

DECLARATION OF COVENANTS AND RESTRICTIONS

GUADALUPE HILLS RANCH
(A Residential Subdivision)

THE STATE OF TEXAS I

COUNTY OF GUADALUPE I

THIS DECLARATION is made on the date hereinafter set forth by Guadalupe Hills Ranch, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is hereby executing this Declaration of Covenants and Restrictions, filed for record in the office of the County Clerk of Guadalupe County, Texas, Volume _____, Page _____, Deed Records of Guadalupe County, Texas, imposing on Guadalupe Hills Ranch subdivision in Guadalupe County, Texas, according to the respective plat thereof recorded in _____, of the Guadalupe County, Plat Records, all those certain covenants, restrictions, easements, charges, and liens therein set forth for the benefit of said property and each owner thereof; and

WHEREAS, the Declaration contains provisions granting to Declarant, its successors and assigns, the right to bring within the scheme of such declaration additional properties upon the terms set forth therein; and

WHEREAS, Declarant is the owner of the real property described in Article III of this Declaration, and desires to provide for the preservation of the values and amenities in such property, and to this end, desires to bring such property within the scheme of the Declaration by subjecting such property to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of such property and each Owner in the subdivision; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the value and amenities in the subdivision, to create an agency to which will be delegated and assigned the powers of maintaining and administering and enforcing the assessments and charges created in the Declaration and all Supplemental Declarations; and

WHEREAS, Guadalupe Hills Ranch Property Owners Association is a non-profit organization for the purpose of exercising the functions aforesaid;

NOW, THEREFORE, the Declarant declares that the real property described in Article III is and shall be held, transferred, sold, conveyed, occupied, and enjoyed subject to the covenants, restrictions, easements, charges, and liens (sometimes referred to herein collectively as "covenants and restrictions") hereinafter set forth.

ARTICLE I.

Definitions

The following words, when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

- (a) "Association" shall mean and refer to Guadalupe Hills Ranch Property Owners Association, its successors and assigns.
- (b) "The Subdivision" shall mean and refer to Guadalupe Hills Ranch within the scheme of the Declaration, and any other real property (including specifically, but without limitation, all or portions of other subdivisions being or to be developed by Declarant or affiliated or subsidiary entities) brought within the scheme of the Declaration.
- (c) "The Properties" shall mean and refer to the properties described in Article III hereof which are subject to this Declaration.
- (d) "Subdivision Plats" shall mean and refer to the respective maps or plats of Guadalupe Hills Ranch, recorded in Plat Records of Guadalupe County, Texas.
- (e) "Lot" and/or "Lots" shall mean and refer to each of the lots shown upon the Subdivision Plats. References herein to the "Lot (each lot) in the Subdivision" shall mean and refer to Lots as defined respectively in this Declaration and all Supplemental Declarations.
- (f) "Common Properties" shall mean and refer to all those areas of land within the Properties as shown on the Subdivision Plats, except the Lots thereon, together with such other property as the Association may, at any time or from time to time, acquire by purchase or otherwise, subject, however, to the easements, limitations, restrictions, dedications and reservations applicable thereto by virtue hereof and/or by virtue of the Subdivision Plats, and/or by virtue of prior grants or dedications by Declarant or Declarant's predecessors in title. References herein to "the Common Properties in the Subdivision" shall mean and refer to Common Properties as defined respectively in this Declaration and all Supplemental Declarations.
- (g) "Common Facilities" shall mean and refer to all existing and subsequently provided improvements upon or within the Common Properties, except those as may be expressly

excluded herein. Also, in some instances, Common Facilities may consist of improvements for the use and benefit of all Owners constructed on portions of one or more Lots or on acreage owned by Declarant (or Declarant and others) which is not a part of the Properties. By way of illustration, Common Facilities may include, but not necessarily be limited to, the following: structures for recreation, storage or protection of equipment; fountains; statuary; sidewalks; common driveways; landscaping; entrances; tennis courts; and other similar appurtenant improvements. References herein to "the Common Facilities (any Common Facility) in the Subdivision" shall mean and refer to Common Facilities as defined respectively in this Declaration and all Supplemental Declarations.

- (h) "Supplemental Declaration" shall mean and refer to any Supplemental Declaration of Covenants and Restrictions bringing additional property within the scheme of this Declaration under the authority Provided in Article III hereof. References herein (whether specific or general) to provisions set forth in "all (any) Supplemental Declarations" shall be deemed to relate to the respective properties covered by such Supplemental Declarations.
- (i) "Owner" shall mean and refer to the record owner, or if such Lot is subject to a term purchase contract with Declarant, to the Contract purchaser, whether one or more persons or entities, of the fee simple title to any Lot situated upon the Properties, but, notwithstanding any applicable theory of the mortgage, shall not mean or refer to any mortgage unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure. References herein to "the Owners in the Subdivision" shall mean and refer to Owners as defined in this Declaration and all Supplemental Declarations.
- (j) "Member" and/or "Members" shall mean and refer to all those Owners who are members of the Association as provided in Article IV, Section 4 hereof, together with all Owners in the Subdivision who are members of the Association as provided in all Supplemental Declarations.

