

# **SOUTH FORK RANCH HOMEOWNERS ASSOCIATION**

## **DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

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## EXHIBITS

Exhibit "A" – Property Description

Exhibit "B" – Plat

Exhibit "C" – Certificate of Formation

Exhibit "D" – Bylaws

Exhibit "E" – Ratification and Consent of Mortgagees and Existing Owners

**SOUTH FORK RANCH HOMEOWNERS ASSOCIATION, INC.**

**DECLARATION OF  
COVENANTS, CONDITIONS, AND RESTRICTIONS**

THIS DECLARATION, made this \_\_\_\_ day of February, 2017, by SOUTH FORK RANCH DEVELOPMENT COMPANY, LLC, a Texas limited liability company (hereinafter referred to as "Declarant").

**I. PROPERTY SUBJECT TO THE DECLARATION**

Declarant is the sole owner of that certain tract of land situated in Taylor County, Texas, described in Exhibit "A" attached hereto and incorporated herein (referred to herein as the "Property"). The Property is sometimes referred to herein as South Fork Ranch; and

Declarant desires to convey the Property subject to certain protective covenants, conditions, restrictions, liens and charges hereinafter set forth for the benefit of the present and future owners of the Property; and

Declarant desires to create and carry out a uniform plan for the improvement, development, sale and use of the Property; to preserve so far as possible the natural beauty of the Property; to preserve and enhance the environment for the benefit of native plants and wildlife; to avoid harsh contrasts between structures and landscape; to guard against the erection of poorly designed or proportioned structures or use of unsuitable materials; to encourage and secure the erection of attractive improvements which are harmonious with their sites; to encourage freedom of individual expression in the development of the land and the buildings, limited only to these protections which seem to be mutually advantageous; and in general, to enhance the environmental quality and economic value of the Property for the benefit of the present and future Owners of the Property.

NOW THEREFORE, it is hereby declared: (i) that all of the Property shall be held, sold, used, developed, conveyed, and occupied subject to the following easements, restrictions, reservations, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the Property and shall be binding on all parties having any right, title, or interest in or to the Property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof; and (ii) that each contract or deed which may hereafter be executed with regard to the Property or any portion thereof shall conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions, and restrictions regardless of whether or not the same are set out or referred to in said contract or deed.

## II. DEFINITIONS

Unless the context otherwise specifies or requires, the following words and phrases when used in this Declaration shall have the meanings hereinafter specified:

2.01 Architectural Control Committee. "Architectural Control Committee" shall mean the Declarant during the Development Period; and after the expiration of the Development Period, the Architectural Control Committee shall be created pursuant to Article V in these restrictions, and the role of the Architectural Control Committee shall be to review and approve plans for the construction of improvements upon the Property.

2.02 Architectural Control Committee Rules. "Architectural Control Committee Rules" shall mean the rules and regulations adopted by the Architectural Control Committee pursuant to the authority contained in Article VII hereof, as the same are amended from time to time.

2.03 Assessment. "Assessment" or "Assessments" shall mean, such assessments as may be levied by the Association under the terms and provisions of this Declaration.

2.04 Association or Homeowners Association. "Association" shall mean and refer to the South Fork Ranch Homeowners Association, Inc., a Texas non-profit corporation, created or to be created pursuant to the Certificate of Formation.

2.05 Block A & B Property. "Block A&B Property" shall mean the certain portion of Land described in Exhibit "A", and identified therein as "Block A" and "Block B".

2.06 Block C Property. "Block C Property" shall mean the certain portion of Land described in Exhibit "A", and identified therein as "Block C".

2.07 Board. "Board" shall mean the Board of Directors of the Association, whether such Board be appointed by Declarant or elected by the Association in accordance with the provisions of these restrictions.

2.08 Bylaws. "Bylaws" shall mean the Bylaws of the Association as adopted by the Board, and as amended from time to time, in substantially the form attached hereto as Exhibit "D".

2.09 Certificate of Formation. "Certificate of Formation" shall mean the Certificate of Formation of South Fork Ranch Homeowners Association, Inc., which shall be filed in the office of the Secretary of State of the State of Texas, as the same are amended from time to time, in the form attached hereto as Exhibit "C".

2.10 Common Area. "Common Area" shall mean all real property, including the improvements thereto, conveyed, leased or licensed to the Association by plat dedication, if any, or any lease agreement, license agreement or otherwise. The Common Area shall be owned

and/or held by the Association for the common use and enjoyment of the owners. The Common Area may be designated by Declarant and dedicated or otherwise conveyed to the Association from time to time and at any time. If Declarant annexes additional real property to the Property in accordance with this Declaration, additional Common Area may be designated. Before conveying any Property to the Association, the Declarant must obtain consent of all lienholders with a lien on such Property. By way of illustration, Common Area may include, but not necessarily be limited to, the following: private roads, private access easements, parking areas, landscaping, ponds, entry gates, street lights, utility equipment, water pumps, private drives and other similar and appurtenant improvements.

2.11 Declarant. "Declarant" shall mean SOUTH FORK RANCH DEVELOPMENT COMPANY, LLC, a Texas limited liability company, its duly authorized representatives or its successors or assigns; provided that any assignment of the rights of SOUTH FORK RANCH DEVELOPMENT COMPANY, LLC as Declarant must be expressly set forth in writing and the mere conveyance of a portion of the Property without written assignment of the rights of the Declarant shall not be sufficient to constitute an assignment of the rights of Declarant hereunder.

2.12 Declaration. "Declaration" shall mean this instrument as it may be amended from time to time.

2.13 Development Period. "Development Period" shall mean the period of time during which Declarant has certain rights related to the development, construction, expansion and marketing of the Property, as more particularly detailed in this Declaration. The duration of the Declarant Control Period is from the date this Declaration is recorded for a maximum period not to exceed the earlier of: (i) ten (10) years from the date this Declaration is recorded in the Official Public Records of Taylor County, Texas; or (ii) the date on which Declarant no longer owns or has the option to acquire all or any portion of the Property. The Declarant may otherwise terminate the Development Period by an instrument executed by the Declarant and recorded in the Official Public Records of Taylor County, Texas.

2.14 Improvement. "Improvement" shall mean every structure and all appurtenances thereto of every type and kind including but not limited to, buildings, outbuildings, storage sheds, patios, tennis courts, swimming pools, garages, storage buildings, fences, screening walls, retaining walls, stairs, decks, landscaping, poles, signs, exterior air conditioning, water softener fixtures or equipment, clothes lines, pumps, wells, tanks, reservoirs, pipes, lines, meters, antennas, towers and other facilities used in connection with water, sewer, gas, electric, telephone, regular, satellite, or cable television, solar heating or cooling, or other utilities.

2.15 Lot. "Lot" or "Lots" shall mean any separate designated or separately owned portion of the Property together with all improvements located thereon.



2.16 Member(s). "Member(s)" shall mean and refer to all those Owners who are members of the Association as provided in the Declaration, together with all Owners of Lots who are members of the Association as provided in all Supplemental Declarations.

2.17 Mortgage. "Mortgage" shall mean a security interest, mortgage, deed of trust, or lien instrument granted by an Owner to secure the repayment of a loan made to Owner, duly recorded in the Office of the County Clerk of Taylor County, Texas creating a lien or security interest encumbering a Lot and/or any Improvements thereon.

2.18 Mortgagee. "Mortgagee" or "Mortgagees" shall mean the holder or holders of any Mortgage or Mortgages.

2.19 Owner. "Owner" or "Owners" shall mean and refer to the record Owner whether one or more persons, associations or entities, of legal, equitable or beneficial title of or to any Lot, but shall not include a Mortgagee.

2.20 Person. "Person" or "Persons" shall mean any individual(s), entity or entities having the legal right to hold title to real property.

2.21 Plans and Specifications. "Plans and Specifications" also referred to herein as "Development Plan" shall mean any and all documents and/ or samples designed to guide or control the construction or erection of any Improvement, including but not limited to those indicating location, size, shape, configuration, materials, site plans, excavation and grading plans, foundation plans, drainage plans, landscaping and fencing plans, elevation drawings, floor plans, specifications and samples on all building products and construction techniques, samples of exterior colors of proposed masonry, siding, paint, roofing, etc., plans for utility services, and all other documentation or information relevant to such Improvement.

2.22 Plat. "Plat" or "Plats" shall mean the subdivision plat or plats of the Property, attached hereto as Exhibit "B".

2.23 Private Road(s). "Private Road(s)" shall mean the subdivision road(s) that are shown on the subdivision plat or plats of the Property and maintained by the Association.

2.24 Property. "Property" shall mean that land described in Exhibit "A", which shall specifically include the Block A&B Property, as well as the Block C Property, and the aerial and subsurface rights appurtenant thereto, and such additions thereto, as may be hereafter annexed by Supplemental Declaration.

2.25 Public Road(s). "Public Road(s)" shall mean those road(s) that are not defined as Private Roads in 2.23 and are not found within the Plat of the Property.

2.26 Restrictions. "Restrictions" shall mean this Declaration, together with the Architectural Control Committee Rules and Bylaws of the Association from time to time in effect, as the same may be amended from time to time.

2.27 Single-family Residential Use. "Single-family Residential Use" shall mean the occupation or use of a Structure as a residence or dwelling unit by a single person, a family or a family-sized unit in conformity with this Declaration and the requirements imposed by applicable zoning laws or any other state, county or municipal laws, rules, regulations, codes or ordinances.

2.28 Structure. "Structure" shall mean anything erected, constructed, placed, laid or installed in, on, or over said real property, the use of which requires a location on or in the ground but not including vegetation, trees, shrubs or plantings.

2.29 Supplemental Declaration. "Supplemental Declaration" shall mean any Supplemental Declaration of Covenants, Conditions, and Restrictions bringing or adding additional real property within the scheme of this Declaration.

### **III. DEVELOPMENT OF THE PROPERTY**

3.01 Addition of Land. Declarant may, at any time and from time to time, add additional land and make such land subject to this Declaration, and upon the filing of a notice of addition of land as hereinafter described, this Declaration, and covenants and conditions, restrictions and obligations set forth herein (as modified or amended by the covenants, conditions, restrictions and obligations, if any, set forth in Supplemental Restrictions affecting such added lands) shall apply to the added lands, and the rights, privileges, duties and liabilities of the persons subject to this Declaration shall be the same with respect to the added land as with respect to the lands originally covered by this Declaration. In order to add lands hereunder, Declarant shall be required only to record in the Real Property Records of Taylor County, Texas, a notice of addition of land containing the following provisions:

- (A) A reference to this Declaration, which reference shall state the book and page numbers, or instrument number, of the Taylor County Real Property Records wherein this Declaration is recorded;
- (B) A statement that all of the provisions of this Declaration shall apply to the land being added;
- (C) A legal description of land being added; and
- (D) A legal description of all Common Area, if any, to be owned by the Association within the land being added.

3.02 Withdrawal of Land. Declarant may, at any time and from time to time, reduce or withdraw areas from the Property, and upon such withdrawal, this Declaration and the covenants, conditions, restrictions, and obligations set forth herein shall no longer apply to those lands withdrawn. In order to withdraw lands from the Property hereunder, Declarant shall be required to (i) obtain the written consent of all lienholders with an interest in the portion of the Property to be withdrawn, and (ii) record in the Real Property Records of Taylor County, Texas, a notice of withdrawal of land containing the following provisions:

- (A) A reference to this Declaration, which reference shall state the book and page numbers, or instrument number, of the Taylor County Real Property Records wherein this Declaration is recorded;
- (B) A statement that the provisions of this Declaration shall no longer apply to the withdrawn land; and
- (C) A legal description of the withdrawn land.

