

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

**FOR**

**SMITH DOVE HOLLOW SUBDIVISION**

THE STATE OF TEXAS                   §

COUNTY OF BELL                       §

**KNOW ALL MEN BY THESE PRESENTS**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SMITH DOVE HOLLOW SUBDIVISION (this "Declaration"), is made on the date hereinafter set forth by 254 BROKERS CAPITAL LLC, a Texas limited liability company, ("Declarant") for the purpose of evidencing the covenants, conditions and restrictions contained herein.

**WITNESSETH:**

WHEREAS, Declarant is the owner of that certain real property more particularly as Smith Dove Hollow, a subdivision in Bell County, Texas, according to the map or plat thereof recorded as Document No. 2022-34476A and B of the Official Public Records of Bell County, Texas, said real property is hereinafter collectively referred to as the "Development" or the "Subdivision", and such plats thereof as may be amended or further replatted, being referred to as collectively as the "Plat," all of the real property being more specifically described on the Plats of the Development which are incorporated herein and made a part hereof for all purposes is collectively referred to herein as the "Property."

NOW, THEREFORE, Declarant hereby declares that all of the Property shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property. These easements, covenants, restrictions and conditions shall run with the Property and be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall insure to the benefit of Declarant, the Association and each owner thereof.

**ARTICLE I**

**ADDITIONAL DEFINITIONS**

1.1 Association. "Association" shall mean and refer to SMITH DOVE HOLLOW HOMEOWNERS ASSOCIATION, INC., its successors and assigns, established, or to be established, for the purposes set forth herein, or such other Texas nonprofit corporation as the Board shall determine to operate as the Association under this Declaration, provided that only one such nonprofit corporation shall be in existence as the Association at any one time.

1.2 Areas of Common Responsibility. "Areas of Common Responsibility" shall mean those areas listed below:

- a. Any and all common areas as may be depicted on the Plat for the Development (the "Common Areas"). The Common Areas may also be referred to on the Plat as "Detention

Areas", Greenspace", "Parkland", "Reserves" or "Open Space." Additional areas may be added from time to time.

b. Any and all Common Area improvements, including, without limitation, entry way features, gate facilities, signage, monument signage, screening walls, irrigation systems, perimeter wall, parks, playground equipment, and lighting located within the Common Areas. The entry features, gate facilities and signage that exclusively serve the Association and are located both (a) within the Development and (b) partially or completely in the public right of way shall be considered Common Area improvements and shall be maintained solely by the Association.

c. Any and all landscape, sanitary sewer and drainage easements, detention ponds, and right of ways, located within the Common Areas, but only to the extent same are not maintained by any governmental agency or other entity.

d. The right of way frontage along FM 438.

1.3 Declarant. The term "Declarant" shall mean 254 BROKERS CAPITAL LLC, a Texas limited liability company, and any party to whom it shall expressly assign in writing, its rights, powers, privileges and prerogatives hereunder. Any reference to any right, duty, liability or obligation of the Declarant under this Declaration shall only refer to and be binding upon the Declarant under this Declaration at such time. As provided in Section 7.21 below, upon any release, assignment or relinquishment of any rights of Declarant hereunder, the Declarant (in the status as Declarant) shall have no further right, duty, liability or obligation after such date.

1.4 County. "County" shall mean Bell County, Texas.

1.5 Home. "Home" shall mean a single family residential unit or duplex constructed on a Lot being a part of the Property, including the parking garage utilized in connection therewith and the Lot upon which the Home is located.

1.6 Lienholder. "Lienholder" or "Mortgagee" shall mean the holder of a first mortgage lien, either on any Home and/or any Lot.

1.7 Lot. "Lot" or "Lots" shall mean and refer to a portion of the Property designated as a Lot on the Plat of the Property, excluding open space, streets, alleys and any Areas of Common Responsibility. Where the context requires or indicates, the term Lot shall include the Home and all other improvements which are or will be constructed on the Lot.

1.8 Member. "Member" shall mean and refer to every person or entity that holds membership in the Association. The Declarant and each Owner shall be a Member in the Association.

1.9 Owner. "Owner" shall mean and refer to the record owner, other than Declarant, whether one or more persons or entities, of a fee simple title to any Lot and shall include any homebuilder, but shall exclude those having such interest merely as security for the performance of an obligation. However, the term "Owner" shall include any Lienholder or Mortgagee who acquires fee simple title to any Lot which is a part of the Property, through deed in lieu of foreclosure or through judicial or non-judicial foreclosure.

1.10 Builder Member. "Builder Member" means a builder approved by Declarant and who owns one or more Lots for construction of improvements for resale to others.

## ARTICLE II

### PROPERTY RIGHTS

#### **2.1 Maintenance of Areas of Common Responsibility by the Declarant and the Association.**

Initially, the Declarant will maintain and improve the Areas of Common Responsibility in a manner determined solely by the Declarant to enhance the overall appearance of the Development. The Declarant may use funds collected through Assessments for these purposes. At any time and at the Declarant's sole discretion, the Declarant can transfer the maintenance of the Areas of Common Responsibility to the Association. Upon the assignment of the Areas of Common Responsibility to the Association, the Declarant will be released and the Association will be solely obligated to maintain and improve the Areas of Common Responsibility in a prudent manner to enhance the safety, security and overall appearance of the Development; provided, however, as long as Declarant is a Class "B" member, the Declarant and Association may, as the Declarant or Association may reasonably deem appropriate to comply with applicable laws; to protect the health, safety or welfare of the Development or the Members; or the enhance the Areas of Common Responsibility, cause any buildings or permanent structures to be constructed within the Areas of Common Responsibility which are not present at the time an Area of Common Responsibility is deeded to the Association. The Declarant or Association shall have the following rights with regard to the Areas of Common Responsibility:

- a. the right to dedicate or transfer all or any part of the Area of Common Responsibility to any public agency or authority subject to such conditions as may be agreed to by the Members as provided below. No such dedication or transfer shall be effective unless (a) a written notice of proposed action under this Section is sent to every Owner not less than fifteen (15) days, nor more than thirty (30) days in advance of said action; (b) an instrument of agreement is executed by Members holding at least sixty-six and two-thirds percent (66-2/3 %) of the outstanding votes (determined pursuant to Section 3.2 hereof) at a meeting of Members at which a quorum is present; (c) said instrument of agreement is properly recorded in the Real Property Records of the County; and (d) the public agency or authority consents in writing to the dedication or transfer. Notwithstanding the foregoing, as long as Declarant is a Class B Member pursuant to Section 3.2 hereof, Declarant shall have the right to dedicate or transfer, or cause the owner of the particular Area of Common Responsibility to dedicate or transfer, all of any part of the Areas of Common Responsibility to any public agency or authority, and on such conditions as the Declarant may determine, without the consent or approval of any other party or Member;
- b. the right to borrow money to be secured by a lien against the Areas of Common Responsibility; however, the rights under such improvement mortgage shall be subordinate and inferior to the rights of the Owners hereunder;
- c. the right to enter upon and make rules and regulations relating to the use of the Areas of Common Responsibility and the right to enter upon any access, maintenance or other easements or other area of the Property, including any Lot, for the purposes of maintaining the Areas of Common Responsibility; and
- d. the right to enter into agreements with third parties regarding the use, improvement, maintenance, restriction, and funding of the costs regarding the Areas of Common Responsibility; and

e. the right to suspend the Owner's right to use the Common Area for any period during which any Assessment against such Owner's Lot remains past due and for any period during which such Owner is in violation of any provision of this Declaration.