ARTICLE II

Section 1 - Existing Easements

The Subdivision Plats dedicated for use as such, subject to the limitations set forth

therein, certain streets and easements shown thereon, and such Subdivision Plats further establish dedications, limitations, reservations and restrictions applicable to the Properties. All dedications, limitations, restrictions and reservations shown on the Subdivision Plat and all grants and dedications of easements and related rights heretofore made by Declarant and Declarant's predecessors in title affecting the Properties are incorporated herein by reference and made a part of this Declaration for all purposes, as if fully set forth herein, and shall be construed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant conveying any part of the Properties.

Section 2 - Changes and Additions

Declarant reserves the right to make changes in and additions to the above easements for the purpose of most efficiently and economically installing the improvements. Further, Declarant reserves the right, without the necessity of the joinder of any Owner or other person or entity, to grant, dedicate, reserve or otherwise create, at any time or from time to time, easements for public utility purposes, (including, without limitation, gas, electricity, telephone and drainage) in favor of any person or entity furnishing or to furnish utility services to the Properties, along and on either or both sides of any side Lot line, which such easements shall have a maximum width of ten (10) feet on each side of such side Lot line.

Section 3 - Title to Easements and Appurtenance Not Conveyed

Title to any Lot conveyed by Declarant by contract, deed, or other conveyance shall be held or construed in any event to include the title to any roadways or any drainage, water, gas, sewer, storm sewer, electric light, electric power, telegraph or telephone way, or any pipes, lines, poles or conduits on or in any utility facility or appurtenance thereto, constructed by or under Declarant or its agents through, along, or upon any Lot or any part thereof to serve said Lot or any other portion of the Properties, and the right to maintain, repair, sell, or lease such appurtenances to any municipality or other governmental agency or to any public service corporation or to any other party is hereby expressly reserved in Declarant.

Section 4 - Installation and Maintenance

There is hereby created an easement upon, across, over and under all of the Properties for ingress and egress in connection with installing, replacing, repairing, and maintaining all utilities, including, but not limited to, water, sewer, telephone, electricity, gas and appurtenances thereto. By virtue of this easement, it shall be expressly permissible for the utility companies and other entities supplying service to install and maintain pipes, wires, conduits, service lines, or other utility facilities or appurtenances thereto, on, above, across and under the Properties within the public utility easements from time to time existing and from service lines situated within such easements to the point of service on or in any structure. Notwithstanding anything contained in this paragraph, no sewer, electrical lines, water lines, or other utilities or appurtenances thereto may be installed or relocated on the Properties until approved by Declarant or the Association's Board of Trustees. The

utility companies furnishing service shall have the right to remove all trees situated within the utility easements shown on the Subdivision Plat, and to trim overhanging trees and shrubs located on portions of the Properties abutting such easements.

Section 5 - Emergency and Service Vehicles

An easement is hereby made available to all police, fire protection, ambulance and other emergency vehicles, and to garbage and trash collection vehicles, and other service vehicles to enter upon the Properties in the performance of their duties. Further, an easement is hereby made available to the Association, its officers, agents, employees and management personnel to enter the Properties to render any service.

ARTICLE III.

Property Subject to This Declaration

Section 1 - Description

The real property which is, and shall be, held transferred, sold, conveyed, and occupied subject to this Declaration consists of the following:

All of GUADALUPE HILLS RANCH being 466.09 acres of land situated in the Jose De La Baume Survey, Abstract 27, Guadalupe County Texas, and Abstract 34, Gonzales County, Texas. Of said 466.09 acres of land, approximately 34 acres are in Gonzales County and the remainder in Guadalupe County.

Section 2 - Additions to Existing Property

Additional lands may become subject to the scheme of this Declaration in the following manner:

(a) Additions by Declarant

The declarant, its successors and assigns, shall have the right to bring within the scheme of this Declaration additional properties in future stages of the development (including, without limitations, subsequent sections of Guadalupe Hills Ranch and all or portions of other subdivisions being or to be developed by Declarant or affiliated or subsidiary entities), upon the approval of the Board of Trustees of the Association, in its sole discretion. Any additions authorized under this and the succeeding subsection, shall be made by filing of record a Supplemental Declaration of Covenants and Restrictions with respect to the additional property which shall extend the scheme of the covenants and restrictions of this Declaration to such property and the execution thereof by

members of the Board of Trustees of the Association shall constitute all requisite evidence of the required approval thereof by such Board of Trustees. Such Supplemental Declaration must impose an annual maintenance charge assessment imposed by this Declaration, and may contain such complementary additions and/or modifications of the covenants and restrictions contained in this Declaration as may be applicable to the additional lands.

(b) Other Additions

Upon the approval of the Board of Trustees of the Association, in its sole discretion, the owner of any property who desires to add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association may file of record a Supplemental Declaration of Covenants and Restrictions upon the satisfaction of the conditions specified in subsection (a) above.

(c) Mergers

Upon a merger or consolidation of the Association with another association, the Association's properties, rights and obligations may be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants and restrictions applicable to the properties of the other association as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration or any Supplemental Declaration.

ARTICLE IV

The Association

Section 1 - Organization

The Declarant has caused the Association to be organized and formed as a non-profit organization.

Section 2 - Purpose

The purpose of the Association in general shall be to provide for and promote the health, safety, and welfare of the Members, to collect the annual maintenance charges, and to administer the Maintenance Fund, to provide for the maintenance, repair, preservation, upkeep, and protection of the Common Properties and

Facilities in the Subdivision and such other purposes as are consistent with the provisions of this Declaration and all Supplemental Declarations.