#### **IV. GENERAL RESTRICTIONS**

Declarant hereby declares that the Property is and shall be held, conveyed, developed, leased, occupied, built upon or otherwise used, improved or transferred in whole or in part, subject to this Declaration, as amended or modified from time to time. This Declaration is declared and agreed to be in furtherance of a common plan or scheme for the subdivision, improvement and sale of the Property, and is further established for the purposes of enhancing and perfecting the value, desirability, and attractiveness of the Property and every part thereof. All of this Declaration shall run with all of the Property for all purposes and shall be binding upon and inure to the benefit of Declarant, all Owners and their respective successors in interest. Only the Property shall be subject to the restrictions herein, but Declarant may, at any time and from time to time, add additional land from the Property and make such land subject to this Declaration pursuant to section 3.01 above. Given the foregoing, all of the Property shall be owned, held, encumbered, leased, used, occupied, and enjoyed subject to the following limitations and restrictions:

4.01 Animals - Household Pets. No pigs, hogs, swine, poultry, non-human primate, wild animal, fowl, or any other type of animal not considered to be a domestic pet within the ordinary meaning and interpretation of such words may be kept, maintained, or cared for on the Property. Notwithstanding the foregoing, each Owner of a Lot within the Property shall be permitted to keep a small number of horses, cattle, sheep or goats (collectively referred to herein as "Grazing Animals") within such Owner's Lot, as more particularly described in this section 4.01. Specifically, each Owner of a Lot within the Block A&B Property shall be permitted to have no more than three (3) Grazing Animals in total on such Owner's Lot if the Owner provides sufficient grazing and forage and/ or supplemental feeding is provided so as to not cause overgrazing or erosion of the Block A&B Property. Each Owner of a Lot within the Block C Property shall be

permitted to have on such Owner's Lot no more than one Grazing Animal in total per five (5) acres of land owned by such Owner if the Owner provides sufficient grazing and forage and/ or supplemental feeding is provided so as to not cause overgrazing or erosion of the Block C Property. No animal shall be allowed to make an unreasonable amount of noise, harass native wildlife, or to become a nuisance, and no domestic pets will be allowed on the Property other than on the lot of its Owner unless confined to a leash. No animal may be stabled, maintained, kept, cared for, or boarded for hire or remuneration on the Property, and no kennels or breeding operation will be allowed. Animals for 4-H and FFA purposes may be permitted provided that the participant is a member of the Owner's family, is under the age of nineteen (19) and is a bona fide member of a 4-H Club or Future Farmers of America Club. Such animals must (i) be kept in a sightly pen or other enclosure, (ii) the pen shall be kept clean and in sanitary and odorless condition, and (iii) the animal shall be removed from the Lot upon completion of the competition or club project. Shelter for these animals shall be located in the rear one-half (1/2) of such Owner's Lot and shall not be visible from any Private Road and seventy-five (75') from all property lines. Any such animal shelter must be neatly maintained, and any area where animals are kept must be cleaned and properly maintained. Any and all animals, including household pets, require appropriate fencing to confine them to their Lot. No animal shall be permitted until this appropriate fencing is completed.

4.02 Antenna. No satellite dish and no exterior radio or television antenna or aerial shall be erected or maintained without the prior written approval of the Architectural Control Committee.

4.03 Compliance with the Restrictions. Each Owner shall comply strictly with the provisions of the Restrictions as the same may be amended from time to time. Failure to comply with any of the Restrictions shall constitute a violation of this Declaration, and shall give rise to a cause of action to recover sums due for damages or injunctive relief or both.

4.04 Emergency or Temporary Maintenance Vehicles. The provisions of this Declaration shall not prevent any emergency vehicle repairs or operation of an emergency vehicle, ambulance, fire truck, etc., within the Property. The provisions of this Declaration shall also not prevent the operation or temporary use of construction trailers, vans, or other trucks, machinery/ equipment, construction shelters or facilities maintained during and used exclusively in connection with the construction of any Improvement approved in writing by the Architectural Control Committee.

4.05 Hazardous Activities. No activities shall be conducted on the Property and no Improvements constructed on the Property which are or might be unsafe or hazardous to any person or property as determined by the Architectural Control Committee. No motorized or non-motorized vehicle of any kind shall be operated in any matter which is dangerous, noisy or becomes a nuisance on any private drive or driveway within the Property.

4.06 Hunting. Hunting with firearms and the discharge of firearms within the Block A&B Property is strictly prohibited. However, hunting, trapping and discharge of firearms is permitted on the Block C Property; provided that all hunting and related activities should be conducted in a manner that displays good stewardship of the land and its natural and wildlife resources. No individual under the age of fifteen (15) shall be allowed to discharge a firearm without the presence of an adult chaperon, (preferably the Owner of the Lot). Owners shall be held responsible for any damage or injury caused by activities under this article to any other Property, Structure, Improvement, livestock, or person whether such damage was caused within the Block C Property or outside its boundary. Caution should be exercised when discharging a firearm and the direction and location of neighboring Structures, Improvements, Persons and livestock should be taken into consideration at all times.

4.07 Insurance Rates. Nothing shall be done or kept on the Property which would increase the rate of insurance or cause the cancellation of insurance on any Lot or any of the Improvements located thereon.

4.08 Exterior Lighting. Security lights or flood lights shall be adequately shielded so as to not interfere with the views from neighboring Lots.

4.09 Maintenance. Each Owner shall keep all shrubs, trees, grass, and plantings of every kind on such Owner's Lot cultivated, pruned, free of trash, and other unsightly material. All Improvements on any Lot shall at all times be kept in good condition and repair and adequately painted or otherwise maintained by Owner of such Lot.

4.10 Mining and Drilling. No portion of the Property shall be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel, aggregate, or earth other than those activities undertaken by the Declarant.

4.11 Mobile Homes, Travel Trailers and Recreational Vehicles. No mobile homes, travel trailers or recreational vehicles shall be parked or placed on any Lot or used as a residence either temporary or permanent, at any time, and no motor homes, travel trailers or recreational vehicles shall be parked or placed on or near any Lot so as to be visible from neighboring Lots or private drives at any time. Notwithstanding the foregoing, Lot Owners shall be permitted to park or place mobile homes, travel trailers or recreational vehicles within an enclosed structure on such Owner's Lot provided that such structure is not deemed unsightly, to be determined in the sole discretion of the Architectural Control Committee.

4.12 No Warranty of Enforceability. While Declarant has no reason to believe that any of the restrictive covenants or other terms and provisions contained in this article or elsewhere in this Declaration are or may be invalid or unenforceable for any reason or to any extent, Declarant makes no warranty or representation as to the present or future validity or enforceability of any such restrictive covenants, terms or provisions. Any Owner acquiring a Lot in reliance on one or

more of such restrictive covenants, terms, or provisions shall assume all risks of the validity and enforceability thereof and, by acquiring the Lot, agrees to hold Declarant harmless therefrom.

4.13 Noise. No exterior speakers, horns, whistles, bells, or other sound devices (other than security devices used exclusively for security purposes and exterior speakers for entertainment) shall be located, used, or placed on any of the Property. No noise or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to any other portions of the Property or its occupants. No vehicle or equipment, including off-road motorcycles and all-terrain vehicles shall be operated which emit more than eighty (80) decibels, ten (10) feet from the end of the exhaust pipe. The provisions of this Declaration shall not prevent the operation or temporary use of construction machinery/ equipment maintained during and used exclusively in connection with the construction of any Improvement approved in writing by the Architectural Control Committee.

4.14 Rubbish and Debris, Service and Storage Yards. No rubbish or debris of any kind shall be placed or permitted to accumulate upon the Property, and no odors shall be permitted to arise therefrom so as to render the Property or any portion unsanitary, unsightly, offensive, or detrimental to any other property or its occupants. Refuse, garbage, and trash shall be kept at all times in covered containers, and such containers shall be kept within enclosed structures or appropriately screened from view. Any service yard, storage yard, wood pile or storage pile shall be so located as not to be offensively visible from neighboring residences or private drive. Any Structure of a permanent nature is to be built with regard to these items and must be included in the Plans and Specifications and approved in writing by the Architectural Control Committee. No incinerator shall be kept or maintained on any Lot.

4.15 Signs. Except as otherwise provided in this section 4.15, no sign of any kind shall be displayed on any Lot within public view from any other Lot or road without the prior written approval of the Architectural Control Committee. No sign shall be placed outside of the Property, near the entrance or along the Public Road right of way. No more than one (1) sign shall be placed on a Lot for the marketing of a Lot for sale, and any permitted sign shall not exceed dimensions of two feet (2') by two feet (2'). Notwithstanding the foregoing, this section 4.15 shall not apply to the following:

(A) Signs which are part of Declarant's overall marketing plan for the Property, as determined by the Declarant in its sole discretion, which shall include, but not be limited to, signs of any type advertising a portion of the Property or a Lot for sale or lease.

(B) signs advertising a political candidate or ballot item for an election during a time period commencing on or after the 90th day before the date of the election to which the sign relates and ending the 10th day after such election date (hereinafter referred to as a "Political Sign"). A Political Sign must be located on the Lot of the Owner or resident who authorizes the sign, and may not be located on Common Areas, rights-of-way within the Property or the Lot of an Owner or resident who has not granted prior authorization for

the Political Sign. Only one Political Sign for each candidate or ballot item may be displayed on a Lot at a time and no Political Sign may exceed four feet by six feet in size. Notwithstanding anything to the contrary, a Political Sign must be ground-mounted, and may not be mounted, installed, posted, or displayed in any other manner. Specifically, a Political Sign may not: (1) be displayed from a window, balcony, facade of a building, roof, fence, or any other structure or improvement on a lot; (2) be attached in any way to plant material, a traffic control device, a light, a trailer, a vehicle, or any other existing structure or object; (3) include the painting of architectural surfaces (e.g., not painted on a building or fence); and/or (4) contain roofing materials, siding, paving materials, or any other similar building components. In addition, a Political Sign must not: (1) contain language, graphics, or any display that would be offensive to the ordinary person. (2) be accompanied by music, other sounds, or streamers; (3) be distracting to motorists; (4) contain balloons, lights, or nonstandard decorative components; (5) contain flora or any other similar landscaping components; and/or (6) violate a law or threaten the public health or safety. In addition to any other remedies available to the Association for a violation of the Declaration, the Association may exercise self-help remedies to remove a political sign that violates this section without prior notice to the Lot's Owner or residents.

4.16 Religious Displays. To the extent permitted and protected by applicable law (such as Texas Property Code Section 202.018), an Owner or resident may display or affix one or more religious items to the outside surface of the front door or front door frame for a home constructed on his or her Lot, provided: (1) the display is motivated by the Owner or resident's sincere religious belief; (2) the display of one or more items does not exceed a collective total size of 25 square inches; (3) the display does not extend past the outer edge of the front door frame; (4) the display does not violate a law or threaten public health or safety; and (5) the display is not patently offensive to a passerby of average sensibilities.

4.17 Subdividing. No Lot shall be further divided or subdivided, nor may any easements or other interests therein less than the whole be conveyed by the Owner thereof without the prior written approval of the Architectural Control Committee; provided, however, that when Declarant is the Owner, Declarant may further divide and subdivide any Lot and convey an easement or other interest less than the whole. In no event shall the Architectural Control Committee permit the subdivision of a Lot into smaller than 10.01 acre parcels.

4.18 Tanks. The Architectural Control Committee shall have the right to approve the location of any tank used or proposed in connection with a single family residential structure. Swimming pool filter tanks and propane or butane tanks shall be the only tanks permitted on any Lot. All such tanks shall be screened so as not to be visible from a neighboring property.

4.19 Temporary Structures. No tent, shack, or other temporary building, improvement, or structure shall be placed upon the Property without the prior written approval of the Architectural Control Committee; provided, however that temporary structures necessary for storage of tools and equipment, and for office space for architects, builders and foremen during

actual construction may be obtained with the prior written approval of Architectural Control Committee, approval to include the nature, size, duration, and location of such structure.

4.20 Unsightly Articles; Vehicles. No article deemed to be unsightly by the Architectural Control Committee shall be permitted to remain on any Lot so as to be visible from a neighboring property or from public or private thoroughfares. Without limiting the generality of the foregoing, trailers, graders, trucks other than pickups, boats, tractors, campers, wagons, buses, motorcycles, motor scooters, and garden maintenance equipment shall be kept at all times except when in actual use, in enclosed structures or screened from view. The Architectural Control Committee may tow or remove any vehicle being stored or parked in violation hereof, and may recover the expense thereof from the Owner upon whose Lot the vehicle is located or parked adjacent to. Service areas, storage areas, compost piles, and facilities for hanging, drying, or airing clothing or household fabrics shall be appropriately screened from view, and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials, or scrap, refuse, or trash shall be kept, stored, or allowed to accumulate on any portion of the Property except within enclosed structures or appropriately screened from view.

## **V. USE AND CONSTRUCTION RESTRICTIONS**

5.01 Approval for Construction. No Improvements shall be constructed upon any Lot without the prior written approval of the Architectural Control Committee. In addition, the Architectural Control Committee must approve all builders who are permitted to construct improvements on any Lot, such approval to be in the sole discretion of the Architectural Control Committee.

5.02 Use of Lots. All Lots shall be improved and used solely for one (1) single family residence. No business or commercial activity to which the general public is invited shall be conducted in any residence or on any Lot with the exception of the business of Declarant, its successors, transferees, or assigns. In addition, the Architectural Control Committee shall specifically require that the primary dwelling improvements constructed on Lots 1 and 13 of Block B shall be required to face Cedar Valley Trail.

5.03 Rentals. Nothing in this Declaration shall prevent the rental of any Lot and the Improvements located thereon by the Owner thereof for residential purposes; provided that all rentals must be made for terms of at least twelve (12) months.

