

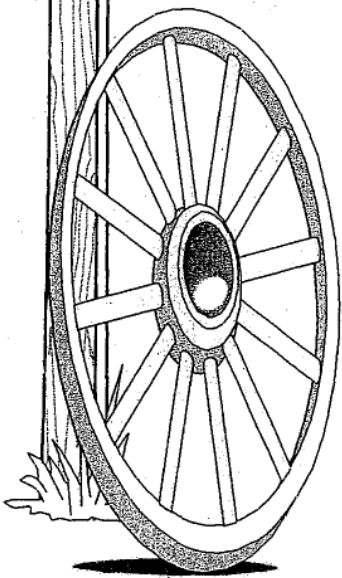


**BANDERA RIVER  
RANCH**

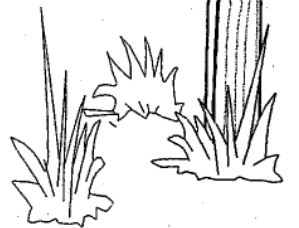
**DOUBLE R RANCH OWNERS'  
ASSOCIATION, INC.**

**COVENANTS AND RESTRICTIONS**

**UNITS II & III**



1975



10354

BANDERA RIVER RANCH  
BANDERA COUNTY, TEXAS

DECLARATION OF COVENANTS AND RESTRICTIONS

Dated: July 15, 1975

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, Planned Properties, Inc., a Texas corporation, hereinafter referred to as "Developer", is the Developer of the lands hereinafter described in Article I of this Declaration; and

WHEREAS, Developer intends to encourage the development of a new community to be known as "Bandera River Ranch" on the property hereinafter described, affording well-planned residential, commercial, recreational, institutional and open-space uses; and

WHEREAS, Developer desires to subject the property hereinafter described to the covenants, easements, charges and liens imposed hereby in order (1) to provide funds for the purposes specified in Article II hereof and (2) to grant rights, easements, and privileges relating to the use of certain facilities subject to the conditions set forth herein; and

WHEREAS, Developer has caused to be formed and organized Double R Ranch Owners' Association, Inc., a non-profit corporation organized and existing under and by virtue of the laws of the State of Texas for the purpose of providing a non-profit civic organization to serve as the representative of the owners and residents with respect to the assessment, collection and application of all charges imposed hereunder; the enforcements of all covenants contained herein (if it so elects, with the power, but not the duty to so enforce) and all liens created hereby; and the creation, operation, management, and maintenance of the facilities and services referred to hereafter; and

WHEREAS, the within instrument is the Agreement of Covenants referred to in the Articles of Incorporation of "DRROA";

NOW, THEREFORE, Developer declares that, except as otherwise provided herein, the real property described in Article I and such authorized additions, thereto as may hereafter be made, is

and shall be held, transferred, sold, conveyed and occupied, subject at all times to the covenants, restrictions, easements, liens and charges (collectively referred to as "covenants and restrictions") hereinafter set forth.

#### ARTICLE I.

##### Section 1.01 - Definitions.

The following words, phrases and terms when used herein shall have the following meanings:

(A) "Chargeable Property" shall mean and refer to the entire Property within the environs of Bandera River Ranch, as hereinafter described, except such part or parts thereof as may, from time to time, constitute "Exempt Property", as hereinafter defined, or "Community Facilities", as hereinafter defined.

(B) "Declaration" shall mean and refer to this Declaration of Covenants and Restrictions as the same may from time to time be supplemented in the manner provided in the Article XI hereof.

(C) "Board" shall mean and refer to the Board of Directors of "DRROA".

(D) "DRROA Land" shall mean and refer to such part of the Property herein described as may at any time hereafter be owned by "DRROA" (or a "Successor Corporation" as defined in Article XII hereof) for so long as "DRROA" (or such successor corporation) may be the owner thereof.

(E) "Deed" shall mean and refer to a Deed, Assignment or other instrument conveying the fee simple interest in any "Lot" or "Living Unit", as hereinafter defined.

(F) "Exempt Property" shall mean and refer to the following portions or parts of the Property herein described:

(i) All land and "Permanent Improvements" as hereinafter defined, which may now be or hereafter owned by the United States; State of Texas, Bandera County, or any instrumentality or agency of any such entity, for so long as any such entity or any such instrumentality or agency shall be the owner thereof; and

(ii) All land and "Permanent Improvements" owned by DRROA (or a "Successor Corporation" as defined in Article XII hereof) for so long as "DRROA" (or such "Successor Corporation") shall be the owner thereof.

(G) "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of "Exempt Properties", as heretofore defined.

(H) "Living Unit" shall mean and refer to any portion of a building situated upon the Property designed and intended for the use and occupancy by a single family.

(I) "Multi-family Structure" shall mean and refer to any building containing two or more Living Units under one roof except when each such Living Unit is situated upon its own individual Lot.