Section 3 - Trustees

The Association shall act through a four (4) member Board of Trustees, which shall manage the affairs of the Association. The initial Trustees of the Association shall be selected by Declarant. Each initial Trustee shall serve for an initial term of three (3) years and, thereafter, until his successor is duly elected and qualified. After the expiration of the term of the initial Trustees, the Members shall elect a Board of Trustees as provided for in the By-laws. Any vacancy, from whatever cause, occurring in the Board of Trustees during the initial three (3) year term shall be filled by appointment made by the remaining Trustee or Trustees. The person appointed by the remaining Trustee or Trustees to fill such vacancy shall serve for the remainder of the initial three (3) year term and until his successor is duly elected and qualified. The Trustees shall have the power to select one or more advisory trustees from the residents of the Subdivision to serve for such periods of time as the Board of Trustees shall deem appropriate, for the purpose of providing advice and counsel to the Board of Trustees, provided that such advisory trustees shall have no right to act on behalf of the Association.

Section 4 - Members

Each Owner, whether one or more persons or entities, of a Lot shall, upon and by virtue of becoming such Owner, automatically become a Member of the Association and shall remain a Member thereof until his ownership ceases for any reason, at which time his membership in the Association shall automatically cease. Membership in the Association shall be appurtenant to and shall automatically follow the legal ownership of each Lot and may not be separated from such ownership. Whenever the legal ownership of any Lot passes from one person to another, by whatever means, it shall not be necessary that any instrument provide for transfer of membership in the Association.

Section 5 - Voting Rights

The Association shall have two (2) classes of voting membership:

Class A Class A Members shall be all the Members of the Association, with the exception of the Declarant. Class A Members shall be entitled to one vote for each Lot in the Subdivision in which they hold the interest required for membership by this Declaration or any Supplemental Declaration. When more than one person holds such interest or interests in any such Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determined, but, in no event, shall more than one vote be cast with respect to any such Lot.

Class B Class B Members shall be Declarant. The Class B Member shall be entitled to four (4) votes for each Lot in the Subdivision in which it holds the interest required for membership by this Declaration or any Supplemental Declaration; provided that the Class B membership shall cease and become converted to Class A membership on the happening of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership;
- (b) On December 31, 1986.

From and after the happening of whichever of these events occurs earlier, the Class B Member shall be deemed to be a Class A Member entitled to one (1) vote for each Lot in the Subdivision in which it holds the interest required for membership by this Declaration or any Supplemental Declaration.

Section 6 - Title to Common Properties

The Declarant may retain the legal title to the Common Properties and Common Facilities in the Subdivision until such time as it has completed improvements thereon and until such time as, in the sole opinion of Declarant, the Association is able to operate and maintain the same. Until title to such Common Properties and Facilities have been conveyed to the Association by Declarant, Declarant shall be entitled to exercise all rights and privileges relating to such Common Properties and Facilities granted to the Association in this Declaration and all Supplemental Declarations.

ARTICLE V

Property Rights in the Common Properties and Common Facilities

Section 1 - Members' Easements of Enjoyment

Subject to provisions of Section 2 of this Article V, every Member shall have a common right and easement of enjoyment in and to the Common Properties and Common Facilities in the Subdivision, and such right and easement shall be appurtenant to and shall pass with the title to each Lot in the Subdivision.

Section 2 - Extent of Members' Easements

The rights and easements of enjoyment created herein shall be subject to the following:

- (a) The right of the Association, in its discretion, to charge reasonable admission and other fees for the use of the recreational Common Facilities, and to make, publish, and enforce reasonable rules and regulations governing the use and enjoyment of the Common Properties and Facilities or any part thereof, all of which reasonable rules and regulations shall be binding upon, complied with, and observed by each Member. These rules and regulations may include provisions to govern and control the use of such Common Properties and Facilities by guests or invitees of the Members, including, without limitation, the number of guests or invitees who may use such Common Properties and Facilities or any part thereof at the same time; and
- (b) The right of the Association to grant an easements in, on, under or above such Common Properties or any part thereof to any public or governmental agency or authority or to any utility company for any service to the Subdivision or any part thereof; and
- (c) The right of the Association to transfer title to any storm sewer line, sanitary sewer line, water line, or any other utility facility or equipment situated in any part of such Common Properties and owned by the Association to any public or political authority or agency or to any utility company rendering or to render service to the Subdivision or any part thereof; and
- (d) The right of the Association to convey or dedicate such portions of such Common Properties as its Board of Trustees may deem appropriate to governmental authorities, political subdivision or other persons or entities for use as the location of schools, churches, and hospitals, or for other similar purposes related to the health, safety and welfare of the Members; and
- (e) The right of the Association to enter into management and/or operating contracts or agreements relative to the maintenance and operation of such Common Properties and Facilities in such instances and on such terms as its Board of Trustees may deem appropriate; the right of the Association to operate recreational facilities and related concessions located on such Common Properties; the right of the Association to enter into lease agreements or concession agreements granting leasehold, concession, or other operating rights relative to Common Facilities in such instances and on such terms as its Board of Trustees may deem appropriate; and

- (f) The right of the Association to suspend the voting rights of a Member or his right to use any recreational Common Facility during the period he is in default in excess of thirty (30) days in the payment of any maintenance charge assessment against his Lot; and to suspend such rights for a period not to exceed sixty (60) days for any infractions of its published rules and regulations; and the aforesaid rights of the Association shall not be exclusive, but shall be cumulative of and in addition to all other rights and remedies which the Association may have in this Declaration and Supplemental Declarations or in its By-laws or at law or in equity on account of any such default or infraction; and
- (g) The rights and easements existing, herein created or hereafter created in favor of others, as provided for in Article II of this Declaration and the Supplemental Declarations; and
- (h) The restrictions as to use of the Common Properties provided for in Article VIII hereof.

