parking rules, types of vehicles which may be operated on the streets, and the enforcement of these rules and regulations;
- (e) The right of the Association to contract for services with third parties on such terms as the Association may determine;
- (f) The rights of existing lien holders who have a lien or security interest in all or a portion of the Common Area;
- (g) Any rights granted by Declarant prior or are subsequent to the recording of this Declaration in and to third parties including, but limited to, rights of ingress and egress over and across the streets within the Property and utility easements over and across portions of the Common Area; and
- (h) The right of Declarant, in its sole and absolute discretion, to determine and set the hours of operation for entry gate or other means of controlled access to the Property.

Underground Electrical System.

4.8. An underground electricity distribution system shall be installed to serve all Lots within the Property. The Owner of each Lot, at the Owner's cost, shall furnish, install, and maintain (all in accordance with the requirements of local governmental authorities and the National Electrical Code) an underground service cable and appurtenances from the meter installed on the Lot by the electric company to such point as may be designated by the company on the property line of the Lot. The company furnishing electric service shall make the necessary connection at the property line and at the meter. Each Owner, at the Owner's cost, shall install, furnish, and maintain a meter loop (in accordance with then-current standards and specifications of the electric company) for the residence constructed on the Lot. For as long as underground service is maintained, the electric service to each Lot shall be uniform in character and exclusively of the type known as single-phase 120/240 volt, 3-wire, 60-cycle alternating current.

Transfer of Easements.

4.9. Declarant may transfer all easements, streets and Common Area to the Association.

ARTICLE FIVE – PROPERTY OWNERS ASSOCIATION OF STONE CREEK RANCH

Organization.

5.1. Declarant shall, at such time as Declarant deems appropriate, cause the formation and incorporation of the Association as a non-profit corporation under the laws of the State of Texas. The Association shall be created for the purposes, charged with the duties, governed by the provisions and vested with the powers prescribed by law or set forth in its Governing Documents. Neither the Association's Certificate of Formation nor Bylaws shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

Membership.

5.2. Every person or entity who is a record Owner of a fee or undivided fee interest in any Lot, including sellers in a contract for deed or an executory contract yet to close, shall be a Member of the Association. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of any obligation. Membership shall be appurtenant to and may not be separated from any ownership of any Lot. Ownership of such Lot shall be the sole qualification for membership. Any mortgagee or lienholder who acquired title to any Lot which is a part of the Property through judicial or non-judicial foreclosure, shall be a Member of the Association. It is understood that the Community may be developed in phases or sections, and such completed sections or phases or any part thereof shall, at the option and election of Declarant, be incorporated within the scheme of this Declaration and become bound hereby and a part hereof, which incorporation shall be evidenced by the filing of the Supplemental Declaration. In such case, the Owners of Lots within the additional property made subject to this Declaration shall become Members of the Association.

Transfer of Membership.

5.3. Association membership shall be transferred automatically to the grantee of a conveyance of a Lot in fee. Membership shall not be assigned, pledged, or transferred in any other way. Any attempt to make a prohibited transfer shall be void.

Management of Association.

5.4. The Association shall be managed by the Board pursuant to the procedures set forth in the Association's Governing Documents.

Voting Rights.

5.5. The Association shall have two (2) classes of voting memberships:

(a) Class A. Class A Members shall be all Owners, with the exception of Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds such interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

(b) Class B. The Class B Member(s) shall be Declarant, and its successors and assigns, and shall be entitled to ten (10) votes (i) for each Lot owned by it, and (ii) for each one (1) acre of the Community not then subject to a recorded plat ("Future Lot"); provided that the Class B membership shall cease and be converted to Class A membership (subject to reversion back to Class B membership upon the annexation of additional land) on the happening of either of the following events, whichever occurs earlier:

- (1) the complete development of the Community and sale of all platted Lots indicated thereon; or
- (2) January 1, 2018.

From and after the occurrence of one of the above events, the Class B Member shall be deemed to be a Class A Member entitled to one (1) vote for each Lot and one (1) vote for each Future Lot then owned by such Class B Member. The Class B membership shall be immediately reinstated upon annexation of any additional land. Such reinstatement of the Class B Member shall in any event cease on January 1, 2028.

Number of Directors; Quarterly Meetings.

5.6. The Board shall consist of not less than three (3) and not more than nine (9) directors. The Declarant shall appoint the initial directors of the Board who shall serve their respective terms as set forth in the Association's Bylaws. Upon the expiration of a term of a director of the initial Board, such directorship shall be filled in accordance with the Association's Bylaws. The Board shall meet at least once each calendar quarter.

