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DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS FOR  
VISTA HILLS

After Recording Return To:

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TABLE OF CONTENTS

**VOL 1082 PAGE 603**

**ARTICLE I. DEFINITION OF TERMS** ..... 2

**ARTICLE II. PURPOSE AND INTENT** ..... 4

**ARTICLE III. PROPERTY SUBJECT TO RESTRICTIONS** ..... 4

    A. PROPERTY ENCUMBERED ..... 4

    B. DE-ANNEXATION OF PROPERTY ..... 5

**ARTICLE IV. MEMBERSHIP AND VOTING RIGHTS** ..... 5

    A. ELIGIBILITY ..... 5

    B. MEMBERSHIP ..... 5

    C. VOTING RIGHTS ..... 6

        1. *Class A Membership* ..... 6

        2. *Class B Membership* ..... 6

    D. VOTING PROCEDURES ..... 6

**ARTICLE V. EFFECTIVE DATE OF DECLARATION** ..... 7

**ARTICLE VI. USE RESTRICTIONS** ..... 7

    A. RESIDENTIAL USES PERMITTED ..... 7

    B. NON-PERMITTED USES ..... 8

    C. PARKING AND PROHIBITED VEHICLES ..... 9

    D. SCREENING ..... 9

    E. OUTSIDE STORAGE AND TRASH COLLECTION ..... 9

    F. NOTICES AND EASEMENTS ..... 10

        1. *Utilities and General* ..... 10

        2. *Easements for Vista Lake and Vista Park (Reserve A) Maintenance, Flood Water and Other Landscape Reserves* ..... 11

        3. *Recreation Reserve* ..... 11

        4. *Reserves* ..... 12

        5. *Dam Maintenance Easement* ..... 13

        6. *Pipeline Easement* ..... 13

        7. *Bridle Easement* ..... 14

        8. *Monuments and Fences* ..... 14

        9. *Central Water* ..... 15

        10. *Electrical Easement* ..... 16

    G. SIGNS ..... 16

    H. COMMON AREAS ..... 17

    I. DEED RESTRICTION ENFORCEMENT ..... 17

        1. *Authority to Promulgate Rules and Regulations* ..... 17

        2. *Attorney's Fees and Fines* ..... 18

        3. *Remedies* ..... 18

        4. *Enforcement by Owners* ..... 18

    J. ANTENNAS ..... 18

K.	GENERAL NUISANCES .....	19
L.	TREE REMOVAL .....	20
M.	ANIMALS, PETS, AGRICULTURAL USE .....	20
N.	HUNTING .....	21
O.	SWIMMING POOLS/SPAS.....	21
P.	BARNs, OUT BUILDINGS/ACCESSORY BUILDINGS .....	21
Q.	WINDOW AIR CONDITIONING UNITS.....	22
R.	VISTA LAKE AND VISTA PARK.....	22
S.	PONDS AND OTHER WATER BODIES .....	23
T.	OUTDOOR LIGHTING .....	23
U.	COMBINING OF LOTS.....	24
<b>ARTICLE VII. ARCHITECTURAL RESTRICTIONS.....</b>		<b>24</b>
A.	ARCHITECTURAL REVIEW COMMITTEE - "ARC" .....	25
B.	ARC APPROVAL REQUIRED.....	25
C.	BUILDING SETBACKS .....	27
D.	LANDSCAPING.....	27
E.	GRADING AND DRAINAGE.....	28
F.	TEMPORARY STRUCTURES .....	28
G.	EXTERIOR MATERIALS.....	28
H.	ROOFING MATERIALS .....	29
I.	SEPTIC AND WATER SYSTEMS .....	29
J.	UTILITY LINES FOR ELECTRICAL, TELEPHONE AND/OR CABLE.....	29
K.	ENTRANCES AND DRIVEWAYS .....	29
L.	GARAGES .....	30
M.	MINIMUM SQUARE FOOTAGE.....	30
N.	MINIMUM SLAB ELEVATION .....	31
O.	STANDARDS AND PROCEDURES.....	32
P.	INSPECTION.....	33
<b>ARTICLE VIII. MAINTENANCE.....</b>		<b>33</b>
A.	GENERAL MAINTENANCE .....	33
B.	BRIDLE EASEMENT AND STREET RIGHT OF WAYS .....	34
C.	LIABILITY, COST AND APPROVAL.....	35
<b>ARTICLE IX. VARIANCES.....</b>		<b>35</b>
<b>ARTICLE X. LIMITATION OF LIABILITY .....</b>		<b>36</b>
<b>ARTICLE XI. ASSESSMENTS.....</b>		<b>36</b>
A.	CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS .....	36
B.	PURPOSE OF ASSESSMENTS .....	37
C.	ANNUAL ASSESSMENT.....	37
1.	<i>Creation</i> .....	37
2.	<i>Rate</i> .....	37
3.	<i>Commencement</i> .....	38
4.	<i>Proration</i> .....	38
5.	<i>Levying of the Assessment</i> .....	38

D. SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS ..... 38

E. COLLECTION AND REMEDIES FOR ASSESSMENTS ..... 39

F. SUBORDINATION OF THE LIEN TO FIRST MORTGAGES..... 40

G. NOTICE OF DELINQUENCY ..... 41

**ARTICLE XII. MODIFICATION AND TERMINATION OF COVENANTS ..... 41**

**ARTICLE XIII. ALTERNATE DISPUTE RESOLUTION..... 42**

A. DISPUTE RESOLUTION..... 42

B. OUTSIDE MEDIATOR ..... 42

C. MEDIATION IS NOT A WAIVER ..... 43

D. ASSESSMENT COLLECTION AND LIEN FORECLOSURE..... 43

E. TERM ..... 43

**ARTICLE XIV. GENERAL PROVISIONS ..... 43**

A. SEVERABILITY ..... 43

B. COMPLIANCE WITH LAWS ..... 43

C. GENDER AND NUMBER ..... 44

D. HEADLINES ..... 44

E. GOVERNING LAW..... 44

F. FINES FOR VIOLATIONS..... 44

G. BOOKS AND RECORDS..... 44

H. NOTICES..... 45

I. MERGERS..... 45

J. CURRENT ADDRESS AND OCCUPANTS ..... 45

K. SECURITY..... 45

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR VISTA HILLS

STATE OF TEXAS :  
:  
COUNTY OF GRIMES :

THIS DECLARATION is made on the date hereinafter set forth by Vista Hills, Ltd., a Texas limited partnership, hereinafter referred to as the "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Grimes County, Texas known as Vista Hills a subdivision of 458.704 acres and containing 29 lots and one block out of the Samuel Fulton Survey, Abstract No. A-16, according to the map or plat thereof, filed on the 24th day of May, 2004 under Clerk's File No. 192074 of the Plat Records of Grimes County, Texas (the "Property"); and

WHEREAS, Declarant desires to develop the Property as a residential subdivision, and to provide and adopt a uniform plan of development including assessments, conditions, covenants, easements, reservations, and restrictions designed to govern, control and preserve the values and amenities of the Property for the development, improvement, aesthetic considerations, sale, common welfare of the community, use and enjoyment of the Property as a residential subdivision; and

WHEREAS, Declarant desires to subject the Property to the assessments, conditions, covenants, easements, reservations, and restrictions hereinafter set forth, for the benefit of the Property and each Owner of any part thereof; and

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the amenities in said subdivision and enforcement of this Declaration, to create an Association (hereinafter defined) to which shall be delegated and assigned the power of administering and enforcing these assessments, conditions, covenants, easements, reservations and restrictions, including levying, collecting and disbursing the assessments; and

WHEREAS, there has been or will be incorporated one or more non-profit corporations created under the laws of the State of Texas, including the first being Vista Hills Community Association, Inc. Declarant is hereby authorized to incorporate one or more entities to provide the functions of the Association. The Directors of which Association either have or will establish certain By-Laws by which the Association shall be governed through its Board of Directors, for the purpose of exercising the functions aforesaid and any other duties as set out in the By-Laws and/or other Dedicatory Instruments as that term is defined in the Texas Property Code. No more than one such non-profit corporation shall be in existence at any one time.

NOW, THEREFORE, Declarant hereby declares that the Property shall be developed, improved, sold, used and enjoyed in accordance with, and subject to the following plan of development, including the assessments, conditions, covenants, easements, reservations, and restrictions hereinafter set forth, all of which are hereby adopted for, and placed upon said Property and shall run with the Property and be binding on all parties, now and at anytime hereinafter, having or claiming any right, title or interest in the Property or any part thereof, their heirs, executors, administrators, successors and assigns, regardless of the source of, or the manner in which any such right, title or interest is or may be acquired, and shall inure to the benefit of each Owner of any part of the Property.

#### ARTICLE I. DEFINITION OF TERMS

The following words when used herein shall have the following meanings when capitalized (unless the context requires otherwise and the term is then not capitalized):

- A. "Animal Unit" means a mother and her unweaned offspring. A weaned offspring is considered an Animal Unit.
- B. "ARC" means the Architectural Review Committee established for the Property as set forth in Article VII, Section A.
- C. "Assessment" means the assessment levied against all Lots for the purposes set out in Article XI, Section C, or for any other charge authorized by this Declaration, the By-laws, or Rules and Regulations.

- D. "Architectural Guidelines" mean a publication of the ARC, if any, that may set forth various standards relating to exterior harmony of any and all improvements placed upon or constructed on any lot, which publication may be amended without notice to owners.
- E. "Association" means VISTA HILLS COMMUNITY ASSOCIATION, INC., a Texas non-profit corporation, its successors, assigns, or replacements which has jurisdiction over all properties located within the land encumbered under this Declaration.
- F. "Board" means the duly elected Board of Directors of the Association as provided within the By-laws.
- G. "By-Laws" means the By-Laws of Vista Hills Community Association, Inc., as they may be amended from time to time.
- H. "Common Area" means all real property owned in fee or held in easement by the Association for the common use and/or enjoyment of the Owners and shall include areas designated by Declarant to be conveyed by deed or easement to the Association.
- I. "Declarant" means Vista Hills, Ltd., its successors and assigns, as may be evidenced by a written instrument recorded in the public records of the Grimes County Clerk's office.
- J. "Declaration" means this Declaration of Covenants, Conditions, and Restrictions for Vista Hills or any other property brought under the control of this document, or any supplemental declaration and/or amendment thereto.
- K. "Dwelling" means a structure or structures intended for residential use.
- L. "Hardscape" shall include but not be limited to such items as rocks, landscape timbers, railroad ties, fountains, statuary, sculpture, terracing materials, lawn swings, yard art.
- M. "Homesite" means one or more Lots upon which a single family Dwelling may be erected subject to this Declaration.
- N. "Lot" means a parcel of Property as defined by the recorded plat and/or any replat thereof as one lot in the Map Records of Grimes County, Texas, and encumbered by this Declaration. Homesites may be comprised of more than one Lot; each such Lot will be subject to the rights and duties of membership in the Association.

- O. "Member" means an Owner, as defined in this article, who is in good standing per Article IV, Section B, "Membership."
- P. "Owner" means an owner of any portion of the Property. Persons or entities holding title only as a lienholder shall not be an Owner for purposes of this Declaration.
- Q. "Property" means all of the property subject to this Declaration as same may be amended and/or supplemented from time to time as additional property is annexed into Vista Hills as allowed under this Declaration.
- R. "Recreational Sites" means Common Area Property that is set aside for use as recreational facilities, reserves, or green space and is encumbered by this Declaration, a recorded plat, or both.
- S. "Special Assessment" means an assessment levied under Article XI, Section D for a specific purpose.
- T. "Vista Hills" and/or the "Subdivision" means Vista Hills Subdivision, located in Grimes County, Texas. Vista Hills Subdivision is more particularly described in the Plat recorded under Clerk's File No. 192074 in the Plat Records of Grimes County, Texas.

**ARTICLE II. PURPOSE AND INTENT**

Vista Hills, as initially planned, is intended to be a residential development that is planned to feature residential uses with limited agricultural use as further defined herein.

This Declaration shall serve as the means by which design, maintenance and use of the Property and eligible property anticipated to be a part of Vista Hills will be established.

**ARTICLE III. PROPERTY SUBJECT TO RESTRICTIONS**

A. Property Encumbered

The Property that is encumbered by this Declaration and is therefore a part of the Vista Hills Subdivision is more particularly described in the map or plat thereof, filed under Clerk's File No. 192074 of the Real Property Records of Grimes County, Texas. Owners of Property are Members of the Association and have executed this Declaration.



B. De-annexation of Property

For so long as Class "B" Membership exists, the Declarant, without the joinder of any other Owners or Members, may de-annex from the Subdivision any property owned by the Declarant.

**ARTICLE IV. MEMBERSHIP AND VOTING RIGHTS**

A. Eligibility

Eligibility to vote or serve as a representative, director or officer, after the expiration of the term of the initial Board of Directors, shall be predicated upon a Member being in good standing with the Association. To be in good standing, the Member must have all assessments of every type and category paid up to date and have no outstanding financial obligations to the Association that are delinquent. Additionally, no Member shall be allowed to vote or hold office if that Member is noted of record (or within the records of) the Association to have a deed restriction violation on one or more Lots in Vista Hills.

B. Membership

The sole criteria to become a Member of the Association is to hold title to a Lot within Vista Hills. This is not to imply that any holder of a mere security interest (such as a mortgagee, or holder of any other lien against property) would be a Member, unless that holder of the security interest foreclosed and thereby became the Owner of the Lot(s). Membership is appurtenant to and runs with the land. Membership is not severable as an individual right and cannot be separately conveyed to any party or entity. Multiple owners of any single Lot must vote in agreement (under any method they devise among themselves), but in no case shall such multiple Owners cast portions of votes. The vote attributable to any single Lot must be voted in the same manner (i.e. all votes for, or all votes against a particular issue).

All duties and obligations set forth in this Declaration are the responsibility of each Member. No waiver of use of rights of enjoyment created by this Declaration shall relieve Members or their successors or assigns of such duties or obligations. Mandatory membership shall begin with the execution of this Declaration and pass with title to the land (regardless of any method of conveyance) to any subsequent grantee, successor, or assignee of Members.

In consideration for payment of Assessments, all Owners of Lots in Vista Hills shall have the right to the use and enjoyment of amenities and Common Area in Vista Hills.

C. Voting Rights

The Association shall have two classes of membership, Class A and Class B, as follows:

1. Class A Membership:

Class A Members shall be all Members with the exception of Class B Members, if any. Each Class A Member's voting rights shall be based on the number of Lots and shall be determined as follows:

One (1) vote shall be granted to Class A Members for each Lot owned.

2. Class B Membership:

Class B Members shall include the Declarant and such Owners as the Declarant may, in its sole discretion, confer Class B Membership status upon. Each Class B Member's voting rights shall be based on the number of Lots owned, and shall be determined as follows:

Ten (10) votes per platted Lot shall be granted to Class B Members.

Declarant shall retain its Class B membership and retain control and authority to appoint all members of the Board of Directors of the Association until the earlier to occur of the following:

1. Declarant has sold one hundred percent (100%) of the platted lots, or
2. The Declarant desires to release such control and authority to the Association as evidenced by an instrument recorded in the Real Property Records of Grimes County, or
3. January 1, 2029.

At such time, any remaining Class B Members shall be converted to Class A Members and elections shall be held to elect the Members of the Board of Directors of the Association pursuant to the provisions of the Articles of Incorporation and the By-Laws of the Association.

D. Voting Procedures

Class A and Class B members shall exercise their votes as set out in the By-Laws.

ARTICLE V. EFFECTIVE DATE OF DECLARATION

This Declaration shall be effective as of the date this document is recorded in the Real Property Records of Grimes County, Texas.