(J) "Notes" shall mean and refer to all notes, bonds, debentures, or other evidences of indebtedness issued and sold by "DRROA".

(K) "Note Holder" shall mean and refer to the holder of any Note and all trustees or other representatives of one or more such holders.

(L) "Owner" for the purpose hereof shall mean and refer to the owner, whether one or more persons or entities, of a fee simple title or the equitable title, when purchasing under contract, to any Lot or Living Unit situated upon the Property but, notwithstanding any applicable theory of Mortgage or Deed of Trust, shall not mean or refer to the mortgagee or trustee unless and until such mortgagee or trustee shall have acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

(M) "Permanent Improvements" shall mean and refer to all buildings, structures, and other matters and things which at the time of the assessment of each "Annual Charge", as hereinafter defined, are taxable by the State of Texas or Bandera County as real property under applicable law.

(N) "Property" as used herein shall mean and refer as follows:

(i) At the time of the execution hereof, the term "Property" shall mean all land herein described and all its presently existing "Permanent Improvements" built, installed or erected thereon;

(ii) From and after the building, installation or erection of each new "Permanent Improvement" upon the land herein conveyed, the term "Property" shall also include each such new "Permanent Improvement";

(iii) From and after the date of each addition to the land subjected to the "Covenants" as hereinafter defined, pursuant to Article XI hereof, the term "Property" shall include each such new parcel of land and each "Permanent Improvement" existing on each such new parcel of land at the time that the same is subjected to the "Covenants"; and

(iv) From and after the date of the building, installation or erection of each new "Permanent Improvement" on each new parcel of land referred to in Subparagraph (iii) above, the term "Property" shall also include each such new "Permanent Improvement".

(O) "Resident" shall mean and refer to:

(i) Each tenant actually residing on (or conducting a business on) any part of the Chargeable Property; and

(ii) Members of the immediate family of each Owner and of each such tenant actually living in the same household with such Owner or such tenant. Subject to such rules and regulations as "DRROA" may hereafter specify, including the imposition of special fees for use if DRROA shall so direct, the term "Resident" shall also include the employees, guests or invitees of any such Owner or tenant if the Board, in its discretion, by resolution so directs.

(P) "Covenants" shall mean and refer collectively to all covenants, easements, charges and liens imposed and created on lands within the community of Bandera River Ranch in favor of "DRROA".

Section 1.02 - Chargeable Property.

The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in Bandera County, Texas, and is more particularly described as follows:

Bandera River Ranch Units II and III, but excluding Block I of Unit III, subdivisions of Bandera County, Texas, according to the Maps and Plats thereof of record in the office of the County Clerk of Bandera County, Texas.

ARTICLE II - Use of Funds

Section 2.01.

"DRROA" shall apply all funds received by it pursuant to the Covenants and all other funds and property received by it from any source, including the proceeds of loans referred to in Section 2.02 and the surplus funds referred to in Section 2.03 for the benefit of the lands lying within the environs of Bandera River Ranch in the following manner:

(i) The payment of all principal and interest, when due, on all loans borrowed by "DRROA" to the extent required under any agreement with Note Holders referred to in Section 2.02 hereof;

(ii) The cost and expenses of "DRROA"; and

(iii) For the benefit of the Property within the environs of Bandera River Ranch, by devoting the same to the acquisition, construction, reconstruction, conduct, alteration, enlargement, laying, renewing, replacement, repair, and maintenance, operation and subsidizing of such of the following as the Board in its discretion, may from time to time establish or provide: any and all projects, sources, facilities, studies, programs, systems and properties relating to parks, recreational facilities or services; drainage systems; streets, roads, highways, walkways, curbing, gutters, sidewalks, trees, flowers and landscaping, fountains, benches, shelters, directional and information signs, walkways, and bridges, and street, road and highway lighting facilities; facilities for the collection, treatment and disposal of garbage, sewage and refuse; mass transit systems, stations and terminals, airfields, airports, air terminals and associated facilities; facilities for the fighting and preventing of fires; public utility systems, including plants, systems, facilities or properties used or useful in connection with the manufacture, production, distribution, delivery and storage of electric power and manufacture of natural gas or any other potential power source, and any integral part thereof, utility lines, poles, surface and underground ducts, relay stations, cables, pipes, pipelines, valves, meters and equipment and appurtenances, and all properties, rights, easements and franchises, relating thereto; communication systems and facilities

including all buildings, systems, facilities and properties used or useful in connection with the operation of communication networks and facilities, stations, towers, relay systems and facilities, cables, underground and surface ducts, lines, poles, receiving, transmitting and relay equipment, and appurtenances and all properties, rights, easements and franchises relating thereto; auditoriums, galleries, halls, amphitheatres, theaters, arenas and stadiums, educational buildings and facilities, including equipment, supplies and accessories in connection therewith; office buildings, buildings, storage and maintenance yards, garages and other buildings and facilities deemed necessary or desirable by the Board in connection with the administration, management, control and operation of "DRROA"; libraries, including equipment, books, supplies and accessories in connection therewith; traffic engineering programs and parking facilities; lakes, dams, parks, golf courses, tennis courts, playgrounds, boat basins and marinas, equestrian centers and facilities; and other related or unrelated recreational facilities; and any and all other improvements, facilities and services that the Board shall find to be necessary, desirable or beneficial to the interest of the Property.