Authority and Powers of the Association.

5.7. To the maximum extent possible, the Association, acting through the Board, is granted and shall have all the powers and authority provided to a Texas non-profit corporation from time to time, subject only to the limitations provided in the Governing Documents or applicable law. In addition, the Association is empowered to do and perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the powers expressly granted it by the Governing Documents or by law. Without limiting the breadth of authority granted, the Association shall have the power and authority to perform the following functions:

(a) Rules, Regulations and Policies. To establish, adopt, implement, amend, revoke and enforce rules, regulations and policies to implement and/or enforce this Declaration, the Association's Bylaws and other Governing Documents.

(b) Common Areas. To manage and maintain all of the Common Area in a state of high quality and in good repair and to establish, adopt, implement, amend, revoke and enforce rules, regulations, and policies governing the use of the entry gate, entry way, streets and other Common Areas, including (but not limited to):

(1) identification and entry programs for Owners, their respective immediate families, their guests, and vehicles owned or driven by any of them;

(2) speed limits, designated parking areas, restricted parking areas, and no parking areas;

(3) signs and graphics to provide announcements to the public concerning matters such as potential criminal trespass matters or towing of unauthorized vehicles;

(4) towing of unauthorized vehicles;

(5) disclaimers of liability for any and all matters or occurrences on or related to the Common Area; and

(6) restrictions related to use or suspension of use of Common Areas.

(c) Fines. To adopt a "fines" system through which the Association can levy and collect fines from Owners, residents, their guests, and invitees, and from builders, contractors, their subcontractors and suppliers, for violations of the applicable

Association Rules or other Governing Documents.

- (d) Legal Action. To take any and all actions to enforce this Declaration, the Association Rules, the Design Guidelines and all other Governing Documents as allowed herein, including, but not limited to, the right to file suit and/or take other legal action to prosecute, restrain, enjoin or remedy violations of the covenants, restrictions and conditions set forth in the Declaration or in any Governing Document; provided, however, that the Board shall never be authorized to expend any Association funds for the purpose of bringing suit against Declarant, its successors or assigns.
- (e) Officers and Architectural Control Committee Members. To elect officers of the Board and select members of the Architectural Control Committee when that power devolves to the Board or is assigned to the Board by Declarant in writing.
- (f) Committees. To establish committees and delegate its powers to committees, officers, or employees.
- (g) Professional Services. To retain, contract with and pay for legal, accounting and management services necessary or proper in the operation of the Association.
- (h) Financial Statements. To prepare a balance sheet and operating income statement for the Association and deliver a report to the membership at its annual meeting.
- (i) Regular Assessments. To establish and collect regular Assessments to defray expenses attributable to the Association's duties, to be levied against each Owner in accordance with Article Six of this Declaration.
- (j) Special Assessments. To establish and collect special Assessments for capital improvements or other purposes.
- (k) Actions for Non-Payment. To file notices of non-payment against Owners because of nonpayment of Assessments duly levied, to foreclose on those liens under the power of sale provided herein and/or to take any other action authorized by the Governing Documents or applicable law.
- (l) Violations. To receive complaints regarding violations of this Declaration and/or to take any other action authorized by the Governing Documents or applicable law.

- (m) Entry Upon Any Lot. To enter at any time in an emergency (or in case of a non-emergency, after twenty-four (24) hours written notice), without being liable to any Owner, upon any Lot and into any Improvement thereon for the purpose of enforcing this Declaration or for the purpose of maintaining or repairing any area, Improvement or other facility to conform to this Declaration. The expense incurred by the Association in connection with the entry upon any Lot and the maintenance and repair work conducted thereon shall be a personal obligation of the Owner of the Lot entered upon, shall be a lien upon the Lot entered upon and upon the Improvements thereon, and shall be enforced in the same manner and to the same extent as provided for regular and special Assessments.
- (n) Hearings. To hold hearings to determine whether to discipline Owners who violate this Declaration.
- (o) Notices. To give reasonable notice to all Owners of all annual and special meetings of the membership and all discipline hearings.
- (p) Meetings. To hold regular meetings of the Board at least quarterly.
- (q) Taxes. To pay all real and personal property taxes and other assessments levied upon or due with respect to any Common Area or other property of the Association, to the extent such taxes and assessments are not levied directly upon the Members, and to contest the legality and amount of any such taxes.
- (s) Insurance. To obtain and pay the costs of any general liability, fire and casualty insurance for the benefit of the Association covering the Improvements and activities in and on the Common Areas and any liability insurance for members of the Board, the Architectural Control Committee or any committees in such amounts as the Board deems prudent.
- (t) Real and Personal Property. To buy, sell, acquire, own, manage and maintain real and personal property, including, but not limited to the Common Area, greenbelts, easements and streets within the Property which may be necessary or advisable to promote the health, safety and welfare of Owners within the Community, for the administration and performance of the duties of the Association or for the economical and efficient development of the Property.
- (u) Contracts. To enter into contracts and agreements with third parties to provide present or future services to the Association, the Community and/or the Owners including, but not limited to, contracts with respect to utility services provided to the Property, contracts with respect to the monitoring services for and maintenance of the Property, contracts for garbage pick-up, and contracts for the