**2.2 Title to Areas of Common Responsibility.** At such time or times as Declarant determines appropriate, Declarant shall identify and convey to the Association (or shall cause third parties to convey to the Association), and the Association shall accept, fee simple or easement interests in portions of the Property which shall be held by the Association as Areas of Common Responsibility. Each conveyance shall be, at Declarant's election, by deed without warranty, subject to all matters set forth in this Declaration, all liens securing the payment of taxes for the current and all subsequent years, and all easements, liens, rights of way, prescriptive rights, encroachments, overlapping of improvements, discrepancies, conflicts, leases, reservations, mineral severances, restrictions, covenants, conditions, regulations, and other rights, claims, title exceptions and other matters of any kind or nature affecting all or any of the real property interests conveyed as Areas of Common Responsibility, whether of record in the real property records of the County or apparent on the Areas of Common Responsibility. Each such conveyance shall be made solely for the benefit of the Owners and all right, title and interest in the Areas of Common Responsibility so conveyed shall be held by the Association solely for the use and benefit of the Owners. Any such conveyance shall be made by Declarant (or the third party) and accepted by the Association "AS IS", "WHERE IS", AND "WITH ALL FAULTS" AND WITHOUT REPRESENTATIONS OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, WRITTEN OR ORAL. WITHOUT LIMITING THE FOREGOING, DECLARANT SHALL NOT MAKE AND SPECIFICALLY SHALL NEGATE AND DISCLAIM ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (A) THE NATURE, QUALITY OR CONDITION OF THE AREA OF COMMON RESPONSIBILITY, INCLUDING, WITHOUT LIMITATION, THE ACREAGE, WATER, SOIL OR GEOLOGY OF THE AREAS OF COMMON RESPONSIBILITY OR ANY SURROUNDING AREAS, (B) THE VALUE OF THE AREAS OF COMMON RESPONSIBILITY, (C) THE SUITABILITY OF THE AREAS OF COMMON RESPONSIBLITY FOR ANY AND ALL ACTIVITIES AND USES WHICH MAY BE CONDUCTED THEREON, (D) THE COMPLIANCE OF OR BY AREAS OF COMMON RESPONSIBILITY OR THE OPERATION THEREOF WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, INCLUDING WITHOUT LIMITATION ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, (E) THE DISPOSAL OR EXISTENCE, IN OR ON THE AREAS OF COMMON RESPONSIBILITY, OF ANY ASBESTOS, PCB EMISSIONS, HYDROCARBONS, RADON GAS, OR HAZARDOUS OR TOXIC MATERIALS OF ANY TYPE, (F) THE MANNER OR QUALITY OF THE CONSTRUCTION OF ANY IMPROVEMENTS WITHIN THE AREAS OF COMMON RESPONSIBILITY OR MATERIALS, IF ANY, INCORPORATED INTO THE AREAS OF COMMON RESPONSIBILITY, (G) THE STATE OF REPAIR OR LACK OF REPAIR OF THE AREAS OF COMMON RESPONSIBILITY OR ANY IMPROVEMENTS THEREIN OR THERETO, OR (H) ANY OTHER MATTER WITH RESPECT TO THE AREAS OF COMMON RESPONSIBILITY. IF THE ASSOCIATION OR ANY OWNER REQUESTS ANY INFORMATION WITH RESPECT TO THE AREAS OF COMMON RESPONSIBILITY, THE ASSOCIATION OR OWNER SHALL ACKNOWLEDGE THAT SUCH INFORMATION SHALL NOT HAVE BEEN INDEPENDENTLY INVESTIGATED OR VERIFIED

BY DECLARANT AND THAT THE ASSOCIATION OR OWNER MUST RELY ON ITS OWN INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION. DECLARANT SHALL MAKE NO REPRESENTATIONS OR WARRANTIES WHATSOEVER AS TO THE ACCURACY OR COMPLETENESS OF ANY SUCH INFORMATION, AND DECLARANT SHALL NOT BE LIABLE OR BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS, REPORTS, SURVEYS, PLATS OR OTHER INFORMATION OF ANY KIND OR NATURE PERTAINING TO THE AREAS OF COMMON RESPONSIBILITY, OR THE OPERATION THEREOF, FURNISHED TO THE ASSOCIATION OR AN OWNER BY ANY THIRDPARTY, INCLUDING, WITHOUT LIMITATIONS, REAL ESTATE BROKERS OR AGENTS. The Association shall and hereby does agree to indemnify and hold harmless Declarant from and against all liability, damages, suits, actions, costs and expenses of whatsoever nature (including reasonable attorney's fees) to persons or property caused by or arising out of any use or activities of the Association or any of the Owners upon or within the Areas of Common Responsibility.

### ARTICLE III

#### ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

**3.1 Membership.** The Association shall have Members. Any person or entity, on becoming an Owner, will automatically become a Member of the Association. The rights of the Members in the Association shall be determined as provided in this Declaration and the Bylaws of the Association, and, except as provided in this Declaration, such Bylaws shall define the voting rights, powers and privileges of the Members. In the event of a conflict or inconsistency between this Declaration and the Bylaws, this Declaration shall control.

**3.2 Voting Rights.** The Association shall have two classes of voting membership.

**a. Class "A".** Class "A" Members shall be all Owners of Property subject to the Declaration, other than Declarant. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Each Class "A" Member shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be Members, and 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 such Lot. In the event that Members jointly entitled to cast one (1) vote do not agree as to how their vote is to be cast, their vote shall be void and of no effect.

**b. Class "B".** The Class "B" Member shall be Declarant. The Class "B" Member shall be entitled to ten (10) votes for each Lot it owns. Declarant shall cease to be a Class "B" Member and shall automatically convert to a Class "A" Member on the happening of any of the following events:

(1) One (1) year after Declarant no longer owns any portion of the Property and has not annexed additional land to the Property; or

(2) When, in the sole judgment of Declarant, the Development and Association have become viable, self-supporting and operational, in which case Declarant may elect to convert to a Class "A" Member; or

(3) The expiration of ten (10) years from the recording date of the Declaration in the Real Property Records of Bell County.

**3.3 No Cumulative Voting.** No Member of the Association shall have the right of cumulative voting at any election of Directors or upon any other matter.

**3.4 Association's Powers.** The affairs of the Association shall be conducted by the Board of Directors and such officers as the Board of Directors may elect or appoint, in accordance with the Articles and the By-laws. The Board of Directors shall have the powers granted in this Declaration, the Articles, the By-laws, and all powers provided by Texas law and all powers reasonably implied to perform its obligations and/or duties provided herein. In addition to the rights of the Association set forth in other sections of this Declaration, and subject to the applicable provisions of the Texas Business Organizations Code ("TBOC"), the Board of Directors of the Association, acting on behalf of the Association, shall have all power allowed by the law of Texas to be exercised by nonprofit corporations, including, without limitation:

- a. the power and responsibility to maintain and administer the Areas of Common Responsibility and any additional properties which may come within the jurisdiction of the Association;
- b. to administer and enforce this Declaration and any other covenants and restrictions filed of record in the Real Property Records of the County and encumbering the Property;
- c. to collect and disburse the Assessments and charges thereof;
- d. to similarly deal with all additional properties which may come within the jurisdiction of the Association by annexation or otherwise, and all other property, real, personal and mixed, which the Association may acquire;
- e. to make, establish and promulgate, and in its discretion to amend from time to time, or repeal and re-enact, such rules, regulations, and Bylaws not in conflict with this Declaration, as it deems proper, covering any and all aspects of the Development (including the operation, maintenance and preservation thereof) or the Association;
- f. to keep books and records of the Association's affairs, and to make such books and records, together with current copies of this Declaration available for inspection by the Owners and Mortgagees, upon request during normal business hours; and
- g. the power and authority from time to time, in its own name and on its own behalf, or in the name of and on behalf of any Owner who consents thereto, to commence and maintain actions and suits to enforce, by mandatory injunction or otherwise, or to restrain and enjoin, and breach or threatened breach of this Declaration. The Association is also authorized to settle claims, enforce liens and take all such action as it may deem necessary or expedient to enforce this Declaration

## ARTICLE IV

### ASSESSMENTS MAINTENANCE FUND AND ASSESSMENT LIENS

**4.1 Creation of the Lien and Personal Obligation of Assessments.** Each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be expressed in any such deed or other conveyance, covenants and agrees to pay to the Association: (i) annual assessments or charges, (ii) charges in connection with the transfer of a Lot to the extent permitted by the Property Code of the State of Texas, including Chapter 5, Subchapter G thereof, and (iii) special assessments for capital improvements or other costs or expenses incurred or anticipated to be incurred by the Association. Such assessments (an "Assessment" and collectively, the "Assessments") are to be fixed, established and collected as provided herein. Assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the Lot and shall be secured by a continuing lien which is hereby created and impressed for the benefit of the Association upon the Lot against which each such Assessment is made. Each such Assessment, together with such interest costs and reasonable attorney's fees shall also constitute a personal obligation of the person or entity that was the record Owner of such Lot at the time of the Assessment. The personal obligation for delinquent Assessments, together with interest and costs of collection, shall not pass to successors in title unless expressly assumed by such successors; however, the lien upon the Lot shall continue until paid.

**4.2 Purpose of Assessments.** The Assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the Owners of the Lots, the improvement and maintenance of the Areas of Common Responsibility and any other property owned by the Association, and the performance and/or exercise of the rights and obligations of the Association arising hereunder. Assessments may be used for, but not be limited to, actual Association costs, such as taxes, insurance, repair, replacement, maintenance and other activities as may from time to time be authorized by the Board of Directors or be required to be performed by the terms of this Declaration; legal and accounting fees, and any fees for management services; expenses incurred in complying with any laws, ordinances or governmental requirements applicable to the Association, the Areas of Common Responsibility or the Property; reasonable replacement reserves (when appropriate, as determined by the Board of Directors) and the cost of other facilities and service activities, including, but not limited to, mowing grass, grounds care, sprinkler system, landscaping, and other charges required or contemplated by this Declaration and/or that which the Board of Directors of the Association shall determine to be necessary to meet the primary purpose of the Association, including the establishment and maintenance of a reserve for repair, maintenance, taxes and other charges as specified herein.