Section 2.02.

In order to secure the repayment of any and all sums which may be borrowed by it in furtherance of the objectives outlined in Section 2.01, "DRROA" is hereby granted the rights and powers:

(i) To assign and pledge all revenues received, or to be received, by it under any provision of the Covenants.

(ii) To enter into agreements with Note Holders with respect to the collection and disbursement of funds, including, but not limited to, agreements wherein "DRROA" covenants:

(a) To assess and collect the Annual Charges in its favor when the same shall become due;

(b) To establish sinking funds and/or other security deposits;

the payment of the cost of collection and then to the payment of all principal and interest, when due, on such loans;

(d) To establish such collections, payment and lien enforcement procedures as may be required by the Note Holders;

(e) To provide for the custody and safeguarding of all funds received by "DRROA".

The amount, terms, rate or rates of all borrowing and the provisions of all agreements with Note Holders shall be subject solely to the decision of the Board.

Section 2.03.

"DRROA" shall not be obligated to spend in any calendar year any part of or all of the sums collected in such year by way of Annual Charges, or otherwise, and may carry forward as surplus any balances remaining; nor shall "DRROA" be obligated to apply any such surpluses to the reduction of the amount of Annual Charge in the succeeding year, but may carry forward from year to year such surplus as the Board in its discretion may determine to be desirable for the greater financial security of "DRROA" and the effectuation of its purposes.

Section 2.04.

"DRROA" shall be entitled to contract with any corporation, firm or other entity in order to carry out the performance of the various functions of "DRROA" hereunder.

ARTICLE III - Rights of Enjoyment in Community Facilities

Section 3.01.

Planned Properties, Inc. and other parties may from time to time convey to "DRROA", subsequent to the recordation of this Declaration, a certain tract or tracts of land within the Property for park and recreational purposes. In the event of any such transfer by Planned Properties, Inc. to "DRROA", any such tracts, together with such parts of "DRROA" land as the Board, in its discretion, may by resolution from time to time hereafter designate for use of Owners or Residents are hereinafter collectively referred to as "Community Facilities". Upon designation of any part of "DRROA" land as Community Facilities, as herein provided, the Board shall cause a Declaration to be executed



and recorded in the Deed Records of the County Clerk's Office for Bandera County, Texas, which Declaration shall include a description of the land so designated and shall state that such land has been designated as a Community Facility for the purpose of this Section 3.01. No "DRROA" land, or any part thereof, shall be a Community Facility subject to the rights and easements of enjoyment and privileges hereinafter granted unless and until the same shall have been so designated and the above described Declaration filed in accordance with the procedure provided herein.

Every Owner, by reason of such ownership, shall have a right and easement of enjoyment in and to all Community Facilities, and such easement shall be appurtenant to and shall pass with every Lot or Living Unit upon transfer. All Residents shall have a non-transferable privilege to use and enjoy all Community Facilities for so long as they are Residents within the previously defined meaning of that term. All such rights, easements, and privileges, however, shall be subject to the right of "DRROA" to adopt and promulgate reasonable rules and regulations pertaining to the use of Community Facilities which shall enhance the preservation of such facilities, the safety and convenience of the users thereof, or which, in the discretion of the Board, shall serve to promote the best interests of the Owners and Residents, including making available of certain Community Facilities to school children, with or without charge. "DRROA" shall have the right to charge Owners and Residents reasonable admission and other fees in connection with the use of any Community Facility. In establishing such admission and other fees, the Board may, in its discretion, establish reasonable classifications of Owners and Residents; such admission and other fees must be uniform within each such class, but need not be uniform from class to class. "DRROA" shall have the right to borrow money for the purpose of improving any Community Facility and in the aid thereof, to mortgage the same and the rights of any such mortgagee shall be superior to the easements herein granted and assured.

Section 3.02.

"DRROA" shall have the right to suspend the right of any Owner (and the privilege of each Resident claiming through such Owner) for any period during which the Annual Charge under Article IV hereof remains overdue and unpaid, or in connection with the enforcement of any rules or regulations relating to such facilities in accordance with the provisions of this Article III.