construction, maintenance, repair and operation of improvements located or to be located on the Common Area.

(v) Declarant Rights. To exercise any right of Declarant set forth herein which has been assigned and/or delegated to the Board in writing by Declarant or otherwise devolved to the Board hereunder.

(w) Mortgage on Common Area. Upon the approval of sixty-seven percent (67%) of the numbers of votes entitled to be cast pursuant to Section 5.5 hereof, to execute mortgages, both construction and permanent, for the construction of facilities and Improvements on the Common Area.

(x) General Rights and Authority. To exercise any right, power or authority granted in the Association's Governing Documents as the same may be amended from time to time, and have the power and authority to perform any acts granted to a non-profit corporation by the laws of the State of Texas.

Controlled Access.

5.8. Declarant and the Association hope that the entry gate and private streets concept will discourage undesired and unauthorized vehicular and pedestrian traffic within the Community and foster a higher degree of peace and tranquility. Although Declarant and the Association reasonably believe that the existence of a controlled access point may discourage the commission of criminal acts (e.g., burglary, theft, etc.) within the Community, nevertheless, neither Declarant nor the Association warrant, represent or guarantee that such acts will not be attempted or actually occur within the Community. Each Owner, Member and resident of the Property expressly understands, covenants and agrees with Declarant and the Association as follows:

(a) No Liability. Neither Declarant nor the Association has any responsibility or liability of any kind or character whatsoever regarding or pertaining to the real and personal property of any Owner, Member, or resident of the Property or their families, guests, licensees or invitees.

(b) Maintain Insurance. Each Owner, Member and resident of the Property shall, from time to time and at various times, consult with reputable insurance industry representatives of each Owner's, Member's and resident's own selection to select purchase, obtain, and maintain appropriate insurance providing the amount, type and kind of insurance deemed satisfactory to each Owner, Member and resident covering his or her real and personal property.

(c) Release of Claims. Each Owner, Member and resident of the Property

releases Declarant and the Association and their respective agents, attorneys, employees, officers, directors, and partners from any liability, claims, causes of action or damages of any kind or character whatsoever arising out of or related (directly or indirectly) to any and all aspects of the Property.

Indemnification.