**4.3 Basis and Maximum of Annual Assessments and Community Enhancement Fees on the Sale of Lots.**

- a. Upon the recording of this Declaration, the initial regular maximum annual Assessment shall be an amount not to exceed \$500.00 per Lot, subject to increase pursuant to the terms of Section 4.3(b) below.
- b. From and after January 1 of the first full year after the date of recordation of this Declaration and each year thereafter, the maximum regular annual Assessment may be increased by an amount up to ten percent (10%) over the preceding year's regular annual Assessment solely by the Board of Directors of the Association. Any increase over and above 10% of the previous year's regular annual Assessment shall be done only upon prior

written approval of sixty-six and two-thirds percent (66-2/3%) of the outstanding votes (determined pursuant to Section 3.2 hereof) held by the Members at a meeting at which a quorum is present.

c. In addition to the regular annual Assessment, as a condition to the sale of every Lot, every purchaser (other than the Declarant or a Builder Member) shall be assessed a **Community Enhancement Fee** that shall be the greater of \$150.00 or 0.15% of the sales price of the Lot. The Community Enhancement Fee shall be for the sole benefit of the Association. For purposes of this Section 4.3(c), a "closing" shall occur upon any delivery and acceptance of a deed conveying an interest in a Lot. The Community Enhancement Fee may be changed by the Board from time to time.

**4.4 Individual Assessments.** In addition to any other Assessments, the Board may levy an individual assessment (the "Individual Assessment") against an Owner and the Owner's Lot. Individual Assessments may include, but are not limited to: interest, late charges, and collection costs on delinquent Assessments; reimbursement for costs incurred in bringing an Owner or the Owner's Lot into compliance with this Declaration; fines for violations of the Restrictions; transfer-related fees and resale certificate fees; fees for estoppel letters and project documents; insurance deductibles; reimbursement for damage or waste caused by willful or negligent acts of the Owner, the Owners guests, invitees or Residents of the Owner's Lot; common expenses that benefit fewer than all of the Lots, which may be assessed according to benefit received; fees or charges levied against the Association on a per-Lot basis; and "pass through" expenses for services to Lots provided through the Association and which are paid by each Lot according to the benefit received.

**4.5 Special Assessments.** In addition to the regular annual Assessment and the Community Enhancement Fee, the Association may levy, in any assessment year, a special Assessment applicable to that year only, for the purpose of defraying, in whole or in part, the costs incurred by the Association pursuant to the provisions of this Declaration, provided that any such Assessment shall have the prior written approval of sixty-six and two-thirds percent (66-2/3 %) of the outstanding votes (determined pursuant to Section 3.2 hereof) held by the Members at a meeting at which a quorum is present. Any special Assessments shall be prorated based on the period of time the Owner owns the Lot during such year.

**4.6 Notice and Quorum for any Action Authorized Under Sections 4.3(b) and 4.5.** Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered by the Secretary or Assistant Secretary of the Association in accordance with the Bylaws. Business transacted at any special meeting shall be confined to the purposes stated in the notice or waiver thereof. The holders of one-tenth (1/10) of the votes of each class of membership, represented in person, by absentee ballot, by electronic ballot or by proxy (each as more particularly described in the Bylaws), shall constitute a quorum for any meetings of Members. The Members present at a duly called or held meeting, at which a quorum is present, may continue to transact business, even if enough Members subsequently leave the meeting so that less than a quorum remains. However, no action requiring a vote of the Members may be approved without a quorum being present. If the required quorum is not present, another meeting may be called subject to the same notice requirements and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, except that such reduction in the quorum requirements shall not be applicable if the subsequent meeting is held more than sixty (60) days following the preceding meeting.



**4.7 Uniform Rate of Assessment.** Both the regular annual and special Assessments shall be fixed at a uniform rate for all Lots, and shall commence and be due in accordance with the provisions of Section 4.8 hereof. Each Owner, (other than Declarant), shall pay one hundred percent (100%) of the established Assessment for each Lot he or it owns.

**4.8 Date of Commencement of Assessments; Due Dates.**

a. The obligation to pay regular annual Assessments provided for herein shall commence no earlier than the date this Declaration is recorded. Assessments shall then be due on such payment dates as may be established by the Association.

b. Declarant shall not be required to pay Assessments of any type levied against Lots owned by Declarant, whether before or after the date on which the Declarant is converted to a Class "A" Member. Notwithstanding anything to the contrary herein, at any time before Declarant is converted to a Class "A" Member, Declarant may, at its sole option and without obligation to do so, elect to either (i) pay any deficiency(ies) that may arise in the event the cost of maintenance exceeds the amount of the Assessments received from the Owners (a "Deficiency"), or (ii) loan funds to the Association to cover an actual or anticipated Deficiency arising from maintenance or other costs in excess of Assessments collected or anticipated to be collected by the Association, the payment of which may be secured against the Common Areas or other assets of the Association, or (iii) not pay for any Deficiency. If Declarant elects to deficit fund for any Deficiency as set forth in the preceding sentence, such deficit-funding shall be in an amount selected by Declarant in its sole discretion. Any loan made by Declarant to the Association (i) may be evidenced by written instruments customarily associated with loans of this type, such as promissory notes, deeds of trust, conditional assignment of Assessments, and other security agreements; and (ii) provide for commercially reasonable rates of interest, not to exceed ten percent (10%) per annum. The payment of a subsidy or making of a loan in any given year will not obligate Declarant to continue payment of a subsidy or make a loan to the Association in future years.

c. Unless provided above, the annual Assessments for the first Assessment year shall be fixed by the Association prior to the sale of the first Lot to an Owner. Except for the first Assessment year, the Association shall fix the amount of the annual Assessment at least thirty days in advance of each Assessment year, which shall be the calendar year; provided, however, that the Association shall have the right to adjust the regular annual Assessment upon thirty days written notice given to each Owner, as long as any such adjustment does not exceed the maximum permitted pursuant to Section 4.3 hereof. Written notice of the regular annual Assessment shall be given as soon as is practicable to every Owner subject thereto. The Association shall, upon demand at any time, furnish a certificate in writing signed either by the President, Vice President or the Treasurer of the Association or the Association's managing agent setting forth whether the annual and special Assessments on a specified Lot have been paid and the amount of any delinquency. A reasonable charge may be made by the Association for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any Assessment therein stated to have been paid.

d. No Owner may exempt himself from liability for Assessments by waiver of the use or enjoyment of any portion of the Development or Areas of Common Responsibility or by abandonment of their Home.

**4.9 Effect of Non-Payment of Assessments; Remedies of the Association.**

a. All payments of the Assessments shall be made to the Association at its principal place of business or at such other place as the Association may otherwise direct or permit. Payment shall be made in full regardless of whether any Owner has any dispute with Declarant, the Association, any other Owner or any other person or entity regarding any matter to which this Declaration relates or pertains. Payment of the Assessments shall be both a continuing affirmative covenant personal to the Owner and a continuing covenant running with the Lot.

b. Any Assessment provided for in this Declaration which is not paid when due shall be delinquent. If any such Assessment is not paid within thirty (30) days after the date of delinquency, the Assessment shall bear interest from the date of delinquency (with no notice required to be given), until paid, at the rate of eighteen percent (18%) per annum or the maximum rate allowed by law, whichever is the lesser (the "Designated Interest Rate"). The Association may, at its option, bring an action at law against the Owner personally obligated to pay the same, or, upon compliance with the notice provisions hereof, foreclose the lien against the Lot as provided in Subsection 4.9(d) hereof. There shall be added to the amount of such Assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include said interest and a reasonable attorney's fee and court costs. Each Owner vests in the Association or its assigns, the right and power to bring all actions at law or in equity foreclosing such lien against such Owner, and the expenses incurred in connection therewith, including interest, costs and reasonable attorney's fees shall be chargeable to the Owner in default. Under no circumstances, however, shall Declarant or the Association be liable to any Owner or to any other person or entity for failure or inability to enforce any Assessments.

c. Notwithstanding subsection (b) above, if an Owner is unable to pay any Assessment, then upon written notice to the Association delivered no later than two (2) business days following the due date of such payment, the Association shall extend to such Owner a payment plan on the following terms (a "Payment Plan"):

1. Such amounts shall be subject to (i) interest at the Designated Interest Rate from the due date until the date the sum is paid; and/or (ii) reasonable costs related to the collection of the sum due.

The Association is not obligated to extend a Payment Plan to an Owner who failed to honor the terms of a previous Payment Plan during the two (2) years following such Owner's default under the previous Payment Plan.

d. An Assessment lien may be enforced by judicial foreclosure or, if an Owner agrees in writing at the time the foreclosure is sought to waive judicial foreclosure pursuant to Section 209.0092 of the Property Code of the State of Texas, by nonjudicial foreclosure. No action shall be brought to foreclose said Assessment lien or to proceed under the power of sale herein provided in less than thirty (30) days after the date a notice of claim of lien is deposited with the postal authority, certified or registered, postage prepaid, to the Owner

of said Lot, and a copy thereof is recorded by the Association in the Office of the County Clerk of the County; said notice of claim must recite a good and sufficient legal description of any such Lot, the record Owner or reputed Owner thereof, the amount claimed (which may, at the Association's option, include interest on the unpaid Assessment at the maximum legal rate, plus reasonable attorney's fees and expenses of collection in connection with the debt secured by said lien), the name and address of the Association and a notice in accordance with Section 51.002(i) of the Property Code of the State of Texas.

e. Any such sale provided for above is to be conducted in accordance with the provisions applicable to the exercise of powers of sale in mortgages and deeds of trust, as set forth in Section 51.002 of the Property Code of the State of Texas (as it may be amended from time to time), or in any other manner permitted by law. The Association may appoint a trustee to administer and conduct such sale by a written instrument signed by an officer of the Association, provided there shall be no requirement for the Association to record any such instrument in the real property records of the County. The Association, through duly authorized agents, shall have the power to bid on the Lot at foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

f. Upon the timely curing of any default for which a notice of claim of lien was filed by the Association, the officers of the Association are hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment by the defaulting Owner of a fee, to be determined by the Association but not to exceed the actual cost of preparing and filling or recording the lien and the release, including attorney's fees. The Assessment lien and the right to non-judicial foreclosure sale hereunder shall be in addition to and not in substitution of all other rights and remedies which the Association and its successors or assigns may have hereunder and by law, including the right of suit to recover a money judgment for unpaid Assessments and/or a suit for judicial foreclosure, as above provided.