ARTICLE VI. USE RESTRICTIONS

THE GENERAL INTENT OF THE DECLARANT IS THAT THE MOTIF AND DESIGN OF ALL BUILDINGS ON THE LOTS BE COMPATIBLE WITH THE "COUNTRY SETTING". THIS PROVISION IS INCLUDED HEREIN FOR THE PURPOSE OF STRONGLY DISCOURAGING CONSTRUCTION OF RESIDENTIAL BUILDINGS CONSIDERED TO BE UNCONVENTIONAL OR EXTREME IN DESIGN.

A. Residential Uses Permitted

Homesites within Vista Hills shall be used exclusively for single-family residential purposes and improvements for agricultural use as defined herein. The term "Single Family" as used herein shall refer not only to the architectural design of the Dwelling but also to the permitted number of inhabitants, which shall be limited to a single family, as defined below. Single Family shall mean the use of, and improvement to, a Lot with no more than three (3) buildings designed for and/or containing facilities for living, sleeping, cooking, and eating therein. In no case may a Lot contain more than one (1) Dwelling and one (1) guesthouse, barns, sheds, storage buildings, and other structures for agricultural use specifically approved by the ARC. If a guest house is constructed, it must be built at the same time, or after, the main residence has been constructed. A barn may include guest quarters or an apartment for employees. No multi-family Dwellings may be constructed on any Residential Lot. No building, outbuilding or portion thereof shall be constructed for income property, such that tenants would occupy less than the entire Lot and/or Homesite. It is permitted for tenants to lease a residence in Vista Hills, so long as tenants are leasing the entire land and improvements comprising the Homesite.

No residence shall be occupied by more than one single family. By way of illustration the following charts each depict an example of an approved single family:

For the purposes of these examples, the Owner(s) are considered the control level which establishes the other approved residents.

EXAMPLE NO. 1

No more than a total of 2 parents of the control level		
<u>Control Level:</u> Husband & Wife	One Person Not So Related	One Household Employee
Children of Husband and/or Wife		

EXAMPLE NO. 2

No more than a total of 2 parents of the control level	
<u>Control Level:</u> Roommate One Roommate Two	One Household Employee
Children of either or both Roommates	

It is not the intent of this provision to exclude from a lot any individual who is authorized to so remain by any state or federal law. If it is found that this definition is in violation of any law, then this provision shall be interpreted to be as restrictive as possible to preserve as much of the original provision as allowed by law.

B. Non-Permitted Uses

No trade or business, other than approved agricultural uses, may be conducted in or from any Dwelling or Homesite, except such use within a Dwelling where (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Dwelling; (b) the business activity conforms to all zoning requirements and other restrictive covenants applicable to the Property; (c) the business activity does not involve visitation of the Dwelling or Homesite by clients, customers, suppliers or other business invitees or door-to-door solicitation of residents of Vista Hills; and (d) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of Vista Hills, as may be determined in the sole discretion of the Board. An auto repair facility, day-care facility, home day-care facility, church, nursery, pre-school, beauty parlor, or barber shop or other similar facility is expressly prohibited.

C. Parking and Prohibited Vehicles

No motor vehicles or non-motorized vehicle, boat, trailer, marine craft, recreational vehicle, camper rig off of truck, hovercraft, aircraft, machinery or equipment of any kind may be parked or stored in the public street right-of-way, driveways, easement or right-of-way, unless such vehicle or object is completely concealed from public view inside a garage, barn, shed, or enclosure approved by the ARC. Passenger automobiles, passenger vans, motorcycles, or pick-up trucks that: (a) are in operating condition; (b) as qualified by current vehicle registration and inspection stickers; (c) are in daily use as motor vehicles on the streets and highways of the State of Texas; and (d) do not exceed six feet ten inches (6'10") in height, or eight feet (8') in width may be parked in the driveway on a Lot. Storage of any vehicles in the street is prohibited. Storage shall mean the parking of a vehicle for more than seven (7) days in any calendar month.

Recreational vehicles, such as mobile homes, campers, and boats are not considered vehicles incident to the residential use of a Homesite and therefore are not permitted to be stored on Homesites for any period of time greater than seventy-two (72) hours. A recreational vehicle with not more than two (2) axles may be parked in front of or on the Homesite for up to seventy-two (72) hours for loading, and unloading only.

D. Screening

The drying of clothes in public view is prohibited. All yard equipment, woodpiles or storage piles shall be kept screened (as approved by the ARC) by a service yard or other similar facility so as to conceal them from public view of neighboring Lots, the public streets, or other property. All screening designs, locations, and materials are subject to prior ARC approval. Any such screening installed must be maintained in a clean and neat manner at all times, and may not detract from the appearance of the Property.

E. Outside Storage and Trash Collection

No equipment, machinery, or materials of any kind or nature shall be stored in public view on any Homesite unless the equipment, machinery or materials is being used temporarily and is incident to repair or construction of the Dwelling or Homesite. All equipment, machinery, and materials shall be properly stored out of sight of every other Homesite immediately after use

of such item, and all trash, debris, excess, or unused materials or supplies shall likewise be disposed of immediately off of the Homesite, or stored out of view until trash collection occurs.

Trash placed outside for collection must be contained to protect from animals or spillage and trash cans must be removed from sight within a reasonable time after collection.

F. Notices and Easements

1. Utilities and General

There are hereby reserved unto Declarant, so long as the Declarant owns any Property, the Association, and the designees of each (which may include, without limitation, Grimes County and any utility) access and maintenance easements upon, across, over, and under all of the Property to the extent reasonably necessary for the purpose of installing, replacing, repairing, and maintaining any or all of the following which may exist now or in the future: cable television systems, master television antenna systems, monitoring and similar systems, roads, dams, walkways, fences, bicycle pathways, bridle easements, wetlands, drainage systems, street lights, signage, and all utilities, including, but not limited to, water, meter boxes, telephone, gas, and electricity, and for the purpose of installing any of the foregoing on Property that Declarant owns or within easements designated for such purposes on recorded plats of the Property. Notwithstanding anything to the contrary herein, this easement shall not entitle the holders to construct or install any of the foregoing systems, facilities, or utilities over, under or through any existing Dwelling; any damage to a Homesite resulting from the exercise of this easement shall promptly be repaired by, and at the expense of, the person or entity exercising the easement. The exercise of this easement shall not unreasonably interfere with the use of any Homesite.

Without limiting the generality of the foregoing, there are hereby reserved for the local water supplier, electric company, telephone company, cable company and natural gas supplier easements across all the Common Areas for ingress, egress, installation, reading, replacing, repairing and maintaining utility meters boxes, installation equipment, service equipment, and any other device, machinery or equipment necessary for the proper functioning of the utility; however, the exercise of this easement shall not extend to unauthorized entry into the Dwelling on any Homesite, except in an emergency. Notwithstanding anything to the contrary contained in this Section, no electrical lines, water lines, or other utilities may be installed or relocated on the Property, except as may be approved by the Board of Directors or Declarant.

2. Easements for Vista Lake and Vista Park (Reserve A) Maintenance, Flood Water and Other Landscape Reserves

Declarant and Association reserve for themselves and their successors, assigns and designees the non-exclusive right and easement, but not the obligation, to enter upon the Vista Lake and Vista Park and other landscape reserves, and other bodies of water located within the Property (a) to install, keep, maintain and replace pumps or wells in order to obtain water for the irrigation of any of the Common Area, (b) to construct, maintain and repair any fountain, wall, dam, or other structure retaining water therein, and (c) to remove trash and other debris and fulfill their maintenance responsibilities as provided in this Declaration. Declarant's rights and easements hereunder shall be transferred to the Association at such time as Declarant shall cease to own Property subject to the Declaration, or such earlier time as Declarant may decide, in its sole discretion, and transfer such rights by a written instrument. The Declarant, the Association, and their designees shall have an access easement over and across any of the Properties abutting or containing any portion of Vista Lake and Vista Park to the extent reasonably necessary to exercise their rights and responsibilities under this Section.

There is further reserved, for the benefit of Declarant, the Association, and their designees, a perpetual, non-exclusive right and easement of access and encroachment over Common Areas and Homesites (but not the Dwellings thereon) extending from the rear Lot line of Lots bordering Vista Lake a distance of fifty feet (50') in order: (a) to temporarily flood and back water upon and maintain water over such portions of the Property; (b) to fill, drain, dredge, deepen, clean, fertilize, dye and generally maintain Vista Lake; (c) to maintain and landscape the slopes and banks pertaining to Vista Lake; and (d) to enter upon and across such portions of the Property for the purpose of exercising rights under this Section. All persons entitled to exercise these easements shall use reasonable care in, and repair any damage resulting from, the negligent and/or intentional exercise of such easements. Nothing herein shall be construed to make Declarant or any other person or entity liable for damage resulting from flood due to hurricanes, heavy rainfall, or other natural disasters.

3. Recreation Reserve

Owners of Lots within the Property are advised that there exists Reserve "A" Vista Lake and Vista Park (hereinafter the "Recreation Reserve") which reserve is restricted in its use to a recreation center and/or open space. Owners of Lots within the Property hereby agree to hold harmless the Declarant and the Association, and their successors and assigns, and release them from any liability for the placement, construction, design, operation, maintenance and

replacement of any recreational facility, including a parking area in said Recreation Reserve, and agree to indemnify the parties released from any damages they may sustain. Owners further grant an easement to the Declarant and the Association for any incidental noise, lighting, odors, parking and/or traffic which may occur in the normal operation of the Recreation Reserve or recreational facility which is or may be placed within the Recreation Reserve. The Declarant, its successors and assigns, and/or the Association has the right to promulgate rules and regulations governing the use of the Recreation Reserve and a recreational facility, if, as, and when such facility is built.

Owners whose lots are adjacent to or abut the Recreation Reserve shall take care and shall not permit any trash, fertilizers, chemicals, petroleum products, environmental hazards or any other foreign matters to infiltrate the Recreation Reserve. Any owner permitting or causing such infiltration shall indemnify and hold harmless the Association for all costs of clean up and remediation necessary to restore the Recreation Reserve to its condition immediately prior to said infiltration.

#### 4. Reserves

Owners of Lots within the Property are advised that there exist Reserves "B, C, and D" (hereinafter the "Reserves") shown on the recorded plat for the Property, which shall be maintained by the Association. Owners of Lots within the Property hereby agree to hold harmless the Declarant and the Association, and their successors and assigns, and release them from any liability for the placement, construction, design, operation, maintenance and replacement of any improvements on the Reserves, and agree to indemnify the parties released from any damages they may sustain. Owners further grant an easement to the Declarant and the Association for any incidental noise, lighting, odors, parking and/or traffic which may occur in the normal maintenance of the Reserves.

Owners whose lots are adjacent to or abut a Reserve shall take care and shall not permit any trash, fertilizers, chemicals, petroleum products, environmental hazards or any other foreign matters to infiltrate a Reserve. Any owner permitting or causing such infiltration shall indemnify and hold harmless the Association for all costs of clean up and remediation necessary to restore a Reserve to its condition immediately prior to said infiltration.



5. Dam Maintenance Easement

Owners of Lots Eleven (11) and Twenty-Nine (29) are advised that Declarant and the Association reserve for themselves and their successors, assigns and designees the non-exclusive right and easement, including a one hundred twenty-five foot (125') easement upon said Lots, the location of which easement shall be identical to the one hundred twenty-five foot (125') building setback line as shown on the plat of the Property, to enter upon said Lots to construct, maintain and repair any wall, dam or other structure retaining water within the Subdivision, and further to remove trash and other debris and fulfill their maintenance responsibilities as provided in this Declaration. Declarant's rights and easements hereunder shall be transferred to the Association at such time as Declarant shall cease to own Property subject to the Declaration, or such earlier time as Declarant may decide, in its sole discretion, and transfer such rights by a written instrument. The Declarant, the Association, and their designees shall have an access easement over and across any of the Properties abutting or containing any portion of the dam to the extent reasonably necessary to exercise their rights and responsibilities under this Section.

6. Pipeline Easement

Located within the Subdivision, as shown on the recorded plat of the Property, there exists a pipe line easement described in more detail in Volume 817, Page 471 of the Grimes County, Texas, Deed Records ("Pipeline Easement"). Owners hereby agree to hold harmless the Declarant and the Association, and their successors and assigns and release them from any liability for the existence, placement, and/or maintenance of the pipeline/Pipeline Easement and agree to indemnify the parties released from any damages they may sustain. Owners further grant an easement to the Declarant and the Association for any incidental noise, odors, visibility of the pipeline/Pipeline Easement, and/or traffic which may occur due to the existence of the Pipeline Easement. Owners hereby acknowledge that the Association, its directors, officers, managers, agents, or employees, the Declarant or any successor Declarant have made no representations or warranties nor has any Owner, occupant, tenant, guest or invitee relied upon any representations or warranties, expressed or implied, relative to any future change in use of the Pipeline Easement.

7. Bridle Easement

Located within the Subdivision but not appearing on the recorded plat there will be a fifteen foot (15') wide non-exclusive bridle easement adjacent to and running with Vista Hills Drive and Vista Lake Court (the "Bridle Easement"). Owners shall not install or erect any impediments to the Bridle Easement. The Bridle Easement may be located upon an Owner's Lot where it abuts Vista Hills Drive and Vista Lake Court. Owners hereby agree to hold harmless the Declarant and the Association, and their successors and assigns and release them from any liability for the existence, placement, and/or maintenance of the Bridle Easement and agree to indemnify the parties released from any damages they may sustain. Owners further grant an easement to the Declarant and the Association for any incidental noise, odors, and visibility of the Bridle Easement, and/or traffic which may occur due to the existence of the Bridle Easement. Owners hereby acknowledge that the Association, its directors, officers, managers, agents, or employees, the Declarant or any successor Declarant have made no representations or warranties nor has any Owner, occupant, tenant, guest or invitee relied upon any representations or warranties, expressed or implied, relative to any future change in use of the Bridle Easement.

8. Monuments and Fences

There are, or will be, installed a black five (5) board (four (4) boards with a cap) wood fence to be located adjacent to property lines along all street frontages, hereinafter referred to as the "Perimeter Fence". Said Perimeter Fence may have been installed over a period of years. The Declarant makes no representations as to the condition or quality of said Perimeter Fence. Owners are responsible for the maintenance, upkeep, repair and replacement of the portion of the Perimeter Fence which is located or adjacent to their Lot. Additionally, Owners are responsible for repainting or staining the Perimeter Fence black as needed. Any repairs or replacement of the Perimeter Fence must be of the same specifications and be painted black.

All other fences, except as set forth below, must be either built to the same specifications and color of the Perimeter Fence or a minimum of five (5) strand wire on metal and black wood posts as approved by the ARC, or a black pipe fence with pipe size and material as approved by the ARC.

Notwithstanding anything contained herein to the contrary, the existing fences located between Lots Sixteen (16) and Seventeen (17); Lots Twenty-Six (26) and Twenty-Seven (27); and Lots Twenty-Seven (27) and Twenty-Eight (28) are hereby permitted to remain without

constituting a violation of the covenants, conditions, and restrictions contained in this Declaration. Provided however, that at such time as said fences are replaced, any such replacements shall be subject to all covenants, conditions, and restrictions contained in this Declaration.

If a fence is located on the rear of Lots Twelve (12), Thirteen (13) and/or Fourteen (14) it must either be five (5) board black wood fence or ornamental iron and shall be subject to a one hundred twenty-five foot (125') setback from the Lot line adjacent to Vista Lake.

An ornamental iron fence, which must meet Grimes County or other governmental entities' specifications may be constructed to enclose a swimming pool. A dog run may be constructed with chain link fencing as long as it is screened from public view. Chain link fencing may also be used to enclose a tennis court.

Corrals and other animal enclosures may be constructed with the black five (5) board fencing, or five (5) strand wire on metal and black wood posts or a black pipe fence with pipe size and material as approved by the ARC. Fencing materials may be attached to the corral board fence to fence smaller approved animals with prior ARC approval.