Section 3.03. Notwithstanding the rights, easements and privileges granted under this Article III, "DRROA" shall nevertheless have the right and power to convey any property referred to in Section 3.01 hereof free and clear of all such rights, easements and privileges if such conveyance is to a public body for public use.

ARTICLE IV - Assessment of Annual Charge

Section 4.01.

For the purpose of providing funds for the use as specified in Article II hereof, an Annual Charge is hereby imposed against the Property herein described in favor of "DRROA" commencing in the year 1976 in the amount as hereinafter specified. Such Annual Charge shall be separately imposed upon each Lot or Living Unit which shall be charged with and subject to a lien for the amount of such separate Annual Charge. The same shall be due and owing on May 1 of each year commencing on May 1, 1976.

(i) The Amount of the Annual Charge for each Lot or Living Unit which is restricted to single family residential use only, shall be Sixty (\$60.00) Dollars per year, except as hereinafter provided.

(ii) For each Lot where use for multiple family purposes is permitted by the restrictions covering said Lot, the Annual Charge shall be in the amount of Sixty (\$60.00) Dollars per year so long as there are no dwelling units constructed thereon, and shall be in the amount of Sixty (\$60.00) Dollars per year per dwelling unit when such shall be constructed thereon, except as hereinafter provided.

Section 4.02.

In any given year, the Board may within its discretion increase the amount of the Annual Charge for each type of property as hereinbefore set forth by a percentage equal to the percentage increase in the Consumer Price Index For Urban Wage Earners and Clerical Workers (including single workers), as published by the Bureau of Labor Statistics.

Section 4.03.

As soon as may be practicable at the beginning of each year, "DRROA" shall send a written statement to each Owner subject to the Annual Charge stating the amount of the Annual Charge against each such Lot or Living Unit stated in terms of the total sums due and owing as the Annual Charge and that unless the Owner shall pay the Annual Charge by June 10 of each year, the same shall be deemed delinquent and shall bear interest at the rate of Eight (8%) Percent per annum until paid.

Section 4.04.

If the Owner of any Lot or Living Unit subject to the Annual Charge shall fail to pay the Annual Charge by August 1 of each year, "DRROA" shall have the right to enforce the lien which is hereby imposed in its favor, to the same extent, including a foreclosure sale and deficiency decree, and subject to the same procedures as in the case of Deeds of Trust under the applicable law, and the amount due by such Owner shall include the Annual Charge, as well as the cost of such proceedings, including a reasonable attorney's fee, and the aforesaid interest.

Section 4.05.

The Board shall have the right to adopt procedures for the purpose of billing for and collection of the Annual Charges, provided that the same are not inconsistent with the provisions hereof.

Section 4.06.

Upon written demand by an Owner, "DRROA" shall within a reasonable period of time issue and furnish to such Owner a written certificate stating that all Annual Charges (including interest and costs, if any) have been paid with respect to any specified Lot or Living Unit as of

the date of such certificate, or, if all Annual Charges have not been paid, setting forth the amount of such Annual Charges (including interest and costs, if any) due and payable as of such date. "DRROA" may make a reasonable charge for the issuance of such certificate, which must be paid at the time that the request for such certificate is made. Any such certificate, when duly issued as herein provided, shall be conclusive and binding with regard to any matter therein stated as between "DRROA" and any bona fide purchaser of, or lender on, the Lot or Living Unit in question.

ARTICLE V - Imposition of Charge and Lien Upon the Property

Section 5.01.

Developer, for itself, its successors and assigns, hereby covenants and agrees for the period that these Covenants shall remain in force as set forth herein:

- (i) To pay the Annual Charges herein provided; and
- (ii) That the Annual Charge shall be and remain a first charge against and a continued first lien against the land herein conveyed, and shall run with, bind and burden such land, for the term hereinafter provided. Provided, however, that the lien of the Annual Charge provided for herein shall be subordinate to the lien of any mortgage, mechanic's lien contract, deed of trust, or vendor's lien now or hereafter placed upon the Property subject to such Annual Charge; provided further, however, that such subordination shall apply only to a mortgage, mechanic's lien contract, deed of trust, or vendor's lien imposed as a bona fide security for purchase money or as bona fide security for a construction or improvement loan on the Property in question, and such subordination shall apply only to the Annual Charges which have become due and payable prior to the sale or transfer of such Property pursuant to a decree of foreclosure, or any other proceedings in lieu of foreclosure. Such sale or transfer, however, shall not release such Property from liability for any Annual Charge thereafter becoming due, nor from the lien of any subsequent Annual Charge.

Section 5.02.

In addition to taking subject to the charge and the lien imposed by Section 5.01 hereof, the Owner of each Lot or Living Unit prior to the acceptance of a Deed therefore, whether or not it shall be so expressed in such Deed, shall be deemed to have agreed to be personally liable for the payment of each Annual Charge against such Lot or Living Unit in each year during any part of which such Owner holds title to such Lot or Living Unit.