**4.10 Subordination of Lien to First Mortgages.** The lien securing the Assessments provided for herein shall be expressly subordinate to the lien of any first lien mortgage on any Lot. The sale or transfer of any Lot shall not affect the Assessment lien. However, the sale or transfer of any Lot, pursuant to a decree of foreclosure or a non-judicial foreclosure under a first lien mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such Assessments as to amounts thereof which became due prior to such sale or transfer. No sale or transfer shall relieve the new Lot Owner from liability for any Assessment thereafter becoming due, in accordance with the terms herein provided, or relieve a former Owner from personal liability for any Assessment accruing prior to such sale or transfer.

**4.11 Management Agreements.** The Association shall be authorized to enter into management agreements with third parties in connection with the operation and management of the development and the performance of its obligations hereunder. A copy of all such agreements shall be available to each Owner. Any and all management agreements entered into by the Association shall provide that said management agreement may be canceled with or without cause and without penalty by either party with thirty (30) days written notice. Any and all management agreements shall be for a term not to exceed one year and shall be made with a professional and responsible party or parties with proven management skills and experience managing a project of this type. The Association may, at its discretion, assume self-management of the Development by the Association.

**4.12 Insurance Requirements.** The Association shall obtain insurance policies covering the Areas of Common Responsibility covering all damage or injury caused by the negligence of the Association, any of its employees, officers, directors and/or agents, including, but not limited to, commercial general liability insurance, directors and officers liability insurance, and such other insurance as the Association may from time to time deem necessary or appropriate.

**4.13 Areas of Common Responsibility Exempt.** All Areas of Common Responsibility, and all portions of the Property owned by or otherwise dedicated to any political subdivision, shall be exempted from the Assessments and liens created herein.

## ARTICLE V

### ARCHITECTURAL REVIEW COMMITTEE

**5.1 Appointment of Members.** The Declarant shall appoint an Architectural Control Committee (the "Committee"), which shall consist of up to three members who shall be natural persons and may be employed by Declarant. All matters before the Committee shall be decided by majority vote of its members. Upon the earlier of (a) termination of Declarant as a Class B Member under Section 3.2.b above or (b) execution of a written instrument by Declarant expressly stating that it has released its rights to appoint the members of the Committee under this Section 5.1, the members of the Committee shall thereafter be appointed, terminated and/or replaced by the Board of Directors. In the event of death, incapacity or resignation of a member of the Committee, the successor for such member shall be appointed by the Declarant if before termination or release of Declarant's rights as provided above, or by the Board of Directors if after such termination or release. Upon the termination of Declarant's Class B status, the Committee shall consist of three members who shall be appointed by the Board.

**5.2 Submission of Plans to Architectural Control Committee.** No building, fence, wall, parking area, swimming pool, spa, pole, driveway, driveway culverts, fountain, pond, tennis court, sign, exterior color or shape, or new or modification of a structure shall be commenced, erected or maintained upon any Lot or the patio or garage used in connection with any Lot, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same are submitted to and approved by the Committee. Plans and specification shall be submitted to the Committee at least thirty (30) days prior to the commencement of any construction or modification. The following shall be submitted for approval: a site plan showing the entire Lot with existing improvements, and floor plan and elevations of all faces of the proposed structure; and a description of all exterior construction materials. A copy of the above described plans and specifications may be retained by Declarant and/or the Association. Notwithstanding anything in this section to the contrary, an Owner may display religious objects on the front door or doorframe of the Owner's Home, unless such objects contain patently offensive language or symbols or the object is more than twenty-five (25) square inches in size.

**5.3 Approval of Plans.** The Committee shall review the plans and specifications and notify the Owner in writing of its approval or disapproval. If the Committee fails to approve or disapprove said plans and specifications within thirty (30) days after the same has been submitted to it, they will be deemed to have been disapproved by the Committee. Any disapproval letter shall set forth the elements disapproved and the reason or reasons therefor. The judgment of the Committee in this respect in the exercise of its sole and absolute discretion shall be final and conclusive and the Owner shall promptly correct the plans and specifications (if disapproved) and resubmit them for approval. No construction,

alteration, change or modification shall commence until approval of the Committee is obtained. The Committee may approve any deviation from these covenants and restrictions as the Committee, in its sole and absolute discretion, deems consistent with the purpose hereof. No member of the Committee shall be liable to any Owner for any claims, causes of action or damages arising out of the Committee's denial or approval of any plans, specifications or deviations submitted by an Owner. Future requests for deviations submitted hereunder shall be reviewed separately and apart from other such requests and the grant of a deviation to any Owner shall not constitute a waiver of the Committee's rights to strictly enforce the Declaration and the architectural standards provided herein against any other Owner. Approval by the Committee of the plans and specifications or its determination that the completed construction or modification has been constructed in accordance with the plans and specifications shall be deemed to be an acknowledgment by the Committee that such are in accordance with this Declaration and such acknowledgment shall be binding against the Owners of the Lots and the Property.

**5.4 Committee Members' Liability.** Neither the Declarant, the Association, the Board of Directors, the Committee, nor any employees, officers, directors or members of any of them, shall be liable for damages or otherwise to anyone submitting plans and specifications for approval or to any Owner affected by this Declaration by reason of mistake of judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any plans or specifications. Any errors in or omissions from the plans or the site plan submitted to the Committee shall be the responsibility of the Owner of the Lot to which the improvements relate, and the Committee shall have no obligation to check for errors in or omissions from any such plans, or to check for such plans' compliance with the general provisions of this Declaration, County codes, state statutes or the common law, whether the same relate to Lot lines, building lines, easements or any other issue.

**5.5 Homebuilder Plans.** Notwithstanding anything to the contrary contained herein, once a particular set of plans and specifications submitted by a homebuilder (which for purposes of this Declaration shall be defined as any entity or person in the business of constructing single family residences for the purpose of sale to third parties) has been approved by the Committee or deemed approved, such homebuilder may construct homes in the Development on any Lot in accordance with such plans and specifications without the necessity of obtaining subsequent approvals therefor, as long as there are no material changes in the plans and specifications.

**5.6 Design Guidelines.** The Committee has the right to issue Design Guidelines from time to time which will contain the specific provisions applicable to all of the Lots regarding style, basic site design issues, aesthetics of each home, the use of quality exterior finish materials and minimum landscaping plans for the Lots. The Design Guidelines will be used by the Committee with the Declaration to determine the approval of all plans.

**5.7 General Compliance.** In addition to the terms of this Declaration, the Property will also be subject to any additional covenants, conditions, restrictions, and easements filed of record in the Official Public Records of the County. Ordinances, requirements and regulations imposed by applicable governmental and quasi-governmental authorities are also applicable to all Lots within the Development, including but not limited to the Plat. Compliance with this Declaration and any Design Guidelines is not a substitute for compliance with such ordinances, requirements and regulations. Please be advised that neither this Declaration nor any Design Guidelines purport to list or describe each restriction that may be applicable to a Lot located within the Development. Each Owner is advised to review all encumbrances affecting the use and improvement of their Lot prior to submitting plans for approval.

**5.8 No Approval Required.** Committee approval is not required for (i) any improvements constructed, erected, altered, added onto, or repaired by Declarant; (ii) any improvements to the interior of a Home, except as provided herein; (iii) the painting or re-bricking of the exterior of the Home in accordance with the same color or design as originally constructed by Declarant or in accordance with the approved color and design scheme approved by the Committee; (iv) improvements for which the Declaration expressly states that the Committee's prior approval is not required; or (v) repair or replacement of worn out or damaged improvements if such repair or replacement is with substantially similar materials. Any improvement pursuant to clauses (iii) and (v) immediately preceding must be in compliance with any applicable Design Guidelines.

**ARTICLE VI**

**CONSTRUCTION OF IMPROVEMENTS AND USE OF LOTS**

**6.1 Residential Use.** The Property shall be used for single-family detached residential purposes only.

**6.2 Single Family Use.** Each Home or Duplex Unit shall be limited to occupancy by only one family consisting of persons related by blood, adoption or marriage or no more than two unrelated persons residing together as a single housekeeping unit, in addition to any household or personal servant staff.