Owners shall be responsible for the maintenance, repair and/or replacement of all fences in existence at time of transfer from Declarant to Owner. The maintenance of any portion of a fence which lies between Lots shall be the joint responsibility of each Lot owner on whose property the fence lies between. In the event an Owner fails to repair, replace or maintain said fence in a manner consistent with the subdivision in the sole discretion of the Board of Directors, the Association shall have the right, but not the obligation, to enter such property for the repair and/or replacement of such fence after notice to the Owner. Any expense incurred by the Association in effectuating such repairs/replacement shall be the responsibility of the Owner and shall be secured by the continuing lien on the Lot.

#### 9. Central Water

All Lots in Vista Hills shall be served by a water system installed, operated and continuously maintained in accordance with applicable utility company and governmental requirements. Owners are hereby put on notice that the exclusive provider for fresh water service for Vista Hills shall be G & W Water Company, its successor, assigns or replacements, and Owners shall purchase water utility service from G & W Water Company its successor, assigns or replacements. The Declarant and the Association shall have the exclusive right to

cancel such service in the event G & W Water Company, its successor, assigns or replacements fails to construct, operate, repair and maintain a high-quality public water system with adequate water pressure.

10. Electrical Easement

There is hereby reserved unto Declarant, so long as the Declarant owns any Property, the Association, and the designees of each (which may include, without limitation, Grimes County and any electric service provider) access and maintenance easements upon, across, over, and under all of the Property to the extent reasonably necessary for the purpose of installing, replacing, repairing, and maintaining any or all electrical lines (the "Electrical Easement") which may exist now or in the future for the purpose of providing electric service to Lots and the Subdivision. This Electrical Easement shall additionally extend for ten feet (10') from both sides of each side Lot line; provided however, if two or more Lots are combined as provided herein, the Electric Easement shall no longer exist at the Lot line between the combined Lots but shall be measured from the side Lot lines on the newly consolidated Lots. Notwithstanding anything to the contrary herein, this Electrical Easement shall not entitle the holders to construct or install any systems, facilities, or utilities over, under or through any existing Dwelling; and any damage to a Homesite resulting from the exercise of this Electrical Easement shall promptly be repaired by, and at the expense of, the person or entity exercising the Electrical Easement. The exercise of this Electrical Easement shall not unreasonably interfere with the use of any Homesite. Notwithstanding anything to the contrary contained in this Section 9, no electrical lines may be installed or relocated on the Property, except as may be approved by the Board of Directors or Declarant.

G. Signs

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

1. For Sale Signs. An Owner may erect one (1) sign on his Lot, not exceeding 2'x3' in area, fastened only to a stake in the ground and extending not more that three (3') feet above the surface of such Lot advertising the property for sale.

2. Home Identification Signs. An Owner may erect one (1) sign on his Lot identifying the Lot by name, subject to prior ARC approval. By way of example, but not limitation, a sign naming the owner's Lot such as "The Jones" may be installed at the entry to the Lot subject to prior ARC approval.

3. Builder Signs. During the construction of a Dwelling, a builder may, with prior ARC approval, place one (1) sign, not to exceed two feet by three feet (2' x 3') displaying the builder's name and telephone number.

The Declarant may place certain information and advertising signs on Lots without the prior permission of the ARC.

If any sign is placed within Vista Hills in violation of this Declaration, the Association or its agents shall be authorized to enter upon any Lot or Homesite and remove and/or dispose of any such sign violation, and in doing so shall not be subject to any liability for trespass, other tort or damages in connection with or arising from such entry, removal and/or disposal nor in any way shall the Association or its agent be liable for any accounting or other claim for such action.

#### H. Common Areas

The Association, subject to the rights of the Members set forth in this Declaration and any amendments or Supplemental Amendments, shall be responsible for the exclusive maintenance, management and control of the Common Area and all improvements thereon and shall keep it in good, clean, attractive and sanitary condition. No Member may appropriate any portion of the Common Areas or any improvement thereon for his or her own exclusive use. Any Member or his or her guests, family or invitees that causes damage to the Common Area shall be financially responsible for said damage. The cost of repair, if not timely paid by the Member (within thirty [30] days) shall be assessed against the Member's Homesite and secured by the continuous lien set forth in Article XI, Section A of this Declaration.

#### I. Deed Restriction Enforcement

##### 1. Authority to Promulgate Rules and Regulations

The Board of Directors has the authority to promulgate reasonable rules and regulations concerning enforcement of the covenants and restrictions contained in this Declaration, any

Supplemental Amendment and/or amendments concerning the use and enjoyment of Common Areas.

2. Attorney's Fees and Fines

In addition to all other remedies that may be available, after notice and an opportunity to be heard as required by §209 of the Texas Property Code as same may be amended, the Association has the right to collect attorney fees and/or fines as set by the Board from any Owner that is in violation of this Declaration, any applicable Supplemental Amendment or amendments, any Architectural Guidelines or any other rule or regulation promulgated by the Association.

3. Remedies

Every Owner shall comply with all provisions of this Declaration, the By-Laws, and the rules and regulations of the Association, all other dedicatory instruments of the Association and any amendments or supplements to any of the foregoing. Failure to comply shall be grounds for an action to recover sums due, for damages or injunctive relief, or for any other remedy available at law or in equity, maintainable by the Association. In addition, the Association may avail itself of any and all remedies provided in this Declaration, any amendment, Supplemental Restriction, the By-Laws or any other dedicatory instruments.

4. Enforcement by Owners

Each lot owner is empowered to enforce the covenants.

J. Antennas

No exterior antennas, aerials, satellite dishes, or other apparatus for the reception of television, radio, satellite or other signals of any kind shall be placed, allowed, or maintained upon any portion of the Property, including any Homesite, which is visible from any street, common area or other Lot unless it is impossible to receive signals from said location. In that event the receiving device may be placed in a visible location as approved by the ARC. The ARC may require as much screening as possible while not substantially interfering with reception. The Declarant and/or the Association shall have the right, without obligation, to erect or install an aerial, satellite dish, master antenna, cable system, or other apparatus for the transmission of television, radio, satellite or other signals for the benefit of all or a portion of the Property. No satellite dishes shall be permitted which are larger than one (1) meter in diameter.

No broadcast antenna mast may exceed the height of the center ridge of the roofline. No Multichannel Multipoint Distribution Service ("MMDS") antenna mast may exceed the height of twelve feet (12') above the center ridge of the roofline. No exterior antennas, aerials, satellite dishes, or other apparatus shall be permitted which transmit television, radio, satellite or other signals of any kind shall be placed, allowed, or maintained upon any portion of the Property. The Declarant by promulgating this Section is not attempting to violate the Telecommunications Act of 1996 ("the 1996 Act"), as may be amended from time to time. This Section shall be interpreted to be as restrictive as possible while not violating the 1996 Act.

In the event that it is impossible to receive a signal from a non-visible location, the installation of antennas shall be subject to rules and regulations which may be promulgated by the Association setting out preferred alternate locations for antennas.

K. General Nuisances

No portion of the Property shall be used, in whole or in part, for the storage of any property or thing that will cause it to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any portion of the Property that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding Homesites, Recreational Sites, or Common Areas.

No noxious, illegal, or offensive activity shall be carried on upon any portion of the Property, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to any person using any portion of the Property. There shall not be maintained any plants, animals, device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Property. No speaker, horn, whistle, bell or other sound device, except alarm devices used exclusively for residential monitoring purposes, shall be installed or operated on the Property, unless required by federal, state or local regulation. The use and discharge of firecrackers and other fireworks is prohibited within the Property.

It shall be the responsibility of each Owner to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on his or her Homesite. The pursuit of hobbies or

other visible activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, that might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Property. Notwithstanding the above, the disassembly and assembly of motor vehicles to perform repair work shall be permitted provided such activities are not conducted on a regular or frequent basis, and are either conducted entirely within an enclosed garage or, if conducted outside, are begun and completed within twelve (12) hours.

L. Tree Removal

No trees greater than six (6) caliper inches to be measured at a point six (6) inches above grade shall be removed, except for diseased or dead trees and trees needing to be removed to promote the growth of other trees or for safety reasons, unless approved by the ARC. In the event of an intentional or unintentional violation of this Section, the violator may be required to replace the removed tree with one (1) or more comparable trees of such size and number, and in such locations, as the Association may determine necessary, in its sole discretion, to mitigate the damage.

M. Animals, Pets, Agricultural Use

For purposes hereof, the term "agricultural use" shall be limited as follows:

1. Raising of cattle, livestock, and poultry shall be permitted; however, the raising and/or penning of wild game, feedlot operations and commercial poultry operations of any type whatsoever are strictly prohibited.
2. Livestock (except sheep, alpacas, and goats) shall be limited to one (1) animal unit for every two (2) acres. Sheep, or goats shall be limited to one (1) animal unit for every one (1) acre. Alpacas shall be limited to two (2) animal units for every one (1) acre.
3. Any animal with unweaned offspring shall be deemed and considered to be a single animal unit. Otherwise each head of cattle or other livestock shall be deemed to be a single animal unit.
4. Where a combination of types of animals are kept on a lot, the total number allowed shall be determined by allocating two (2) acres per animal unit, regardless of kind;



except sheep and goats, in which case, one (1) animal unit shall be allowed per one (1) acre, or alpacas where two (2) animal units shall be allowed.

5. Poultry and swine shall be permitted for personal consumption and/or for 4-H, FFA Club, or similar organization projects and limited to two (2) poultry per acre and two (2) swine per Lot. Any combination of the above will constitute the total limited number of animals. Guinea fowl, peacocks, and other noisy fowl are prohibited.

6. Dogs, cats, or other common household pets (collectively, "Pets") are excluded from the term "livestock" and "Animal Unit", provided they are kept for non-commercial purposes. Pets shall not be permitted to roam freely. The Association has the right to adopt rules and regulations concerning the keeping of animals and the means to enforce such. At all times, Owners of dogs and cats must be able to exhibit current rabies vaccinations from a licensed veterinarian.

7. All lots, pens, and other areas where any animals kept or raised shall be maintained in a neat and clean condition reasonably free from odors and shall be periodically sprayed to restrict and minimize flies and other insects so as not become a nuisance to Owners of Lots.

N. Hunting

No hunting is allowed on the Property. No pistol, rifle, shotgun or any other firearms or fireworks or any other device capable of killing or injuring or causing property damage shall be discharged on any part of the Property, except for the protection of Owners of the Lots and their property or animals from predators or nuisance varmints.

The Association has the right to adopt rules and regulations concerning the use of firearms on the Property.

O. Swimming Pools/Spas

No above ground swimming pools are permitted. All swimming pools and spas require architectural approval as set out in Article VII herein.

P. Barns, Out Buildings/Accessory Buildings

No living structure, Dwelling, out building and/or accessory building (including, but not limited to barns, greenhouses, sheds, gazebos, play houses, shade trellis) shall be constructed,

modified, or placed on a Lot within Vista Hills without the prior written approval of the Association. Any and all improvements, including but not limited to: living structure, Dwelling, out building and/or accessory building (including, but not limited to barns, greenhouses, sheds, gazebos, play houses, shade trellis) must be constructed and/or modified to be compatible with the "Country Setting" as same is set out herein. The Association shall have the right without the obligation to promulgate rules, regulations and guidelines regarding the size, quality, location and type of these structures.

Q. Window Air Conditioning Units

No window or wall type air conditioners shall be permitted to be used, placed or maintained on or in any building on the Lots, with the exception that window or wall type air conditioners shall be permitted for the benefit of a garage, barn, or outbuilding if such air conditioning unit is located at the rear of the garage unit, is screened from public view, and is screened from view by any other Lot, Common Area or Dwelling unless otherwise approved by the ARC. All window air conditioning units require architectural approval as set out in Article VII herein.

R. Vista Lake and Vista Park

Vista Lake and Vista Park are owned by the Association. All Lot Owners, in good standing, may use Vista Park and Vista Lake. Access to Vista Lake is allowed only from the Vista Park dock. Lot owners may park in the parking area adjacent to Vista Park. Only boats with sails, oars or paddles, paddle boats, or boats with electric trolling motors may be used on Vista Lake. No gasoline or diesel motors of any type are allowed. Swimming shall not be permitted in Vista Lake. All fishing and fishermen on Vista Lake must be in compliance with Texas Parks and Wildlife safety regulations. All fishing and fishermen on Vista Lake must be in compliance with rules and regulations established for Vista Lake by the Declarant and/or the Association. No one may trespass onto the Lots adjoining Vista Lake.

With the approval of the ARC, the Owners of Lots 13, 14, and 15, which adjoin Vista Lake, may build a simple pier which projects no more than thirty (30) feet into Lake Vista.

Notwithstanding the foregoing, the Association, and the Declarant (for so long as the Declarant owns property that is or may be subjected to this Declaration) may use and regulate the use of Vista Lake for the irrigation of the Common Areas, for any other purpose deemed appropriate by the Board or Declarant, subject to the terms of any easement agreement affecting such use. The Declarant's rights under this Section shall be superior to any rights of the Association.

S. Ponds and Other Water Bodies

Motorized boats, except boats with electric trolling motors, and jet skis are not permitted on any lake or pond within Vista Hills. Individual ponds may be constructed, subject to prior ARC approval, on a Lot so long as they are maintained so as not to become stagnant and do not interfere with the existing or planned drainage of the Property. No dam or embankment may be constructed on natural drainage, outfall, or waterways that result in backwater effect across existing or proposed public rights of way.

The Board of Directors has the right to promulgate rules and regulations governing the use of the ponds, and other bodies of water. The Association shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of ponds, or other bodies of water within or adjacent to Property.

T. Outdoor Lighting

Outdoor lighting shall be permitted subject to prior ARC approval. Mercury vapor, halogen, sodium vapor, or quartz iodine type lights are prohibited. Incandescent, reflector, down-directed or flood lights are preferred over the radial light style. Outdoor lighting must be installed so as to minimize the amount of spill light that shines on adjacent properties, homes or streets. Lighting installed to delineate the perimeter of a Lot is specifically prohibited. In no event shall the lighting be directed to shine in a manner which disturbs a neighbor or directed to shine upward.

The Board shall have the authority to require the removal or modification of any lighting which it reasonably determines to be annoying to Owners within Vista Hills.

U. Combining of Lots

Lots may not be subdivided except as set out below, and no lot may be subdivided so that the resultant Homesite is smaller than the originally platted Lot.

The combining of Lots, or portions of Lots, is permitted subject to the following provisions.

1. All governmental requirements must be complied with as to combining one Lot with a portion of another Lot. If Lots are combined, the side setback requirements are moved to the resulting perimeter Lot lines after the combination.
2. A Lot may be divided, and a portion of that Lot may be purchased by each of the adjacent Lot owners, so long as the entire Lot is purchased by the adjoining Lot Owners. By way of example, and not limitation, if a Lot is divided between two adjoining Lot Owners, where Owner "A" purchases one-third of the center lot, then Owner "B" must purchase the remaining two-thirds of the center lot. Owner "B" may not purchase one-third of the center lot, leaving a remaining one-third of the center lot out of the transaction.
3. If any Lot is divided between adjacent Lot Owners, each portion of the Lot so divided shall be subject to Annual and Special Assessment as if the portion was an originally platted Lot.
4. The Annual and Special Assessment lien created herein shall be a charge and continuing lien upon the divided Lot in its entirety, and it shall be the personal obligation of the persons or entities who were the Owners of the Lot at the time when the assessment became due.