5.04 Building Materials; Dwelling Size. All single family dwellings shall be of recognized standard or better construction quality and shall be constructed of materials specifically approved in writing by the Architectural Control Committee. The exterior walls of a single family dwelling shall be covered by, at a minimum, 80% masonry, which shall include brick, stone, stucco or hardibacker siding. The following materials shall not be used for exterior building materials without prior written approval of the Architectural Control Committee: imitation stone, aluminum siding, vinyl siding, unfinished aluminum, and galvanized steel. No Improvement,



structure or dwelling erected or placed on any Lot shall exceed two (2) stories. All single family dwellings shall contain not less than 2,750 square feet of finished heated and air-conditioned living space, exclusive of porches (open or covered), decks, garages, and carports. Two-story single family dwellings shall be required to meet the total square footage requirement set forth above and shall also contain a minimum of 2,200 square feet of finished, heated, and air-conditioned living space on the ground floor, exclusive of porches (open or covered), decks, garages, and carports. A secondary dwelling or guest house may be constructed on a Lot, but must be of the same architectural style and materials as the primary dwelling. The secondary dwelling must be a minimum of 800 square feet and a maximum of 2,000 square feet, but in no event may the total square footage of the secondary dwelling be larger than the square footage of the first floor of the primary dwelling. Outbuildings are permitted, but shall be approved by the Architectural Control Committee and have a maximum wall height of sixteen feet (16') and must be of the same architectural style and materials as the primary dwelling.

5.05 Construction in Place. All buildings constructed on the Property shall be built in place, on permanent foundations on the Lot and the use of prefabricated materials shall be allowed only with the prior written approval of the Architectural Control Committee.

5.06 Alteration or Removal of Improvements. Any construction, other than normal maintenance, which in any way alters the exterior appearance of any Improvement, or the removal of any Improvement shall be performed only with the prior written approval of the Architectural Control Committee.

5.07 Roofing Materials. All roofing materials must be approved in advance by the Architectural Control Committee; provided, however, that the following materials are specifically permitted: 30+ year architectural style shingle; vitrified clay tile; galvanized tennessee v metal roofing; standing seam metal roofing; fire retarding wood shake; or light-weight concrete tile.

5.08 Landscaping Requirements. Each Lot on which a home is constructed shall have landscaping including, but not limited to, shrubs, flowers, trees, ground cover, and grass. All landscaping shall be maintained in a sightly and well-kept condition as may be required by the Architectural Control Committee. Each Lot Owner shall mow and maintain the landscaping and vegetation on his Lot, including rights-of-ways, in such a manner as to control weeds, grass, and/or other unsightly growth.

5.09 Setback Requirements. The front setback line of each Lot shall be 150 feet from the center of the road. Side setback lines shall be 75 feet. Rear setback lines shall be 175 feet. No fencing shall be erected nearer to the front of the Lot than the front of the primary dwelling. Improvements other than the primary dwelling shall be located behind the primary dwelling.. Improvements must be well screened behind hills, trees or other natural components of the Owner's Lot in order to minimize visibility from neighboring Lots and to substantially eliminate visibility from the Public and Private Roads.

5.10 Garages and Driveways. Each single family residence shall have constructed as an appurtenance to such residence a garage or carport of at least three-car capacity. Detached garages or carports will be permitted. One-car garages and or carports shall not be permitted unless otherwise approved by the Architectural Control Committee. Each such garage or carport shall have a one-ribbon driveway of concrete or other approved material. Driveway plans shall be submitted to the Architectural Control Committee for review and approval prior to construction. The Architectural Control Committee shall have the right to impose limitations on driveway design, including materials, aprons, and location. Driveways shall be constructed so that they have a sufficient rise in elevation to allow for surface water drainage to continue without interruption or change in direction of flow and to allow for proper drainage along the Private Roads and within the drainage easement. Only one driveway entrance from a Private Road shall be permitted. Driveway approaches from the Private Road must be a minimum length of one hundred fifty feet (150') from the edge of the Private Road into the Lot and a minimum of fourteen feet (14') wide. Any such driveway shall be constructed of concrete so as to match the Private Road. Beyond the minimum length of the concrete driveways, driveways must be constructed of the following materials: concrete; asphalt; pavers; crushed granite; or road base material that is consistent with the Taylor County specifications. Driveways must be maintained by the Owner.

5.11 Community Mailboxes. All mail service will be handled through community mail boxes. No individual mailboxes will be allowed upon the Lots

5.12 Fences. No wall, fence, or hedge shall be erected or maintained without express written approval by the Architectural Control Committee. The materials and construction of all fences shall be of similar design, size and equal quality and shall be subject to review and approval of the Architectural Control Committee. Permitted fences shall be located on the Lot in accordance with the Setback Requirements described in section 5.09 above. No chain link fence type construction shall be permitted except to enclose swimming pools. No privacy fences shall be permitted. Unless the Architectural Control Committee otherwise consents in writing, no side or rear fences, screen, or hedge shall be more than six feet (6') in height nor less than four feet (4') in height. Fencing along the Public Roads (Taylor County Road 150 and Taylor County Road 151) are to be maintained by the Association.

5.13 Air-Conditioning Apparatus Location. No air-conditioning apparatus shall be installed on the ground in front of a residence or on the roof of any residence. Installed air-conditioning apparatus shall be screened so as not to be visible from any street located within or adjacent to the Property. Appropriate screening shall consist of fencing or landscaping and shall be approved in advance by the Architectural Control Committee. No window air-conditioning apparatus or evaporative cooler shall be attached to any front wall or front window of a residence or at any other location where such would be visible from any adjoining property or public or private thoroughfares.

5.14 Pool Plans. Swimming pools shall be in-ground, or a balanced cut and fill, and shall be designed to be compatible with the site and the dwelling. Adequate screening, security, and maintenance shall be provided. Fencing and walls around the pool shall be permitted as described above and integrated into the design of the dwelling and site. Fences must meet all governmental regulations for safety. The pool plan must be drawn on a copy of the previously approved site plan, with specific indications of distances from the water containing basin(s) and surrounding slab walks to the Lot lines. Pool plans shall indicate the total impervious cover for the property upon installation of the pool and surrounding hardscape. The Architectural Control Committee reserves the right to require a cross section through the pool, should such detail aide in the review process for the facility.

5.15 Underground Utility Lines. No utility lines, including but not limited to, wires or other devices for the communication or transmission of telephone or electric current or power, cable television, or other type of line or wire shall be erected, placed, or maintained anywhere in or upon any portion of the Property unless the same shall be contained in conduit or cables installed and maintained underground or concealed in, under, or on buildings or other Improvements as approved in writing by the Architectural Control Committee; provided, however, that no provision hereof shall be deemed to forbid the erection of temporary power or telephone structures incident to the construction of buildings or other Improvements which have been previously approved in writing by the Architectural Control Committee. The installation method, including but not limited to, location aspects of installation, for both temporary and permanent utilities, shall be subject to the review and approval by the Architectural Control Committee. This Declaration shall not prevent the Declarant from erecting and maintaining those overhead utility lines as are necessary to bring primary power and utilities into and on the Property.

5.16 Drainage. There shall be no interference or interruption to the established drainage patterns, wet weather creeks, swales, diverters, etc. over any of the Property, except by Declarant, or unless approved by the Architectural Control Committee.

5.17 Construction Activities. Nothing in this Declaration shall be construed so as to unreasonably interfere with, or prevent, normal construction activities during the construction of Improvements by an Owner (including Declarant) upon any Lot within the Property. Specifically, no such construction activities shall be deemed to constitute a nuisance or a violation of this Declaration by reason of noise, dust, presence of vehicles or construction machinery, posting of signs or similar activities, provided that such construction is pursued to completion with reasonable diligence and conforms to usual construction practices in the area. In the event of any dispute regarding such matters, a temporary waiver of the applicable provision may be granted by the Declarant, provided that such waiver shall be only for the reasonable period of such construction. Without the prior written consent of the Declarant, no building material of any kind or character shall be placed or stored upon any Lot more than thirty (30) days before Construction of Improvements is commenced. All materials permitted to be placed on a Lot shall be placed within the property lines of the Lot. In addition, during construction of any structure, after site

work and slab is poured, the contractor shall be required to maintain upon the Lot a dumpster of at least twenty (20) yard capacity for the purpose of holding all construction debris. Upon completion of construction of any such Improvement, any unused material shall be removed immediately from the Lot. After commencement of construction of any Improvements on a Lot, the work thereon shall be prosecuted diligently and any such Improvement shall not remain in a partial finished condition any longer than reasonably necessary for completion thereof. Unless otherwise authorized in writing by the Declarant prior to the commencement of construction, the construction of any Improvement on a Lot, including all landscaping, shall begin within five (5) years of the Owner acquiring the Lot and shall be completed within eighteen (18) months from the date of commencement of construction, excluding delays due to strike, war, acts of God or other causes beyond the reasonable control of the Owner. Should Owner fail to commence construction of Improvements within five (5) years of the date the Owner acquires the Lot, Declarant has the authority to execute its option to repurchase such Lot, as more particularly described in section 5.18 below. The Declarant reserves the right to adopt rules regarding hours of construction, trash control, noise and security deposits to insure compliance with the rules of the Association. In the event that construction upon any Lot does not conform to the requirements set forth above, or otherwise does not conform to usual construction practices in the area as determined by the Architectural Control Committee in its sole good faith judgment, the Architectural Control Committee shall have the authority to seek an injunction to stop such construction. In addition, if during the course of construction upon any Lot there is excessive accumulation of debris of any kind which would render the Lot or any portion thereof unsanitary, unsightly, offensive, or detrimental to it or any other portion of the Property, then the Architectural Control Committee may contract for or cause such debris to be removed, and the Owner of the Lot shall be liable for all expenses incurred in connection therewith. In the event of default in the payment of such sums within thirty (30) days after demand thereof has been made, the owner of the Lot shall be obligated to pay, in addition to the sums demanded, interest on such sums at the highest rate allowed by applicable usury laws, together with all costs and expenses of collection, including reasonable attorney's fees. All such sums shall thereupon become a continuing lien and charge upon the Lot which shall bind such Lot in the hands of the Owner, and such Owner's heirs, devisees, personal representatives, successors, or assigns. The aforesaid liens shall be superior to all other liens and charges against said Lot, except only for tax liens and all sums unpaid on any first mortgage lien of record encumbering the Lot. To evidence the aforesaid lien, The Architectural Control Committee may prepare a written notice of lien, setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot covered by such lien, and a description of the Lot. Such notice shall be signed by one of the members of the Architectural Control Committee and shall be recorded in the office of the County Clerk of Taylor County, Texas. Such lien shall attach with the priority set forth above from the date that such payment becomes delinquent and may be enforced by the foreclosure on the defaulting Owner's Lot by the Architectural Control Committee in like manner as a mortgage on real property, subsequent to the recording of notice as provided above or the Architectural Control Committee may institute suit against the Owner personally obligated to pay the sums and/or for foreclosure of the aforesaid lien judicially. In any foreclosure proceeding, whether judicial or not judicial, the Owner shall be required to pay the costs, expenses, and reasonable attorney's fees incurred.

5.18 Right of First Refusal and Option to Repurchase Lot. Each Lot Owner shall represent and warrant to Declarant that it intends to construct improvements on the Lot within five (5) years from the date of the closing for the purchase of the Lot by Owner. At the closing, such Lot Owner shall grant to Declarant a right of first refusal and option to repurchase the Lot upon the occurrence of the conditions set forth herein. The right of first refusal and the option to repurchase the Lot will apply until such time as such Owner has commenced construction of improvements on the Lot in accordance with this Declaration. In the event such Owner elects to sell or transfer the Lot to any third party prior to termination of the right of first refusal, Declarant will have a right, but not the obligation, to repurchase the Lot for an amount equal to the purchase price that such Owner paid to Declarant to purchase the Lot (the "Purchase Price"). In the event such Owner fails to commence the construction of improvements on the Lot within five (5) years after the date of the closing (the "Construction Commencement Deadline"), Declarant shall have the option, but not the obligation, to repurchase the Lot for the Purchase Price. In conjunction with the requirements of this section 5.18, Declarant may require the purchaser of any Lot to execute a Resale Restriction and Repurchase Option Agreement at Closing, which shall be recorded in the Official Public Records of Taylor County, Texas.

5.19 Obstruction of Views. Each Lot Owner acknowledges and agrees that neither the Declarant nor the members thereof shall be liable to any owner for monetary damages or otherwise due to the construction of any Improvement within the Property or the creating thereby of an obstruction to the view from such owner's Lot or Lots or an effect on such Owner's privacy.