Section 5.03.

As used in this Article V, the term "Annual Charge" shall mean the total of the following:

- (i) The Annual Charge as imposed pursuant to Section 4.01 hereof;
- (ii) The interest or delinquent charges imposed by Section 4.03 hereof; and
- (iii) The cost of enforcing the lien provided in Section 4.04 hereof.

Section 5.04.

Nothing contained in these Covenants shall prevent any Owner from changing, altering or destroying any Permanent Improvement owned by him, if (i) the Annual Charges imposed hereunder with respect thereto have been paid for the year in which such change, alteration or destruction takes place and all previous years or (ii) the Annual Charges with respect to the Permanent Improvement in question have been paid for all years preceding such change, alteration or destruction and a bill for the Annual Charge for the then current year has not been sent by "DRROA" under Section 4.03 hereof prior to such change, alteration or destruction.

Section 6.01 - Reservations of Utility Easements

Developer hereby reserves and shall have a perpetual, alienable and releasable easement, privilege and right on, over and under the grounds as hereinafter designated of the Property to erect, maintain and use electric and telephone poles, wires, cables, conduits, water mains, drainage lines and drainage ditches, or drainage structures, sewers and other suitable equipment and structures for drainage and sewage collection and disposal purposes or for the installation, maintenance, transmission and use of electricity, telephone, gas, lighting, heating, water, drainage, sewage, cable TV, and other conveniences or utilities on, in, over and under all of the Community Facilities and on, in, over and under all of the easements including, but not limited to, Roads and Streets, shown on any subdivision plat of The Chargeable Property (whether such easements are shown on said subdivision plat to be for drainage, utilities or other purposes) and in, over and under a 5-foot strip at the back of each lot of The Property and on, in, over and under a 5-foot strip along the interior of all side lot lines of each lot of The Property and on, in, over and under a 10-foot strip at the front of each Lot of the Property. Except that as shown on the plat of Units II and III, certain lots shall not have any easement on the rear lot line. The Developer shall have the unrestricted and sole right and power of alienating and releasing the privileges, easements and rights referred to in this Section or any such privileges, easements and rights reserved on any plat of The Property. The Owners, other than the Developer, of the lot or lots subject to the privileges, rights and easements referred to herein shall acquire no right, title or interest in or to any poles, wires, cables, conduits, pipes, mains, lines or other equipment or facilities placed on, over or under the property which is subject to said privileges, rights and easements. All such easements, including those designated on any plat of The Property, are and shall remain private easements and the sole and exclusive property of the Developer unless and until an interest therein is assigned specifically to others in the business of providing utilities at which time such assignee may thereafter share in the use of the easement rights so assigned.

## ARTICLE VII - Reserved Properties

Section 7.01.

Real Properties Designated as "Reserved Properties" are Reserved from Declaration and Plats. Any area upon a plat covered by this Declaration or any Supplemental Declaration designated as "Reserved Properties", shall remain the privately owned and the sole and exclusive property of the Developer, and neither this Declaration nor any Supplemental Declarations nor the plats in connection with same shall in anywise apply to such "Reserved Properties" unless at a later time same shall be included under the provisions of the Declaration or a Supplemental Declaration as provided in Article XI hereof.

Section 7.02.

Utilities Reserved from Declaration. Utilities, unless conveyed by written instrument to DRROA, are specifically reserved unto the Developer. It is contemplated utilities for The Property shall be furnished either by Developer, its subsidiaries or related companies or by companies furnishing such services in the vicinity of The Property and the Developer retains and has the exclusive right to negotiate contracts and agreements with such companies, under such conditions and for such consideration, which consideration shall belong to the Developer, as it shall deem proper under the circumstances. The utilities referred to shall include, but not be limited to:

Water System  
Natural, Liquefied or Manufactured Gas System,  
Electrical System,  
Telephone System,  
Antenna Television Transmission and  
Distribution Facilities and System.

In the event the Developer elects to furnish any of the utility services aforesaid, it may organize a company, or companies, to furnish such utility services, and shall have the right to enter into agreements with such company, or companies, to furnish the utility services reserved, or any of them, even though such company, or companies, so organized shall be wholly or partially owned by Developer. Nothing herein contained shall be construed or interpreted as an obligation on the part of the Developer to provide the utilities reserved, although the Developer will use its best efforts consistent with economic feasibility to so provide same.

ARTICLE VIII - Architectural Control Committee

Section 8.01 - Review by Committee.

No building, fence, wall, improvement, or other structure shall be commenced, erected or maintained upon The Property, nor shall any exterior addition to or change or alterations therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to the surrounding structures and topography by the Board of Directors of Developer, or by an Architectural Control Committee composed of three or more representatives appointed by said Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE IX - Exterior Maintenance

Section 9.01.