**ARTICLE VII. ARCHITECTURAL RESTRICTIONS**

**THE GENERAL INTENT OF THE DECLARANT IS THAT THE MOTIF AND DESIGN OF ALL BUILDINGS ON THE LOTS BE COMPATIBLE WITH THE "COUNTRY SETTING". THIS PROVISION IS INCLUDED HEREIN FOR THE PURPOSE OF STRONGLY DISCOURAGING CONSTRUCTION OF RESIDENTIAL BUILDINGS CONSIDERED TO BE UNCONVENTIONAL OR EXTREME IN DESIGN.**

A. Architectural Review Committee - "ARC"

The initial ARC shall be composed of three (3) individuals designated by Declarant. The Declarant reserves the right to appoint replacements as necessary by reason of resignation, removal or incapacity. The Declarant shall retain the right of ARC appointment until the first to occur of the following:

1. the Declarant no longer owns any Lots in Vista Hills, or
2. the Declarant so desires to relinquish its authority over ARC appointment, or
3. January 1, 2029.

At such time, the Board of Directors of the Association shall have the right to replace such ARC members by duly appointing three Owners in good standing with the Association. The Board of Directors reserves the right to appoint replacements as necessary by reason of resignation, removal or incapacity. Such removal and/or appointment shall be at the sole discretion of the Board of Directors.

The Board of Directors shall have the right to review any action or non-action taken by the ARC and shall be the final authority.

At any time prior to the happening of (1), (2), or (3) above, the Declarant may, without obligation, assign to the Board of Directors the responsibility for review and approval of modifications to existing Dwellings.

The ARC shall have the right, but not the obligation, to promulgate Architectural Guidelines as to construction types and aesthetics as set by the ARC.

B. ARC Approval Required

No buildings, guesthouse, barns, outbuildings, garages, carports, hardscape, additions, modifications or improvements shall be erected, placed or performed on any Homesite until the construction plans and specifications including, but not limited to, the site plan, driveway, entry, fencing and drainage plans have been submitted in duplicate to and approved in writing by the ARC as hereinafter provided. The ARC or Board of Directors may, at their sole discretion, retain and/or delegate review of plans and specifications to a designated AIA architect or other

such person or firm as may be designated by the Board of Directors, experienced or qualified to review same, who may then render an opinion to the ARC or Board of Directors. Approval of plans and specifications shall not cover or include approval for any other purpose and specifically, but without limitation, shall not be construed as any representation as to or responsibility for the structural design or engineering of the improvement or the ultimate construction thereof. In the event the ARC fails to approve or disapprove such plans and specifications within forty-five (45) days after the receipt thereof, they shall be deemed to be approved. The ARC or its assignee, at its sole discretion and to the extent not expressly prohibited by this Declaration and any amended or Supplemental Amendment, is hereby permitted to approve in writing deviations in the general use restrictions set forth in Article VI in instances where, in its judgment, such deviations will result in a more common beneficial use and enhance the overall development plan for the Property. The approval of a deviation in the general use restrictions by the ARC does not obligate the ARC to approve a similar deviation at a later time. Notwithstanding any other provision contained herein, any Dwellings, additions, or improvements erected or placed on any Homesite shall be deemed to comply with the building requirements of the ARC and related covenants contained in the Declaration unless the ARC so notifies the Owner otherwise in writing within four (4) years from the completion thereof. This provision, however, shall not be deemed a waiver of the right of the ARC or Declarant to enforce the continuing restriction of use contained herein.

The ARC shall have the authority hereunder to require any Owner or Owner's agents or contractors to cease and desist in constructing or altering any improvements on any Homesite, where such actions have not first been reviewed and approved, constitute a violation of the Declaration, the Architectural Guidelines or any other documents promulgated by the ARC. The violating Owner shall remove such violating improvements or sitework at its sole expense and without delay, returning same to its original condition or bringing the Homesite into compliance with the Declaration, ARC documents and any plans and specifications approved by the ARC for construction on that Homesite. If an Owner proceeds with construction that is not approved by the ARC, or that is a variance of the approved plans, the Association may assess fines as provided in Article XIV, Section F and may continue to assess such fines until ARC approval is granted or the violation is removed. This Declaration is notice of such liability for violation and

Owners hereby agree to bear the cost and expense to cure any violations according to this provision, regardless of the substantial cost, time or loss of business involved.

Written notice may be delivered to Owner or any agent or contractor with apparent authority to accept same and notice shall be binding on Owner as if actually delivered to Owner.

The ARC or its agents or assigns shall have the right, but not the obligation, to enter any Homesite to determine if violations of this Declaration, the Architectural Guidelines, or any other documents promulgated by the ARC exist. In so doing, the ARC shall not be subject to any liability for trespass, other tort or damages in connection with or arising from such entry nor in any way shall the Association or its agent be liable for any accounting or other claim for such action.

The ARC shall have the right to set reasonable time constraints for both the commencement and completion of construction, which constraints shall be no less than ninety (90) days after the approval date to commence construction and nine (9) months after the date of commencement to complete construction. If construction fails to start before the designated commencement date or is not completed before the designated completion date the plans shall be deemed not approved.

The ARC has the right to charge a review fee, to be established by the Board of Directors, for review of any plans or specifications submitted for approval to the ARC.

C. Building Setbacks

No Dwelling or other structure shall be erected nearer to any street or property line than that allowed by the applicable plat or other recorded documents. Driveways shall be permitted to be placed within a setback as approved by the ARC. No Dwelling or other structure, or any improvement may be erected nearer to any Common Area than one hundred twenty-five feet (125').

D. Landscaping

All landscape plans for the front and sides of the Lot must be submitted to the ARC prior to installation. The landscape design must be compatible with the country setting. All open,

unpaved space in the front and at the sides of a Homesite, shall be planted and landscaped. Landscaping in accordance with the plans approved by the ARC must be installed prior to occupancy of any Dwelling constructed on the Property.

Any significant changes in the existing landscaping on any Homesite must have written approval from the ARC.

E. Grading and Drainage

Topography of each and every Homesite must be maintained with proper grading and drainage systems such that runoff of water (rain or other precipitation, or manmade irrigation) does not cause undue erosion of the subject Homesite itself or any other Homesites, whether adjacent to the subject Homesite or not, or the Common Areas. Owners causing (either directly or indirectly) erosion or other incident damage to personal or real property due to inadequate or defective grading or drainage measures on their own Homesite, or because of excess runoff shall be liable to all such damaged parties for the replacement, repair and/or restoration of such damaged real or personal property.

Owner shall be responsible for ensuring that all local, state and federal rules and regulations regarding drainage and run-off are met.

F. Temporary Structures

No structures of a temporary character, mobile home, trailer, tent, shack, garage, or other outbuildings shall be used on any Lot at any time as a primary residence. Temporary structures may be used as building offices and for related purposes during the construction period of any buildings on a Lot. Such structures shall be inconspicuous and shall be removed immediately after completion of construction.

G. Exterior Materials

Unless otherwise approved by the ARC, in its sole and exclusive discretion, the exterior materials of all residential buildings, including but not limited to the main residential structure and any attached garage, guesthouses, and servants' quarters shall be constructed of brick, stone, stucco, hardiplank, or other real wood siding. Mobile homes, modular homes, manufactured homes, and log cabins are prohibited, however custom designed log houses may be approved at



the discretion of the ARC. All exterior painting must be approved by the ARC. Approval shall take into consideration the aesthetics and the general plan and scheme of Vista Hills, as well as the color of the paint, the architecture of the structure, roofing color and color of structures in Vista Hills.

Subject to prior ARC approval, barns and other approved out buildings may be constructed from any of the above materials and/or metal siding, unless otherwise determined by the ACC in its sole discretion.

H. Roofing Materials

The roof of all buildings (including any guesthouse, garage, barn, or servants' quarters) shall be constructed or covered with appropriately colored composition shingles, concrete or clay tiles, metal or slate acceptable to and approved by the ARC. Any other type of roofing material shall be permitted only at the sole discretion of the ARC upon written request. A wood or wood shingle roof shall not be permitted.

I. Septic and Water Systems

Each Lot Owner must install, at the Owner's expense, his own private septic system, in accordance with Grimes' County specifications, and may install a private water well for use in a yard irrigation system, a watering system for livestock use, or to maintain an acceptable water level in a swimming pool so long as such private water well is installed and maintained in accordance with all government regulations.

J. Utility Lines for Electrical, Telephone and/or Cable

The Owner, at Owner's expense, must install underground service to the residence, guesthouse, barn, ponds, corrals, and any other outbuildings or improvements constructed upon a Lot. The ARC may approve the extension of overhead power lines to remote locations and where such lines are not visible from streets within Vista Hills.

K. Entrances and Driveways

Gates, entrances and driveways must meet all County and State standards and regulations. All gates in a perimeter fence must be black. A custom entrance of stone or

masonry compatible with the country setting may be construction subject to prior ARC approval. All entries, driveways, sidewalks, circle driveways, etc. which cross drainage ways must be across an approved concrete culvert with sloped sides as determined by Grimes County or other governmental authority having jurisdiction. Furthermore, it is the Lot Owner's responsibility to maintain and keep clean the drainage ways and culverts associated with his Lot.

Owners are hereby put on notice that Lots fronting on FM 362 are subject to current Texas Department of Transportation ("TXDOT") restrictions as to location of driveways. Owners must satisfy all TXDOT and/or Grimes County permitting requirements prior to installation of any driveway.

All driveways must be constructed of either asphalt or concrete which must extend from the public street or highway to the perimeter fence. Thereafter, driveways, unless otherwise approved by the ARC, may be constructed of either asphalt, concrete, brick pavers or gravel. All driveways must be a minimum of ten feet (10') wide.

L. Garages

Dwellings must at all times have either attached or detached garages architecturally similar to the residence and capable of housing a minimum of two (2) full size vehicles. No garages may be used for a living area. The garage must be of the same architectural motif as the residence and constructed of the same material. All garages must be side or rear loading.

The ARC may consider a porte cochere in lieu of a garage if it meets the minimum architectural standards of Vista Hills and is compatible with the country setting. Any such porte cochere must be capable of covering a minimum of two (2) full size vehicles and must be of the same architectural motif as the residence and constructed of the same material.

M. Minimum Square Footage

Any residence constructed in the Subdivision shall be new construction, unless otherwise approved by the ARC, with the exception of such decorative accessories as are customarily used by builders in the construction of new residences and historical farm or ranch houses approved by the ARC. All one-story residences shall contain not less than two thousand (2000) square feet square feet of living area. All two-story residences shall contain not less than two thousand

(2000) square feet of living area, with not less than eighteen hundred (1800) square feet of living area on the ground floor, exclusive of porches, breezeways, patios and garage. The width of each home must be at least sixty feet (60'), excluding a garage. Orientation of the residence on a lot shall be such that the elevation facing the common use street, whether it be front, side or rear elevation may not appear to be a rear elevation. It is permissible for the residence to be situated on a Lot in such a manner as to take advantage of the view afforded by the Lot as long as it does not violate this requirement. When architectural design and placement on a Lot dictate orientation to be other than the front of the house facing the street, approval must be obtained from the ARC.

Notwithstanding anything contained herein to the contrary, the existing buildings and improvements on Lot Twelve (12) may remain. The frame house and bunk house may be relocated to the South of their current location with the prior approval of the ARC. Any and all non-conforming buildings and improvements located on Lot Twelve (12), are hereby permitted to remain without constituting a violation of the covenants, conditions and restrictions contained in this Declaration. Provided however, that at such time as said buildings or improvements are replaced, any such replacements shall be subject to all covenants, conditions and restrictions contained in this Declaration.

N. Minimum Slab Elevation

The top of slabs of all buildings must be constructed a minimum of twelve inches (12") above the natural ground grade. In determining the slab elevation, water flow during periods of heavy rain must be considered. On tracts One (1) through Six (6) residences shall be sited on those areas shown above the base flood hazard area and constructed a minimum of eighteen inches (18") above the natural ground grade.

All building foundations shall consist of concrete slabs, unless the ARC approves a difference type of foundation when circumstances such as the topography of the Lot make it impractical to use a concrete slab for all or any portion of the foundation of the building improvements constructed on the Lot, or the residence is an historical farm or ranch house in which case appropriate foundation methods will be considered. All foundations are required to be engineered and designed by a licensed, registered engineer based upon appropriate soils

information taken from the specific Lot in question as recommended by such engineer. However, at a minimum, soils borings and soils reports by a qualified soils engineer are required for all Lots prior to such engineer's design of the foundation.

The residential foundation plans to be used in the construction of the residence must be submitted to the ARC along with the plans and specifications for the residence as provided in Article VII of this Declaration. All foundation plans must be signed, sealed and dated by the engineer designing said foundation plans. The ARC and/or Declarant shall rely solely upon the Owner/Builder's engineer as to the adequacy of said foundation design when issuing architectural approval of the residence to be constructed. No independent evaluation of the foundation plan is being made by the ARC. The ARC's sole function as to foundation plans is to determine if the plans have been prepared by a licensed registered engineer, as evidenced by the placement of an official seal on the plans.

The Owner shall establish and construct the residence and garage slab at an elevation sufficient to avoid water entering into the residence and garage in the event of a heavy rain. A special drainage structure, as recommended and designed by a licensed engineer and approved by the ARC, shall be constructed in front of the garage wherein the entrance to the garage is lower than the street gutter.

The granting of approvals of foundation plans and the residence and garage slab elevation shall in no way serve as warranty as to the quality of the plans and specifications and/or that a residence shall be free from flood damage from rising or wind driven water of the flow of surface water from other locations within Vista Hills and in no event shall the Declarant the ARC or the Association have any liability as a result of the ARC's approval or disapproval of the resulting improvement.

O. Standards And Procedures

The ARC may establish and promulgate the Architectural Guidelines, which the ARC may modify or amend as it deems necessary and appropriate for the orderly development of the Property and Vista Hills, including, but not limited to, those portions of the Architectural Guidelines regarding workmanship, materials, building methods, observance of requirements concerning installation and maintenance of public utility facilities and services, and compliance

with governmental regulations. The Architectural Guidelines may be amended by the ARC without notice, but they shall not be applied retroactively to reverse a prior approval granted by the ARC or the Association to any Owner or prospective purchaser of any Homesite. The rules, standards, and procedures set forth in the Architectural Guidelines, as same may be amended from time to time, shall be binding and enforceable against each Owner in the same manner as any other restriction set forth in this Declaration.

P. Inspection

**The ARC strongly suggests that Owners and builders have frequent inspections made, or require their contractors to have inspections made, in order to control the quality of the improvement being constructed. However, neither the Association, the ARC nor the Declarant is responsible for procuring such inspections and will not be liable for any damage that may occur as a result of such inspections not being done or being done improperly.**

**ARTICLE VIII. MAINTENANCE**

A. General Maintenance

Each Owner shall maintain and keep in good repair his or her Dwelling and all structures, rights-of-way, easements, parking areas and other improvements, including but not limited to mail box, fences, pastures, and driveways comprising the Homesite. All structures and other improvements designed to be painted must be kept painted and the paint may not be allowed to become faded, cracked, flaked or damaged in any manner. Grass, vegetation and weeds on each Homesite shall be cut as often as may be necessary to maintain the same in a neat and attractive condition. Grass growing onto or over sidewalks, driveways, and curbs shall be presumed to be unattractive.

The Owner or occupants of all Lots shall at all times keep all weeds and grass thereon cut in a sanitary healthful attractive manner and shall in no event use any Lot for storage of material and equipment except for normal residential requirements or incident to construction of improvements thereon as herein permitted. The accumulation of garbage, trash or rubbish of any kind or the burning thereof (except as such burning is permitted by law) of any such materials is prohibited. Each Lot Owner shall arrange for at least weekly garbage, rubbish and trash pickup

from the Lot as long as such service is not provided by a government entity. The Association may, at its option, require each Lot Owner to purchase trash service from one service and charge for such service as part of the assessments described in Article XI hereof. In the event of default on the part of the Owner or occupant of any Lot in observing the above requirements or any of them, subject to notice and an opportunity to be heard as may be required by law, such default continuing after ten (10) days written notice thereof, Declarant, or its assigns, may without liability to Owner or occupant, but without being under duty to do so, in trespass or otherwise, enter upon said Lot, cut, or cause to be cut, such weeds and grass and remove or cause to be removed, such garbage, trash and rubbish or do any other thing necessary to secure compliance with these restrictions and to place said Lot in a neat, attractive, healthful and sanitary condition, and may charge the Owner or occupancy of such Lot for the cost of such work. The Owner or occupant, as the case may be, agrees by the purchase or occupation of the Lot to pay such statement immediately upon receipt thereof. Any unpaid amount shall bear interest at the lesser of the highest rate allowed by law or eighteen percent (18%) per annum.