**6.3 Ag Exemption Friendly.** Because of its rural nature lot size, and background, the Property may be used for non-commercial agricultural use. See Section 6.17 for restrictions on fowl, livestock or other animals.

**6.4 Garage Required.** Each Home shall have an enclosed garage suitable for parking a minimum of two standard size automobiles. If detached, the garage shall conform in design and materials with the main structure.

**6.5 Restrictions on Resubdivision.** No Lot shall be subdivided into smaller Lots.

**6.6 Driveways.** All driveways shall be surfaced with concrete, chip seal, or similar substance approved by the Committee.

**6.7 Minimum Floor Area.** The total air-conditioned living area of the main residential structure, as measured to the outside of exterior walls (but exclusive of open porches, garages, patios and detached accessory buildings), shall not be less than twenty five hundred (2,500) square feet or the minimum floor area as specified by the County, whichever is greater.

**6.8 Building Materials.** Unless otherwise approved in advance and in writing by the ACC, the exposed surface of the exterior walls of the first and second floors of the residence on each Lot shall be constructed of one hundred percent (100%) masonry, exclusive of roofs, eaves, soffits, windows, gables, doors, trim work and porches. Chimneys shall be constructed of masonry. Only brick, brick veneer, hardiplank, stone, stone veneer, or stucco shall be considered masonry. Notwithstanding the foregoing, in the event a governing authority promulgates an ordinance requiring a higher percentage of masonry than that provided in this Declaration, the requirements of this Declaration shall increase accordingly.

**6.9 Setback Requirements.** No dwelling or permanent structure shall be located on any Lot nearer than the setbacks indicated on the plat.

**6.10 Waiver Of Setback Requirements.** With the written approval of the Committee and subject to plat and zoning restrictions, any building may be located further back from the front property line of a Lot than provided above, where, in the sole discretion of the Committee, the proposed location of the building will enhance the value and appearance of the Lot and will not negatively impact the appearance of adjoining Lots.

**6.11 Fences.** All fences shall be fice or three strand barbed wire, or other suitable field fencing as approved by the Committee. The appearance of all fences on a Lot shall be uniform. Chain link fence material is strictly prohibited regardless of the application.

**6.12 No Alteration of Areas of Common Responsibility.** No Owner shall do any act or any work that will impair the structural soundness or integrity of the Areas of Common Responsibility. No Owner shall in any way alter, modify, add to, or otherwise perform any work whatever upon any of the Areas of Common Responsibility

**6.13. Nuisance.** No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

There will be no hunting or discharge of firearms of any kind allowed in the Subdivision.

There will be no fireworks allowed in the yards and/or streets of the Subdivision.

No exterior speakers, horns, whistles, bells, or other sound devices (except security devices such as entry door and patio intercoms used exclusively to protect the Lot and improvements situated on the Lot) will be placed or used upon any Lot.

**6.14. Development Activity.** Notwithstanding any other provision herein, Declarant and its successors and assigns, including Builders, shall be entitled to conduct on the Property all activities normally associated with and convenient to the development of the Property and the construction and sale of dwelling Units on the Property.

**6.15. Temporary Structures.** No structure of a temporary character, including, without limiting the generality thereof, any trailer, tent, shack, tool or equipment shed, garage, barn, motor home or mobile home or other outbuilding, shall be constructed or located on any Lot, either temporarily or permanently, unless screened from public view, as amended from time to time (the "Design Guidelines"). This restriction shall not be interpreted to limit the right of Declarant or any builder to use trailers or outbuildings as sales offices, construction offices or material storage facilities.

**6.16. Signs.** No sign or emblem of any kind may be kept or placed upon any Lot or mounted, painted or attached to any Unit, fence or other improvement upon such Lot so as to be visible from public view except the following:

- a. **For Sale Signs.** An Owner may erect one (1) sign not exceeding 2' x 3' in area, fastened only to a stake in the ground and extending not more than three (3) feet above the surface of the ground advertising the property for sale.
- b. **Declarant Signs.** For so long as there are Class B Members, signs or billboards may be erected by the Declarant or any Builder

- c. **Political Signs.** Political signs may be erected upon a Lot by the Owner of such Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal provided that such signs shall not be larger than 2' x 3' and shall not be erected more than ninety (90) days in advance of the election to which they pertain and are removed within fifteen (15) days after the election.

**6.16. Campers, Trucks, Boats, and Recreational Vehicles.** No campers, vans, tractors, boats, boat trailers, recreational vehicles and other types of non-passenger vehicles, equipment, implements or accessories may be kept on any Lot unless the same are fully enclosed within the garage located on such Lot and/or said vehicles and accessories are screened from view by a screening structure or fencing approved by the ACC, and said vehicles and accessories are in an operable condition. The ACC, as designated in this Declaration, shall have the absolute authority to determine from time to time whether a vehicle and/or accessory is operable and adequately screened from public view. Upon an adverse determination by said ACC, the vehicle and/or accessory shall be removed and/or otherwise brought into compliance with this paragraph.

**6.17. Pets, Livestock and Poultry.** Dogs, cats, or other household pets in reasonable and customary numbers may be kept on a Lot, provided that they are not kept, bred, or maintained for any commercial purpose. Exotic or Dangerous Animals as noted below are strictly prohibited. The term "household pets" specifically excludes goats and pigs.

**Exotic or Dangerous Animals.** An "Exotic or Dangerous Animal" is an animal that may pose a safety or health threat to the Owners of the Subdivision, their guest, invitees, Customers or tenants, and includes:

- (a) dog breeds of pit bull, rottweiler and Doberman pincer, regardless of whether the animal is purebred, a mixed breed or registered with the AKC or similar registration organizations;
- (b) poisonous insects, amphibians, or reptiles;
- (c) boa constrictors and other constrictor reptiles;
- (d) swine
- (e) animals considered "feral" or wild by nature except guinea pigs, hamsters and gerbils;
- and
- (f) alligators.

Additional breeds of animals may be added to the definition of Exotic or Dangerous Animals from time to time, as determined necessary by the Association Board members, at their sole discretion, and the Rules and Regulations will be amended to include such breed of animals.

4-H Project animals are allowed, so long as the aggregate number of total animals does not exceed ten (10). In the event project animals are kept on a Lot, they shall be kept in fenced areas, unable to roam freely. A tethered animal outside of a fenced area is strictly prohibited.

**6.18. Garbage and Refuse Disposal.** No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators



or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. Such sanitary containers may be placed in the street for pick up no earlier than 12 hours from the time of collection and must be returned to its place of storage the same day of collection. No cans, bags, containers or receptacles for the storing or disposal of trash, garbage, refuse, rubble, or debris will be stored, kept, placed or maintained on any Lot where visible from any street.

Trash cans should be stored in the garage or in the back yard behind the house. Cans stored at the side of the house that are still visible from the street are not in compliance with this Restriction!

**6.19. Sight Distance at Intersections.** No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) and six (6) feet above the roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and in a line connecting them at points 25 feet from the intersection of the street lines, or in the case of a rounded property corner, from the intersection of the street property lines extended. The same sight line limitations shall apply on any Lot within ten (10) feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

**6.20. Parking.** No vehicles, trailers, implements or apparatus (collectively, "Vehicles") may be driven or parked in the Common Maintenance Areas or on any easement unless in use for maintaining such Common Maintenance Areas or property and temporarily parked within designated vehicular parking areas. Notwithstanding the foregoing, all overnight parking (including periods longer than two hours during the day) of motor vehicles must be in driveways or garages. Regular resident parking of commercial vehicles (vehicles with signs advertising a product or service) is permitted only in garages. Vehicular repair and maintenance (other than washing) is permitted only when performed inside garages.

Yes, the streets are public streets, but by accepting the deed to a Lot in this Subdivision, *which is subject to these Restrictions*, you agree that you, your family, your tenants and your guests will fully comply with them. Do not park in the street in violation of the Restriction, *regardless of how many vehicles you own*. Be considerate of your neighbors!

Regular resident parking of commercial vehicles (vehicles with signs advertising a product or service) ("Restricted Vehicles") is permitted only in garages. All Restricted Vehicles must be concealed from any public street at all times.

No Lot, street or alley in the Subdivision will be used for parking or storage, temporary or otherwise, any junked vehicle, abandoned or inoperable vehicle, trailer or boat, or any part thereof. Vehicular repair and maintenance (other than washing) is permitted only when performed inside garages. Tarped or covered vehicles are strictly prohibited.

Parking in the grass of any side or front yard is strictly prohibited.

**6.21. Commercial or Institutional Use.** No Lot, and no building erected or maintained on any Lot shall be used for manufacturing, industrial, business, commercial, institutional or other non-residential purposes, except for construction offices, model homes and sales offices as set forth in Article VII.