Section 3 - Delegation of Use

Any Member may delegate his right of use and enjoyment of the Common Properties and Facilities in the Subdivision, together with all easement rights granted to Members in this Declaration and all Supplemental Declarations, to the member of his family, his tenants, or contract purchasers who reside on his Lot. The term "member" is further defined to include and refer to the executors, personal representatives and administrators of any Member, and all other persons, firms, or corporations acquiring or succeeding to the title of the Member by sale, grant, will, foreclosure, execution, or by any legal process, or by operation of law, or in any other legal manner.

ARTICLE VI

Annual Assessments

Section - 1 The Maintenance Fund

All funds collected by the Association from the regular maintenance charges provided for in this Article, together with all funds collected by the Association from the regular annual maintenance charges imposed on the Lots in the Subdivision by all Supplemental Declarations, shall constitute and be known as the "Maintenance Fund". The Maintenance Fund shall be held, used, and expended by the Association for the common benefit of all Members for the following purposes, to-wit: to promote the health, safety, recreation and welfare of the Members, including without limitation, the installation, construction, erection, and relocation of improvements related to the enhancement and beautification of the Common Properties and Facilities in the Subdivision, and any other areas provided by this

Declaration or any Supplemental Declaration to be developed or maintained by the Association, such as shrubbery, trees, walkways and street lights, and the construction, repair, maintenance and replacement of properties, services, improvements and facilities devoted to such purposes and related to the use and enjoyment of the Subdivision by the Members.

In the event Declarant shall designate Common Facilities for the use and benefit of all the Owners in the Subdivision which are situated on property owned by Declarant (or affiliated or subsidiary entities) but which then has not been brought within the scheme of this Declaration under the authority to allocate and expend such amounts from the Maintenance Fund for construction, repair, maintenance, upkeep, beautification, improvement or replacement of such Common Facilities as its Board of Trustees shall determine, in its sole discretion. Further, if all or any such Common Facilities situated on property then not subject to the scheme of this Declaration also are for the use and benefits of persons or entities other than the Owners in the Subdivision, the Association shall have the right and authority to enter into agreements with other persons or entities enjoying the use and benefit of such Common Facilities (or their designee), in such instances and on such terms as its Board of Trustees may deem appropriate and acceptable, obligating the Association to contribute, from the Maintenance Fund, a ratable portion of the amounts necessary from time to time to provide for the construction, repair, maintenance, upkeep, beautification, improvement or replacement of such Common Facilities, and providing for other agreements relative to the use and enjoyment of such Common Facilities (including limitations on the extent of the use and enjoyment thereof) by the various persons and entities entitled thereto.

The Association may, in its sole discretion, give one or more of the purposes set forth in this Section 1 preference over other purposes, and it is agreed that all expenses incurred and expenditures and decisions made by the Association in good faith shall be binding and conclusive on all Members.

Section 2 - Covenant for Assessments

Each and every Lot in the Properties is hereby severally subjected to and impressed with a regular annual maintenance charge or assessment in the amount of TWENTY-FIVE and no/100 DOLLARS (\$25.00) per annum per Lot (herein sometimes referred to as the "full maintenance charge") which shall run with the land, subject to increase and decrease and payable as provided in Section 3 herein.

Each Owner of a Lot, by his claim or assertion of ownership or by accepting a deed to any such Lot, whether or not it shall be so expressed in such deed, is hereby conclusively deemed to covenant and agree, as a covenant running with the land, to pay to the Association, its successors or assigns, each and all of the charges and assessments against his Lot and/or assessed against him by virtue of his ownership, thereof, as the same shall become due and payable, without demand. The charges and assessments herein provided for shall be a charge and a continuing lien upon each Lot, together with all improvements thereon, as hereinafter more particularly stated. Each assessment together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of the Lot at the time the obligation to pay such assessment accrued, but no Member shall

be personally liable for the payment of any assessment made or becoming due and payable after his ownership ceases. No Member shall be exempt or excused from paying any such charge or assessment by waiver of the use or enjoyment of the Common Properties or Facilities, or any part thereof, or by abandonment of his Lot or his interest therein.

Section 3 - The Annual Maintenance Charge

The annual assessments provided for herein shall commence on the date (which shall be the first day of a month) fixed by the Board of Trustees to be the date of commencement. The first annual assessment shall be made for the balance of the calendar year in which it is made and shall be payable on the day fixed for commencement, or in equal monthly installments over the balance of the year, at the election of the Association. The assessments for each calendar year after the first year shall be due and payable to the Association in advance on January 1st each year, or in twelve (12) equal monthly installments over such year, at the election of the Association. Provided, however, that, upon the purchase of his Lot (as evidenced by the date of his term Contract of Sale or Deed, or his occupancy, whichever is earlier), each Member shall be obligated to pay to the Association a pro rata part of the applicable percentage (as determined pursuant to the terms hereof) of the regular annual maintenance charge assessed on such Lot, which shall bear the same ratio to the applicable percentage of the full annual maintenance charge as the number of full calendar months remaining in the year of purchase to twelve (12), and which shall be payable in full upon such purchase or in equal monthly installments over the balance of the year of purchase, as the Association may elect.