## **VI. COMMON AREA USE RESTRICTIONS**

6.01 General. The property designated as Common Area may, subject to the approval of Declarant, be improved and used for active and passive recreational purposes for the primary benefit of Owners and occupants of the Property; provided, however that, as to any specific areas, Declarant may, in its sole and absolute discretion, permit other improvements and uses. Any Supplemental Declaration recorded for the Property may designate such area to be used and improved for single-family residential.

6.02 Common Area. No land within any Common Area shall be improved, used or occupied, except in such manner as shall have been approved by Declarant, in its sole and absolute discretion. Such required approval shall extend to the nature and type of use, occupancy, and Improvement. Declarant may, by written instrument, delegate its right to grant such approval to the Board. Access to any Common Area may be limited to persons currently paying assessments, fees, and other charges, or otherwise conditioned or restricted, or made available to non-owners, all on such terms and conditions as Declarant may determine, in its sole discretion.

6.03 Recreational Improvements. Any proposed construction of recreational improvements within a Common Area shall be subject to approval by the Declarant.

## VII. ARCHITECTURAL CONTROL COMMITTEE

7.01 Declarant Rights during Development Period. During the Development Period, the Declarant and Declarant only is responsible for architectural control of the Property. In the event of a conflict between this section 7.01 and any other section of Article VII, this section shall govern. Declarant may designate one or more persons from time to time to act on its behalf in reviewing and responding to applications. The Association, the Board of Directors, or a committee appointed by the Association or Board (no matter how the committee is named) may not involve itself with architectural approval during the Development Period. In reviewing and acting on an application for approval, Declarant may act solely in its self-interest and owes no duty to any other person or any organization.

- (A) Each Owner, by accepting an interest in or title to a Lot, covenants and agrees that Declarant has a substantial interest in ensuring that the Improvements within the Property enhance Declarant's reputation as a community developer and do not impair Declarant's ability to market homes in the Property or in Declarant's other developments. Accordingly, during the Development Period, architectural approval may be granted or withheld at Declarant's sole discretion.
- (B) During the Development Period, Declarant may from time to time, but is not obligated to, delegate all or a portion of its reserved rights under this Article to: (i) an architectural control committee appointed by the Board; or (ii) a committee comprised of architects, engineers, or other persons who may or may not be Members of the Association. Any such delegation must be in writing and must specify the scope of delegated responsibilities. Any such delegation is at all times subject to the unilateral rights of Declarant: (1) to revoke such delegation at any time and reassume jurisdiction over the matters previously delegated; and (2) to veto any decision which Declarant in its sole discretion determines to be inappropriate or inadvisable for any reason

7.02 Membership of the Architectural Control Committee. After the expiration of the Development Period, the Board of Directors or a committee appointed by the Board shall exercise architectural control over the Property. The Architectural Control Committee shall consist of not more than three (3) voting members ("Voting Members") and such additional nonvoting members serving in an advisory capacity ("Advisory Members") as the Voting Members deem appropriate.

7.03 Action by the Architectural Control Committee. Items presented to the Architectural Committee shall be decided by a majority vote of the Voting Members.

7.04 Advisory Members. The Voting Members may from time to time designate Advisory Members.

7.05 Term. Each Voting Member of the Architectural Control Committee shall hold office until such time as he/she has resigned or has been removed or his/her successor has been

appointed, as provided herein. In the event of death or resignation of any Voting Member, the remaining Voting Member or Voting Members shall have full authority to act until a replacement Voting Member or Voting Members have been designated.

7.06 Adoption of Rules. Except as otherwise provided pursuant to section 7.01 above, the Architectural Control Committee may adopt such procedural and substantive rules, not in conflict with this Declaration, as it may deem necessary or proper for the performance of its duties, including but not limited to, a building code, a fire code, a housing code, and other similar codes as it may deem necessary and desirable.

7.07 Review of Proposed Construction. Whenever in this Declaration the approval of the Architectural Control Committee is required, it shall have the right to consider all of the Plans and Specifications for the Improvement or proposal in question and all other facts which, in its sole discretion, are relevant. Except as otherwise specifically provided herein, prior to the commencement of any construction of any Improvement on the Property or any portion thereof, the Plans and Specifications therefor shall be submitted to the Architectural Control Committee, and construction thereof may not commence unless and until the Architectural Control Committee has approved such Plans and Specifications in writing. Prior to beginning construction of a single family residence the Owner or builder must submit to the Architectural Control Committee full Plans and Specifications including, but not limited to, a proposed site plan showing existing trees, all easements and setbacks, location of the building relative to Lot boundaries and Private Drives, the location of proposed or existing sidewalks, drives and walks, full elevations of the proposed residence describing all materials to be incorporated into the structure, full floor plans and specifications. In addition, a fully developed landscape plan showing the location of all Improvements and proposed landscaping must be included. These Plans and Specifications shall be retained by the Architectural Control Committee to monitor the progress of the Improvement and the conformity to the Plans and Specifications. The Architectural Control Committee shall consider and act upon any and all Plans and Specifications submitted for its approval pursuant to this Declaration, and perform such other duties assigned to it by this Declaration or as from time to time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with Plans and Specifications approved by the Architectural Control Committee. The Architectural Control Committee may review Plans and Specifications submitted for its review and such other information as it deems proper. Until receipt by the Architectural Control Committee of any information or documents deemed necessary by the Architectural Control Committee, it may postpone review of any Plans and Specifications submitted for approval. No Improvement shall be allowed on any Lot which is of such size or architectural design or involves the use of such landscaping, color schemes, exterior finishes, and materials features as to be incompatible with development within the Property and the surrounding area. The Architectural Control Committee shall have the authority to disapprove any proposed Improvement based upon the restrictions set forth in the preceding sentence and the decision of the Architectural Control Committee shall be final and binding so long as it is made in good faith. Any proposed Improvement shall be considered to be approved, however, if it has not been disapproved by the Architectural Control Committee within thirty

(30) days after complete Plans and Specifications for such Improvement and all other information required by the Architectural Control Committee have been submitted to the Architectural Control Committee in writing. The Architectural Control Committee shall not be responsible for reviewing any proposed Improvement, nor shall its approval of any Plans or Specifications be deemed approval thereof from the standpoint of structural safety, engineering soundness, or conformance with building or other codes.

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

7.09 No Waiver of Future Approvals. The approval or consent of the Architectural Control Committee to any Plans or Specifications for any work done or proposed or in connection with any other matter requiring the approval or consent of the Architectural Control Committee shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any Plans and Specifications, or other matter whatever, subsequently or additionally submitted for approval or consent by the same or a different person.

7.10 Work in Progress. The Architectural Control Committee, at its option, may inspect all work in progress to insure compliance with approved Plans and Specifications, and in the event that any construction work is proceeding, otherwise than in compliance with the Restrictions and the approved Plans and Specifications, the Architectural Control Committee shall have the authority to issue a directive to the Owner of the Lot upon which construction is proceeding to cease all construction work and to immediately commence such curative action as may be necessary to bring the construction work into compliance with the Restrictions and/ or the Plans and Specifications. In the event of a failure of the Owner to comply with such directive, the Architectural Control Committee shall have the right to enforce such directive by seeking injunctive relief.

7.11 Address. Plans and Specifications shall be submitted to the Architectural Control Committee, Attn: Kyle Paul, 3409 South 14<sup>th</sup>, Suite 204, Abilene, Texas 79605 or such other address as may be designated from time to time.

7.12 Certificate of Compliance. Upon completion of any Improvement approved by the Architectural Control Committee and upon written request by the owner of the Lot, the Architectural Control Committee shall issue a Certificate of Compliance in a form suitable for recordation. The certificate shall identify the Lot and the Improvements, the use or uses to be conducted thereon, and the Plans and Specifications on file with the Architectural Control Committee pursuant to which the Improvements were made and shall specify that the Improvements comply with the Approved Plans and Specifications. The Certificate shall not be



construed to certify the acceptability, sufficiency, or approval by the Architectural Control Committee of the actual construction of the Improvements or the workmanship or materials thereof. The Owner is hereby notified that the certificate in no way warrants, except as set forth above, the sufficiency, acceptability, or approval by the Architectural Control Committee of the construction, workmanship, materials, or equipment of the Improvement. Preparation and recordation of such a Certificate shall be at the expense of the Owner of the improved Lot.

## **VIII. EASEMENTS**

8.01 Reserved Easements. All dedications, limitations, restrictions, and reservations shown on the Plat and all grants and dedications of easements, rights-of-way, restrictions, and related rights, made prior to the Property becoming subject to this Declaration are incorporated herein by reference and made a part of this Declaration for all purpose as if fully set forth herein and shall be construed as being adopted in each and every contract, deed, or conveyance executed or to be executed by or on behalf of Declarant conveying any part of the Property. Declarant reserves the right to make changes in and additions to the said easements and rights-of-way for the purpose of most efficiently and economically developing the Property. Further, Declarant reserves the right, without the necessity of the joinder of any Owner or other Person, to grant, dedicate, reserve or otherwise create, at any time or from time to time, rights-of-way and easements for public utility purposes (including without limitation, gas, water, electricity, telephone, and drainage) in favor of any Person along any front, rear, or side boundary line of any Lot, which said easements shall have a maximum width of ten feet (10').

8.02 Installation and Maintenance. There is hereby created an easement upon, across, over, and under all of the Property for ingress and egress in connection with installing, replacing, repairing, and maintaining all utilities, including but not limited to, water, gas, telephones, cable television, and electricity lines 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 wire, pipes, conduits, service line, or other utility facilities or appurtenances thereto, on, above, across and under the Property, 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 Improvement. Notwithstanding any provision contained in this section, no electrical lines, water lines, or other utilities or appurtenances thereto may be relocated on the Property until approved by Declarant or the Architectural Control Committee. The utility companies furnishing service shall have the right to remove all trees situated within the utility easements shown on the Plat, and to trim overhanging trees and shrubs located on portions of the Property abutting such easements.

8.03 Drainage Easements. Each Owner covenants to provide easements for drainage and water flow, as contours of land and the arrangement of Improvements approved by the Architectural Control Committee thereon, require. Each Owner further covenants not to disturb or displace any trees or other vegetation within the drainage easements as defined in this Declaration and shown on the Plat. There shall be no construction of Improvements, temporary

or permanent, in any drainage easement, except as approved in writing by the Architectural Control Committee.

8.04 Surface Areas. The surface of easement areas for underground utility services may be used for planting of shrubbery, trees, lawns, or flowers. However, neither the Declarant nor any supplier of any utility service using any easement area shall be liable to any Owner for any damage done by them or either of them, or their respective agents, employees, servants, or assigns, to any of the aforesaid vegetation as a result of any activity relating to the construction, maintenance, operation, or repair of any facility in any such easement area.

8.05 Non-Access Easement. As shown on the Plat or Plats, there is a ten foot (10') non-access easement to prohibit the access to a Lot from the Public Road(s).

8.06 Fence Maintenance Easement. As shown on the Plat or Plats, there is a fifteen foot (15') maintenance easement along the South and West Property boundaries to allow the Association access to the fence for maintenance as deemed appropriate by the Association.

8.07 Sign Easement. As shown on the Plat or Plans, there is a fifty feet (50') by one hundred fifty feet (150') sign easement.

8.08 Natural Preserve Area. Every Lot shall have an area of seventy five feet (75') around and along the sides, front and rear property lines (with the exclusion of that portion of a Lot which may lie within the Private Road right of way) that is known as the "Natural Preserve Area" (the "NPA"). The purpose of the NPA is not only to create buffers between improvements (including, but not limited to, primary or secondary dwellings) and Lots, but also to create a continuous habitat for wildlife and corridor for their movement throughout South Fork Ranch. The NPA cannot be disturbed or disrupted in any way, except to construct the driveway or to provide underground utilities to the Lot, without the prior written consent of the Architectural Control Committee. If it is determined in the site analysis and design state that disturbance of the NPA is unavoidable, then with the prior written consent and approval of the Architectural Control Committee, disturbance might be granted in the Architectural Control Committee's sole discretion. Restoration and revegetation will be required with the final landscaping. The NPA is a nature sensitive area and shall be maintained and preserved in order to protect the integrity of the property and to care for and control the habitat for wildlife management purposes.

## **IX. SOUTH FORK RANCH HOMEOWNERS ASSOCIATION**

9.01 The Association. Declarant shall cause the formation and incorporation of the Association as a non-profit corporation organized and existing under the laws of the State of Texas, charged with the duties and invested with the powers described by law and set forth in the Certificate of Formation, Bylaws, and this Declaration. Neither the Certificate of Formation nor the Bylaws shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

9.02 Membership. Declarant and each Owner (whether one or more 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 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, and no certificate of membership will be issued.