**6.22. Detached Buildings.** One detached guest house, party house, pool house or other type of detached building (a "Detached Building") may be built on a Lot, provided said Detached Building contains no less than five hundred (500) square feet, nor more than one thousand two hundred (1,200) square feet OR thirty percent (30%) of the heated area of the residence on the Lot, whichever is smaller, and is built after or at the time the main dwelling is built, and has prior approval of the ACC. Detached All Detached Buildings shall be constructed on a concrete foundation. Detached Buildings must meet all other restriction requirements and shall exactly match the roof pitch and masonry of the residence on the Lot. Such Detached Building may not be leased to a tenant, nor may it be occupied for (i) a period exceeding thirty (30) consecutive days, or (ii) a total of sixty (60) days in any twelve (12) month period, by any person other than a household servant or a person related within two degrees of consanguinity to the Owner, without the express written consent of the Board, in its sole and absolute discretion. Exceptions to this Section 6.22 may be granted by the ACC for Lots greater than one (1) acre in size.

**6.23. Bed Borders and Tree Rings.** Bed border and/or tree rings shall be constructed of masonry materials that are substantially similar to materials used on the home. Bed border and/or tree rings shall be mortared in place, i.e. no "dry" or loose stacked materials. Bed border and/or tree rings shall be constructed in a level, even fashion.

**6.24. Antennae.** Satellite Dishes and Solar Collectors. No Owner may erect or maintain a television or radio receiving or transmitting antenna, satellite dish or similar implement or apparatus, or solar collector panels or equipment upon any Lot unless such apparatus is erected and maintained in such a way that it is screened from public view to the extent practical.

**6.25. Roofing.** All roofing shall either be dimensional shingles, R-panel, U-panel, or standing-seam metal roofing material. Roof color must be a dark shade of brown or gray, unless otherwise approved by the ACC.

**6.26. Chimneys.** All fireplace flues, smoke stacks and spark arrestors shall be completely enclosed and concealed from public view in finished chimneys of materials architecturally compatible with the principal finish material of the exterior walls of the dwelling or otherwise approved by the ACC.

**6.27. Clothes Hanging Devices.** Clothes hanging devices exterior to a dwelling shall not be permitted.

**6.28. Window Treatments.** No aluminum foil, reflective film or similar treatment shall be placed on windows or on glass doors. Blinds or draperies shall be kept in good repair.

**6.29. Minimum Parking Requirements For Garages.** Each Home shall have a fully enclosed garage capable of accommodating not less than two (2), nor more than four (4) automobiles. Each Duplex Unit shall have a fully enclosed garage capable of accommodating not less than one (1), nor more than two (2) automobiles. Under no circumstance shall any garage be converted to living space, and under no circumstance shall any garage be used for storage or other purposes in lieu of vehicular parking.

**6.30. Air Conditioning Equipment.** No window, roof or wall type air-conditioner that is visible from any public street will be used, placed or maintained on or in any shed, out-building, Home, or Duplex Unit. No air-conditioning apparatus will be installed on the ground in front of a Home or Duplex Unit.

**6.31. Unsightly conditions.** Lot Owners agree to keep all unsightly conditions obstructed from the view of any public street or another Lot or the Common Area.

**6.32. Athletic & Play Facilities.** Swings, slides, playhouses, sandboxes or any other sporting or play equipment (permanent or temporary) may not be attached to a house front or located in any part of the front section, or side sections of corner lots, of the property without prior written consent of the ARC. Installation of athletic & play facilities shall trigger the need for a fence, as stated in Section 6.11 above.

**6.33 Mailboxes; House Numbers.** U.S. mail, newspapers and packages will be delivered to individual curbside mailboxes unless centralized postal boxes are required by postmaster. Individual newspaper boxes are prohibited.

House numbers shall be affixed to the curbside mailbox or the primary residence. Curbside 'address boulders' or similar items are strictly prohibited.

**6.34. Landscaping Maintenance Required.** The Owner of the Lot is responsible for all lawn maintenance and upkeep. The Owner is required to mow, edge and weed the Lot and adjacent Right of Way at regular intervals, and to maintain its Lot in a neat and well-groomed condition, consistent with the intent of the Restrictive Covenants and rural quality of the Subdivision. No building materials may be stored on a Lot, and any excess building materials not needed for construction and any building refuse will be promptly removed from each Lot.

If Owner fails to maintain its respective Lot, Declarant or the Association may, at its option and in its sole discretion, have the grass, weeds, and vegetation cut when and as often as the same is necessary, and have dead trees, shrubs, and plants removed from the Lot. Declarant or the Association may also, at its option and in its sole discretion, remove any excess building materials or building refuse situated on a Lot in violation of the Restrictive Covenants. The offending Owner or Builder Member of any Lot will be obligated to reimburse Declarant or the Association for the cost of such maintenance or removal upon demand.

**6.35. Maintenance & Repair.** Owner will be solely responsible for exterior maintenance upon each Lot and associated building, outbuilding, fence, swimming pool, structure, underground irrigation or water sprinkling system, or improvement which is subject to assessment hereunder, as follows: paint, repair, replace and care for roofs, gutters, downspouts, exterior fence or wall surfaces and structures, exterior building surfaces (including glass, windows, visible interior window treatments, light bulbs, awnings, door fixtures, and hardware), trees, shrubs and grass, outdoor lighting, walks, driveways, parking areas, and other exterior improvements. Maintenance and repair of all such areas and items will be the sole responsibility of the individual owner. Each Owner will, at his sole cost and expense, repair his residence, keeping the same in a condition comparable to the condition of such residence at the time of its initial construction, excepting only normal wear and tear.

## ARTICLE VII

### GENERAL PROVISIONS

**7.1 Additional Easements.**

a. **Continued Maintenance Easement.** In the event that an Owner fails to maintain the Lot as required herein, or in the event of emergency, or in the event the Association requires entry upon any Lot to repair or maintain any Area of Common Responsibility, the Association shall have the right, without notice in an emergency or otherwise after 24 hours written notice, to enter upon the Lot to make emergency repairs and to do other work reasonably necessary to enforce this Declaration or for the proper maintenance and operation of the Property. Entry upon the Lot as provided herein shall not be deemed a trespass, and the Association shall not be liable for any damage so created unless such damage is caused by the Association's willful misconduct or gross negligence. EACH OWNER WILL INDEMNIFY AND HOLD HARMLESS THE ASSOCIATION, ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION 7.1.a (INCLUDING ANY COST, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF THE ASSOCIATION'S NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.

b. **Drainage Easements.** Easements for installation and maintenance of utilities, stormwater retention/detention ponds, and/or drainage easement areas are reserved as may be shown on the Plat. Within these easement areas, no structure, planting or other material shall be placed or permitted to remain which is not permitted as set forth in the Plat or that may damage or interfere with the installation and maintenance of utilities, or which may hinder or change the direction of flow of drainage channels or slopes in the easements. The easement area of each Lot and all improvements contained therein shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority, utility company or the Association is responsible. Declarant hereby reserves for the benefit of Declarant and any homebuilder a blanket easement on, over and under the ground within the Property to maintain and correct drainage of surface waters and other erosion controls in order to maintain reasonable standards of health, safety and appearance, and Declarant or the Association shall be entitled to remove trees or vegetation, without liability for replacement or damages, as may be necessary to provide adequate drainage facilities. Notwithstanding the foregoing, nothing herein shall be interpreted to impose any duty upon Declarant or any homebuilder to correct or maintain any drainage facilities within the Property.

c. **Fence Easement.** Drainage Easements, created by this Declaration, are hereby also designated as a Fence Easement, to the extent necessary to permit yard fences to connect with other yard fences. Lot Owners may not prohibit adjacent Lot Owner's from connecting to a fence.

d. **Temporary Completion Easement.** All Lots shall be subject to an easement of ingress and egress for the benefit of the Declarant and any homebuilder, their employees, subcontractors, successors and assigns, over and upon the front, side and rear yards of the Lot as may be expedient or necessary for the construction, servicing and completion of dwellings and landscaping upon Lots adjacent thereto, provided that such easement shall terminate twelve (12) months after the date such burdened Lot is conveyed to the Owner by the Declarant or a homebuilder.

e. Universal Easements. The Owner of each Lot (including Declarant as long as Declarant is the Owner of any Lot) is hereby granted an easement not to exceed four (4) foot in width over all adjoining Lots for the purpose of accommodating any encroachment or protrusion due to engineering or fence line errors, trees, landscaping, or retaining wall located along property lines, errors in original construction, surveying, settlement or shifting of any building, or any other cause. There shall be easements for the maintenance of said encroachment, protrusion, settling or shifting; provided, however, that in no event shall an easement for encroachment or protrusion be created in favor of an Owner or Owners if said encroachment or protrusion occurred due to willful misconduct of said Owner or Owners. In addition, the Owner of each Lot is hereby granted an easement for encroachments not to exceed four (4) feet in width by misplaced fences or fence lines and overhanging roofs, eaves or other improvements as originally constructed over each adjoining Lot and for the maintenance thereof. Each of the easements hereinabove referred to shall be deemed to be established upon the recordation of this Declaration and shall be appurtenant to each affected Lot and shall pass with each conveyance of said Lot.

f. Utility and Telecommunication Utility Easements. Declarant hereby reserves and also grants to each Owner (provided that any work to be performed by an Owner pursuant to this easement requires the prior written discretionary consent of the Committee), a blanket easement upon, across, over and under the Development for utilities and the installation, replacement, repair and maintenance of utilities, including, but not limited to, water, sewer, gas, telephone, electricity, computer cable, and master television antenna or cable or satellite television systems, if any. By virtue of this blanket easement it shall be expressly permissible to erect and maintain water and sewer pipes, gas, electric, telephone, computer and television wires, cables circuits, conduits and meters. In the event any utility or quasi-utility company furnishing a service covered by the general easement created herein requests a specific easement by separate recordable document, Declarant reserves and is hereby given the right and authority to grant such easement upon, across, over or under any part or all of the Development without conflicting with the terms hereof; provided, however, that such right and authority shall automatically terminate at such time as Declarant becomes a Class "A" Member. The easement provided for in this section shall in no way affect, avoid, extinguish or modify any other recorded easement(s) on the Common Areas.