5.9. THE ASSOCIATION SHALL INDEMNIFY ANY PERSON WHO WAS OR IS A PARTY, OR IS THREATENED TO BE MADE A PARTY TO ANY THREATENED, PENDING OR COMPLETED ACTION, SUIT OR PROCEEDING, WHETHER CIVIL, CRIMINAL, ADMINISTRATIVE OR INVESTIGATIVE BY REASON OF THE FACT THAT HE IS OR WAS A PARTNER OF THE DECLARANT HEREIN OR A DIRECTOR, OFFICER, COMMITTEE MEMBER, EMPLOYEE, SERVANT OR AGENT OF THE ASSOCIATION AGAINST EXPENSES, INCLUDING ATTORNEYS' FEES, REASONABLY INCURRED BY HIM IN CONNECTION WITH SUCH ACTION, SUIT OR PROCEEDING UNLESS IT IS FOUND AND DETERMINED BY THE BOARD OR A COURT THAT HE OR SHE (1) ACTED IN BAD FAITH AND IN A MANNER HE OR SHE REASONABLY BELIEVED NOT TO BE IN, OR OPPOSED TO, THE BEST INTERESTS OF THE ASSOCIATION, AND (2) WITH RESPECT TO ANY CRIMINAL ACTION OR PROCEEDING, HAD REASONABLE CAUSE TO BELIEVE HIS OR HER CONDUCT WAS UNLAWFUL. THE TERMINATION OF ANY ACTION, SUIT OR PROCEEDING BY SETTLEMENT, OR UPON A PLEA OF NOLO CONTENDERE OR ITS EQUIVALENT, SHALL NOT OF ITSELF CREATE A PRESUMPTION THAT THE PERSON DID NOT ACT IN GOOD FAITH OR IN A MANNER WHICH HE OR SHE REASONABLY BELIEVED TO BE IN, OR NOT OPPOSED TO, THE BEST INTERESTS OF THE ASSOCIATION, AND WITH RESPECT TO ANY CRIMINAL ACTION OR PROCEEDING, HAD REASONABLE CAUSE TO BELIEVE THAT HIS OR HER CONDUCT WAS UNLAWFUL. THE BOARD MAY PURCHASE AND MAINTAIN INSURANCE ON BEHALF OF ANY PERSON WHO IS OR WAS THE DECLARANT OR A PARTNER OF THE DECLARANT HEREIN OR A DIRECTOR, OFFICER, COMMITTEE MEMBER, EMPLOYEE, SERVANT OR AGENT OF THE ASSOCIATION AGAINST ANY LIABILITY ASSERTED AGAINST HIM OR HER OR INCURRED BY HIM OR HER IN ANY SUCH CAPACITY, OR ARISING OUT OF HIS OR HER STATUS AS SUCH, WHETHER OR NOT THE ASSOCIATION WOULD HAVE THE POWER TO INDEMNIFY HIM OR HER AGAINST SUCH LIABILITY HEREUNDER OR OTHERWISE. ADDITIONALLY, THE ASSOCIATION SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS DECLARANT AND ITS PARTNERS, AGENTS AND EMPLOYEES AGAINST ANY EXPENSE OR LIABILITY, INCLUDING REASONABLE ATTORNEYS' FEES, EXPERT WITNESS OR OTHER FEES AND COSTS OF COURT INCURRED BY ANY OF THEM IN CONNECTION WITH OR ARISING OUT OF (I) THE USE OF THE PRIVATE ROADWAYS WITHIN THE PROPERTY OR ANY OTHER PORTION OF THE COMMON AREA BY ANY PARTY PRIOR TO ITS CONVEYANCE OR DEDICATION TO

THE ASSOCIATION AND (II) ANY CLAIM RELATED TO THE DESIGN, MANNER OR TYPE OF CONSTRUCTION OR MAINTENANCE OF THE ROADWAYS OR OTHER IMPROVEMENTS ON OR WITHIN THE PROPERTY.

Non-liability of Board, Architectural Control and other Committee Members.

5.10. Neither Declarant, the Board nor any member thereof, the Architectural Control Committee, nor any other Board-established committee nor any member thereof, shall be liable to the Association or to any Owner, Member, resident or to any other person for any loss, damage or injury arising out of their being in any way connected with the performance of Declarant's, the Architectural Control Committee's or the Board's respective rights or duties under the Declaration or other Governing Documents unless due to the willful misconduct or bad faith of Declarant, the Architectural Control Committee or its members, any other committee established by the Board or its members, or the Board or its members, as the case may be. Neither Declarant, the Architectural Control Committee, the Board nor any members thereof shall be liable to any Owner due to enforcement of or failure to enforce the Governing Documents, the approval or disapproval of any Plans and Specifications, or the construction of any Improvement within the Community.

ARTICLE SIX – COVENANTS FOR ASSESSMENTS AND OTHER CHARGES

General.

6.1. Declarant, for each Lot owned by it within the Community, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association the Assessments established by the Board pursuant to the provisions of this Article Six:

(a) Allocation of Assessments. The regular and any special Assessments for unimproved Lots shall be one-half (1/2) the Assessments for improved Lots. For purposes of this Article Six, a Lot shall be deemed to be an "improved Lot" upon substantial completion of a residence thereon. If two or more Lots are combined to form one home site, each Lot upon which any portion of a residence has been constructed may be deemed to be an "improved Lot". The Common Area shall not be subject to Assessments.

(b) Pro Ration of Assessments. Where the obligation to pay an Assessment first arises after the commencement of the year or other period for which the Assessment was levied, the Assessment shall be prorated as of the date when said obligation first arose to the duration of the Assessment year or other period remaining after said date. Such proration shall be calculated on a per diem basis.

Purposes.