In the event the Owner of any Lot or Living Unit shall fail to properly provide for exterior maintenance as to buildings or grounds the Developer or DRROA may, but shall not be obligated to, provide exterior maintenance as follows: paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks and other exterior improvements.

Section 9.02 - Assessment of Cost.

The cost of such exterior maintenance shall be assessed against the Lot or Living Unit upon which such maintenance is done and shall be added to and become a part of the annual assessment or charge to which such Lot or Living Unit is subject under Article IV hereof and, as part of such assessment or charge, it shall be a lien subject, however, to lien by reason of a first mortgage or first deed of trust, and shall become due and payable in all respects as provided in Article IV hereof. Upon collection by DRROA, the cost shall be paid to Developer, if the Developer has performed the work.



Section 9.03 - Access at Reasonable Hours.

For the purpose solely of performing the exterior maintenance authorized by this Article IX, the Developer or DRROA through its respective duly authorized agents or employees, shall have the right, after reasonable notice to the Owner, to enter upon any Lot or exterior of any Living Unit at reasonable hours on any day except Sunday.

ARTICLE X - PROTECTIVE COVENANTS

Section 10.01.

Attached hereto as "Exhibit A" and incorporated herein by reference as fully as though set forth word for word are protective covenants. Such covenants shall be considered to be part of the "Declaration" and shall apply to and bind all of the Property.

ARTICLE XI - Duration, Amendment and Supplements

Section 11.01.

All Covenants set forth or provided in this Declaration shall be deemed covenants running with the land and/or charges and liens upon the land and any and every conveyance of any part of the Property shall be absolutely subject to said Covenants whether or not it shall be so expressed in the deed, lease or other conveyance thereof. The said Covenants shall continue with full force and effect until the 1st day of May, 1998, after which time said covenants shall be automatically extended for successive periods of ten years unless an instrument signed by the then Owners of two-thirds of the Lots or Living Units has been recorded, agreeing to change said covenants and restrictions in whole or in part.

Section 11.02.

The size of the Property may be increased from time to time by filing in the Deed Records of the County Clerk's Office, Bandera County, Texas, of a similar set of Declarations providing for the payment of Annual Charges to DRROA at the rate then in effect, and provided DRROA adopts the additional property by resolution of its Board of Directors. No one other than the Developer shall have the

right to place additional lands under the covenants and restrictions or to cause additional lands to be entitled to the benefits arising hereunder unless the Developer shall agree in writing that such additional lands may be included hereunder.

ARTICLE XII - Miscellaneous

Section 12.01.

No change of conditions or circumstances shall operate to extinguish, terminate or modify any of the provisions of this Declaration.

Section 12.02.

The determination of any court that any provision of this Declaration is unenforceable or void shall not affect the validity of any of the other provisions hereof.

Section 12.03.

DRROA shall be empowered to assign its rights hereunder to any successor non-profit membership corporation (hereinafter referred to as "Successor Corporation") and, upon such assignment the Successor Corporation shall have the rights and be subject to all the duties of DRROA hereunder and shall be deemed to have agreed to be bound by all the provisions hereof, to the same extent as if the Successor Corporation had been an original party instead of DRROA and all references herein to the "Board" shall refer to the Board of Directors of said Successor Corporation. Any such assignment shall be accepted by the Successor Corporation under written agreement pursuant to which the Successor Corporation expressly assumes all duties and obligations of DRROA hereunder. If for any reason DRROA shall cease to exist without having first assigned its rights hereunder to a Successor Corporation, the covenants, easements, charges and liens imposed hereunder shall nevertheless continue, and any Owner may petition a court of competent jurisdiction to have a trustee appointed for the purpose of organizing a non-profit membership corporation and assigning the rights of DRROA hereunder with the same force and effect, and subject to the same conditions, as provided in this Section 12.03 with respect to an assignment and delegation by DRROA to a Successor Corporation.

Section 12.04.

All titles or headings of the Articles herein are for the purpose of reference only and shall not be deemed to limit, modify or otherwise affect any of the provisions hereof. All references to a singular term shall include the plural where applicable.

Section 12.05 - Enforcement.

Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants; and failure by the "DRROA" or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

IN WITNESS WHEREOF, the parties hereto have set their hands and respective seals as of the day and year first above written.

PLANNED PROPERTIES, INC.

By Leonard E. Davis  
LEONARD E. DAVIS, President

ATTEST:

Jerry D. Cloud  
JERRY D. CLOUD, Secretary

STATE OF TEXAS X

COUNTY OF BEXAR X

BEFORE ME, the undersigned authority, on this day personally appeared LEONARD E. DAVIS, President of PLANNED PROPERTIES, INC., a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 17 day of July 1975.