Declarant, for itself and its designees, reserves the right to retain or transfer title to any and all wires, pipes, conduits, lines, cables, transmission towers or other improvements installed on or in such easements and to enter into franchise or other agreements with private or public providers of telecommunication type packages that are designed to provide such services to the Development.

**7.2 Enforcement.** The Declarant or the Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration, the By-Laws and Certificate of Formation. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. With respect to any litigation hereunder, the prevailing party shall be entitled to recover reasonable attorney's fees from the non-prevailing party. The failure of any Owner to comply with any restrictions or covenants will result in irreparable damage to Declarant, the Association and/or other Owners of Lots in the Subdivision; thus, the breach of any provisions of this Declaration may not only give rise to an action for damages at law, but also may be made the subject of an action for injunctive relief and/or specific performance in equity in any court of competent jurisdiction. In the event enforcement actions are instituted and the enforcing party recovers, then, in addition to the remedies specified above, court costs and reasonable

attorney's fees shall be assessed against the violator. In addition to the remedies for enforcement provided for elsewhere in this Declaration, the violation or attempted violation of the provisions of this Declaration, or any amendment hereto, or Rules and Regulations promulgated by the Board of Directors, by an Owner, his family, guests, lessees or licensees, shall authorize the Board of Directors (in the case of all of the following remedies) or any Owner (in the case of the remedies provided in (d) below), to avail itself of any one or more of the following remedies:

a. The imposition of a special charge not to exceed Two Hundred Fifty Dollars (\$250.00) per violation;

b. The suspension of the Owner's right to use any Association property for a period not to exceed thirty (30) days per violation, plus attorney's fees incurred by the Association with respect to the exercise of such remedy;

c. The right to cure or abate such violation, including the right to enter any Lot upon which such violation exists without liability for trespass, and to charge the expense thereof, if any, to such Owner, plus attorney's fees incurred by the Association with respect to the exercise of such remedy; or

d. The right to seek injunctive or any other relief provided or allowed by law against such violation and to recover from such Owner all its expenses and costs in connection therewith, including, but not limited to, attorney's fees and court costs.

Before the Board of Directors invokes the remedies provided in subparagraphs (a), (b ), (c), and (d) above, it shall give written notice of such alleged violation to the Owner, and shall afford the Owner a hearing. If, after the hearing, a violation is found to exist, the Board of Directors' right to proceed with the listed remedies shall become absolute. Each day a violation continues shall be deemed a separate violation. Failure of the Association, the Declarant, or of any Owner to take any action upon any breach or default with respect to any of the foregoing violations shall not be deemed a waiver of their right to take enforcement action thereafter or upon a subsequent breach or default. All charges assessed against an Owner shall constitute a continuing lien upon the Lot of such Owner as fully as if such charge were an unpaid annual or special assessment.

**7.3 Severability.** If any condition, covenant or restriction herein contained shall be invalid, which invalidity shall not be presumed until the same is determined by the final judgment or order of a court of competent jurisdiction, such invalidity shall in no way affect any other condition, covenant or restriction, each of which shall remain in full force and effect.

**7.4 Term.** The covenants and restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by Declarant (during the time it owns any Lots), the Association, or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty-five years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years, unless at least sixty-six and two-thirds percent (66-2/3 %) of the then Owners of the Lots agree in writing to terminate or change this Declaration in whole or in part and such writing is recorded in the Real Property Records of Bell County.

**7.5 Amendment.**

a. This Declaration may be amended or modified upon the express written consent of at least sixty-six and two-thirds percent (66-2/3 %) of the outstanding votes (determined pursuant to Section 3.2 hereof) held by Members at a meeting of Members at which a quorum is present. Any and all

amendments, if any, shall be recorded in the Real Property Records of the County. Notwithstanding the foregoing, as long as Declarant is a Class B Member pursuant to Section 3.2 hereof, Declarant shall have the right to execute and record amendments to this Declaration without the consent or approval of any other party. This Section does not authorize termination of any easement created in this Declaration without the consent of the holder or any beneficiary of such easement.

b. Declarant intends that this Declaration may be amended to comply (if not in compliance with all requirements of the Federal Home Loan Mortgage Corporation ("FHLMC"), Federal National Mortgage Association ("FNMA"), FHA and VA. Notwithstanding anything to the contrary contained herein, if this Declaration does not comply with FHLMC, FNMA, VA or FHA requirements, the Board of Directors and/or the Declarant shall have the power in its discretion (on behalf of the Association and each and every Owner) to amend the terms of this Declaration or to enter into any agreement with FHLMC, FNMA, VA, and FHA, or their respective designees, reasonably required by FHLMC, FNMA, VA or FHA to allow this Declaration to comply with such requirements. Should the FHLMC, FNMA, VA or FHA subsequently delete any of their respective requirements which necessitate any of the provisions of this Declaration or make any such requirements less stringent, the Board of Directors and/or the Declarant, without approval of the Owners, may, upon reasonable justification, cause an amendment to this Declaration to be executed and recorded to reflect such changes.

**7.6 Gender and Grammar.** The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, in all cases shall be assumed as though fully expressed in each case.

**7.7 Remedies.** Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity, including, without limitation, an action for injunctive relief, it being acknowledged and agreed that a violation of the covenants, conditions and restrictions contained herein could cause irreparable injury to Declarant and/or the other Owners and that the Declarant's and/or the other Owner's remedies at law for any breach of the Owners' obligations contained herein would be inadequate. Enforcement may be commenced by the Association, the Declarant, or any Owner against any person or persons violating or attempting to violate them, and failure by the Association, the Declarant or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The rights created herein are unique and enforceable by specific performance. In addition to the remedies set forth herein, the Association will also have the right and power to levy fines against any Owner in breach of their obligations set forth in this Declaration.

**7.8 Notices to Member/Owner.** All notices to Members of the Association shall be given by delivering the same to each Member in person or by depositing the notices in the U. S. Mail, postage prepaid, addressed to each Member at the address last given by each Member to the Secretary of the Association or its managing agent. If a Member shall fail to give an address to the Secretary of the Association's managing agent for mailing of such notices, all such notices shall be sent to the street address of the Lot owned by such Member. All Members shall be deemed to have been given notice of the meetings upon the proper mailing of the notices to such addresses irrespective of the actual receipt of the notices by the Members.

**7.9 Headings.** The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration. Words of any gender used herein shall be held and construed to include any other gender and words in the singular, shall be held to include the plural and visa versa unless the context requires otherwise.

**7.10 Formation of Association; Inspection of Documents, Books and Records.** The Association shall be formed by Declarant as a non-profit corporation in accordance with the laws of the State of Texas. Management and governance of the Association shall be implemented and/or undertaken in accordance with its Certificate of Formation, in accordance with this Declaration, and in accordance with the Bylaws which shall be adopted by the Association following its formation. The Association shall make available copies of its books, records and papers, and the Declaration, Bylaws, Certificate of Formation, rules and regulations governing the Association for inspection by Owners or any Mortgagee in accordance with the Bylaws.

**7.11 Indemnity.** Neither the Declarant nor any officer, director, employee or agent of the Association, nor any member of the Committee, shall be liable to any person or entity, including any Owner, for any act or omission in the performance of the duties of the Declarant or such officer, director or agent, or member of the Committee, unless such act or omission is finally determined to constitute fraud or intentional willful misconduct. The Association and the Owners, individually and collectively, shall indemnify, defend and hold harmless Declarant and any person who is or was a director, officer, agent or employee of the Association or member of the Committee (each an "Indemnified Party"), individually and collectively, from any and all claims, damages and expenses including, without limitation, attorney's fees, arising or resulting from, sustained or incurred by any Indemnified Party, or which can or may arise, result, be sustained or incurred in connection with the (i) an Indemnified Party's exercise of or failure to exercise or the use or misuse of any such party's rights or duties set forth in the Declaration, Bylaws or other governing documents of the Association; or (ii) the breach by an Owner or Owners of any provision of the Declaration, Bylaws or other governing documents of the Association. In the event the provisions of indemnification set forth above or in the Bylaws of the Association are more restrictive than the provisions of indemnification allowed under the TBOC, then such persons named above shall be indemnified to the full extent permitted by the TBOC as it may exist from time to time. Additionally, subject to the limitations and requirements of the TBOC, as amended, and in the Bylaws, the Association may voluntarily indemnify a person who is or was an employee, trustee, agent or attorney of the Declarant or the Association, against and liability asserted against such person in that capacity and arising out of that capacity.