9.03 Voting. Declarant and Members of the Association shall be entitled to one (1) vote for each Lot owned. If more than one person holds an interest in any Lot, all such persons shall be members of the Association. The vote for such multiply-owned Lot shall be exercised as the Owners among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

9.04 Board of Directors and Officers. The affairs of the Association shall be conducted by a Board of Directors and such officers as the Board may elect or appoint, in accordance with the Certificate of Formation and the Bylaws, as the same may be amended from time to time.

9.05 Powers and Duties of the Association. The Association shall have such rights, powers, and duties as set forth in the Certificate of Formation and Bylaws, as the same may be amended from time to time.

9.06 Personal Liability and Indemnification. No member of the Board of Directors or any Committee of the Association or any of the Officers of the Association shall be personally liable to any Owner or any other party including the Association for any damage, loss or prejudice suffered or claimed on the account of any act, omission, error or negligence of the Association, the Board of Directors or any representative or employee of the Association; provided, however, that such person has, upon the basis of such information as may be possessed by him, acted in good faith, without willful or intentional misconduct. The Association shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he is or was a director, officer, committee member, employee, servant or agent of the Association against expenses, including attorney's fees, reasonably incurred by him in connection with such action, suit or proceeding if it is found and determined by the Board or a Court that he (1) acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association, or (2) with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by settlement, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith or in a manner which he reasonably believed to be in, or not opposed to, the best interests of the Association or, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct

was unlawful. The Board may purchase and maintain insurance on behalf of any person who is or was a director, officer, committee member, employee, servant or agent of the Association against any liability asserted against him or incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability hereunder or otherwise.

## **X. ASSESSMENTS**

10.01 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 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 to promote the health, safety, recreation, and welfare of the Members, including, without limitation: (1) the construction, repair, maintenance and replacement of: the Private Roads; drainage ways and drainage structures which lie within the Drainage Easements; and the subdivision entrance; (2) the installation, construction, erection, and relocation of improvements related to the enhancement and beautification of the Common Area, 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 Property by the members; (3) payment of utility charges in connection with the operation of Common Area; (4) payment of all real and personal property taxes and other taxes levied upon or with respect to any property owned by the Association, to the extent that such taxes and assessments are not levied directly upon the members under section 23.18 of the Texas Property Tax Code. The Association shall have all rights granted by law to contest the legality and the amount of such taxes and assessments; (5) payment of charges for additional Common Area maintenance, garbage collection and other services contracted for by the Association; (6) charges for liability and property insurance related to the Common Area and its use and operation. The Association may, in its sole discretion, give one or more of the purposes set forth in this section 8.01 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.

10.02 Covenant for Assessments. The Association may from time to time levy Assessments against each Lot in accordance with the provision of this Article X. The levy of Assessments shall be equal and uniform between all Lots, except that no Assessments (regular or special) hereunder shall be levied against any Lot owned by Declarant. Where the obligation to pay an Assessment first arises after the commencement of the year or other period for which the Assessment was levied, the Assessment shall be prorated as of the date when said obligation first arose in proportion to the amount of the Assessment year or other period remaining after said date. Each unpaid Assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be the personal obligation of the Owner of the Lot against which the

Assessment fell due, and shall be secured by a vendor's lien against each such Lot and all Improvements thereon. The Association may enforce payment of such Assessments in accordance with the provisions of this Article.

10.03 Regular Assessments. Prior to the beginning of each fiscal year, the Board of Directors shall estimate the expenses to be incurred by the Association during such year in performing its functions under the Restrictions, including but not limited to the cost of all roadway and right-of-way maintenance, the cost of enforcing the Restrictions, and a reasonable provision for contingencies and appropriate replacement reserves, less any expected income and any surplus from the prior year's fund. Assessments sufficient to pay such estimated net expenses shall then be levied as herein provided, and the levy of Assessments set by the Board shall be final and binding so long as it is made in good faith. If the sums collected prove inadequate for any reason, including nonpayment of any individual Assessment, the Association may at any time and from time to time levy further Assessments in the same manner as aforesaid. All such regular Assessments shall be due and payable to the Association in equal monthly installments on or before the first day of each month, or in such other manner as the Board may designate in its sole and absolute discretion.

10.04 Special Assessments. In addition to the regular annual Assessments provided for above, the Board may levy special Assessments whenever, in the Board's opinion, such special Assessments are necessary to enable the Board to carry out the mandatory functions of the Association under this Declaration. The amount of any special Assessments shall be at the reasonable discretion of the Board, but in no event shall the amount of special Assessments assessed each Lot in any single calendar year exceed the amount of regular Assessments assessed against each Lot during the same such year unless approved by a majority of Owners present, in person or by proxy, at a meeting called for such purpose. Notwithstanding the foregoing, the Association shall be permitted, without approval of a majority of Owners present, to increase the special Assessments in an amount that exceeds the amount of regular Assessments assessed against each Lot during the same such year if necessary to cover any maintenance, repair, or replacement as needed for the Property.

10.05 Owner's Personal Obligation for Payment of Assessments. The regular and special Assessments provided for herein shall be the personal and individual debt of the Owner of the Lot covered by such Assessments. No Owner may exempt himself from liability for such Assessments.

10.06 Assessment Lien. All sums assessed in the manner provided in this Article but unpaid shall, together with interest as provided in Section 10.07 hereof and the cost of collection, including attorneys' fees as herein provided, be secured by a continuing lien and charge on the Lot covered by such Assessment, which shall bind such Lot in the hands of the Owner, and such Owner's heirs, devisees, personal representatives, successors or assigns. The aforesaid lien shall attach to all Lots upon the recording of this Declaration and shall be superior to all other liens and charges against the said Lot, except only for (i) tax liens; and (ii) all sums unpaid on a

Mortgage lien of record, securing in either instance sums borrowed for the improvement of the Lot in question. The Association shall have the power to subordinate the aforesaid Assessment lien to any other lien. Such power shall be entirely discretionary with the Board and such subordination must be signed by a duly authorized officer of the Association. To evidence the aforesaid Assessment lien, the Association may, but is not required to, prepare a written notice of Assessment lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot covered by such lien and a description of the Lot. Such notice shall be signed by one of the officers of the Association and shall be recorded in the real property records of Taylor County, Texas. Each Owner, by accepting a deed or ownership interest to a Lot subject to this Declaration will be deemed conclusively to have granted a power of sale to the Association to secure and enforce the Assessment lien granted hereunder. Such lien for payment of Assessments shall attach with the priority above set forth above and may be enforced by the foreclosure on the defaulting Owner's Lot by the Association in accordance with chapter 209 of the Texas Property Code. The Assessment liens and rights to foreclosure herein will be in addition to and not in substitution of any other rights and remedies the Association may have by law and under this Declaration, including the rights of the Association to institute suit against such Owner personally obligated to pay the Assessment and/or for foreclosure of the aforesaid lien judicially. In any foreclosure proceeding, whether judicial or non-judicial, such Owner will be required to pay the costs, expenses and attorney's fees incurred by the Association. Upon the written request of any Mortgagee or by its own decision, the Association may report to said Mortgagee of a delinquent Lot Owner any unpaid Assessments remaining unpaid for longer than thirty (30) days after the same are due.

10.07 Effect of Non-Payment of Assessment. If any 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 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 all amounts incurred by the Association in attorney's fees. The Association, as a common expense of all Members, may institute and maintain an action at law or in equity against his Lot. All such actions may be instituted and brought in the name of the Association and may be maintained and prosecuted by the Association in a like manner as an action to foreclose the lien of a mortgage or deed of trust on real property.

10.08 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 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 the same.

10.09 Sale or Transfer of Lot by Delinquent Lot Owner. Except as otherwise provided by applicable law, the sale or transfer of a Lot will not relieve the Owner of such Lot or such Owner's

transferee from liability for any Assessments thereafter becoming due or from the lien associated therewith. If an Owner conveys his or her Lot and on the date of such conveyance Assessments against the Lot remain unpaid, or said Owner owes other sums or fees under this Declaration to the Association, the Owner will pay such amounts to the Association out of the sales proceeds of the Lot, and such sums will be paid in preference to any other charges against the Lot other than a first lien Mortgage or Assessment liens and charges in favor of the State of Texas or a political subdivision thereof for taxes on the Lot which are due and unpaid. The Owner conveying such Lot will remain personally liable for all such sums until the same are fully paid, regardless of whether the transferee of the Lot also assumes the obligation to pay such amounts. The Board may adopt an administrative transfer fee to cover the administrative expenses associated with updating the Association's records upon the transfer of a Lot to a third party; provided, however, that no administrative transfer fee will be due upon the transfer of a Lot from Declarant to a third party.

10.10 Exempt Property. The following area within the Property will be exempt from the Assessments provided for in this Article X:

- (A) All area dedicated and accepted by public authority, by the recordation of an appropriate document in the Official Public Records of Taylor County, Texas;
- (B) All Common Areas; and
- (C) Any portion of the Property or any Lots owned by Declarant.

## **XI. MISCELLANEOUS**

11.01 Term. This Declaration, including all of the covenants, conditions, and restrictions hereof, shall run until December 31, 2036, unless amended as herein provided. After December 31, 2036, this Declaration, including all such covenants, conditions, and restrictions shall be automatically extended for successive periods of ten (10) years each, unless amended or extinguished by a written instrument executed by the Owners of at least three-fourths (3/4) of the Lots within the Property then subject to this Declaration.

11.02 Amendment. This Declaration may be amended for any purpose by the Declarant acting alone, subject to written consent of Declarant's lenders with an interest in the Property. In addition, this Declaration may be amended for any purpose by the affirmative vote or written consent, or any combination thereof, of at least sixty seven percent (67%) of all outstanding votes of the Members of the Association entitled to be cast, along with the written consent of Declarant authorizing such amendment.

11.03 Notices. Any notice permitted or required to be given by this Declaration shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered on the third (3rd) day (other than a Sunday or a legal holiday)

after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to the Person at the address given by such Person to the Association for the purpose of service of notices or, if no address has been given to the Association, to the address of the Owner on file with the Taylor County Central Appraisal District. Such address may be changed from time to time by notice in writing given by such Person to the Association.

11.04 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate the purposes of creating a uniform plan for the development and operation of the Property and of promoting and effectuating the fundamental concepts of the Property set forth in this Declaration. This Declaration shall be construed and governed under the laws of the great State of Texas.

11.05 Exemption of Declarant. Nothing in this Declaration shall prevent or limit the right of Declarant to excavate and grade, to construct any and alter drainage patterns and facilities, to construct any and all other types of Improvements, sales offices, and similar facilities, and to post signs incidental with construction, sales, and leasing anywhere within the Property.

11.06 Nonliability of Architectural Control Committee Members. Neither the Architectural Committee, nor any member thereof, shall be liable to any Owner, or any other person, association or entity for any loss, damage, injury or prejudice suffered or claimed on the account of: (i) the approval or disapproval of any Development Plan or any materials submitted therewith, whether or not defective; (ii) the construction or performance of any work, whether or not pursuant to an approved Development Plan or any materials submitted therewith; (iii) the development of the Property; (iv) the structural capacity or safety features of the proposed Improvement or Structure; (v) whether or not the location of the proposed Improvement or Structure on the building site is free from possible hazards, whether caused from flooding or from any other possible hazards, whether caused by conditions occurring either on or off the Property; (vi) soil erosion causing sliding conditions; (vii) compliance with governmental laws, ordinances and regulations; (viii) any decision made or action taken or omitted to be taken under the authority of this Declaration; or (ix) the execution and filing of any estoppel certificate, whether or not the facts therein are correct; provided, however, that with respect to the liability of a member, such member has acted in good faith on the basis of such information as may be possessed by him. Without in any way limiting the generality of any of the foregoing provisions of this section, the Architectural Control Committee, or any member thereof, may, but is not required, to consult with or determine the view of any other Owner with respect to any Development Plan, or any materials submitted to the Architectural Control Committee.

11.07 Assignment of Declarant. Notwithstanding any provision in this Declaration to the contrary, Declarant may assign, in whole or in part, any of its privileges, exemptions, rights, and duties under this Declaration to any other Person and may permit the participation, in whole or in part, by any other Person in any of its privileges, exemptions, rights, and duties hereunder.



11.08 Compliance with Provisions of Restrictions. Each Owner shall comply strictly with the provisions of the Restrictions as the same may be amended from time to time. Failure to comply with any of the Restrictions shall constitute a violation of this Declaration, and shall give rise to a cause of action to recover sums due for damages or injunctive relief or both, maintainable by the Board on behalf of the Association or by an aggrieved Owner.