*Claire Smith*  
NOTARY PUBLIC, BEXAR COUNTY, TEXAS



## EXHIBIT A

PROTECTIVE COVENANTS

1. Application. These Protective Covenants shall apply to all of the Property as provided in the Declaration. They shall also apply to additions to the Property unless the Developer shall specifically except from these Protective Covenants such additions or a portion thereof in the Supplemental Declaration by which the Developer subjects such additions to this Declaration.
2. Architectural Control Committee. When the Architectural Control Committee, hereinafter referred to as A.C.C., is referred to in these Protective Covenants, it shall mean either the Board of Directors of the Developer or the Architectural Control Committee appointed by such Board of Directors pursuant to Article VIII of the Declaration.
3. No residential lot shall be used except for residential purposes or, with permission of the A.C.C., non-profit, civic, religious, educational and community purposes such as, but not limited to, churches, schools, fire and police stations, community buildings, libraries or parks. On Single Family Detached lots, no residential building shall be erected, altered, placed or permitted to remain on any lot other than one (1) detached single family dwelling not to exceed two and one-half (2-1/2) stories in height and private garages for the occupants' vehicles and other outbuildings incidental to the residential use of the lot. All lots in Units II and III shall be for single family residential use only, except Block Four (4), Unit II, which may be used for multi-family structures (a maximum of two residences with a common wall).
4. Resubdivision. No lot shall be subdivided except upon written approval of the A.C.C..

5. Temporary Structures. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any lot at any time as a residence, either temporarily or permanently.

6. Setbacks. No building shall be placed closer to the Roads and Streets than a setback line shown on a recorded subdivision plat, and if no setback line is shown, then the applicable setback shall be 25 feet, except where such requirement creates an undue hardship upon the Owner such setback may be modified as necessary by the A.C.C.,

7. Side Yards. The following shall apply, unless the recorded plat provides otherwise:

(a) A Single Family Detached structure, a Multi-family structure, or any building incident thereto shall not be closer to a side lot line than five (5) feet in the case of one (1) acre or smaller lots and fifteen (15) feet for lots of more than one acre, except where such restriction creates an undue hardship upon the Owner the A.C.C. may modify this restriction.

(b) A Single Family Attached structure shall not be required to have a side yard, and a common or party wall may be constructed upon the dividing lines between Lots so that the wall may be partially upon one Lot and partially upon the other, or said common wall may be entirely upon one of the two lots involved.

The A.C.C. shall decide all questions relative to locations of Commercial structures upon Lots where such structures are permitted.

8. Land Near Lakes, Water Courses, Tennis Courts, Permanent Parks, Permanent Recreational Plots. No building shall be placed nor shall any material or refuse be placed or stored upon any Lot or other Parcel of Land within 20 feet of the property line of any Lake,

or within 20 feet of the edge of any open Water Course, or within 20 feet of the property line of any Golf Course, Permanent Park or Permanent Recreational Plot. Clean fill may be placed nearer to the property line of a Lake or the edge of an open Water Course in the event the written permission of the A.C.C. is first obtained. Likewise, by written permission of the A.C.C., a boat dock or boat house may be placed closer than 20 feet to the property line of a Lake or the edge of an open Water Course. The decision of the A.C.C. as to the permission aforesaid shall be final and conclusive.

9. Time for Completion of Buildings. Commercial structures, Single Family Attached structures and Multi-family structures shall be completed according to plans and specifications both as to exterior and interior within such time as shall be fixed by the A.C.C. when the plans and specifications for the particular structure are approved by the A.C.C. The following shall apply to the construction of a Single Family Detached structure as well as garage and outbuildings permitted and to Multi-family structures.

(a) The exterior of any Multi-family structure, Single Family Detached structure, garage or outbuildings permitted which shall be erected upon or moved upon any Lot of the Property covered by these Protective Covenants shall be completely finished within six months of the date of the start of construction.

(b) The interior of any Multi-family structure, Single Family Detached structure, garage or outbuildings permitted which shall be erected upon or moved upon any Lot of the Property covered by these Protective Covenants shall be completely finished within twelve (12) months following the start of construction.

The contractor, builder or Owner will submit all structures to inspection by the A.C.C. as required to determine compliance with completion dates as herein provided or as may be provided by the A.C.C. In the event of non-compliance with completion dates as herein provided, the Developer and/or DRROA shall have the right, but not the obligation, to hire a contractor and/or contractors (including Developer) to perform the work and furnish the materials necessary for compliance, and the particular party acting shall bill the Owner for the amount expended plus 12% for administration. In the event Owner does not pay same, the Developer and/or DRROA, as the case may be, shall have the legal right to file a lien against the property involved and proceed in law or equity to sell the property to obtain said charges. All money received over and above said charges and court costs shall be paid over to the Owner.