The Board of Trustees of the Association may decrease or increase the amount of the regular annual maintenance charge or assessment provided for herein at any time and from time to time by the adoption of a resolution for such purpose, but no resolution increasing the annual maintenance charge assessment shall become effective prior to the expiration of ninety (90) days from date of its adoption, and the Owner of each Lot shall, within thirty (30) days from such effective date, pay to the Association the proportionate part of such increase for the balance of the year in which such resolution is adopted; provided, however, that no resolution of the Board of Trustees which fixes the amount of the regular annual maintenance charge or assessment in excess of THREE HUNDRED and no/100 DOLLARS (\$300.00) per year, or in excess of the annual maintenance charge or assessment last ratified by the Members of the Association in accordance with the provisions of this paragraph, whichever is greater, shall become effective unless and until such resolution is ratified either (1) by the written assent of the Members of the Association who in the aggregate then own at least fifty-one percent (51%) of the Lots in the Subdivision if no meeting of the membership is held for ratification, or (2) by the assent of fifty-one percent (51%) of the votes of the Members of the Association who are present and voting in person or by proxy at a special meeting of the membership of the Association called for this purpose and at which a quorum is present. The written assent or the vote of the Members must be given prior to the effect date of the resolution of the Board of Trustees. No increase in the annual maintenance charge or assessment shall take effect retroactively.

If any resolution of the Board of Trustees which requires ratification by the assent of the Members of the Association as above provided shall fail to receive such assent, then the amount of the regular annual maintenance charge or assessment last in effect shall continue in effect until duly changed in accordance with the above provisions. The Board of Trustees may decrease the amount of the annual maintenance charge or assessment without ratification by or assent of the Members of the Association.

Section 4 - Quorum for Any Action Authorized Under Section 3

The Quorum required for any action authorized by Section 3 hereof shall be as follows:

At the first meeting called, as provided in Section 3 hereof, the presence at the meeting of Members, or of proxies, entitled to cast sixty percent (60%) of all the votes of the membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called and the required quorum at any such subsequent meeting shall be one-half (1/2) the required quorum at the preceding meeting, provided that such reduced quorum requirement shall not be applicable to any such subsequent meeting held more than sixty (60) days following the preceding meeting.

Section 5 - Duties of the Board of Trustees

The Board of Trustees of the Association shall fix the date of commencement and the amount of the assessment against each Lot or Owner for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of the assessment shall thereupon be sent to every Owner subject thereto. The Association shall, upon demand at any time, furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 6 - Liens to Secure Assessments

The regular annual maintenance charges or assessments, as hereinabove provided for, shall constitute and be secured by a separate and valid and subsisting lien, hereby created and fixed, and which shall exist upon and against each Lot and all improvements thereon, for the benefit of the Association and all Members. Subject to the conditions that the Association be made a party to any Court proceeding to enforce any lien hereinafter deemed to be superior, the lien hereby created shall be subordinate and inferior to;

- (a) all liens for taxes or special assessments levied by

the City, County, and State governments, or any political subdivision or special district thereof, and

(b) all liens securing amounts due or to become due under any term Contract of Sale dated, or any mortgage, vendor's lien, or deed of trust filed of record, prior to the date payment of any such charges or assessments become due and payable, and

(c) all liens, including, but not limited to, vendor's liens, deeds of trust, and other security instruments which secure any loan made by any lender to an Owner for any part of the purchase price of any Lot when the same is purchased from a builder or for any part of the cost of constructing, repairing, adding to, or remodeling the residence and appurtenances situated on any Lot to be utilized for residential purposes.

Any foreclosure of any such superior lien under the power of sale of any mortgage, deed of trust, or other security instrument, or through Court proceedings in which the Association has been made a party, shall cut off and extinguish the liens securing maintenance charges or assessments which became due and payable prior to such foreclosure date, but no such foreclosures shall free any Lot from the liens securing assessments becoming due and payable, nor shall the liability of any Member personally obligated to pay maintenance charges or assessments which become due prior to such foreclosure, be extinguished by any foreclosure.

Section 7 - Effect of Non-Payment of Assessment

If any annual charge or assessment is not paid within thirty (30) days from the due date thereof, the same shall bear interest from the due date until paid at the highest interest rate allowed under the laws of the State of Texas, and, if placed in the hands of an attorney for collection or if suit is brought thereon or if collected through probate or other judicial proceedings, there shall be paid to the Association an additional reasonable amount, but not less than ten percent (10%) of the amount owing, as attorneys' fees. The Association, as a common expense of all Members, may institute and maintain an action at law or in equity against any defaulting member to enforce collection and/or for foreclosure of the liens against his Lot. All such actions may be instituted and brought in the name of the Association in a like manner as an action to foreclose the lien of a mortgage or deed of trust on real property.

Section 8 - Collection and Enforcement

Each Member, by his assertion of title or claim of ownership or by his acceptance of a deed to a Lot, whether or not it shall be so recited in such deed, shall be conclusively deemed to have expressly vested in the Association, and in its officers and agents, the right, power and authority to take all action which the Association shall deem proper for the collection of assessments and/or for the enforcement and foreclosure of the liens securing same.