11.09 Enforcement and Nonwaiver. Except as otherwise provided herein, any Owner at his own expense, and/or Declarant, shall have the right to enforce all of the provisions of the Restrictions. Such right of enforcement shall include both damages for, and injunctive relief against, the breach of any such provision. The failure to enforce any provision of the Restrictions at any time shall not constitute a waiver of the rights thereafter to enforce any such provision or any other provision of said Restrictions.

11.10 Construction. The provisions of the Restrictions shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision or portion thereof. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine or neuter shall each include the masculine, feminine and neuter. All captions and titles used in this Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise effect that which is set forth in any of the paragraphs, sections or articles hereof.

IN WITNESS HEREOF, Declarant has executed this Declaration as of this the \_\_\_\_ day of \_\_\_\_\_, 2017.

**DECLARANT:**

SOUTH FORK RANCH DEVELOPMENT COMPANY, LLC, a Texas limited liability company

By Its Member:

KKP INVESTMENTS, LLC, a Texas limited liability company

By: \_\_\_\_\_  
Kyle Paul, Managing Member

STATE OF TEXAS                   §

COUNTY OF \_\_\_\_\_ §

Before me, the undersigned authority, on this \_\_\_\_ day of \_\_\_\_\_, 2017, personally appeared Kyle Paul, as \_\_\_\_\_ of KKP INVESTMENTS, LLC, a Texas limited liability company, on behalf of such entity, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same in the capacity and for the purposes and consideration therein expressed.

\_\_\_\_\_  
Notary Public - State of Texas

AFTER RECORDING, RETURN TO:

Adam C. Leiber  
Savrick Schumann Johnson McGarr Kaminski & Shirley  
4330 Gaines Ranch Loop, Suite 150  
Austin, TX 78735

## **EXHIBIT A**

### **Property Description**

**EXHIBIT B**

**Plat**

**EXHIBIT C**

**CERTIFICATE OF FORMATION  
OF  
SOUTH FORK RANCH HOMEOWNERS ASSOCIATION, INC.**

I, the undersigned natural person of the age of eighteen (18) years or more, acting as incorporator of a corporation under the Texas Non-Profit Corporation Act, do hereby adopt the following Articles of Incorporation of such corporation:

**ARTICLE ONE  
NAME**

The name of the corporation is South Fork Ranch Homeowners Association, Inc.

**ARTICLE TWO  
DURATION**

The period of its duration is perpetual.

**ARTICLE THREE  
NON-PROFIT CORPORATION**

The corporation is a non-profit corporation.

**ARTICLE FOUR  
PURPOSES**

The purpose for which this corporation is incorporated is to act as a Homeowner's Association for South Fork Ranch, a subdivision in Taylor County, Texas.

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its directors, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article Four hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

**ARTICLE FIVE  
POWERS**

Except as provided in these Articles, the corporation has all the powers provided in the Texas Non-Profit Corporation Act. Moreover, the corporation has all implied powers necessary and proper to carry out its express powers.

**ARTICLE SIX  
MEMBERS**

The corporation shall have members.

**ARTICLE SEVEN  
REGISTERED OFFICE AND REGISTERED AGENT**

The street address of the corporation's initial registered office and registered agent is 3409 South 14<sup>th</sup> Street, Ste. 204, Abilene, Texas 79605; and the name of its initial registered agent at such address is Kyle Paul.

**ARTICLE EIGHT  
MANAGING BODY OF CORPORATION**

The management of the corporation is vested in its Board of Directors and such committees of the board that the board may, from time-to-time, establish. The Bylaws will provide the qualifications, manner of selection, duties, terms, and other matters relating to the Board of Directors.

The names and street addresses of the directors who shall manage the affairs of the corporation until the organizational meeting is held are:

<u>NAME</u>	<u>ADDRESS</u>
Kyle Paul	3409 South 14 <sup>th</sup> Street, Ste. 204 Abilene, Texas 79605
Nathan Lowry	3409 South 14 <sup>th</sup> Street, Ste. 204 Abilene, Texas 79605
Gerry McDowell	2117 Canyon Rock Court Abilene, Texas 79606

The number of directors may be increased or decreased in accordance with the Bylaws. The number of directors may not be decreased to fewer than three.

**ARTICLE NINE**  
**LIMITATION ON LIABILITY OF DIRECTORS; INDEMNIFICATION**

A director is not liable to the corporation for an act or omission in the director's capacity as director except as otherwise provided by a Texas statute. The corporation may indemnify a person who was, is, or is threatened to be made a named defendant or respondent in litigation or other proceedings because the person is or was a director or other person related to the corporation as provided by the provisions of the Texas Non-Profit Corporation Act governing indemnification.

**ARTICLE TEN**  
**INCORPORATORS**

The name and address of the incorporator is Kyle Paul, 3409 South 14<sup>th</sup> Street, Ste. 204, Abilene, Texas 79605.

**ARTICLE ELEVEN**  
**DISSOLUTION**

Upon the dissolution of the corporation, assets shall be distributed to another non-profit entity for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future Federal Tax Code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized to execute the filing instrument.

IN WITNESS WHEREOF, I have executed these Articles of Incorporation on the \_\_\_\_ day of \_\_\_\_\_, 2017.

**INCORPORATOR:**

\_\_\_\_\_  
Kyle Paul

**EXHIBIT D**  
**BYLAWS**  
**OF**  
**SOUTH FORK RANCH HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I**  
**NAME, PRINCIPAL OFFICE AND DEFINITIONS**

1.1 **Name.** The name of the corporation is South Fork Ranch Homeowners Association, Inc. (the "**Association**").

1.2 **Principal Office.** The principal office of the Association shall be located in Taylor County, Texas, or in such other county in Texas as the Board of Directors determines. The Association may have such other offices, either within or outside the State of Texas, as the Board of Directors may determine.

1.3 **Definitions.** Capitalized terms contained in these Bylaws (herein so called) that are not defined herein shall have the meaning given to such terms in the **Declaration of Covenants, Conditions and Restrictions for South Fork Ranch Homeowners Association, Inc.**, dated concurrently herewith and recorded or to be recorded in the official public records of Taylor County, Texas, as it may be amended from time to time (the "**Declaration**"), which definitions are incorporated herein by this reference.

**ARTICLE II**  
**ASSOCIATION; MEMBERSHIP AND MEETINGS**

2.1 **Membership.** The Owners shall be the Members of the Association.

2.2 **Place of Meetings.** Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors.

2.3 **Annual Meetings.** The first meeting of the Association, whether regular or special meeting, shall be held within one year from the date of incorporation of the Association. Subsequent regular annual meetings shall be held on the same day of the same month of each year thereafter at the hour of 7:00 pm, unless otherwise determined by the Board of Directors. If the date for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following such day which is not a legal holiday.



2.4 **Special Meetings.** The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting if so directed by resolution of the Board of Directors or upon a petition signed by Members representing at least 10% of the total votes of all Members. No business except as stated in the notice shall be transacted at a special meeting of the Members.

2.5 **Notice of Meetings.** Written or printed notice stating the place, day and hour of any meeting of the Members shall be delivered, either personally or by mail, to an Owner of each Lot entitled to vote at such meeting, not less than 15 nor more than 60 days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting. In the case of a special meeting or when otherwise required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

2.6 **Voting.** The voting rights of the Members shall be as set forth in the Declaration and in these Bylaws, and such voting rights provisions are specifically incorporated herein by this reference.

2.7 **Manner of Voting.** At all meetings of Members, each Member may vote: (i) in person (or if a corporation, partnership or trust, through any officer, director, partner or trustee duly authorized to act on behalf of the Member); (ii) by proxy; (iii) by absentee ballot; or (iv) by electronic ballot (to the extent electronic voting is offered for a given matter submitted to a vote of the Members), subject to the requirements and limitations of Texas law regarding each such method of voting, including those set forth in Section 209.00592 of the Texas Property Code or any successor statute. All proxies shall be in writing specifying the Lot(s) for which it is given, signed by the Member or its duly authorized attorney-in-fact, dated and filed with the Secretary of the Association prior to any meeting for which it is to be effective. Unless otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. Every proxy shall be revocable and shall automatically cease upon the occurrence of any of the following circumstances: (1) conveyance of any Lot for which it is given; (2) upon receipt of notice by the Secretary of the death or judicially declared incompetence of a Member giving such proxy who is a natural person, (3) upon receipt of written revocation of such proxy by the Secretary from the Member giving such proxy; (4) the attendance of the Member at the meeting for which the proxy was given; or (5) 11 months from the date of the proxy, unless a shorter or longer period is specified in the proxy.

2.8 **Ballots.** Any vote cast in an election or vote by Members of the Association must be in writing and signed by such Member or his or her proxy-holder. Electronic votes cast in a manner prescribed by Section 209.00593 of the Texas Property Code shall constitute written and signed ballots. Notwithstanding, in an association-wide election, written and signed ballots are not required for uncontested races.

**2.9 Tabulation of and Access to Ballots.** A person who is a candidate in an election of directors or who is otherwise the subject of an association vote, or a person related to that person within the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code, may not tabulate or otherwise be given access to the ballots cast in that election or vote. Any person other than the aforementioned individuals may tabulate votes in an association election or vote but may not disclose to any other person how any Member voted.

**2.10 Recount of Votes.** No later than the 15th day after the date of the meeting at which an election was held, a Member may submit a written demand for a recount of the votes. The recount demand must be submitted to the Association either: (1) by certified mail, return receipt requested, or by delivery by the United States Postal Service with signature confirmation service to the Association mailing address as reflected on the latest management certificate filed under Section 209.004 of the Texas Property Code; or (2) in person to the Association's managing agent as reflected on the latest management certificate filed under Section 209.004 of the Texas Property Code or to the address to which absentee and proxy ballots are mailed. Upon such event, the Association shall, at the expense of the Member requesting the recount, retain for the purpose of performing the recount, the services of a person qualified to tabulate votes under Section 209.0057. The recount of votes shall be performed on or before the 30th day after the date the Association has received both a demand for a recount of votes and payment for the costs of conducting such recount. The Association shall provide the results of the recount to each Member who requested the recount. If the recount changes the results of the election, the Association shall reimburse the requesting Member for the costs of conducting the recount. Notwithstanding, any action taken by the Board of Directors during the period between the initial election vote tally and the completion of the recount shall not be affected by any recount.

**2.11 Quorum - Adjournment.** Except as provided in these Bylaws or in the Declaration, the presence, in person or by proxy, absentee ballot or electronic voting of Members representing 20% or greater of the total votes in the Association shall constitute a quorum at all meetings of the Association. If, however, such quorum shall not be present or represented at any meeting, the Members present at the meeting that are entitled to vote shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as stated above is present or represented.

**2.12 Action Without a Meeting.** To the fullest extent permitted under applicable law, any action required or permitted by law to be taken at a meeting of the Members may be taken without a meeting, without notice and without a vote, if written consent specifically authorizing the proposed action is signed by Members holding at least the minimum number of votes necessary to authorize such action at a meeting if all Members entitled to vote thereon were present. Such consents shall be signed within 90 days of the earliest date that a notice regarding such consent is delivered by the Association, which date shall be designated in the notices. Such consents shall be filed with the minutes of the Association, and shall have the same force and effect as a vote of the Members at a meeting. For votes taken by written consent as provided

above, the date specified in the notice as the ownership date, which date shall not be more than 20 days prior to the date the notices are sent, shall be the date used for determining the ownership of the Lot for the written consent voting purposes. Within 10 days after receiving authorization for any action by written consent, the Secretary shall give written notice to all Members entitled to vote who did not give their written consent, fairly summarizing the material features of the authorized action.

### **ARTICLE III BOARD OF DIRECTORS**

**3.1 Governing Body; Composition.** The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one equal vote. Except with respect to directors appointed by Declarant, the directors shall be Members. In the case of a Member which is not a natural person, any officer, director, partner, employee or trust officer of such Member shall be eligible to serve as a director unless otherwise specified by written notice to the Association signed by such Member, provided that no Member may have more than one such representative on the Board of Directors at a time, except for the Declarant.

**3.2 Number of Directors.** The initial Board of Directors shall consist of three (3) directors as identified in the Certificate of Formation.

**3.3 Directors - During Development Period.** During the Development Period, except as otherwise expressly provided by Section 209.00591(c) of the Texas Property Code or any successor statute, all directors shall be selected and removed by Declarant acting in its sole discretion and shall serve at the direction of the Declarant.

**3.4 Directors - After Development Period.** Following expiration of the Development Period, the directors shall be nominated and elected as follows:

(a) **Nomination Procedures.** Prior to each election, the Board of Directors shall prescribe the opening date and the closing date of a reasonable filing period in which each and every eligible Member who has a bona-fide interest in serving as a director may file as a candidate for any position. The Board of Directors shall also establish such other rules and regulations as it deems appropriate to conduct the nomination of directors in a fair, efficient and cost-effective manner. Nominations from the floor shall also be permitted.