10. Electric Wiring and Plumbing. Where the A.C.C. deems it necessary to adequately protect the safety and health of lot owners and to prevent sub-standard construction or installation of same, it shall have the authority to require submission of complete electrical and plumbing specifications for its approval or disapproval.

11. Sewage Disposal. No privately-owned sewage disposal system shall be permitted upon any Lot or Parcel of Land of The Property covered by these Protective Covenants unless such system is designed, located and constructed in accordance with requirements, standards and recommendations of the State Health Department and approved by the A.C.C.

12. Water Supply. No privately-owned water system shall be permitted upon any Lot or Parcel of Land of The Property covered by these Protective Covenants unless such system is designed, located



and constructed in accordance with requirements, standards and recommendations of the State Health Department and approved by the A.C.C.

13. Outbuildings. Outbuildings or accessory buildings, such as a garage, servants' quarters or guest house, shall be permitted on Lots upon which a Single Family Detached structure has been constructed or is under construction provided the building and/or buildings are occupied by servants employed on the premises or temporarily by guests, and are not occupied as rental units by non-servant or non-guest occupants, and provided the A.C.C. shall approve the design, plans, specifications, etc., of such buildings.

Outbuildings or accessory buildings permitted upon Lots or Parcels of Land upon which there is constructed a commercial building, Single Family Attached structure, or Multi-family structure, shall be entirely within the discretion of the A.C.C.

14. Travel Trailers and Mobile Homes. No travel trailers or mobile homes shall be permitted as living quarters. Travel trailers and/or campers may be parked adjacent to homes already constructed, but they may not be occupied and should be screened from view where possible.

15. Signs. All signs are prohibited in areas zoned upon any recorded subdivision plat as Residential except:

(a) Signs erected by the DRROA for identification of streets, traffic control and directional purposes;

(b) Signs of a temporary nature advertising property for sale and construction signs, which signs shall not exceed five (5) square feet in area;

(c) Signs erected by Developer in connection with its sales program.

The erection of signs in areas zoned commercial upon any recorded subdivision plat shall require a permit of the A.C.C. and no such sign, except as provided in subparagraph (a) above, shall be erected without the permit of the A.C.C.

16. Model Houses. No provision of these Protective Covenants shall preclude the Developer in furtherance of its sales program from erecting, maintaining and utilizing Model Houses in any area zoned upon a recorded subdivision plat as Residential for such purposes as it may consider necessary during the development stages.

17. Businesses Prohibited in Residential Areas. Except for the business of the Developer in furtherance of its sales program, the practice of any profession or the carrying on of any business is prohibited within any area zoned as Residential upon any recorded subdivision plat of The Property, unless such professional use shall be approved in writing by the A.C.C.. Any approval issued in writing by the A.C.C. shall be conclusive as to such use.

18. Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved in the Declaration and will be reserved in any Supplemental Declaration and may also be reserved as indicated upon any recorded subdivision plat of The Property. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities; or which may change the direction of flow of drainage channels within the easements, or which may obstruct or retard the flow of waters through drainage channels within the easements. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of

the Lot, except for those improvements for which the DRROA, a public authority or utility company is responsible.

19. Nuisances. No obnoxious or offensive activity shall be carried on upon any Lot or Parcel of Land of The Property.

20. Livestock and Poultry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot or Parcel of Land of The Property, except that dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose. The A.C.C. may permit horses or farm-type animals, excluding hogs, on any lot having 1.25 acres or more, provided such permission is approved in writing by the A.C.C.

21. Garbage and Refuse Disposal. No Lot or Parcel of Land of The Property shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall be kept in a clean and sanitary condition, and disposition of same shall be prompt.

22. Conflict with Declaration. The provisions of the Declaration shall prevail in all respects as to these Protective Covenants, in the event of conflict between these Protective Covenants and the Declaration.

23. Enforcement. These Protective Covenants shall be enforced as provided in this Declaration of which the Protective Covenants are a part.

24. Sight Distance at Intersections. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between 2 and 6 feet above the roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points 25 feet from the intersection of the street lines, or in the case of a rounded property

corner from the intersection of the street property lines extended. The same sight-line limitations shall apply on any Lot within 10 feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

STATE OF TEXAS  
County of Banderá

I, OLGA SCHMIDT, Clerk of the County Court of Said County do hereby certify that the foregoing INSTRUMENT OF WRITING, dated on the 15th day of July A.D. 19 75 with its certificate of authentication was filed for record in my office the 17th day of July A.D. 19 75 at 3:55 o'clock P. M. and duly recorded the 22nd day of July A.D. 19 75 at 9:00 o'clock A. M., in the Deed Records of Said County in Volume 164 on Pages 507-533

WITNESS MY HAND AND SEAL of the County Court of said County of BANDERA the day and year last above written.

OLGA SCHMIDT  
Clerk County Court, Banderá County, Texas.  
By Ruth Tschinkart Deputy