B. Bridle Easement and Street Right of Ways

Mowing of the Bridle Easement and street right of ways adjacent to each Lot shall be the responsibility of the Owner. The Association will determine the minimum annual mowing schedule and communicate it to the Owners during the first quarter of each year. In the event an Owner fails to maintain the Bridle Easement and/or street right of ways in a manner consistent with the overall standard established within the Property, in the sole discretion of the Board of Directors of the Association, the Association, after ten (10) days notice to the Owners of the Lot setting forth the action intended to be taken by the Association and after approval by a two-thirds (2/3) vote of the Board of Directors, shall have the right but not the obligation, through its agent, contractors and/or employees, to enter upon the Bridle Easement and street right of way adjacent to said Lot to maintain, cut, trim and/or restore such landscaping, grass or vegetation. The cost of such maintenance and other work shall be the personal obligation of the Owner of the Lot on which such work was performed and shall become part of the assessment payable by the Owner and secured by the lien retained in this Declaration.

Notwithstanding anything contained herein to the contrary, the Association, at its sole discretion, may provide for mowing and maintenance of the Bridle Easement and street right of

ways for the entire Subdivision, and pay the cost of such mowing and maintenance from the Annual Assessment.

C. Liability, Cost and Approval

Neither the Association nor its agents, contractors, or employees shall be liable, and are expressly relieved from any liability, for trespass or other tort in connection with the performance of the exterior maintenance, landscaping or other work authorized in this Article. The cost of such exterior maintenance, interior hazard diminution and other work shall be the personal obligation of the Owner of the Homesite on which it was performed and shall become part of the Assessment payable by the Owner and secured by the lien retained in the Declaration. Alternately, the Association or any Owner of a Homesite may bring an action at law or in equity to cause the Owner to bring said Homesite into compliance with these restrictions.

All Members' replacement, repair and restoration practices as to the improvements on Property within Vista Hills are subject to the prior approval of the ARC and must comply with all Builder and/or Architectural Guidelines which may change from time to time, as found necessary and appropriate in the ARC's sole discretion.

**ARTICLE IX. VARIANCES**

The Board, upon the recommendation of the ARC, or its duly authorized representative, may authorize variances from compliance with any of the architectural provisions of this Declaration, any amendment, Supplemental Amendment, or Architectural Guidelines, unless specifically prohibited, including restrictions upon height, size, placement of structures, or similar restrictions, when circumstances such as topography, natural obstruction, hardship, aesthetic, or environmental considerations may require. Such variances must be evidenced in writing, must be approved by at least a majority of the Board, and shall become effective upon execution of the variances which variance shall be signed by a member of the Board. If such variances are granted, no violation of the covenants, conditions, or restrictions contained in this Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular provision hereof covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all applicable governmental laws and regulations.

No granting of a variance shall be relied on by any Member or Owner, or any other person or entity (whether privy or party to the subject variance or not), as a precedent in requesting or assuming variance as to any other matter of potential or actual enforcement of any provision of this Declaration. Action of the ARC or Board of Directors in granting or denying a variance is a decision based expressly on one unique set of circumstances and need not be duplicated for any other request by any party or the same party for any reason whatsoever.

**ARTICLE X. LIMITATION OF LIABILITY**

Neither Declarant, the Association, the ARC, the Board, nor any of the respective officers, managers, partners, directors, members, successors or assigns of the above, shall be liable in damages or otherwise to anyone who submits matters for approval to any of the above-mentioned parties, or to any Owner affected by this Declaration by reason of mistake of judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any matters requiring approval hereunder. Approval by the ARC, the Board, or the Association, nor any of their respective officers, partners, directors, agents, managers, members, successors or assigns, is not intended as any kind of warranty or guarantee as to the integrity or workability of the plans nor the contractors used.

**ARTICLE XI. ASSESSMENTS**

A. Creation of the Lien and Personal Obligation of Assessments

The Owners of any Lot or Homesite, by virtue of ownership of Property within Vista Hills, covenant and agree to pay to the Association:

1. Annual Assessments; and
2. Special Assessments

The Annual, and Special Assessments together with attorney's fees, interest and costs shall be a charge and continuing lien upon the Homesite and Lot against which each such assessment is made. Each such assessment, together with attorney's fees, interest and costs, shall also be the personal obligation of the person or entity who was the Owner of the land at the time when the assessment became due. The personal obligation for delinquent assessments shall not pass to successors in title unless expressly assumed by them.



B. Purpose of Assessments

Annual and Special Assessments levied by the Association shall be used for any legal purpose for the benefit of Vista Hills as determined by the Association and, in particular, may, by way of example and not limitation or obligation, include maintenance, repair or improvement of any Common Area, street right-of-way, bridle easement, recreational area, fountains, docks, parks, boulevards, esplanades, easements, setbacks and entryways, patrol service, fire protection, emergency medical service, street cleaning, street lighting, mosquito control, other services as may be in the Property's and Owner's interest and for promotion of the recreational interests of the Members which may include payment for recreational improvements on recreational sites, reserves and/or Common Area. Parkways, fountains, private streets, roads, esplanades, setbacks and entryways that are not contained in any Common Area may be included in the Association's maintenance if, in the sole discretion of the Board, the maintenance of such areas benefits the Association's Members.

C. Annual Assessment

The Property shall be subject to the Annual Assessment, as follows:

1. Creation

Payment of the Annual Assessment shall be the obligation of each Owner and the Declarant and shall constitute a lien on the Homesite, or Lot(s), binding and enforceable as provided in this Declaration.

2. Rate

The initial Annual Assessment established by the Association shall not exceed Six Hundred Fifty and 00/100 Dollars (\$650.00) per Lot. Declarant shall elect annually in writing to either subsidize the approved budget for the subsequent year by paying the difference between the total approved budget for the year less the total amount due by Class A Members, or elect to pay assessments at the rate of fifty percent (50%) of the amount assessed other Class A Members for each Lot owned. Declarant is required to provide written notice to the Board each year by September 1 of the elected option. Failure to provide such written notice will result in Declarant being billed in the manner of the last option taken by Declarant.

### 3. Commencement

For purposes of calculation, the initial Annual Assessment shall commence on the first day of the first month after the paving is completed on Vista Hills Drive and Vista Lake Court. Annual Assessments shall be due in advance on January 1 for the coming year and shall be delinquent if not paid in full as of January 31 of each year.

### 4. Proration

An Owner's Annual Assessment shall be made for the balance of the calendar year as determined on a pro-rata basis and shall become due and payable on the day of closing so long as the commencement date is past. The Annual Assessment for any year after the first year shall be due and payable in advance on the first day of January. Any owner who purchases a Lot or Lots after the first day of January in any year shall be personally responsible for a prorated assessment amount for that year.

### 5. Levying of the Assessment

The Annual Assessment shall be levied at the sole discretion of the Board. The Board shall determine the sufficiency or insufficiency of the then current Annual Assessment to reasonably meet the expenses for providing services and capital improvements in Vista Hills and may, at its sole discretion and without a vote by the Members, increase the annual Assessment in an amount up to twenty percent (20%) over the previous year's Annual Assessment. The Annual Assessment may only be increased by more than twenty percent (20%) over the preceding year's assessment if such increase is approved by Members in good standing who represent a majority of the votes in Vista Hills present at a meeting called for said purpose at which a quorum is present in person or by proxy. The Annual Assessment shall not be adjusted more than once in a calendar year nor shall any increase be construed to take effect retroactively, unless otherwise approved by Members representing a majority of the votes subject to such assessments present at a meeting called for said purpose at which a quorum is present in person or by proxy.

### D. Special Assessments for Capital Improvements

In addition to the Annual Assessments authorized above, the Association may levy a Special Assessment applicable to that year only for the purpose of defraying in whole or in part the cost of any construction, reconstruction, repair or replacement of a capital improvement in

the Recreation Area, Common Area or any unusual, infrequent expense benefiting the Association, provided that any such assessment shall have the approval of both a majority of the Class A Members and a majority of the Class B Members present at a meeting duly called for this purpose at which a quorum is present. Such Special Assessments will be due and payable as set forth in the resolution authorizing such assessment and shall be levied only against those Owners subject to the Annual Assessment as set forth in Section C hereof and shall be pro rated in accordance therewith. The Association, if it so chooses, may levy a Special Assessment against only those Members benefited by or using the capital improvement for which the Special Assessment is being levied. Special Assessments shall be due upon presentment of an invoice, or copy thereof, for the same to the last-known address of the Owner.

E. Collection and Remedies for Assessments

1. The assessments provided for in this Declaration, together with attorneys' fees, late fees, interest and costs as necessary for collection, shall be a charge on and a continuing lien upon the land against which each such assessment is made. Each such assessment, together with attorney's fees, interest and costs, shall also be the personal obligation of the Owner of the land at the time the assessment became due. This personal obligation for delinquent assessments shall not pass to successors in title unless expressly assumed by them.

2. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the lesser of (1) eighteen percent (18%) or (2) the maximum non-usurious rate of interest. No Owner may waive or otherwise escape liability for the assessments provided for in this Declaration by reason of non-use or abandonment.

3. In order to secure the payment of the assessments hereby levied, an assessment lien is hereby reserved in each deed from the Declarant to the Owner of each parcel of Property in Vista Hills, which lien may be foreclosed upon by non-judicial foreclosure pursuant to the provisions of Section 51.002 of the Texas Property Code (or any successor statute); each Owner grants a power of sale to the Association to sell such property upon default in payment by any amount owed. Alternatively, the Association may judicially foreclose the lien or maintain an action at law to collect the amount owed.

The President of the Association or his or her designee is hereby appointed Trustee to exercise the Association's power of sale. Trustee shall not incur any personal liability hereunder except for his or her own willful misconduct.

Although no further action is required to create or perfect the lien, the Association may, as further evidence give notice of the lien, by executing and recording a document setting forth the amount of the delinquent sums due the Association at the time such document is executed and the fact that a lien exists to secure the repayment thereof. However the failure of the Association to execute and record any such document shall not, to any extent, affect the validity, enforceability, or priority of the lien. The Association shall also have the right but not the obligation to notify a delinquent Owner's lender, in writing, of such Owner's delinquency and default.

In the event the Association has determined to non-judicially foreclose the lien provided herein pursuant to the provisions of said Section 51.002 (or any successor statute) and to exercise the power of sale hereby granted, the Association shall mail to the defaulting Owner a copy of the Notice of Trustee's Sale no less than twenty one (21) days prior to the date of the proposed foreclosure sale, postage prepaid, registered or certified mail, return receipt requested, properly addressed to such Owner at the last known address of such Owner according to the records of the Association or by hand delivery. At any foreclosure proceeding, any person or entity, including but not limited to the Declarant, Association or any Owner, shall have the right to bid for such Property at the foreclosure sale and to acquire and hold, lease, mortgage and convey the same. During the period Property is owned by the Association following foreclosure, 1) no right to vote shall be exercised on its behalf; and, 2) no assessment shall be levied on it. Out of the proceeds of such sale, there shall be paid all expenses incurred by the Association in connection with such default, including attorneys' fees and trustee's fees; second, from such proceeds there shall be paid to the Association an amount equal to the amount of assessments in default inclusive of interest, late charges and attorneys' fees; and, third, the remaining balance, if any, shall be paid to such Owner. Following any such foreclosure, each occupant of any such tract foreclosed on and each occupant of any improvements thereon shall be deemed to be a tenant-at-sufferance and may be removed from possession by any lawful means.

F. Subordination of the Lien to First Mortgages

The lien for assessments, including interest, late charges, costs and attorney's fees, provided for herein shall be subordinate to the lien of any first mortgage on any Lot or Homesite. The sale or transfer of any Lot or Homesite shall not affect the assessment lien. The sale or

transfer shall not relieve such Lot or Homesite from lien rights for any assessments thereafter becoming due. Where the mortgagee holding a first mortgage of record or other purchaser of a Lot or Homesite obtains title pursuant to judicial or non-judicial foreclosure of the mortgage, it shall not be liable for the share of the assessments or other charges by the Association chargeable to such Lot or Homesite that became due prior to such acquisition of title. However, from the date of foreclosure forward, such assessments shall again accrue and be payable to the Association.

G. Notice of Delinquency

The Association or its agent or designee shall be required to give a written notice of the assessment to any Owner who has not paid an assessment that is due under this Declaration. Such notice must be mailed to the Owner's last known address. The address of the Lot, Homesite or Building Site shall be presumed to be the address for proper notice unless written notice of another address shall be provided by the Owner to the Association.

**ARTICLE XII. MODIFICATION AND TERMINATION OF COVENANTS**

This Declaration may be amended, modified, or terminated by the filing of a recorded instrument executed by the Association or its legal representatives, successors or assigns. So long as Class B membership exists, approval of two-thirds (2/3) of the combined total votes of Class A and Class B Membership shall be required to amend, modify or terminate this Declaration. However, the Declarant may unilaterally amend this Declaration at any time without the joinder or consent of any Owners, entity, Lender or other person to amend this Declaration if such amendment is (a) necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation, or judicial determination; (b) necessary to enable any reputable title insurance company to issue title insurance coverage on Lots and Homesites; (c) required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Lots or Homesites; (d) necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on Lots or Homesites; or (e) for the purpose of clarifying or resolving any ambiguities or conflicts herein, or correcting any

inadvertent misstatements, errors or omissions herein; provided, however, any such amendment shall not adversely affect the title to any Lots or Homesites unless the Owner shall consent thereto in writing.

After the termination of Class B membership, approval by the Owners of a majority of the Lots shall be required to amend, modify or terminate this Declaration. Upon approval of the Owners, as set out above of said amended declaration (as evidenced by the President's or Vice-President's signature) the amended declaration shall be recorded in the Real Property Records of Grimes County, Texas, whereupon to the extent of any conflict with this Declaration, the amended declaration shall control.

**ARTICLE XIII. ALTERNATE DISPUTE RESOLUTION**

A. Dispute Resolution

No dispute between any of the following entities or individuals shall be commenced until the parties have submitted to non-binding mediation: Owners; Members; the Board of Directors; officers in the Association; or the Association.

Disputes between Owners that are not regulated by the Declaration shall not be subject to the dispute resolution process.

B. Outside Mediator

In a dispute between any of the above entities or individuals, the parties must voluntarily submit to the following mediation procedures before commencing any judicial or administrative proceeding. Each party will represent himself/herself individually or through an agent or representative, or may be represented by counsel. The dispute will be brought before a mutually selected mediator. Such mediator will either be an attorney-mediator skilled in community association law, a Professional Community Association Manager ("P.C.A.M.") as certified by the Community Associations Institute, or a Certified Property Manager ("C.P.M.") as certified by the Institute of Real Estate Managers. In order to be eligible to mediate a dispute under this provision, a Mediator may not reside in Orchard Lake Estates, work for any of the parties, represent any of the parties, nor have any conflict of interest with any of the parties. The Board shall maintain a list of no less than five (5) potential mediators, but the parties will be in no way limited to their choice by this list. Costs for such mediator shall be shared equally by the parties.

If the parties cannot mutually agree upon the selection of a mediator after reasonable efforts (not more than thirty (30) days), each party shall select their own mediator and a third will be appointed by the two selected mediators. If this selection method must be used, each party will pay the costs of their selected mediator and will share equally the costs of the third appointed mediator.