(b) **Nominating Committee.** Nominations for election to the Board of Directors may also be made by a nominating committee. The nominating committee, if any, shall consist of a Chairperson, who shall be a member of the Board of Directors, and 3 or more Members or representatives of Members. The Board of Directors shall appoint the members of the nominating committee not less than 30 days prior to each annual meeting to serve a term of one year and until their successors are appointed, and such appointment shall be announced at each annual meeting. The nominating committee may

make as many nominations for election to the Board of Directors as it shall in its discretion determine. In making the nominations, the nominating committee shall use reasonable efforts to nominate candidates representing the diversity which exists within the pool of potential candidates. Each candidate shall be given a reasonable, uniform opportunity to communicate his or her qualifications to the Members and to solicit votes.

(c) **Election and Term.** At the first annual meeting after the expiration of the Development Period, three new Directors shall be elected by the Members, the terms of which shall consist of three years. In order to ensure continuity on the Board of Directors, the terms of office for Directors shall be staggered so that at each annual meeting the term of office of one Director shall expire. A Director takes office upon the adjournment of the meeting or balloting at which he or she is elected or appointed and, absent death, ineligibility, resignation, or removal, will hold office until his or her successor is elected or appointed according to the terms herein. The number of Directors may be changed by amendment of these Bylaws, but may not be less than three.

(d) **Election Procedures.** Each Owner may cast the entire vote assigned to his or her Lot for each position to be filled. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected. Directors may be elected to serve any number of consecutive terms.

(e) **Removal.** Any director elected by the Members may be removed, with or without cause, by a 40% or greater vote of all outstanding votes entitled to be cast. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall be elected by the Members to fill the vacancy for the remainder of the term of such director. Any director who has 3 or more consecutive unexcused absences from the Board of Directors meetings, or who is more than 60 days delinquent (or is the representative of a Member who is delinquent more than 60 days) in the payment of any assessment or other charge due the Association, or who after notice and hearing is held to be in violation of the Declaration, may be removed by a majority of the other directors present at a regular or special meeting at which a quorum is present, in which event a successor shall be elected by the Members to fill the vacancy for the remainder of the term of such director. In the event of death, disability or resignation of a director, the Board of Directors may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Members shall elect a successor for the remainder of the term.

(f) **Disqualification.** If the Board of Directors is presented with written, documented evidence from a database or other record maintained by a governmental law enforcement authority that a Board of Directors member has been convicted of a felony or crime involving moral turpitude, the Board of Directors member is immediately ineligible

to serve on the Board of Directors, automatically considered removed from the Board of Directors, and prohibited from future service on the Board of Directors.

**3.5 Compensation.** Directors shall not receive any compensation from the Association for acting in such capacity. Any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for services or supplies furnished to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director's interest was made known to the Board of the Directors prior to entering into such contract and such contract was approved by a majority of the Board of Directors, excluding the interested director.

**3.6 Meetings of the Board of Directors.**

(a) **Regular Meetings.** Regular meetings of the Board of Directors may be held at such time and place as a majority of the directors shall determine, but at least 1 such meeting shall be held during each fiscal year. Notice of each regular meeting of the Board of Directors shall be provided to all Members to the extent required by, and in accordance with the provisions of, Section 209.0051 of the Texas Property Code or any successor statute.

(b) **Special Meetings.** Special meetings of the Board of Directors shall be held when called by the President or by any of the 3 directors. Notice of each special meeting of the Board of Directors shall be provided to all Members to the extent required by, and in accordance with the provisions of, Section 209.0051 of the Texas Property Code or any successor statute.

(c) **Notice of Board Meetings.** When notice of a meeting of the Board of Directors is required hereby or by applicable law, such notice shall be given in accordance with the requirements set forth in Section 209.0051(e) of the Texas Property Code or any successor statute.

(d) **Alternative Methods of Meeting (Including Action by Written Consent) Without Prior Notice to Members; Board Action During Development Period.** Notwithstanding subsection 3.6(c) above, and to the fullest extent permitted under Section 209.0051(h) of the Texas Property Code or any successor statute (but subject to the limitations set forth therein), the Board of Directors may meet by any method of communication, including electronic or telephonic, without prior notice to owners, if each director may hear and be heard by every other director, or the Board of Directors may take action by unanimous written consent, to consider routine and administrative matters or a reasonably unforeseen emergency or urgent necessity that requires immediate action by the Board of Directors. Any action taken without notice to Owners must be

summarized orally, including an explanation of any actual or known expenditures approved at the meeting, and documented in the minutes of the next regular or special meeting of the Board of Directors. Additionally, to the extent that, during the Development Period, the Board of Directors would be permitted pursuant to the terms of Section 209.0051(i) of the Texas Property Code or any successor statute to take action without a meeting and/or without notice to Members, or by unanimous written consent, the Board of Directors shall be permitted to take such action in such manner as the Board of Directors may deem advisable in accordance with the requirements of applicable law.

(e) **Quorum of Board of Directors.** At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors, unless otherwise specified in these Bylaws or the Declaration. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

(f) **Open Meetings.** All meetings of the Board of Directors shall be open to all Members, but Members other than directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any Member may speak. Notwithstanding the above, the President may adjourn any meeting of the Board of Directors and reconvene in closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the Association's attorney, matters involving the invasion of privacy of Members, or matters that are to remain confidential at the request of the affected parties and agreement of the Board of Directors, and as otherwise permitted under applicable law. Following an executive session, any decision made in the executive session must be summarized orally and placed in the minutes, in general terms, without breaching the privacy of individual Members, violating any privilege, or disclosing information that was to remain confidential at the request of the affected parties. The oral summary must include a general explanation of expenditures approved in executive session.

**3.7 Powers of Directors.** The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs and operation of the Association and for the operation and maintenance of the Property as may be required or permitted by the Declaration, these Bylaws, the Certificate of Formation and Texas law. The Association, acting through the Board of Directors, may do any and all things that are lawful and which are necessary, proper, or desirable in operating for the best interests of its Members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Declaration, the Certificate of Formation or these Bylaws.

3.8 **Duties of Directors.** The powers and duties of the Board of Directors shall include, without limitation:

- (a) preparing and adopting, in accordance with the Declaration, an annual budget establishing each Owner's share of the Common Expenses, and determining the amount(s) of all assessments;
- (b) levying and collecting such assessments from the Owners;
- (c) providing for the operation, care, upkeep and maintenance of the Common Maintenance Areas;
- (d) designating, hiring, and dismissing the personnel necessary to carry out the rights and responsibilities of the Association and where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties;
- (e) depositing all funds received on behalf of the Association in appropriate bank accounts or in other accounts approved by the Board of Directors, and using such funds to operate the Association; provided, any reserve funds may be deposited, in the Board of Directors' good faith best business judgment, in depositories other than banks;
- (f) making, amending and enforcing policies, resolutions, rules and regulations governing the administration and operation of the Association, including but not limited to, policies and procedures regarding the application of payments for assessments, late charges, interest, costs of collection (including, but not limited to, attorneys' fees), fines and any and all other charges received from Owners;
- (g) opening the bank accounts on behalf of the Association and designating the signatories required;
- (h) making or contracting for the making of repairs, additions and improvements to or alterations of the Common Maintenance Areas in accordance with the Declaration and these Bylaws;
- (i) enforcing the provisions of the Declaration and any rules or standards developed pursuant to the Declaration, the Certificate of Formation and/or these Bylaws, and bringing any legal proceedings which may be instituted on behalf of or against the Owners concerning the Association; provided, the Association's obligation in this regard shall be conditioned in the manner provided in the Declaration;
- (j) obtaining and carrying insurance as provided in the Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;

- (k) paying the cost of all services rendered to the Association;
- (l) keeping books with detailed accounts of the receipts and expenditures of the Association;
- (m) taking such actions as contemplated by the Board of Directors in the Declaration, these Bylaws and/or the Certificate of Formation;
- (n) permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Property; and
- (o) indemnifying a director, officer or committee member, or former director, officer or committee member of the Association or any agent, contractor or management company of the Association to the extent such indemnity is required or permitted under Texas law, the Certificate of Formation or the Declaration.

#### **ARTICLE IV OFFICERS**

4.1 **Officers.** The initial officers of the Association shall be a President and a Secretary. The President and Secretary shall be elected from among the members of the Board of Directors. The Board of Directors hereby reserves the right to add additional officer positions in the future. Any two or more offices may be held by the same person, except for the offices of President and Secretary.

4.2 **Election of Officers.** The initial officers of the Association are identified on the signature page of these Bylaws. Hereafter, the election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

4.3 **Term.** The officers of the Association shall be elected annually by the Board of Directors and each shall hold office for 1 year, unless he or she shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

4.4 **Special Appointments.** The Board of Directors may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board of Directors may, from time to time, determine.

4.5 **Resignation and Removal.** Any officer may be removed from office, with or without cause, by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect



on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4.6 **Vacancies.** A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

4.7 **Powers and Duties.** The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Board of Directors, including, without limitation, the following:

(a) **President.** The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Board of Directors and the Members and shall see that orders and resolutions of the Board of Directors are carried out.

(b) **Vice President.** The Vice President, if any, shall act in place and stead of the President in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board of Directors.

(c) **Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; serve notice of meetings of the Board of Directors and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and shall perform such other duties as required by the Board of Directors.

(d) **Treasurer.** The Treasurer, if any, shall receive and deposit, in appropriate bank accounts or in other accounts approved by the Board of Directors, all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; sign all checks of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting and deliver a copy of each to the Members.

4.8 **Authorized Agents.** Except when the Declaration, these Bylaws or the Certificate of Formation require execution of certain instruments by certain individuals, the Board of Directors may authorize any person to execute instruments on behalf of the Association. In the absence of such Board of Directors' resolution, the President, Secretary and Treasurer are the only persons authorized to execute instruments on behalf of the Association. However, only the

President and/or Secretary shall have the authority to sign a mortgage or deed of trust relating to the Common Area.

## ARTICLE V ASSOCIATION MATTERS

5.1 **Committees.** The Board of Directors may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods as the Board of Directors may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

5.2 **Management.** The Board of Directors may employ for the Association a professional management agent or agents at such compensation as the Board of Directors may establish, to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate such powers as are necessary to perform the manager's assigned duties, but shall not delegate policymaking authority. The Board of Directors may delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board of Directors.

5.3 **Right to Contract.** The Association shall have the right to contract with any person or entity for the performance of various duties and functions. This right shall include, without limitation, the right to enter into management, operational or other agreements with other persons or entities; provided, any such agreement shall require approval of the Board of Directors.

5.4 **Accounting Standards.** The following management standards of performance shall be followed unless the Board of Directors by resolution specifically determines otherwise: (a) accrual accounting, as defined by generally accepted accounting principles, shall be employed; (b) accounting and controls should conform to generally accepted accounting principles; (c) cash accounts of the Association shall not be commingled with any other accounts; (d) no remuneration shall be accepted by the managing agent from vendors, independent contractors or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts or otherwise; anything of value received shall benefit the Association; and (e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors.

5.5 **Accounting Reports.** Unless the Board of Directors by resolution specifically determines otherwise, commencing at the end of each fiscal year, the Board of Directors shall obtain an annual report consisting of at least the following, which shall be made available to all Members within 6 months after the close of the fiscal year: (i) a balance sheet; (ii) an operating (income) statement; and (iii) a statement of changes in financial position for the fiscal year. Such

annual report may be prepared on an audited, reviewed or compiled basis, as the Board of Directors determines, by an independent public accountant.

**5.6 Enforcement of Declaration.** The Association shall have the power, as provided in the Declaration and in accordance with all applicable laws, regulations, rules and statutes, to impose sanctions for any violation of any duty imposed under the Declaration (and any rules promulgated pursuant thereto), these Bylaws and the Certificate of Formation and any amendment thereto.

## **ARTICLE VI ASSESSMENTS**

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessment (and specific assessments if applicable) which are secured by a continuing lien upon the Lot against which the assessment is made. If an assessment is not paid as provided in the Declaration, then the Association shall be entitled to the remedies provided in the Declaration, these Bylaws and the Certificate of Formation.