6.2. The Assessments levied by the Association shall be used for the purpose of promoting the recreation, health, safety and welfare of the Members and performing the rights, duties and obligations contained in the Governing Documents including, without limitation, the improvement, maintenance and operation of the Common Areas, providing services, benefits or other improvements for the use and enjoyment of the Community by the Members, enforcement of the Governing Documents, and for such other purposes as may be expressly provided for in the Governing Documents. Assessments may also be used to fund such projects under a joint public and private effort as may benefit the Association and the health, safety and welfare of the Members.

Fiscal Year and Determination of Budget.

6.3 The fiscal year of the Association shall be the calendar year. At least sixty (60) days prior to the commencement of each fiscal year, the Board shall determine the budget for the Association for such fiscal year.

(a) Operating Budget. The Board shall prepare or cause to be prepared and shall approve an operating budget for the fiscal year showing, in reasonable detail, the estimated operating costs and expenses that will be payable in that fiscal year to fulfill the regular anticipated operating functions and obligations of the Association in that fiscal year including but not limited to, the cost of all maintenance, the cost of providing street lighting, the cost of servicing debt owed by the Association, the cost of constructing any Improvements on the Common Area, the cost of operating facilities on the Common Areas, the cost of landscaping the Common Area, the cost for monitoring services for the Property and the operation of the control access points the Property, the cost of all legal, accounting, bookkeeping and consulting services contracted for by the Association, the cost of enforcing the Governing Documents and a reasonable provision for contingencies.

(b) Capital Replacement Reserve. The Board shall also determine an adequate amount to be set aside in a special fund which shall be established and allocated for any maintenance and replacement of Common Areas not required to be performed or replaced annually.

(c) General Reserve. The Board may, but is not obligated to, determine an adequate amount to be set aside in a special fund which shall be established and allocated for the improvement, purchase and/or construction of additional Common Areas or to fund such special projects as and to the extent the Board deems reasonable.

(d) Notice of Budget. Upon determination of the budget for a fiscal year, the Board shall make available a copy of the budget to each Owner (which budget shall separately identify amounts attributable to the operating budget, the capital

replacement reserve, and the general reserve) together with a written statement of the amount of the regular Assessment to be assessed against each Owner and each Lot for the applicable fiscal year.

(e) Balanced Budget. Except as emergencies or unforeseen circumstances may require, the Association shall make no commitments or expenditures in excess of the funds reasonably expected to be available to the Association through regular Assessments.

Regular Assessments.

6.4. The amount to be raised by regular Assessments during a fiscal year shall be equal to (a) the operating budget for such period, plus (b) the capital replacement reserve to be set aside for said period, plus (c) the general reserve, if any, to be set aside for said period, less the amount attributable to the operating budget collected but not disbursed in the immediately preceding fiscal year or partial fiscal year.

(a) Due Date. All such regular Assessments shall be due and payable to the Association at the beginning of the fiscal year or during the fiscal year in either semi-annual, quarterly or monthly installments as set by the Board, or in such other manner as the Board may designate in its sole and absolute discretion.

(b) Initial Regular Assessments. Regular Assessments shall commence on a date determined by the Board but in no event later than sixty (60) days following the first conveyance by Declarant of a Lot to a party other than Declarant. The initial regular Assessment shall be \$50.00 per month for each improved Lot and \$25.00 per month for each unimproved Lot. Once the Community pool and clubhouse have been completed and become available for use to the Members, the regular Assessment shall be increased to \$116.00 per month for each improved Lot and \$58.00 per month for each unimproved Lot.

(c) Maximum Allowable Increases. For all regular Assessments accruing from and after January 1, 2009, the regular Assessment may be adjusted up to the Maximum Allowable Increase upon a majority vote of the Board and without the approval of the membership of the Association. The "Maximum Allowable Increase" is defined as the cumulative total of: the number of years since 2008 multiplied by 10% multiplied by \$116.00 per month. For example, regular Assessments for the year 2009 may not exceed \$127.60 per month, and regular Assessments for the year 2011 may not exceed \$150.80 per month. Any increase in excess of the Maximum Allowable Increase shall require the approval of sixty-seven percent (67%) of the votes of each Class of Members of the Association who are voting in person or by proxy at a meeting duly called and held in accordance with the Governing Documents of the Association.

(d) Failure to Change Amount. If the Board fails to determine or cause to be determined the total amount to be raised by regular Assessments in any fiscal year then the amounts of regular Assessments shall be deemed to be the amounts assessed in the previous fiscal year.

Special Assessments.