C. Mediation is Not a Waiver

By agreeing to use this Dispute Resolution process, the parties in no way waive their rights to extraordinary relief including, but not limited to, temporary restraining orders or temporary injunctions, if such relief is necessary to protect or preserve a party's legal rights before a mediation may be scheduled.

D. Assessment Collection and Lien Foreclosure

The provisions of this Declaration dealing with Alternate Dispute Resolution shall not apply to the collection of assessments and/or the foreclosure of the Assessment Lien by the Association as set out in the Declaration.

E. Term

This Article XIII, Alternative Dispute Resolution, shall be in full force and effect for an initial period of three (3) years from the date of execution of this Declaration. However, this Article shall remain in full force and effect unless, at the first open meeting of the Association after such initial period, a majority of the Board of Directors votes to terminate the provisions of this Article XIII, Alternative Dispute Resolution.

#### ARTICLE XIV. GENERAL PROVISIONS

A. Severability

The invalidity of any one or more of the provisions of this Declaration shall not affect the validity of the other provisions thereof.

B. Compliance with Laws

At all times, each Owner shall comply with all applicable federal, state, county, and municipal laws, ordinances, rules, and regulations with respect to the use, occupancy, and condition of the Homesite and any improvements thereon. If any provision contained in this

Declaration or any supplemental declaration or amendment is found to violate any law, then the provision shall be interpreted to be as restrictive as possible to preserve as much of the original provision as allowed by law.

C. Gender and Number

The singular wherever used herein shall be construed to mean or include the plural when applicable, and the necessary grammatical changes required to make the provisions hereof applicable either to corporations (or other entities) or individuals, male or female, shall in all cases be assumed as though in each case fully expressed.

D. Headlines

The titles and captions for this Declaration and the sections contained herein are for convenience only and shall not be used to construe, interpret, or limit the meaning of any term or provision contained in this Declaration.

E. Governing Law

The provisions in this Declaration shall be governed by and enforced in accordance with the laws of the State of Texas. Any and all obligations performable hereunder are to be performed in Grimes County, Texas.

F. Fines for Violations

The Association may assess fines for violations of the restrictive covenants contained in this Declaration, other than non-payment or delinquency in assessments, in amounts to be set by the Board of Directors, which fines shall be secured by the continuing assessment lien set out in this Declaration.

G. Books and Records

The books, records and papers of the Association shall, upon written request and by appointment, during normal business hours, be subject to inspection by any Member, for any proper purpose. The Articles of Incorporation, By-Laws, and this Declaration shall likewise be available, upon written request, for inspection, by appointment during normal business hours by any Member at the office of the Association, for any proper purpose as set forth in the By-Laws.



H. Notices

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

I. Mergers

Upon a merger or consolidation of the Association with another association as provided in its Articles of Incorporation, the Association's properties, assets, rights and obligations may be transferred to another surviving or consolidated association or, alternatively, the properties, assets, rights and obligations of another association may be transferred to the Association as a surviving corporation or to a like organization or governmental agency. The surviving or consolidated association shall administer any restrictions together with any Declarations of Covenants, Conditions and Restrictions governing these and any other properties, under one administration. No such merger or consolidation shall cause any revocation, change or addition to this Declaration.

J. Current Address and Occupants

Owners are required to notify the Association in writing of their current address if other than the physical address of the Lot or Homesite at all times. If an Owner fails to notify the Association of their current address, the Association shall use the address of the Lot or Homesite as the current address. If Owner leases the property, he shall supply the name of the tenant present upon the execution of any lease.

K. Security

NEITHER THE ASSOCIATION, ITS DIRECTORS, OFFICERS, MANAGERS, AGENTS, OR EMPLOYEES, NOR THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL IN ANY WAY BE CONSIDERED AN INSURER OR GUARANTOR OF SECURITY WITHIN THE PROPERTY. NEITHER SHALL THE ASSOCIATION, ITS DIRECTORS, OFFICERS, MANAGERS, AGENTS, OR EMPLOYEES, DECLARANT OR SUCCESSOR DECLARANT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. ALL OWNERS AND OCCUPANTS OF ANY LOT TENANTS, GUESTS AND INVITEES OF ANY OWNER, AS

APPLICABLE, ACKNOWLEDGE THAT THE ASSOCIATION, ITS BOARD OF DIRECTORS, OFFICERS, MANAGERS, AGENTS, OR EMPLOYEES, DECLARANT OR ANY SUCCESSOR DECLARANT DOES NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP OR OTHERWISE, NOR THAT FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER AND OCCUPANT OF ANY LOT AND EACH TENANT, GUEST AND INVITEE OF AN OWNER, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, ITS DIRECTORS, OFFICERS, MANAGERS, AGENTS, OR EMPLOYEES, DECLARANT OR ANY SUCCESSOR DECLARANT ARE NOT INSURERS AND THAT EACH OWNER AND OCCUPANT OF ANY DWELLING AND EACH TENANT, GUEST AND INVITEE OF ANY OWNER ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO DWELLINGS AND TO THE CONTENTS OF DWELLINGS AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, ITS DIRECTORS, OFFICERS, MANAGERS, AGENTS, OR EMPLOYEES, DECLARANT OR ANY SUCCESSOR DECLARANT HAVE MADE NO REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER, OCCUPANT, TENANT, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTY.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration this

27<sup>th</sup> day of May, 2004.

VISTA HILLS, LTD., a Texas Limited Partnership

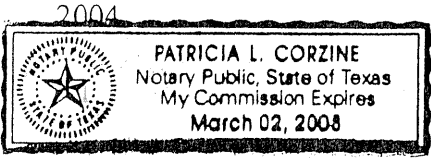
By its sole general partner SOUTHWEST COMMUNITIES, L.L.C.

By: Edie A. Speer  
EDIE A. SPEER, Manager

STATE OF TEXAS §  
  §  
COUNTY OF GRIMES §

BEFORE ME, the undersigned authority, on this day personally appeared EDIE A. SPEER the Manager of Southwest Communities, L.L.C., the sole general partner of VISTA HILLS, LTD., known by 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 and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 27<sup>th</sup> day of May,



*Patricia L. Corzine*  
\_\_\_\_\_  
Notary Public - State of Texas

R:\REAL\DEVELOP\VistaHills\ccr-final.doc

STATE OF TEXAS                      COUNTY OF GRIMES  
I hereby certify that this instrument was filed  
on this date and this scanned hereon by me and  
was duly recorded in the volume and page of the  
real property records of Grimes County, Texas as  
indicated herein by me.

MAY 27 2004



DAVID PASKET CO. CLK.  
GRIMES COUNTY, TX.  
*David Pasket*  
RY:\New\G. Horgan\p\FPIITV

2004 MAY 27 PM 2 38

FILED FOR RECORD AT

192159

108<sup>00</sup>pd

Vista Hills, LTD  
P.O. Box 860  
Richmond, Texas  
77469

193 544- Est Amendment  
193 545- Big Jan  
193 546- mgf cert  
11:06 A.M

FIRST AMENDMENT TO DECLARATION OF  
COVENANTS, CONDITIONS, AND RESTRICTIONS FOR  
VISTA HILLS

After Recording Return To:

Marc D. Markel  
Roberts Markel Guerry, P.C.  
2500 City West Blvd., Suite 1350  
Houston, Texas 77042

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FIRST AMENDMENT TO THE DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS

STATE OF TEXAS           §  
                                  §  
COUNTY OF GRIMES       §

THIS FIRST AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS, ("First Amendment") is made on the date hereinafter set forth by Vista Hills, Ltd., a Texas limited partnership, hereinafter referred to as the "Declarant."

WITNESSETH:

WHEREAS, Declarant filed that certain DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS which is recorded under Clerk's File No. 192159 in the Real Property Records of Grimes County, Texas (the "Declaration"); and

WHEREAS, reference is hereby made to the Declaration for all purposes, and any and all capitalized terms used herein shall have the meanings set forth in the Declaration, unless otherwise specified in this First Amendment; and

WHEREAS, pursuant to Article XII of the Original Declaration, for so long as Class B membership exists, the Declaration may be amended by the approval of two-thirds (2/3) of the combined total votes of the Class A and Class B Membership; and

WHEREAS, Class B Membership exists; and

WHEREAS, Declarant holds more than two-thirds (2/3) of the combined total votes of the Class A and Class B Membership; and

WHEREAS, Declarant desires to amend the Declaration.

NOW THEREFORE, pursuant to the amendment provision of the Declaration, the Declaration is hereby amended as follows .

That portion of Article VI, Section F(7), Bridle Easement, which reads as follows:

Located within the Subdivision but not appearing on the recorded plat there will be a fifteen foot (15') wide non-exclusive bridle easement adjacent to and running with Vista Hills Drive and Vista Lake Court (the "Bridle Easement"). Owners shall not install or erect any impediments to the Bridle Easement. The Bridle Easement may be located upon an Owner's Lot where it abuts Vista Hills Drive and Vista Lake Court. Owners hereby agree to hold harmless the Declarant and the Association, and their successors and assigns and release them from any liability for the existence, placement, and/or maintenance of the Bridle Easement and agree to indemnify the parties released from any damages they may sustain.

Owners further grant an easement to the Declarant and the Association for any incidental noise, odors, and visibility of the Bridle Easement, and/or traffic which may occur due to the existence of the Bridle Easement. Owners hereby acknowledge that the Association, its directors, officers, managers, agents, or employees, the Declarant or any successor Declarant have made no representations or warranties nor has any Owner, occupant, tenant, guest or invitee relied upon any representations or warranties, expressed or implied, relative to any future change in use of the Bridle Easement.

shall be deleted in its entirety and replaced with the following:

Located within the Subdivision but not appearing on the recorded plat there is a fifteen foot (15') wide non-exclusive bridle easement adjacent to and running with the street right of way along both sides of Vista Hills Drive and Vista Lake Court (the "Bridle Easement"). Owners shall not install or erect any impediments to the Bridle Easement. The Bridle Easement is located upon the Lot where it abuts the street right of way along both sides of Vista Hills Drive and Vista Lake Court and will extend into the Lot for the first fifteen feet (15') from the Lot line adjacent to the street right of way. Owners hereby agree to hold harmless the Declarant and the Association, and their successors and assigns and release them from any liability for the existence, placement, and/or maintenance of the Bridle Easement and agree to indemnify the parties released from any damages they may sustain. Owners further grant an easement to the Declarant, the Association, and other Owners for any incidental noise, odors, and visibility of the Bridle Easement, and/or traffic which may occur due to the existence of the Bridle Easement. Owners hereby acknowledge that the Association, its directors, officers, managers, agents, or employees, the Declarant or any successor Declarant have made no representations or warranties nor has any Owner, occupant, tenant, guest or invitee relied upon any representations or warranties, expressed or implied, relative to any future change in use of the Bridle Easement.

That portion of Article VI, Section F(8) which reads as follows:

If a fence is located on the rear of Lots Twelve (12), Thirteen (13) and/or Fourteen (14) it must either be five (5) board black wood fence or ornamental iron and shall be subject to a one hundred twenty-five foot (125') setback from the Lot line adjacent to Vista Lake.

shall be deleted in its entirety and replaced with the following:

If a fence is located on the rear of Lots Twelve (12), Thirteen (13) and/or Fourteen (14) it must either be five (5) board black wood fence or five (5) strand wire with black wood post or five (5) strand wire with black metal post, and shall be subject to a fifty foot (50') setback from the Lot line adjacent to Vista Lake.

That portion of Article VI, Section R which reads as follows:

With the approval of the ARC, the Owners of Lots 13, 14, and 15, which adjoin Vista Lake, may build a simple pier which projects no more than thirty (30) feet into Lake Vista.

shall be deleted in its entirety and replaced with the following:

With the approval of the ARC, the Owners of Lots 12, 13, and 14, which adjoin Vista Lake, may build a simple pier which projects no more than thirty (30) feet into Vista Lake.

That portion of Article VII, Section K which reads as follows:

All driveways must be constructed of either asphalt or concrete which must extend from the public street or highway to the perimeter fence. Thereafter, driveways, unless otherwise approved by the ARC, may be constructed of either asphalt, concrete, brick pavers or gravel. All driveways must be a minimum of ten feet (10') wide.

shall be deleted in its entirety and replaced with the following:

All driveways must be constructed of asphalt for that portion of the driveway that extends from the public street or highway covering the twenty foot (20') wide street right-of-way to the Lot line. Owners are hereby granted an easement to install and maintain the required asphalt over and upon the common area described as the twenty foot (20') wide street right-of-way. The portion of the driveway covering the fifteen foot (15') wide bridle easement shall be constructed of gravel as designated and approved by the ARC. Thereafter, driveways, unless otherwise approved by the ARC, may be constructed of either asphalt, concrete, brick pavers or gravel. All driveways must be a minimum of ten feet (10') wide.

The Property shall be held, transferred, sold, conveyed, used and occupied subject to the covenants, restrictions, easements, charges, and liens set forth in the Declaration (the same being herein incorporated by reference for all purposes), and additionally this First Amendment.

In case of conflict between this First Amendment and the Declaration, this First Amendment shall control. All other definitions and restrictions shall remain as stated in the Declaration of Covenants, Conditions and Restrictions for Vista Hills.

Invalidation of any one or more the covenants, restrictions conditions or provisions contained in this First Amendment shall in no wise affect any of the other covenants, restrictions, conditions or provisions contained in the Declaration, which shall remain in full force and effect.

The Declaration, except as expressly amended hereby, shall remain in full force and effect, and is hereby ratified and confirmed.

IN WITNESS WHEREOF, this First Amendment to the Declaration of Covenants, Conditions and Restrictions for Vista Hills is executed as of the 28<sup>th</sup> day of July, 2004.

VISTA HILLS, LTD., a Texas Limited Partnership  
By its sole general partner SOUTHWEST COMMUNITIES, L.L.C.

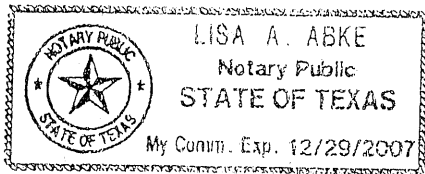
By: [Signature]  
JOHN A. ANDERSON, II, Manager

STATE OF TEXAS §  
COUNTY OF Grimes §

BEFORE ME, the undersigned authority, on this day personally appeared JOHN A. ANDERSON, II the Manager of Southwest Communities, L.L.C., the sole general partner of VISTA HILLS, LTD., known by 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 and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 28<sup>th</sup> day of July, 2004.

[Signature]  
Notary Public – State of Texas





LIENHOLDER CONSENT AND SUBORDINATION

SOUTHWEST BANK OF TEXAS, a(n) N.A. state TEXAS corporation, being the sole beneficiary of a mortgage lien and other liens, assignments and security interests encumbering all or a portion of the Property hereby consents to the terms and provisions of the Declaration of Covenants, Conditions and Restrictions for Vista Lakes recorded under Grimes County Clerk's File No. 192159 (the "Declaration"), and to the First Amendment to the Declaration of Covenants, Conditions and Restrictions for Vista Lakes (the "First Amendment") to which this Lienholder Consent and Subordination is attached and acknowledges that the execution thereof does not constitute a default under the lien document or any other document executed in connection with or as security for the indebtedness above described, and subordinates the liens of the lien document and any other liens and/or security instruments securing said indebtedness to the rights and interests created under said Declaration, and acknowledges and agrees that a foreclosure of said liens and/or security interests shall not extinguish the rights, obligations and interests created under the Declaration or this First Amendment. No warranties of title are hereby made by lienholder, lienholder's joinder herein being solely limited to such consent and subordination.

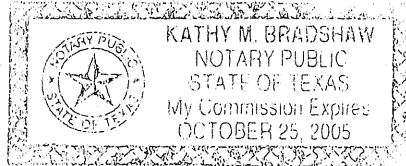
By: [Signature]  
Print Name: JOHN B. AVARA  
Print Title: SR. VICE PRES.