ARTICLE VII

Building and Use Restrictions, Restrictive Covenants

Section 1 - Residential Use

All of the lots in said subdivision shall be used for residential purposes only and no commercial enterprise of any kind or character shall be carried on any of such tracts. No signs of any kind shall be displayed, erected or maintained on any lot with the express written consent of Declarant. No mobile homes shall be placed or permitted to remain on said lots or parcel of land. Manufactured housing (modular) may be allowed at the sole discretion of the Declarant. A travel trailer may be used as a residence on a temporary basis while a permanent residence is being constructed, but in no instance for longer than six (6) consecutive months.

Section 2 - Dwelling Units

Except as hereafter provided, no more than two (2) single-family dwelling units shall be erected, altered, placed or permitted to remain on any residential lot. All dwelling units must contain at least 1,200 square feet of living area exclusive of porches and garages. No houses built elsewhere shall be moved on or permitted to remain on any residential tract, without the express written consent of Declarant obtained in advance and filed in the Guadalupe County Deed Records. Detached garages, workshops and barns may be constructed on any residential tract so long as they are of good construction, kept in good repair and are not used as a residence. All residences and structures to be built shall be of log, rock, cedar, new lumber or masonry construction unless otherwise approved in writing by Declarant.

Section 3 - Setbacks

Unless the plat indicates a different building setback line, no building of any kind shall be located on any tract nearer than fifty (50) feet to back or 100 feet of any side lot lines, and no building shall be located on any lot nearer than 200 feet to any road, it being understood that the building setback line shown on the plat, if different from the foregoing, will control; provided, however, as to any tract, Declarant may waive or alter any building setback line on any plat or in these restrictions if, in the exercise of Declarant's sole judgment, such waiver or alteration is necessary to permit effective utilization of a lot of land. Any such waiver or alteration must be in writing and recorded in the Deed Records of Guadalupe County, Texas. All dwellings placed on Subject Property must be equipped with septic tank or other sewage disposal system meeting all applicable laws, rules, standards and specifications, and all such dwellings must be served with water and electricity.

Section 4 - Animals

In the event any livestock (except hogs or pigs) are kept on any lot, not more than one head of livestock per acre shall be kept on any tract, and any tract containing livestock must be fenced, provided, however, that no hogs, pigs, goats or sheep may be kept on the premises. No poultry shall be kept or raised on any tract, except poultry for personal use of the owner of any lot may be kept, provided it is kept in an adequate enclosure.

Section 5 - Resubdivision

The term "lot" as used herein shall mean a lot as shown on the aforesaid subdivision and no resubdivision of any such lot shall affect such meaning. After January 1, 1990, any lot may be resubdivided into two (2) smaller lots of equal size, and from and after such date, the term "lot" shall mean any lots resulting from any such resubdivision. Declarant may subdivide any lot or lots into two or more smaller lots at any time and as to such lot, the term lot shall mean the subdivided lots. Nothing herein shall be construed to affect the duration of these restrictions contained in Paragraph 9 hereof.

Section 6 - Easements

Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change or retard the flow of water through drainage channels in the easements. The easement area of each tract and all improvements in it shall be maintained continuously by the owner of the tract, except for those improvements for which a public authority or utility company is responsible. Declarant (Guadalupe Hills Ranch) has no obligation to maintain the roads shown on the plat of said subdivision. No dam or similar structure may be built on any creek or natural waterway which is established as a drainage easement of the subdivision, as shown on the recorded plat. Dams may be built on creeks or natural waterways which are not so established as drainage easements, only if (1) written permission is obtained from owners of land adjacent to such waterway on both sides; (2) such dam will not be built so as to back water up on or inundate the land of another owner, unless a written easement is obtained from such other owner; and (3) such dam will not cause the flooding of any roadway. The owner of property on which a dam is located shall be obligated to maintain the same and keep it in good state of repair. Existing dams, or those built by Declarant, will not be removed without written permission from all owners affected by such removal.

The owner of a lot, or his guests, may use the lot for recreational purposes, (including camping) provided, however, that no tent or temporary camp shelter of any character may be placed, left or allowed to remain on any tract for more than fourteen (14) consecutive days, and that all litter, trash garbage, waste or debris from camping shall be promptly removed, incinerated or disposed of by such owner or guests.

Section 7 - Firearms

No firearms larger than 22 caliber may be discharged on any tract. Pistols may be kept by property owners for their own defense and/or protection but not for purposes of hunting. The hunting of deer is strictly forbidden on any tract of land that is a part of Guadalupe Hills Ranch as defined in this Declaration of Covenants and Restrictions.

Section 8

No noxious or offensive activities shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance. No inoperable vehicles or machinery, or vehicles or machinery on blocks shall be left on any tract for more than ten (10) days.

Section 9

No lot shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste, and the same 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.

ARTICLE VIII

General Provisions

Section 1 - Duration

The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association or the Owner of any land subject to this Declaration or any Supplemental Declaration, their respective legal representatives, heirs, successors and assigns, for an initial term commencing on the effective date hereof and ending December 31, 2015. During such initial term the covenants and restrictions of this Declaration may be changed or terminated only by an instrument signed by the then Owners of all Lots in the Subdivision and properly recorded in the appropriate records of Guadalupe County, Texas. Upon the expiration of such initial term, said covenants and restrictions (as changed, if changed), and the enforcement rights relative thereto, shall be automatically extended for successive periods of ten (10) years. During such ten (10) year extension periods, the covenants and restriction of this Declaration may be changed or terminated only by an instrument signed by the then Owners of not less than fifty-one percent (51%) of all the Lots in the Subdivision and properly recorded in the appropriate records of Guadalupe County, Texas.