6.5 In addition to the regular Assessments provided for above, the Board, with the approval of sixty-seven percent (67%) of the votes of each Class of Members, may levy special Assessments whenever in the Board's opinion such special Assessments are necessary to enable the Board to carry out the functions of the Association under the Governing Documents. The amount of any special Assessments shall be at the reasonable discretion of the Board and all such special Assessments shall be due and payable to the Association within thirty (30) days of the date of written notice of such special Assessment.

Owner's Personal Obligation for Payment.

6.6 The regular and special Assessments, and any fines, charges and penalties provided for herein, shall be the personal, joint and several obligation of all Owners of the Lot at the time that the Assessment, fine, charge, or penalty becomes due. No Owner may exempt himself from liability for such Assessments, fines, charges or penalties. In the event of default in the payment of any such Assessment, fine, charge or penalty, the Owner of the Lot to which the delinquency accrued shall be obligated to pay interest on the amount due from the due date at a percentage rate of eighteen percent (18%) per annum, together with all costs and expenses of collection, including reasonable attorney's fees.

Assessment Lien; Foreclosure.

6.7 All Assessments and all charges, fines, penalties and other amounts (including interest as provided in Section 6.6 hereof, attorneys' fees and other expenses incurred by the Association in collecting unpaid amounts or enforcing the Governing Documents) payable by an Owner or payable with respect to an Owner's Lot shall be a charge on that Owner's Lot and shall be secured by a continuing lien (the "Assessment lien") upon that Owner's Lot. Each Owner by accepting title to a Lot, or any interest therein, whether or not it shall be expressed in the deed or other instrument conveying title, recognizes the Assessment lien as existing prior to his ownership of his Lot and shall be deemed to grant the Association a power of sale to foreclose this lien in accordance with the provisions of this Section 6.7.

The aforesaid lien shall be superior to all other liens and charges against the said Lot except only for (and the Assessment lien shall be subordinate to the following):

- (a) All liens for taxes or special assessments levied by the applicable city, county or state government, or any political subdivision or special district thereof,
- (b) All liens securing all amounts due or to become due under any purchase money deed of trust or vendor's lien filed for record prior to the date any Assessment became due and payable; and
- (c) All liens including, but not limited to, vendor's liens, deeds of trust and other security agreements, which secure any loan made by any lender to a Member for any part of the cost of constructing, repairing, adding to or remodeling any Improvements utilized for residential purposes.

Notwithstanding the above, and to the extent allowed by law, no lien shall be deemed or held superior to the Assessment lien hereby created unless the Association is made a party to any court proceeding to enforce any of the above listed liens if such liens are enforced through judicial process. The Association shall have the power to subordinate the aforesaid Assessment lien to any other lien. Such power shall be entirely discretionary with the Board and such subordination may be signed by an officer of the Association. Upon the written request of any mortgagee of an Owner, the Association shall report to such mortgagee any unpaid Assessments remaining unpaid for longer than thirty (30) days after the same are due.

To evidence the aforesaid lien, the Association may prepare a written notice of lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot covered by such lien and a description of the Lot. Such notice shall be signed by one of the officers of the Association and shall be recorded in the Official Records of Kendall County, Texas; provided, however, no such written notice of lien or other written evidence shall be necessary for the creation or attachment of such lien.

The lien may be enforced by: (i) non-judicial foreclosure of the defaulting Owner's Lot under the power of sale herein granted in like manner as a mortgage on real property, as provided in the Texas Property Code §51.002 (as may be amended or revised from time to time), (ii) the Association instituting legal proceedings against the Owner personally obligated to pay the Assessment, charges, fines, penalties or other amounts due and/or seeking a court order to proceed with foreclosure of the lien, or (iii) any other action at law or in equity to which the Association may be entitled from time to time. In any foreclosure proceeding, whether judicial or non-judicial, the Owner shall be required to pay the costs, expenses, and reasonable attorney's fees incurred by the Association. The Association is hereby given the right and power to appoint a trustee to conduct any such foreclosure

under the power of sale by filing an appointment of trustee in the Official Records of Kendall County, Texas. The Association shall have the power to bid on the property at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same.

ARTICLE SEVEN - ADDITIONS TO THE PROPERTY

Annexation by Declarant.

7.1. Declarant, its successors and assigns, shall have the right, at any time prior to January 1, 2028, to incorporate within the scheme of this Declaration additional Property in future phases of the development of the Community without the consent or approval of any party, including the Owners of any Lots (other than Declarant). As additional Property is annexed, Declarant shall, with respect to said Property, record Supplemental Declarations which may incorporate this Declaration by reference and which may supplement or modify this Declaration with additional covenants, restrictions and conditions which may be appropriate for the additional Property.