STATE OF TEXAS §  
  §  
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared John B. AVARA of Southwest Bank of Texas known by me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that s/he executed the same for the purposes and consideration therein expressed and in his/her representative capacity.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 27 day of July, 2004.

[Signature]  
Notary Public – State of Texas



SECOND AMENDMENT TO THE DECLARATION OF  
COVENANTS, CONDITIONS, AND RESTRICTIONS FOR  
VISTA HILLS

After Recording Return To:

Marc D. Markel  
Roberts Markel Guerry, P.C.  
2500 City West Blvd., Suite 1350  
Houston, Texas 77042

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SECOND AMENDMENT TO THE DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS

STATE OF TEXAS           §  
  §  
COUNTY OF GRIMES       §

THIS SECOND AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS, ("Second Amendment") is made on the date hereinafter set forth by Vista Hills, Ltd., a Texas limited partnership, hereinafter referred to as the "Declarant."

W I T N E S S E T H:

WHEREAS, Declarant filed that certain DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS which is recorded under Clerk's File No. 192159 in the Real Property Records of Grimes County, Texas (the "Original Declaration"); and

WHEREAS, Declarant filed that certain CLARIFICATION AMENDMENT FOR VISTA HILLS which is recorded under Clerk's File No. 194819 in the Real Property Records of Grimes County, Texas (the "Clarification Amendment"); and

WHEREAS, Declarant filed that certain FIRST AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS which is recorded under Clerk's File No. 193544 in the Real Property Records of Grimes County, Texas (the "First Amendment"); and

WHEREAS, the Declaration, the Clarification Amendment and the First Amendment are collectively hereinafter referred to as the "Declaration;" and

WHEREAS, reference is hereby made to the Declaration for all purposes, and any and all capitalized terms used herein shall have the meanings set forth in the Declaration, unless otherwise specified in this Second Amendment; and

WHEREAS, pursuant to Article XII of the Original Declaration, for so long as Class B membership exists, the Declaration may be amended by the approval of two-thirds (2/3) of the combined total votes of the Class A and Class B Membership; and

WHEREAS, Class B Membership exists; and

WHEREAS, Declarant holds more than two-thirds (2/3) of the combined total votes of the Class A and Class B Membership; and

WHEREAS, Declarant desires to amend the Declaration.

NOW THEREFORE, pursuant to the amendment provision of the Declaration, the Declaration is hereby amended as follows

That portion of Article VI, Section M(2), Livestock, which reads as follows:

Livestock (except sheep, alpacas, and goats) shall be limited to one (1) animal unit for every two (2) acres. Sheep, or goats shall be limited to one (1) animal unit for every one (1) acres. Alpacas shall be limited to two (2) animal units per one (1) acre.

shall be deleted in its entirety and replaced with the following:

Livestock (except sheep, alpacas, and goats) shall be limited to one (1) animal unit for every two (2) acres, save and except that Lot 1, Block 1, may additionally keep one (1) calf not to exceed seven hundred (700) pounds in weight for every two (2) acres. Sheep, or goats shall be limited to one (1) animal unit for every one (1) acre. Alpacas shall be limited to two (2) animal units per one (1) acre.

That portion of Article VI, Section M(4), Livestock, which reads as follows:

Where a combination of types of animals are kept on a lot, the total number allowed shall be determined by allocating two (2) acres per animal unit, regardless of kind; except sheep and goats, in which case, one (1) animal unit shall be allowed per one (1) acre, or alpacas where two (2) animal units shall be allowed.

shall be deleted in its entirety and replaced with the following:

Where a combination of types of animals are kept on a lot, the total number allowed shall be determined by allocating two (2) acres per animal unit, regardless of kind; except sheep and goats, in which case, one (1) animal unit shall be allowed per one (1) acre, or alpacas where two (2) animal units shall be allowed for every one (1) acre; save and except that Lot 1, Block 1, may additionally keep one (1) calf not to exceed seven hundred (700) pounds in weight for every two (2) acres.

The Property shall be held, transferred, sold, conveyed, used and occupied subject to the covenants, restrictions, easements, charges, and liens set forth in the Declaration (the same being herein incorporated by reference for all purposes), and additionally this Second Amendment.

In case of conflict between this Second Amendment and the Declaration, this Second Amendment shall control. All other definitions and restrictions shall remain as stated in the Declaration of Covenants, Conditions and Restrictions for Vista Hills.

Invalidation of any one or more the covenants, restrictions conditions or provisions contained in this Second Amendment shall in no wise affect any of the other covenants, restrictions, conditions or provisions contained in the Declaration, which shall remain in full force and effect.

The Declaration, except as expressly amended hereby, shall remain in full force and effect, and is hereby ratified and confirmed.

IN WITNESS WHEREOF, this Second Amendment to the Declaration of Covenants, Conditions and Restrictions for Vista Hills is executed as of the 7<sup>th</sup> day of March, 2005.

VISTA HILLS, LTD., a Texas Limited Partnership  
By its sole general partner SOUTHWEST  
COMMUNITIES, L.L.C.

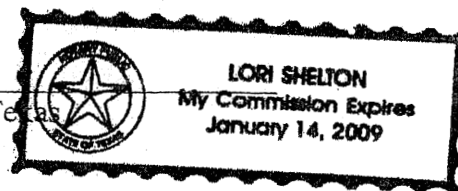
By: Edie A. Speer  
Edie A. Speer, Manager

STATE OF TEXAS §  
  §  
COUNTY OF Fort Bend, TX §

BEFORE ME, the undersigned authority, on this day personally appeared EDIE A. SPEER the Manager of Southwest Communities, L.L.C., the sole general partner of VISTA HILLS, LTD., known by 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 and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 7 day of March, 2005.

Lori Shelton  
Notary Public – State of Texas



LIENHOLDER CONSENT AND SUBORDINATION

Southwest Bank of Texas, N.A., a Texas corporation, being the sole beneficiary of a mortgage lien and other liens, assignments and security interests encumbering all or a portion of the Property hereby consents to the terms and provisions of the Declaration of Covenants, Conditions and Restrictions for Vista Hills recorded under Grimes County Clerk's File No. 192159 (the "Declaration"), and to the Second Amendment to the Declaration of Covenants, Conditions and Restrictions for Vista Hills (the "Second Amendment") to which this Lienholder Consent and Subordination is attached and acknowledges that the execution thereof does not constitute a default under the lien document or any other document executed in connection with or as security for the indebtedness above described, and subordinates the liens of the lien document and any other liens and/or security instruments securing said indebtedness to the rights and interests created under said Declaration, and acknowledges and agrees that a foreclosure of said liens and/or security interests shall not extinguish the rights, obligations and interests created under the Declaration or this Second Amendment. No warranties of title are hereby made by lienholder, lienholder's joinder herein being solely limited to such consent and subordination.

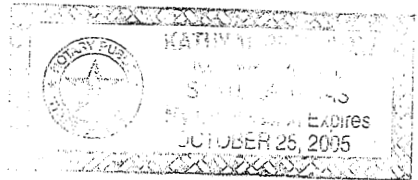
By: [Signature]  
Print Name: JOHN B. AVARA  
Print Title: SR. VICE PRES

STATE OF TEXAS §  
  §  
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared John B. AVARA the SR. Vice President of Southwest Bank of Texas, N.A., known by me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that s/he executed the same for the purposes and consideration therein expressed and in his/her representative capacity.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 2nd day of March, 2005.

[Signature]  
Notary Public – State of Texas



193 544 - 1st Amendment  
193 545 - Big Jan  
193 546 - mgf Cent  
11:06 A.M

FIRST AMENDMENT TO DECLARATION OF  
COVENANTS, CONDITIONS, AND RESTRICTIONS FOR  
VISTA HILLS

After Recording Return To:

Marc D. Markel  
Roberts Markel Guerry, P.C.  
2500 City West Blvd., Suite 1350  
Houston, Texas 77042

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FIRST AMENDMENT TO THE DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS

STATE OF TEXAS           §  
                                  §  
COUNTY OF GRIMES       §

THIS FIRST AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS, ("First Amendment") is made on the date hereinafter set forth by Vista Hills, Ltd., a Texas limited partnership, hereinafter referred to as the "Declarant."

WITNESSETH:

WHEREAS, Declarant filed that certain DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS which is recorded under Clerk's File No. 192159 in the Real Property Records of Grimes County, Texas (the "Declaration"); and

WHEREAS, reference is hereby made to the Declaration for all purposes, and any and all capitalized terms used herein shall have the meanings set forth in the Declaration, unless otherwise specified in this First Amendment; and

WHEREAS, pursuant to Article XII of the Original Declaration, for so long as Class B membership exists, the Declaration may be amended by the approval of two-thirds (2/3) of the combined total votes of the Class A and Class B Membership; and

WHEREAS, Class B Membership exists; and

WHEREAS, Declarant holds more than two-thirds (2/3) of the combined total votes of the Class A and Class B Membership; and

WHEREAS, Declarant desires to amend the Declaration

NOW THEREFORE, pursuant to the amendment provision of the Declaration, the Declaration is hereby amended as follows

That portion of Article VI, Section F(7), Bridle Easement, which reads as follows:

Located within the Subdivision but not appearing on the recorded plat there will be a fifteen foot (15') wide non-exclusive bridle easement adjacent to and running with Vista Hills Drive and Vista Lake Court (the "Bridle Easement"). Owners shall not install or erect any impediments to the Bridle Easement. The Bridle Easement may be located upon an Owner's Lot where it abuts Vista Hills Drive and Vista Lake Court. Owners hereby agree to hold harmless the Declarant and the Association, and their successors and assigns and release them from any liability for the existence, placement, and/or maintenance of the Bridle Easement and agree to indemnify the parties released from any damages they may sustain.



Owners further grant an easement to the Declarant and the Association for any incidental noise, odors, and visibility of the Bridle Easement, and/or traffic which may occur due to the existence of the Bridle Easement. Owners hereby acknowledge that the Association, its directors, officers, managers, agents, or employees, the Declarant or any successor Declarant have made no representations or warranties nor has any Owner, occupant, tenant, guest or invitee relied upon any representations or warranties, expressed or implied, relative to any future change in use of the Bridle Easement.

shall be deleted in its entirety and replaced with the following:

Located within the Subdivision but not appearing on the recorded plat there is a fifteen foot (15') wide non-exclusive bridle easement adjacent to and running with the street right of way along both sides of Vista Hills Drive and Vista Lake Court (the "Bridle Easement"). Owners shall not install or erect any impediments to the Bridle Easement. The Bridle Easement is located upon the Lot where it abuts the street right of way along both sides of Vista Hills Drive and Vista Lake Court and will extend into the Lot for the first fifteen feet (15') from the Lot line adjacent to the street right of way. Owners hereby agree to hold harmless the Declarant and the Association, and their successors and assigns and release them from any liability for the existence, placement, and/or maintenance of the Bridle Easement and agree to indemnify the parties released from any damages they may sustain. Owners further grant an easement to the Declarant, the Association, and other Owners for any incidental noise, odors, and visibility of the Bridle Easement, and/or traffic which may occur due to the existence of the Bridle Easement. Owners hereby acknowledge that the Association, its directors, officers, managers, agents, or employees, the Declarant or any successor Declarant have made no representations or warranties nor has any Owner, occupant, tenant, guest or invitee relied upon any representations or warranties, expressed or implied, relative to any future change in use of the Bridle Easement.

That portion of Article VI, Section F(8) which reads as follows:

If a fence is located on the rear of Lots Twelve (12), Thirteen (13) and/or Fourteen (14) it must either be five (5) board black wood fence or ornamental iron and shall be subject to a one hundred twenty-five foot (125') setback from the Lot line adjacent to Vista Lake.

shall be deleted in its entirety and replaced with the following:

If a fence is located on the rear of Lots Twelve (12), Thirteen (13) and/or Fourteen (14) it must either be five (5) board black wood fence or five (5) strand wire with black wood post or five (5) strand wire with black metal post, and shall be subject to a fifty foot (50') setback from the Lot line adjacent to Vista Lake.

That portion of Article VI, Section R which reads as follows:

With the approval of the ARC, the Owners of Lots 13, 14, and 15, which adjoin Vista Lake, may build a simple pier which projects no more than thirty (30) feet into Lake Vista.

shall be deleted in its entirety and replaced with the following:

With the approval of the ARC, the Owners of Lots 12, 13, and 14, which adjoin Vista Lake, may build a simple pier which projects no more than thirty (30) feet into Vista Lake.

That portion of Article VII, Section K which reads as follows:

All driveways must be constructed of either asphalt or concrete which must extend from the public street or highway to the perimeter fence. Thereafter, driveways, unless otherwise approved by the ARC, may be constructed of either asphalt, concrete, brick pavers or gravel. All driveways must be a minimum of ten feet (10') wide.

shall be deleted in its entirety and replaced with the following:

All driveways must be constructed of asphalt for that portion of the driveway that extends from the public street or highway covering the twenty foot (20') wide street right-of-way to the Lot line. Owners are hereby granted an easement to install and maintain the required asphalt over and upon the common area described as the twenty foot (20') wide street right-of-way. The portion of the driveway covering the fifteen foot (15') wide bridge easement shall be constructed of gravel as designated and approved by the ARC. Thereafter, driveways, unless otherwise approved by the ARC, may be constructed of either asphalt, concrete, brick pavers or gravel. All driveways must be a minimum of ten feet (10') wide.

The Property shall be held, transferred, sold, conveyed, used and occupied subject to the covenants, restrictions, easements, charges, and liens set forth in the Declaration (the same being herein incorporated by reference for all purposes), and additionally this First Amendment.

In case of conflict between this First Amendment and the Declaration, this First Amendment shall control. All other definitions and restrictions shall remain as stated in the Declaration of Covenants, Conditions and Restrictions for Vista Hills.

Invalidation of any one or more the covenants, restrictions conditions or provisions contained in this First Amendment shall in no wise affect any of the other covenants, restrictions, conditions or provisions contained in the Declaration, which shall remain in full force and effect.

The Declaration, except as expressly amended hereby, shall remain in full force and effect, and is hereby ratified and confirmed.

IN WITNESS WHEREOF, this First Amendment to the Declaration of Covenants, Conditions and Restrictions for Vista Hills is executed as of the 28<sup>th</sup> day of July, 2004.

VISTA HILLS, LTD., a Texas Limited Partnership  
By its sole general partner SOUTHWEST  
COMMUNITIES, L.L.C.

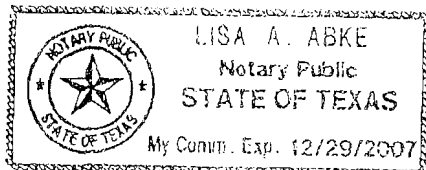
By: [Signature]  
JOHN A. ANDERSON, II, Manager

STATE OF TEXAS §  
COUNTY OF Grimes §

BEFORE ME, the undersigned authority, on this day personally appeared JOHN A. ANDERSON, II the Manager of Southwest Communities, L.L.C., the sole general partner of VISTA HILLS, LTD., known by 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 and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 28<sup>th</sup> day of July, 2004.

[Signature]  
Notary Public - State of Texas



LIENHOLDER CONSENT AND SUBORDINATION

SOUTHWEST BANK OF TEXAS, a(n) N.A. state TEXAS corporation, being the sole beneficiary of a mortgage lien and other liens, assignments and security interests encumbering all or a portion of the Property hereby consents to the terms and provisions of the Declaration of Covenants, Conditions and Restrictions for Vista Lakes recorded under Grimes County Clerk's File No. 192159 (the "Declaration"), and to the First Amendment to the Declaration of Covenants, Conditions and Restrictions for Vista Lakes (the "First Amendment") to which this Lienholder Consent and Subordination is attached and acknowledges that the execution thereof does not constitute a default under the lien document or any other document executed in connection with or as security for the indebtedness above described, and subordinates the liens of the lien document and any other liens and/or security instruments securing said indebtedness to the rights and interests created under said Declaration, and acknowledges and agrees that a foreclosure of said liens and/or security interests shall not extinguish the rights, obligations and interests created under the Declaration or this First Amendment. No warranties of title are hereby made by lienholder, lienholder's joinder herein being solely limited to such consent and subordination.