Section 2 - Enforcement

The Association, as a common expense to paid out of the Maintenance Fund, or any Owner at his own expense, shall have the right to enforce, by proceedings at law or in equity, all restrictions, covenants, conditions, reservations, liens, charges,

assessments, and all other provisions set out in this Declaration. Failure of the Association or of any Owner to take any action upon any breach or default of or in respect to any of the foregoing shall not be deemed a waiver of their right to take enforcement action upon any subsequent breach or default.

Section 3 - Amendments by Declarant

The Declarant shall have and reserves the right at any time and from time to time, without the joinder or consent of any other party to amend this Supplemental Declaration by any instrument in writing duly signed, acknowledged, and filed for record for the purpose of correcting any typographical or grammatical error, ambiguity or inconsistency appearing herein, provided that any such agreement shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by this Declaration and shall not impair or affect the vested property or other rights of any Owner or his mortgagee.

Section 4 - Interpretation

If this Declaration or any word, clause, sentence, paragraph, or other part thereof shall be susceptible of more than one or conflicting interpretations, then the interpretation which is most nearly in accordance with the general purposes and objectives of this Declaration will govern.

Section 5 - Omissions

If any punctuation, word, clause, sentence, or provision necessary to give meaning, validity, or effect to any other word, clause, sentence, or provision appearing in this Declaration shall be omitted herefrom, then it is hereby declared that such word, clause, sentence or provision shall be supplied by inference.

Section 6 - Notices

Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 7 - 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, males or females, shall in all cases be assumed as though in each case fully expressed.

Section 8 - Severability

Invalidation of any one or more of the covenants, restrictions, conditions, or provisions contained in this Declaration, or any part thereof, shall in no manner

affect any of the other covenants, restrictions, conditions, or provisions hereof, which shall remain in full force and effect.

ARTICLE IX

Consent of Board of Trustees of Association

The members of the Board of Trustees of the Association have executed this Declaration to evidence its approval of Declarant's election to bring the Properties within the scheme of the Declaration under the authority contained in Article III, Section 2, of the Declaration.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, the members of the Board of Trustees of the Association, have executed this Declaration to be effective this 16th day of February, 1985.

ATTEST:

GUADALUPE HILLS RANCH

Steven Gardner

BY: *J. B. Stuenkel, Jr.*
DECLARANT

BOARD OF TRUSTEES, GUADALUPE
HILLS RANCH HOMEOWNERS ASSN.

BY: *Steven Gardner*
MEMBER

BY: *J. B. Stuenkel, Jr.*
MEMBER

BY: *Robert Kluge*
MEMBER

STATE OF TEXAS I

COUNTY OF GUADALUPE I

BEFORE ME, the undersigned authority, on this day personally appeared GLENN BARDNER, J.B. STEVENSON, JR, of GUADALUPE HILLS RANCH known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said individual.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 6th day of February, 1985.



Gene H. Anderson

Notary Public in and for
The State of Texas

GENE H. ANDERSON
Notary Public, State of Texas
My Comm. Expires 11-18-85

My commission expires: _____

RECORDED IN OFFICIAL RECORDS	
FILE DATE	2-6-85
FILE TIME	4:00
VOL.	744
BOOK	812-31
RECORDING DATE	
FEB 8 1985	
<u>Carl E. [Signature]</u>	
COUNTY CLERK, GUADALUPE COUNTY	

THE PUBLIC

Effective January 1, 1998, the regular annual maintenance assessment shall be \$100.00 per annum per lot in the Subdivision. The assessment shall be due and payable in advance on January 1 of each year, with a 30-day grace period. Provided, however, that upon purchase of a lot after January 1 of any year, the owner/member shall be obligated to pay for that year a pro rata part of the assessment for the lot based on the ratio of the number of months remaining in the year to 12 months. If a Member is unable to pay the assessment when due, the Board of Trustees of the Guadalupe Hills Ranch Property Owners Association ("Association") may, at its election, permit payment of the assessment over several months provided the assessment is fully paid by September 1 of that year. If the assessment is not fully paid by September 1, the Association will initiate the collection and enforcement proceedings stated in and authorized by the Restrictions.

1357/0509

EXECUTED on the 9TH day of August, 1997.

GUADALUPE HILLS RANCH PROPERTY
OWNERS ASSOCIATION

Mary F. Hulme
MARY F. HULME, Trustee

Larry G. Welfel
LARRY G. WELFEL, Trustee

Fredrick K. Braun
FREDRICK K. BRAUN, Trustee

Mike Jaynes
MIKE JAYNES, Trustee

STATE OF TEXAS)
COUNTY OF GUADALUPE)

~~1997~~ This instrument was acknowledged before me on June 27,
1997, by MARY F. HULME as Trustee of GUADALUPE HILLS
RANCH PROPERTY OWNERS ASSOCIATION.

Wernis Harold Sargent
Notary Public, State of Texas

STATE OF TEXAS)
COUNTY OF GUADALUPE)

~~1997~~ This instrument was acknowledged before me on June 27,
1997, by LARRY G. WELFEL as Trustee of GUADALUPE HILLS
RANCH PROPERTY OWNERS ASSOCIATION.