## **ARTICLE VII AMENDMENTS**

**7.1 Amendment by Declarant or Board of Directors.** During the Development Period and subject to any applicable provisions in the Declaration, the Declarant may amend these Bylaws without approval of the Board of Directors or any Members. In addition, after the expiration of the Development Period, Declarant or the Board of Directors may amend these Bylaws if such amendment (a) is necessary to bring any provision into compliance with any applicable governmental statutes, rule, regulation or judicial determination; (b) is necessary to comply with the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the U. S. Department of Veterans Affairs, the U. S. Department of Housing and Urban Development or any other applicable governmental agency or secondary mortgage market entity; (c) is necessary to clarify or to correct technical, typographical or scrivener's errors; or (d) any other purpose; provided, however, that any such amendment must not have a material adverse effect upon any right of any Owner.

**7.2 Amendment by Members.** Except as provided above, these Bylaws may be amended only by the affirmative vote or written consent, or any combination thereof, of at least 67% of all outstanding votes of the Members entitled to be cast. Notwithstanding the foregoing, the percentage of votes of the Members necessary to amend a specific clause of these Bylaws shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

**7.3 Validity and Effective Date of Amendments.** Amendments to these Bylaws shall become effective upon the date of the amendment, unless a different date is specified in the

amendment. Any procedural challenge to an amendment must be made within 3 months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these Bylaws.

## **ARTICLE VIII MISCELLANEOUS**

8.1 **Fiscal Year.** The fiscal year of the Association shall be determined by the Board of Directors. If the Board of Directors fails to adopt a certain fiscal year, then until the Board of Directors adopts a specific fiscal year the fiscal year shall be January 1<sup>st</sup> to December 31<sup>st</sup> of every year, except that the first fiscal year shall begin on the date of incorporation of the Association.

8.2 **Conflicts.** In the event of any conflict between the Certificate of Formation and these Bylaws, the Certificate of Formation shall control; and in the event of any conflict between the Declaration and these Bylaws, the Declaration shall control.

### **8.3 Books and Records.**

(a) **Inspection by Members.** The Board of Directors shall make the books and records of the Association available for inspection and copying by any Member, or the duly appointed representative of any Member, in accordance with the requirements of Section 209.005 of the Texas Property Code or any successor statute.

(b) **Rules of Inspection.** Except to the extent expressly prohibited by applicable law, the Board of Directors may establish reasonable rules with respect to: (i) notice to be given to the custodian of the records; (ii) hours and days of the week when such an inspection may be made; and (iii) payment of the cost of reproducing copies of documents requested.

(c) **Inspection by Directors.** Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical property owned or controlled by the Association. The right of inspection by a director includes the right to make a copy of relevant documents at the expense of the Association.

8.4 **Notices.** Except as otherwise provided in the Declaration or these Bylaws, all notices, demands, bills, statements and other communications under the Declaration or these Bylaws shall be in writing and shall be given personally or by mail. Notices that are mailed shall be deemed to have been duly given 3 days after deposit, unless such mail service can prove receipt at an earlier date. Owners shall maintain one mailing address for a Lot, which address shall be used by the Association for mailing of notices, statements and demands. If an Owner fails to maintain a current mailing address for a Lot with the Association, then the address of that Owner's Lot is deemed to be such Owner's mailing address. If a Lot is owned by more than one

person or entity, then notice to one co-owner is deemed notice to all co-owners. Attendance by a Member or director at any meeting shall constitute waiver of notice by the Member or director of the time, place and purpose of the meeting. Written waiver of notice of a meeting, either before or after a meeting, of the Members or directors shall be deemed the equivalent of proper notice.

8.5 **Choice of Law.** These Bylaws will be construed under Texas law.

8.6 **Severability.** Whenever possible, each provision of these Bylaws will be interpreted in a manner as to be effective and valid. Invalidation of any provision of these Bylaws, by judgment or court order, does not affect any other provision which remains in full force and effect.

8.7 **Construction.** To the greatest extent possible, these Bylaws shall be construed to conform to all legal requirements for obtaining and maintaining all tax exemptions available to nonprofit corporations. The effect of a general statement is not limited by the enumerations of specific matters similar to the general. The captions of articles and sections are inserted only for convenience and may not be construed as defining or modifying the text to which they refer. The singular is construed to mean the plural, when applicable, and the use of masculine or neuter pronouns includes the feminine.

8.5 **Waiver.** No restriction, condition, obligation, or covenant contained in these Bylaws may be deemed to have been abrogated or waived by reason of failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

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**CERTIFICATION & ACKNOWLEDGMENT**

I CERTIFY that the foregoing Bylaws of South Fork Ranch Homeowners Association, Inc., were adopted by the Directors of South Fork Ranch Homeowners Association, Inc. for the benefit of South Fork Ranch Homeowners Association, Inc., a Texas nonprofit corporation.

SIGNED this \_\_\_\_ day of \_\_\_\_\_, 2017.

DIRECTORS:

\_\_\_\_\_  
Kyle Paul

\_\_\_\_\_  
Nathan Lowry

\_\_\_\_\_  
Gerry McDowell

STATE OF TEXAS           §  
                                      §  
COUNTY OF \_\_\_\_\_ §

Before me, the undersigned authority, on this day personally appeared Kyle Paul, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same in the capacity and for the purposes and consideration therein expressed.

Given under my hand and seal of office this \_\_\_\_\_ day of \_\_\_\_\_,  
2017.

\_\_\_\_\_  
Notary Public - State of Texas

STATE OF TEXAS           §  
                                     §  
COUNTY OF \_\_\_\_\_ §

Before me, the undersigned authority, on this day personally appeared Nathan Lowry, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same in the capacity and for the purposes and consideration therein expressed.

Given under my hand and seal of office this \_\_\_\_ day of \_\_\_\_\_,  
2017.

\_\_\_\_\_  
Notary Public - State of Texas

STATE OF TEXAS           §  
                                     §  
COUNTY OF \_\_\_\_\_ §

Before me, the undersigned authority, on this day personally appeared Gerry McDowell, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same in the capacity and for the purposes and consideration therein expressed.

Given under my hand and seal of office this \_\_\_\_ day of \_\_\_\_\_,  
2017.

\_\_\_\_\_  
Notary Public - State of Texas

**EXHIBIT E**

**RATIFICATION AND CONSENT OF MORTGAGEES**

The undersigned, being an owner and holder of a lien or liens securing a portion of the Property (as described in Exhibit "A"), each such lien being of record in the Official Public Records of Taylor County, Texas, executes this Declaration for the purposes of evidencing its consent to the Declaration, on the condition that its lien will remain superior to the Assessment Lien. In the event that the undersigned hereafter takes possession and ownership of any portion of the Property pursuant to the terms of its lien, by execution herein, the undersigned agrees that it shall take such portion of the Property subject to this Declaration, as may hereafter be amended from time to time.

**MORTGAGEE OF BLOCK A&B PROPERTY:**

FIRST BANK AND TRUST

By: \_\_\_\_\_

Name: Alex Orr

Title: \_\_\_\_\_

Address

9816 Slide Road  
Lubbock, Texas 79424

THE STATE OF TEXAS                      §

§

COUNTY OF \_\_\_\_\_                      §

This instrument was acknowledged before me on \_\_\_\_\_, 2017,  
by Alex Orr, as \_\_\_\_\_ of FIRST BANK AND TRUST, on  
behalf of said bank.

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



## RATIFICATION AND CONSENT OF MORTGAGEES

The undersigned, being an owner and holder of a lien or liens securing a portion of the Property (as described in Exhibit "A"), each such lien being of record in the Official Public Records of Taylor County, Texas, executes this Declaration for the purposes of evidencing its consent to the Declaration, on the condition that its lien will remain superior to the Assessment Lien. In the event that the undersigned hereafter takes possession and ownership of any portion of the Property pursuant to the terms of its lien, by execution herein, the undersigned agrees that it shall take such portion of the Property subject to this Declaration, as may hereafter be amended from time to time.

### MORTGAGEE OF LOT 1, BLOCK C:

CAPITAL FARM CREDIT, FLCA

By: \_\_\_\_\_

Name: Jason Gibson

Title: \_\_\_\_\_

#### Address

1217 E. South 11<sup>th</sup> Street, Ste. A  
Abilene, Texas 79602

THE STATE OF TEXAS                   §  
   §  
COUNTY OF \_\_\_\_\_           §

This instrument was acknowledged before me on \_\_\_\_\_, 2017,  
by JASON GIBSON, as \_\_\_\_\_ of CAPITAL FARM  
CREDIT, FLCA, on behalf of said bank.

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

## RATIFICATION AND CONSENT OF MORTGAGEES

The undersigned, being an owner and holder of a lien or liens securing a portion of the Property (as described in Exhibit "A"), each such lien being of record in the Official Public Records of Taylor County, Texas, executes this Declaration for the purposes of evidencing its consent to the Declaration, on the condition that its lien will remain superior to the Assessment Lien. In the event that the undersigned hereafter takes possession and ownership of any portion of the Property pursuant to the terms of its lien, by execution herein, the undersigned agrees that it shall take such portion of the Property subject to this Declaration, as may hereafter be amended from time to time.

### MORTGAGEE OF LOT 2, BLOCK C AND LOT 3, BLOCK C:

LONE STAR AG CREDIT, FLCA

By: \_\_\_\_\_

Name: Jason Pettit

Title: \_\_\_\_\_

#### Address

4449 Loop 322

Abilene, Texas 79602

THE STATE OF TEXAS                   §

§

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2017,  
by JASON PETTIT, as \_\_\_\_\_ of LONE STAR AG CREDIT,  
FLCA, on behalf of said bank.

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

## RATIFICATION AND CONSENT OF EXISTING OWNERS

The undersigned, being an existing owner of a portion of the Property (as described in Exhibit "A"), executes this Declaration for the purposes of evidencing its consent to the Declaration. The undersigned hereby agrees that its Lot or Lots within the Property shall hereafter be subject to this Declaration, as may hereafter be amended from time to time.

### EXISTING OWNER OF LOT 1, BLOCK C:

CLIFT CATTLE COMPANY, LLC, a Texas limited liability company

By: \_\_\_\_\_  
John R. Clift, Manager

THE STATE OF TEXAS                   §  
  §  
COUNTY OF \_\_\_\_\_           §

This instrument was acknowledged before me on \_\_\_\_\_, 2017,  
by John R. Clift, as Manager of CLIFT CATTLE COMPANY, LLC, a Texas limited liability  
company, on behalf of such entity.

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

## RATIFICATION AND CONSENT OF EXISTING OWNERS

The undersigned, being an existing owner of a portion of the Property (as described in Exhibit "A"), executes this Declaration for the purposes of evidencing its consent to the Declaration. The undersigned hereby agrees that its Lot or Lots within the Property shall hereafter be subject to this Declaration, as may hereafter be amended from time to time.

### EXISTING OWNERS OF LOT 2, BLOCK C:

---

Nathan Lowry

---

Misty Lowry

---

Gerry McDowell

---

Bridget McDowell

THE STATE OF TEXAS                   §  
  §  
COUNTY OF \_\_\_\_\_           §

This instrument was acknowledged before me on \_\_\_\_\_, 2017,  
by NATHAN LOWRY, individually, for the purposes expressed herein.

---

Notary Public, State of Texas

THE STATE OF TEXAS                   §  
  §  
COUNTY OF \_\_\_\_\_           §

This instrument was acknowledged before me on \_\_\_\_\_, 2017,  
by MISTY LOWRY, individually, for the purposes expressed herein.

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

THE STATE OF TEXAS                   §  
  §  
COUNTY OF \_\_\_\_\_           §

This instrument was acknowledged before me on \_\_\_\_\_, 2017,  
by GERRY MCDOWELL, individually, for the purposes expressed herein.

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

THE STATE OF TEXAS                   §  
  §  
COUNTY OF \_\_\_\_\_           §

This instrument was acknowledged before me on \_\_\_\_\_, 2017,  
by BRIDGET MCDOWELL, individually, for the purposes expressed herein.

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

## RATIFICATION AND CONSENT OF EXISTING OWNERS

The undersigned, being an existing owner of a portion of the Property (as described in Exhibit "A"), executes this Declaration for the purposes of evidencing its consent to the Declaration. The undersigned hereby agrees that its Lot or Lots within the Property shall hereafter be subject to this Declaration, as may hereafter be amended from time to time.

### EXISTING OWNERS OF LOT 3, BLOCK C:

\_\_\_\_\_  
Kyle Gregory Paul

\_\_\_\_\_  
Kandon D'Lynn Paul

THE STATE OF TEXAS                   §  
  §  
COUNTY OF \_\_\_\_\_           §

This instrument was acknowledged before me on \_\_\_\_\_, 2017,  
by KYLE GREGORY PAUL, individually, for the purposes expressed herein.

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

THE STATE OF TEXAS                   §  
  §  
COUNTY OF \_\_\_\_\_           §

This instrument was acknowledged before me on \_\_\_\_\_, 2017,  
by KANDON D'LYNN PAUL, individually, for the purposes expressed herein.

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