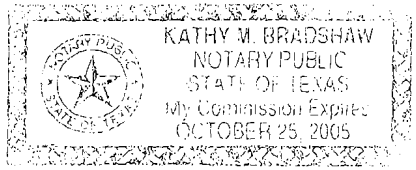
By: [Signature]  
Print Name: JOHN B. AVARA  
Print Title: SR. VICE PRES.

STATE OF TEXAS §  
  §  
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this day personally appeared John B. Avara of Southwest Bank of Texas known by me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that s/he executed the same for the purposes and consideration therein expressed and in his/her representative capacity.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 27 day of July, 2004.

[Signature]  
Notary Public - State of Texas



SECOND AMENDMENT TO THE DECLARATION OF  
COVENANTS, CONDITIONS, AND RESTRICTIONS FOR  
VISTA HILLS

After Recording Return To:

Marc D. Markel  
Roberts Markel Guerry, P.C.  
2500 City West Blvd., Suite 1350  
Houston, Texas 77042

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SECOND AMENDMENT TO THE DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS

STATE OF TEXAS           §  
                                  §  
COUNTY OF GRIMES       §

THIS SECOND AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS, ("Second Amendment") is made on the date hereinafter set forth by Vista Hills, Ltd., a Texas limited partnership, hereinafter referred to as the "Declarant."

W I T N E S S E T H:

WHEREAS, Declarant filed that certain DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS which is recorded under Clerk's File No. 192159 in the Real Property Records of Grimes County, Texas (the "Original Declaration"); and

WHEREAS, Declarant filed that certain CLARIFICATION AMENDMENT FOR VISTA HILLS which is recorded under Clerk's File No. 194819 in the Real Property Records of Grimes County, Texas (the "Clarification Amendment"); and

WHEREAS, Declarant filed that certain FIRST AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS which is recorded under Clerk's File No. 193544 in the Real Property Records of Grimes County, Texas (the "First Amendment"); and

WHEREAS, the Declaration, the Clarification Amendment and the First Amendment are collectively hereinafter referred to as the "Declaration;" and

WHEREAS, reference is hereby made to the Declaration for all purposes, and any and all capitalized terms used herein shall have the meanings set forth in the Declaration, unless otherwise specified in this Second Amendment; and

WHEREAS, pursuant to Article XII of the Original Declaration, for so long as Class B membership exists, the Declaration may be amended by the approval of two-thirds (2/3) of the combined total votes of the Class A and Class B Membership; and

WHEREAS, Class B Membership exists; and

WHEREAS, Declarant holds more than two-thirds (2/3) of the combined total votes of the Class A and Class B Membership; and

WHEREAS, Declarant desires to amend the Declaration.

NOW THEREFORE, pursuant to the amendment provision of the Declaration, the Declaration is hereby amended as follows

That portion of Article VI, Section M(2), Livestock, which reads as follows:

Livestock (except sheep, alpacas, and goats) shall be limited to one (1) animal unit for every two (2) acres. Sheep, or goats shall be limited to one (1) animal unit for every one (1) acres. Alpacas shall be limited to two (2) animal units per one (1) acre.

shall be deleted in its entirety and replaced with the following:

Livestock (except sheep, alpacas, and goats) shall be limited to one (1) animal unit for every two (2) acres, save and except that Lot 1, Block 1, may additionally keep one (1) calf not to exceed seven hundred (700) pounds in weight for every two (2) acres. Sheep, or goats shall be limited to one (1) animal unit for every one (1) acre. Alpacas shall be limited to two (2) animal units per one (1) acre.

That portion of Article VI, Section M(4), Livestock, which reads as follows:

Where a combination of types of animals are kept on a lot, the total number allowed shall be determined by allocating two (2) acres per animal unit, regardless of kind; except sheep and goats, in which case, one (1) animal unit shall be allowed per one (1) acre, or alpacas where two (2) animal units shall be allowed.

shall be deleted in its entirety and replaced with the following:

Where a combination of types of animals are kept on a lot, the total number allowed shall be determined by allocating two (2) acres per animal unit, regardless of kind; except sheep and goats, in which case, one (1) animal unit shall be allowed per one (1) acre, or alpacas where two (2) animal units shall be allowed for every one (1) acre; save and except that Lot 1, Block 1, may additionally keep one (1) calf not to exceed seven hundred (700) pounds in weight for every two (2) acres.

The Property shall be held, transferred, sold, conveyed, used and occupied subject to the covenants, restrictions, easements, charges, and liens set forth in the Declaration (the same being herein incorporated by reference for all purposes), and additionally this Second Amendment.

In case of conflict between this Second Amendment and the Declaration, this Second Amendment shall control. All other definitions and restrictions shall remain as stated in the Declaration of Covenants, Conditions and Restrictions for Vista Hills.

Invalidation of any one or more the covenants, restrictions conditions or provisions contained in this Second Amendment shall in no wise affect any of the other covenants, restrictions, conditions or provisions contained in the Declaration, which shall remain in full force and effect.

The Declaration, except as expressly amended hereby, shall remain in full force and effect, and is hereby ratified and confirmed.

IN WITNESS WHEREOF, this Second Amendment to the Declaration of Covenants, Conditions and Restrictions for Vista Hills is executed as of the 7<sup>th</sup> day of March, 2005.

VISTA HILLS, LTD., a Texas Limited Partnership  
By its sole general partner SOUTHWEST  
COMMUNITIES, L.L.C.

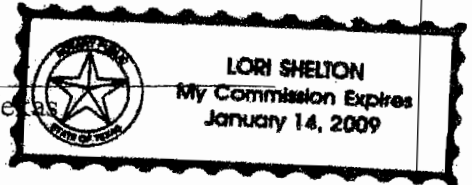
By: Edie A. Speer  
Edie A. Speer, Manager

STATE OF TEXAS           §  
  §  
COUNTY OF Fort Bend, TX §

BEFORE ME, the undersigned authority, on this day personally appeared EDIE A. SPEER the Manager of Southwest Communities, L.L.C., the sole general partner of VISTA HILLS, LTD., known by 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 and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 7 day of March, 2005.

Lori Shelton  
Notary Public – State of Texas





LIENHOLDER CONSENT AND SUBORDINATION

Southwest Bank of Texas, N.A., a Texas corporation, being the sole beneficiary of a mortgage lien and other liens, assignments and security interests encumbering all or a portion of the Property hereby consents to the terms and provisions of the Declaration of Covenants, Conditions and Restrictions for Vista Hills recorded under Grimes County Clerk's File No. 192159 (the "Declaration"), and to the Second Amendment to the Declaration of Covenants, Conditions and Restrictions for Vista Hills (the "Second Amendment") to which this Lienholder Consent and Subordination is attached and acknowledges that the execution thereof does not constitute a default under the lien document or any other document executed in connection with or as security for the indebtedness above described, and subordinates the liens of the lien document and any other liens and/or security instruments securing said indebtedness to the rights and interests created under said Declaration, and acknowledges and agrees that a foreclosure of said liens and/or security interests shall not extinguish the rights, obligations and interests created under the Declaration or this Second Amendment. No warranties of title are hereby made by lienholder, lienholder's joinder herein being solely limited to such consent and subordination.

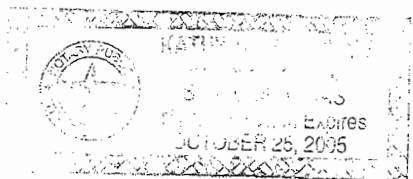
By: [Signature]  
Print Name: JOHN B. AVARA  
Print Title: SR. VICE PRES

STATE OF TEXAS           §  
  §  
COUNTY OF HARRIS   §

BEFORE ME, the undersigned authority, on this day personally appeared John B. Avara the SR. Vice President of Southwest Bank of Texas, N.A., known by me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that s/he executed the same for the purposes and consideration therein expressed and in his/her representative capacity.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 2nd day of March, 2005.

[Signature]  
Notary Public - State of Texas



THIRD AMENDMENT TO DECLARATION OF  
COVENANTS, CONDITIONS, AND RESTRICTIONS FOR  
VISTA HILLS

After Recording Return To:

Marc D. Markel  
Roberts Markel Guerry, P.C.  
2500 City West Blvd., Suite 1350  
Houston, Texas 77042

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THIRD AMENDMENT TO THE DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS

STATE OF TEXAS           §  
  §  
COUNTY OF GRIMES       §

THIS THIRD AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS, (the "Third Amendment") is made on the date hereinafter set forth by Vista Hills, Ltd., a Texas limited partnership, hereinafter referred to as the "Declarant."

WITNESSETH:

WHEREAS, Declarant filed that certain DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS which is recorded under Clerk's File No. 192159 in the Real Property Records of Grimes County, Texas (the "Original Declaration"); and

WHEREAS, Declarant filed that certain CLARIFICATION AMENDMENT FOR VISTA HILLS, which is recorded under Clerk's File No. 194819 in the Real Property Records of Grimes County, Texas (the "Clarification Amendment"); and

WHEREAS, Declarant filed that certain FIRST AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS, which is recorded under Clerk's File No. 193544 in the Real Property Records of Grimes County, Texas (the "First Amendment"); and

WHEREAS, Declarant filed that certain SECOND AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR VISTA HILLS which is recorded under Clerk's File No. 198248 in the Real Property Records of Grimes County, Texas (the "Second Amendment"); and

WHEREAS, the Declaration, the Clarification Amendment, the First Amendment and the Second Amendment are collectively hereinafter referred to as the "Declaration;" and

WHEREAS, reference is hereby made to the Declaration for all purposes, and any and all capitalized terms used herein shall have the meanings set forth in the Declaration, unless otherwise specified in this Third Amendment; and

WHEREAS, pursuant to Article XII of the Original Declaration, for so long as Class B membership exists, the Declaration may be amended by the approval of two-thirds (2/3) of the combined total votes of the Class A and Class B Membership; and

WHEREAS, Class B Membership exists; and

WHEREAS, Declarant holds more than two-thirds (2/3) of the combined total votes of the Class A and Class B Membership; and

WHEREAS, Declarant desires to amend the Declaration, and

WHEREAS, Class A Members have agreed to and joined this Third Amendment.

NOW THEREFORE, pursuant to the amendment provision of the Declaration, the Declaration is hereby amended as follows:

Article VI. Use Restrictions, Section U. Combining of Lots, which reads as follows:

*Lots may not be subdivided except as set out below, and no lot may be subdivided so that the resultant Homesite is smaller than the originally platted Lot.*

*The combining of Lots, or portions of Lots, is permitted subject to the following provisions.*

*1. All governmental requirements must be complied with as to combining one Lot with a portion of another Lot. If Lots are combined, the side setback requirements are moved to the resulting perimeter Lot lines after the combination.*

*2. A Lot may be divided, and a portion of that Lot may be purchased by each of the adjacent Lot owners, so long as the entire Lot is purchased by the adjoining Lot Owners. By way of example, and not limitation, if a Lot is divided between two adjoining Lot Owners, where Owner "A" purchases one-third of the center lot, then Owner "B" must purchase the remaining two-thirds of the center lot. Owner "B" may not purchase one-third of the center lot, leaving a remaining one-third of the center lot out of the transaction.*

*3. If any Lot is divided between adjacent Lot Owners, each portion of the Lot so divided shall be subject to Annual and Special Assessment as if the portion was an originally platted Lot.*

*4. The Annual and Special Assessment lien created herein shall be a charge and continuing lien upon the divided Lot in its entirety, and it shall be the personal obligation of the persons or entities who were the Owners of the Lot at the time when the assessment became due.*

shall be amended to read as follows:

*Lots may not be subdivided except as set out below, and no lot may be subdivided so that the resultant Homesite is smaller than the originally platted Lot; provided, however, Lot 14 may be subdivided, via a replat (the replatted Lot 14 shall hereinafter be referred to as the "Replatted Lot 14"), so long as the subdivided portion of Lot 14 which is not a part of the Replatted Lot 14 is consolidated with Lot 15, via a replat, (the replatted Lot 15 shall hereinafter be referred to as the "Replatted Lot 15") in order to create a more desirable building site, due to topographical consideration, for Lot 15.*

*The combining of Lots, or portions of Lots, is permitted subject to the following provisions.*

1. *All governmental requirements must be complied with as to combining one Lot with a portion of another Lot. If Lots are combined, the side setback requirements are moved to the resulting perimeter Lot lines after the combination.*
2. *A Lot may be divided, and a portion of that Lot may be purchased by each of the adjacent Lot owners, so long as the entire Lot is purchased by the adjoining Lot Owners. By way of example, and not limitation, if a Lot is divided between two adjoining Lot Owners, where Owner "A" purchases one-third of the center lot, then Owner "B" must purchase the remaining two-thirds of the center lot. Owner "B" may not purchase one-third of the center lot, leaving a remaining one-third of the center lot out of the transaction.*
3. *If any Lot is divided between adjacent Lot Owners, each portion of the Lot so divided shall be subject to Annual and Special Assessment as if the portion was an originally platted Lot. Notwithstanding anything contained herein to the contrary, the Replatted Lot 14 shall be subject to an Annual Assessment and Special Assessments as one Lot and the Replatted Lot 15 shall be subject to an Annual Assessment and Special Assessments as one Lot.*
4. *Subject to the provisions of Section 3, the Annual and Special Assessment lien created herein shall be a charge and continuing lien upon the divided Lot in its entirety, and it shall be the personal obligation of the persons or entities who were the Owners of the Lot at the time when the assessment became due.*

*The subdivision of Lot 14, as provided herein, shall not be relied upon by any Member or Owner, or any other person or entity, as a precedent regarding division of any other Lot in the Subdivision.*

The Property shall be held, transferred, sold, conveyed, used and occupied subject to the covenants, restrictions, easements, charges, and liens set forth in the Declaration (the same being herein incorporated by reference for all purposes), and additionally this Third Amendment.

In case of conflict between this Third Amendment and the Declaration, this Third Amendment shall control. All other definitions and restrictions shall remain as stated in the Declaration of Covenants, Conditions and Restrictions for Vista Hills.

Invalidation of any one or more the covenants, restrictions conditions or provisions contained in this Third Amendment shall in no wise affect any of the other covenants,

restrictions, conditions or provisions contained in the Declaration, which shall remain in full force and effect.

The Declaration, except as expressly amended hereby, shall remain in full force and effect, and is hereby ratified and confirmed.

IN WITNESS WHEREOF, this Third Amendment to the Declaration of Covenants, Conditions and Restrictions for Vista Hills is executed as of the 28th day of June, 2005.

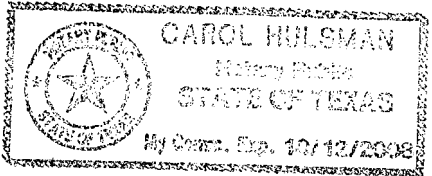
VISTA HILLS, LTD., a Texas Limited Partnership  
By: SOUTHWEST COMMUNITIES, L.L.C., a  
Texas limited liability company, its sole general partner

By: Edie A. Speer  
EDIE A. SPEER, Manager

STATE OF TEXAS           §  
  §  
COUNTY OF GRIMES     §

BEFORE ME, the undersigned authority, on this day personally appeared EDIE A. SPEER the Manager of Southwest Communities, L.L.C., the sole general partner of VISTA HILLS, LTD., known by 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 and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 28th day of June 2005.



Carol Hulsman  
Notary Public – State of Texas