Wernis Harold Sargent
Notary Public, State of Texas

1357/0510

STATE OF TEXAS) (
COUNTY OF GUADALUPE) (

~~1997~~ ¹⁹⁹⁸ This instrument was acknowledged before me on June 27
1997, by FREDERICK K. BRAUN as Trustee of GUADALUPE HILLS
RANCH PROPERTY OWNERS ASSOCIATION.

Donna Itzold Angdon
Notary Public, State of Texas

STATE OF TEXAS) (
COUNTY OF GUADALUPE) (

~~1997~~ ¹⁹⁹⁸ This instrument was acknowledged before me on June 27
1997, by MIKEL JAYNES as Trustee of GUADALUPE HILLS
RANCH PROPERTY OWNERS ASSOCIATION.

Donna Itzold Angdon
Notary Public, State of Texas

PREPARED IN THE LAW OFFICE OF

E G McMillan III
ATTORNEY AT LAW - MEDIATOR
105 WEST DONEGAN STREET
P O BOX 1138
SEGUIN, TEXAS 78158-1138

1097-196 re

AFTER RECORDING RETURN TO:

Dennis Sagebiel
Attorney at Law
112 N. Travis Street
Seguin, Texas 78155

FILED FOR RECORD

98 JUL 21 PM 1:50

LIZZIE H. LUGG
COUNTY CLERK GUADALUPE CO. TX.

Quinn Bens

THE STATE OF TEXAS
COUNTY OF GUADALUPE
I hereby certify that this instrument was
FILED on the date and at the time shown
hereon by me and was duly RECORDED in
Official Public Records of Guadalupe County,
Texas.



Lorrie M. Loomis
County Clerk
Guadalupe County, Texas

10981
TO

1357/0508

Effective January 1, 1998, the regular annual maintenance assessment shall be \$100.00 per annum per lot in the Subdivision. The assessment shall be due and payable in advance on January 1 of each year, with a 30-day grace period. Provided, however, that upon purchase of a lot after January 1 of any year, the owner/member shall be obligated to pay for that year a pro rata part of the assessment for the lot based on the ratio of the number of months remaining in the year to 12 months. If a Member is unable to pay the assessment when due, the Board of Trustees of the Guadalupe Hills Ranch Property Owners Association ("Association") may, at its election, permit payment of the assessment over several months provided the assessment is fully paid by September 1 of that year. If the assessment is not fully paid by September 1, the Association will initiate the collection and enforcement proceedings stated in and authorized by the Restrictions.

1357/0509

EXECUTED on the 9TH day of August, 1997.

GUADALUPE HILLS RANCH PROPERTY
OWNERS ASSOCIATION

Mary F. Hulme
MARY F. HULME, Trustee

Larry G. Welfel
LARRY G. WELFEL, Trustee

Frederick K. Braun
FREDERICK K. BRAUN, Trustee

Mike Jaynes
MIKE JAYNES, Trustee

STATE OF TEXAS))
COUNTY OF GUADALUPE))

~~1998~~ ¹⁹⁹⁷ This instrument was acknowledged before me on June 27,
1998 by MARY F. HULME as Trustee of GUADALUPE HILLS
RANCH PROPERTY OWNERS ASSOCIATION.

Harris Howard Sagdon
Notary Public, State of Texas

STATE OF TEXAS))
COUNTY OF GUADALUPE))

~~1997~~ ¹⁹⁹⁸ This instrument was acknowledged before me on June 27,
1997, by LARRY G. WELFEL as Trustee of GUADALUPE HILLS
RANCH PROPERTY OWNERS ASSOCIATION.

Harris Howard Sagdon
Notary Public, State of Texas

1357/0510

STATE OF TEXAS

) (

COUNTY OF GUADALUPE

) (

~~1997~~ ¹⁹⁹⁸ This instrument was acknowledged before me on June 27,
~~1997~~ by FREDERICK K. BRAUN as Trustee of GUADALUPE HILLS
RANCH PROPERTY OWNERS ASSOCIATION.

Dennis Harold Sagebiel
Notary Public, State of Texas

STATE OF TEXAS

) (

COUNTY OF GUADALUPE

) (

~~1997~~ ¹⁹⁹⁸ This instrument was acknowledged before me on June 27,
~~1997~~ by MIKEL JAYNES as Trustee of GUADALUPE HILLS
RANCH PROPERTY OWNERS ASSOCIATION.

Dennis Harold Sagebiel
Notary Public, State of Texas

PREPARED IN THE LAW OFFICE OF:

E. G. McMILLAN III
ATTORNEY AT LAW - MEDIATOR
105 WEST DONEGAN STREET
P. O. BOX 1138
SEGUIN, TEXAS 78156-1138

1097-198.re

AFTER RECORDING RETURN TO:

Dennis Sagebiel
Attorney at Law
112 N. Travis Street
Seguin, Texas 78155

FILED FOR RECORD

98 JUL 21 PM 1:50

LIZZIE M. LORENZ
COUNTY CLERK GUADALUPE CTY.

Alissa Benis

THE STATE OF TEXAS
COUNTY OF GUADALUPE
I hereby certify that this instrument was
FILED on the date and at the time stamp
hereon by me and was duly RECORDED in
Official Public Records of Guadalupe County,
Texas.



Lizzie M. Lorenz
County Clerk,
Guadalupe County, Texas