Annexation by Others.

7.2. After January 1, 2028, additional Property may be annexed within Stone Creek Ranch and incorporated within the scheme of this Declaration at any time with the consent of sixty-seven percent (67%) of all Members entitled to cast a vote pursuant to Section 5.5 hereof as follows:

(a) Application. The owner of any other property who desires to add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association, must submit a written submission to the Association containing the following:

- (1) the size, location and proposed use of the proposed property;
- (2) the nature and extent of site improvements and Common Area to be located on the proposed property;
- (3) an affirmation that the proposed addition, if made, will be subject to all Association Assessments, charges, fines, penalties, and the Governing Documents; and
- (4) any additional information requested by the Association.

(b) Supplemental Declaration. If the submission is approved, then the proponent thereof must file of record in the Official Records of Kendall County, Texas, a Supplemental Declaration covering such additional Property. The Supplemental

Declaration must be executed by both the proponent of the annexation and the President and Secretary of the Association certifying that such annexation has been approved by sixty-seven percent (67%) of all Members entitled to cast a vote pursuant to Section 5.5 hereof.

Rights Upon Annexation.

7.3. Following the annexation of additional Property, the Owners of all Lots in the original and annexed Property shall have the rights, privileges and obligations set forth in this Declaration and each applicable Supplemental Declaration.

Merger or Consolidation.

7.4. Upon a merger or consolidation of the Association described herein with another association, this Association's Property, rights, and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the property, rights and obligations of another association may, by operation of law, be added to the Property, rights and obligations of this Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the Community, together with the covenants and restrictions established upon any other Community as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration pertaining to the Community except as hereinafter provided.

ARTICLE EIGHT - GENERAL PROVISIONS

Enforcement.

8.1. The Declarant or the Association or any Owner (at his or her own expense) shall have the right to enforce, by any proceeding at law or in equity, all covenants, restrictions, conditions, and reservations imposed by this Declaration or other Governing Documents. Neither the Declarant nor the Association shall be liable to any Owner or Owners for failure to enforce any covenant, restriction, condition, or reservation. Failure to enforce any covenant, restriction, condition, or reservation shall not be deemed a waiver of the right of enforcement either with respect to the violation in question or any other violation. All waivers must be in writing and signed by the party to be bound.

Severability.

8.2. Invalidation of any one of these covenants, restrictions, conditions, and reservations by judgment or court order shall in no way affect any other provision, and all other

provisions shall remain in full force and effect.

Alternative Dispute.

8.3. The parties agree to mediate in good faith to resolve any dispute under this instrument before filing a suit for damages and submitting such matter to binding arbitration. Following mediation, all unresolved issues shall be resolved by binding arbitration. Absent an agreement to use other rules, the arbitration will be controlled by the American Arbitration Association's Commercial Arbitration Rules.

Choice of Law.

8.4. This instrument shall be subject to and governed by the laws of the State of Texas, excluding any conflicts-of-law rule or principle that might refer the construction or interpretation of this instrument to the laws of another state. Each party hereby submits to the jurisdiction of the state and federal courts in the State of Texas and to venue in Kendall County, Texas.

Notices.

8.5. Any notice or communication required or permitted hereunder shall be deemed to be delivered, whether actually received or not, when deposited in the United States mail, postage fully prepaid, registered or certified mail, and addressed to the intended recipient at the address shown herein, and if not so shown, then at the last known address according to the records of the party delivering the notice. Notice given in any other manner shall be effective only if and when received by the addressee. Any address for notice may be changed by written notice delivered as provided herein.

Time.

8.6. Time is of the essence. Unless otherwise specified, all references to "days" shall mean and refer to calendar days. Business days shall exclude all Saturdays, Sundays, and Texas legal banking holidays. In the event the date for performance of any obligation hereunder shall fall on a Saturday, Sunday or Texas legal banking holiday, then that obligation shall be performable on the next following regular business day.

Covenants Running With the Land.

8.7. These covenants, restrictions, conditions, and reservations are for the purpose of protecting the value and desirability of the Property. Consequently, they shall run with the Property and shall be binding on all parties having any right, title, or interest in the Property in whole or in part, and their heirs, successors, and assigns. These easements,

covenants, conditions, and restrictions set forth in this Declaration and any amendments or supplements hereto shall be for the benefit of the Property, each Lot, and each Lot Owner.

Duration.