**7.12 FHA/VA Approval Requirement.** As long as there remains any Class B membership and any first lien mortgage is in effect with respect to any Lot which is insured by FHA or VA, the following actions shall require prior approval of FHA or VA if such approval is required under the then applicable FHA or VA regulations): amendment of the Certificate of Formation, Declaration or Bylaws; annexation of additional property; mortgaging or dedication of the Areas of Common Responsibility; and dissolution of the Association.

**7.13 Binding Effect.** Each of the conditions, covenants, restrictions and agreements herein contained is made for the mutual benefit of, and is binding upon, each and every person acquiring any part of the Property, it being understood that such conditions, covenants, restrictions and agreements are not for the benefit of the owner of any land except land in the Development. This Declaration, when executed, shall be filed of record in the Real Property Records of Bell County so that each and every owner or purchaser of any portion of the Development is on notice of the conditions, covenants, restrictions and agreements herein contained.

**7.14 Recorded Plat; Other Authorities.** All dedications, limitations, restrictions and reservations that are shown on the Plats are deemed to be incorporated herein and shall be construed as being adopted in each contract, deed or conveyance executed or to be executed by the Declarant, conveying the Lots, whether specifically referred to therein or not. If other authorities, such as the County, impose more



demanding, expensive, extensive or restrictive requirements than those that are set forth herein (through zoning or otherwise), the Association and Owners shall comply with any such requirements. Other authorities' imposition of lesser requirements than those that are set forth herein shall not supersede or diminish the requirements that are set forth herein.

**7.15 Additions to or Withdrawals from the Development.** Additional property may become subject to this Declaration and portions of the Property may be withdrawn from the Declaration in any of the following manners:

a. The Declarant may add or annex additional real property to the scheme of this Declaration, including without limitation the Annexable Property, by filing of record a Supplementary Declaration of Covenants, Conditions and Restrictions which shall extend the scheme of this Declaration to such property, provided, however, that such Supplementary Declaration may contain such complementary additions and modifications of the covenants, conditions and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with this Declaration.

b. In the event any person or entity other than the Declarant desires to add or annex additional residential and/or common areas to the scheme of this Declaration, such annexation must have the prior written consent and approval of sixty-six and two-thirds percent (66-2/3 %) of the outstanding votes (determined pursuant to Section 3.2 hereof) held by the Members at a meeting at which a quorum is present. Any additions made pursuant to paragraphs (a) and (b) of this Section, when added, shall automatically extend the jurisdiction, functions, duties and membership of the Association to the properties added.

c. The Declarant shall have the right and option, without the joinder, approval or consent of any person(s) or entity(ies) to cause the Association to merge or consolidate with any similar association then having jurisdiction over real property located (in whole or part) within 5 miles of any real property then subject to the jurisdiction of this Association. Upon a merger or consolidation of the Association with another association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the 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 Property together with the covenants and restrictions established upon any other properties as one scheme.

d. Declarant, acting in its sole discretion, without the joinder, approval or consent of any person(s) or entity(ies), except all owners of any portion of the Property to be withdrawn, may at any time and from time to time withdraw from the Property any real property by recording a "Notice of Withdrawal" in the Real Property Records of the County. Upon the recording of a Notice of Withdrawal, this Declaration shall no longer apply or have any force or effect with respect to those portions of the Property withdrawn.

e. The covenants, conditions, restrictions and obligations set forth in this Declaration shall not apply to any real property added or annexed to the scheme of this Declaration until such time as a plat is recorded for any portion of such real property, at which time such portion of the real property that is platted shall automatically be annexed into the scheme of this Declaration, and thereafter the covenants, conditions, restrictions and obligations set forth in the Declaration shall apply to such portion of the real property.

**7.16 No Warranty of Enforceability.** While the Declarant has no reason to believe that any of the restrictive covenants or other terms or provisions contained 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. Any Owner acquiring a Lot in the Development 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 Committee harmless therefrom. The Declarant shall not be responsible for the acts or omissions of any individual, entity or other Owners.

**7.17 Right of Enforcement.** The failure by Declarant or the Committee to enforce any provision of this Declaration shall in no event subject Declarant or the Committee to any claims, liability, costs or expense; it being the express intent of this Declaration to provide Declarant with the right (such right to be exercised at its sole and absolute discretion), but not the obligation to enforce the terms of this Declaration for the benefit of any Owner(s) of any Lot(s) in the Development.

**7.18 Residential Construction Liability Act.** Without waiving any rights under law or equity, all Owners acknowledge, covenant and agree that residential construction defect claims regarding any Home against the Declarant or any homebuilder in Texas are controlled by the Texas Residential Construction Liability Act (Tex. Prop. Code §27.001 et seq., as amended) which preempts the Texas Deceptive Trade Practices Act (Tex. Bus. & Com. Code § 17.41 et seq., as amended) and any other law.

**7.19 EPA Compliance.** The Owner of each Lot agrees to comply with all EPA rules and regulations regarding erosion control and compliance with a Storm Water Pollution Prevention Plan affecting the Lots (the "Plan") which will include elements necessary for compliance with the nationwide general permit for construction activities administered by the EPA under the National Pollutant Discharge Elimination System. Each Owner acknowledges that the Declarant and any homebuilder will not bear any responsibility for complying with a Plan on any Lot upon the sale of such Lot in the Subdivision.

**7.20 Disclosures.** In order to preserve property values in the Development, it is in every Owner's best interest to be fully aware of any and all adjacent land uses, objectionable land uses or nuisances, or prior land uses that might impact someone's decision to live in the Development. Accordingly, the Declarant has the right at any time to file an instrument of record in the County that will reference this Declaration and will serve the purpose of putting all existing, potential and future Owners of any Lot on actual notice of any such land use(s) or nuisance(s). There is a proposed MUD tract in the adjacent future Two Chimneys development.

**7.21 Resignation of Declarant; Assignment of the Declarant's Rights.** Declarant may resign at any time, with or without reason, and without prior notice to any Owner or to the Association. Simultaneous with a resignation by Declarant, Declarant shall become a Class A Member. In addition, Declarant, at its option and without obligation to do so, may assign, in whole or in part, its rights as Declarant by executing a document assigning such rights. There may be more than one Declarant, if Declarant makes a partial assignment of the Declarant status. Upon resignation of Declarant hereunder, all rights, obligations, liabilities, duties and responsibilities of the former Declarant arising out of or related the status as "Declarant" shall cease (but in the case of a partial assignment, only to the extent assigned); provided, however, the former Declarant shall continue to be afforded the protections and indemnifications granted herein to Declarant for actions performed by former Declarant during the time period that the former Declarant was Declarant. If Declarant shall resign but shall not elect to assign its

rights as Declarant, thereafter there shall not be a "Declarant" under this Declaration and the rights of the Declarant shall thereafter be exercised by the Board of Directors of the Association.

*[SIGNATURE PAGE FOLLOWS]*

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed this 9<sup>th</sup> day of June, 2022

254 BROKERS CAPITAL LLC.  
a Texas Limited Liability Company



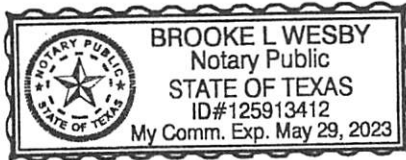
\_\_\_\_\_  
EMILIO PERALES  
Manager

STATE OF TEXAS           §  
COUNTY OF BELL       §

Certified before me this the 9<sup>th</sup> day of June, 2022 by EMILIO PERALES as Manager of 254 BROKERS CAPITAL LLC, a Texas limited liability company, on behalf of said company and acting as Declarant.



\_\_\_\_\_  
Notary Public, State of Texas



**After Recording, Please Return To:**

Colby Property Management  
205 Paloma Dr  
Temple, TX 76502

Bell County  
Shelley Coston  
County Clerk  
Belton, Texas 76513



Instrument Number: 2022040832

As  
RESTRICTIONS

Recorded On: June 27, 2022

Parties: 254 BROKERS CAPITAL LLC

To SMITH DOVE HOLLOW SUBDIVISION

Comment:

Billable Pages: 28

Number of Pages: 29

( Parties listed above are for Clerks' reference only )

**\*\* Examined and Charged as Follows \*\***

CLERKS RMF:	\$5.00
COURT HOUSE SECURITY:	\$1.00
RECORDING:	\$113.00
<b>Total Fees:</b>	<b>\$119.00</b>

\*\*\*\*\* DO NOT REMOVE. THIS PAGE IS PART OF THE INSTRUMENT \*\*\*\*\*

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

**File Information**

Instrument Number: 2022040832

Receipt Number: 288822

Recorded Date/Time: 06/27/2022 2:00:22 PM

User / Station: busbyas - BCCCD0735

**Record and Return To:**

TY SCOTT

PICK UP



I hereby certify that this instrument was filed on the date and time stamped hereon and was duly recorded in the Real Property Records in Bell County, Texas

Shelley Coston  
Bell County Clerk