8.8. The covenants, conditions and restrictions of this Declaration shall be effective for a term of thirty (30) years from the date this Declaration is recorded and shall automatically be extended thereafter for successive periods of ten (10) years each unless and until an instrument approved and executed in the same manner required for an amendment to this Declaration under Section 8.9 has been recorded in the Official Records of Kendall County, Texas, declaring the termination of this Declaration at the end of said 30 years or at the end of an applicable 10-year extension period.

Amendment.

8.9. (a) By Declarant. This Declaration or any Supplemental Declaration may be amended by Declarant acting alone without the necessity of notice to, joinder by or the approval of the Association or any Owners, to correct typographical and grammatical errors, and ambiguities.

(b) By Owners. In addition to the method in Section 8.9(a), this Declaration may be amended by the recording in the Official Records of Real Property of Kendall County, Texas, an instrument executed by the President and Secretary of the Association, setting forth the amendment and certifying that such amendment has been approved by sixty-seven percent (67%) of all Members entitled to cast a vote pursuant to Section 5.5 hereof.

Attorneys' Fees.

8.10. If any controversy, claim, or dispute arises relating to this instrument, its breach, or enforcement, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorneys' fees, and costs.

Liberal Interpretation.

8.11. This Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the Property.

Non-Waiver.

8.12. The failure to enforce any provisions of the Governing Documents, including the terms of this Declaration, at any time shall not constitute a waiver of any right thereafter to enforce any such provision or any other provision thereof.

Construction.

8.13. Unless the context require a contrary construction, the singular shall include the plural and the plural the singular, and the masculine, feminine or neutral gender shall include all genders. The captions and titles used in this Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise affect that which is set forth in any paragraphs, sections or articles hereof.

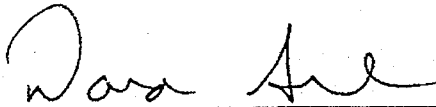
Disclaimer.

8.14. EXCEPT AS SPECIFICALLY STATED HEREIN OR EXPRESSLY MADE IN A CONTRACT TO SELL A LOT TO AN OWNER, DECLARANT HAS NOT MADE, DOES NOT MAKE AND DISCLAIMS ANY WARRANTY, GUARANTY, AND REPRESENTATION, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, AS, TO, OR CONCERNING (I) THE NATURE AND CONDITION OF THE PROPERTY, INCLUDING BUT NOT BY WAY OF LIMITATION, THE WATER, SOIL, GEOLOGY AND THE SUITABILITY THEREOF, AND OF THE PROPERTY, FOR ANY AND ALL ACTIVITIES AND USES WHICH OWNER MAY ELECT TO CONDUCT THEREON OR ANY IMPROVEMENTS ANY OWNER MAY ELECT TO CONSTRUCT THEREON, EXPENSES TO BE INCURRED WITH RESPECT THERETO, OR ANY OBLIGATION OR ANY OTHER MATTER OR THING RELATED TO OR AFFECTING THE SAME, (II) THE MANNER OF CONSTRUCTION AND CONDITION OF ANY OF THE IMPROVEMENTS ON COMMON AREA CONSTRUCTED BY THE DECLARANT AND (III) THE DESIGNATION OR LOCATION OF COMMON AREA OR TYPE OR NATURE OF ANY AMENITIES OR IMPROVEMENTS THAT COULD BE CONSTRUCTED THEREON OTHER THAN ANY AMENITIES OR IMPROVEMENTS SHOWN ON ANY RECORDED PLAT.

This Declaration is executed this 20 day of August, 2007.

GREEN LAND VENTURES, LTD.,
A Texas Limited Partnership

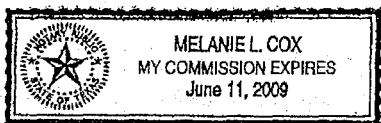
By: D. Green Land Co.,
A Texas Corporation, its General Partner

By: 
Dana Green, President

ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me on the 20th day of August, 2007, by DANA GREEN, as President of D. Green Land Co., a Texas corporation, General Partner of Green Land Ventures, Ltd., a Texas limited partnership, for and on behalf of said limited partnership.



Melanie L. Cox

Notary Public, State of Texas

After Recording, Return To:

Miller & Astoria, LLP
10500 Heritage Blvd, Ste 107
San Antonio, Texas 78216

Orig was
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Kendall County
Darlene Herrin
County Clerk

On: Aug 21, 2007 at 10:42A

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By Deputy: Paula Pfeiffer

This Document has been received by this Office
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We do hereby swear that we do not discriminate
due to Race, Creed, Color, Sex or National
Origin.