

**DEED RESTRICTIONS
OF
EAST LAKE WOODS Units I, II, III AND IV**

East Lake Woods, Units I, II, III & IV

Amended Declaration of Covenants, Conditions, Assessments, Charges, Servitudes, Liens, Reservations and Easements (Single Family) (A PART OF THE GABRIEL RASCO SURVEY, ABSTRACT 813, SMITH COUNTY, TEXAS)

This Amended Declaration of Covenants, Conditions, Assessments, Charges, Servitudes, Liens, Reservations and Easements (herein called the "Deed Restrictions") is made and approved as of the 31th day of January, 2015 by the Board of Directors and the duly authorized vote of the Owners of the Lots and Property in Units I, II, III and IV of the East Lake Woods Subdivision at a Special Meeting of the Owners called and held on January 31, 2015 for the purpose of amending the restrictive covenants of each of Units I, II, III and IV of East Lake Woods, the vote of such Owners being affirmatively set forth on Exhibit "A" which is attached hereto and incorporated herein for all purposes.

WITNESSETH:

WHEREAS, East Lake Woods, Units I, II, III & IV, comprises all of those certain lots, tracts or parcels of real property described in certain Plats recorded in the Plat Records of Smith County, Texas, and designated as shown below:

Unit I -Cabinet C, Slide 87-C; Cabinet C, Slide 87-D; Cabinet D, Slide 290-C; and Cabinet D, Slide 127-A;

Unit II -Cabinet C, Slide 93-B; Cabinet C, Slide 93-C; Cabinet C, Slide 174-C; Cabinet D, Slide 108-C; Cabinet D, Slide 151-B; and Cabinet D, Slide 163-A;

Unit III -Cabinet D, Slide 13-C, designated as East Lake Woods, Unit III

Unit IV -Cabinet D, Slide 102-B, Cabinet D, Slide 102-C designated as East Lake Woods, Unit IV;

WHEREAS, restrictive covenants for Unit I of East Lake Woods have heretofore been recorded in Volume 3511, Page 220 of the Official Public Records of Smith County, Texas;

WHEREAS, restrictive covenants for Unit II of East Lake Woods have heretofore been recorded in Volume 3521, Page 69 of the Official Public Records of Smith County, Texas;

WHEREAS, restrictive covenants for Unit III of East Lake Woods have heretofore been recorded in Volume 4405, Page 271 of the Official Public Records of Smith County, Texas;

WHEREAS, restrictive covenants for Unit IV of East Lake Woods have heretofore been recorded in Volume 5746, Page 1 of the Official Public Records of Smith County, Texas;

WHEREAS, the Owners of the Lots and Property in Units I, II, III and IV of East Lake Woods now desire to amend the respective restrictive covenants for each of Units I, II, III and IV of East Lake Woods and to create one document containing the restrictive covenants for all of Units I, II, III and IV of East Lake Woods;

THEREFORE, in order to enable the Owners, hereinafter defined, to implement a general plan of development and accomplish the development of such lands as a residential development of high quality which interfaces with the natural beauty of the East Texas landscape, the Owners, hereinafter defined, desire to subject the Property to the covenants, conditions, assessments, charges, servitudes, liens, reservations and easements, hereinafter set forth (herein collectively called the "Deed Restrictions"), and the Owners, hereinafter defined, hereby declare that the property shall be held, sold and conveyed subject to the following:

1. DEFINITIONS

The following words, phrases or terms used in these Deed Restrictions shall have the following meanings:

- A. "ARC" shall mean the Architectural Review Committee, the members of which are appointed by the Board of Directors of the East Lake Woods Homeowners Association for the purpose of exercising architectural control, all as set forth in the reservation of architectural control.
- B. "ARC Construction Regulations" (ACR) or "Architectural Construction Regulations" (ACR) shall refer to a certain document prepared by the Board of Directors establishing the method of submission of matters for approval to the Architectural Review Committee and regulations for design, location, materials and other construction and installation matters. The Board of Directors of the Association shall have the authority to add, delete or change such Architectural Construction Regulations from time to time at its discretion pursuant to Article 16.04 of these Deed Restrictions. The ARC Construction Regulations shall be consistent with and remain inferior to provisions in these Deed Restrictions related to architectural control.
- C. "Assessable Property" shall mean each of the lots, except such lots as may from time to time constitute exempt property.
- D. "Assessment" shall mean the charge levied and assessed from time to time by the Association against each lot.
- E. "Assessment Lien" shall mean the lien created and imposed by Article VII hereof.
- F. "Association" shall refer to the East Lake Woods Homeowners Association.

- G. "Association Land" shall mean such parts of the property, including but not limited to the easements, reserved areas, roadways, and lots owned by the Association, together with the buildings, structures and improvements thereon, if any, as may be owned now or at any time hereafter by the Association, for so long as the Association is the owner thereof.
- H. "Board" shall mean the Board of Directors (BOD) as elected by the members of the Property Owners Association.
- I. "Building" shall mean a relatively enclosed structure that has a roof and solid walls, which may have windows and/or vents.
- J. "Deed" shall mean a deed or other instrument conveying a freehold estate or a fee estate to all or any portion of the property.
- K. "Deed Restrictions" shall mean this Amended Declaration of Covenants, Conditions, Assessments, Charges, Servitude, Liens, Reservations and Easements as may be amended or supplemented from time to time.
- L. "Detached Garage" shall mean any garage that does not share at least one common wall with an air conditioned space within the dwelling unit on the lot.
- M. "Dwelling Unit" shall mean any portion of a building situated on a lot designed and intended for use and occupancy as a residence by a single family.
- N. "Exempt Property" shall mean the following parts of the property: (i) all land and permanent improvements owned by or dedicated to and accepted by the United States, the State of Texas, the County of Smith, the City of Tyler, or any other political subdivision thereof, (ii) easements shown on the subdivision plat, (iii) pipeline easements, and (iv) all of The Association's land as described in Article I, Paragraph G above.
- O. "Incident" shall mean a separate and distinct occurrence in which a violation of Deed Restrictions exists. With respect to enforcement action directed toward a violation of a specific deed restriction, only one incident may be recorded within any twenty four (24) hour period beginning at midnight.
- P. "Lot" shall mean any parcel described in any of the Plats of East Lake Woods as described herein, together with any lots, which may, from time to time result from a re-subdivision, combination or division of any such lots, as may be shown upon other plats of the property, now or hereafter filed for record in the Plat Records of Smith County, Texas.

- Q. "Maintenance Charge" shall mean any and all costs assessed pursuant to Article 5.01 hereof.
- R. "Member" shall mean a person, or more than one, all persons collectively, who constitutes the owner(s) of a lot. Said owners are afforded membership in the East Lake Woods Homeowners Association, a non-profit corporation.
- S. "Owner" shall mean the person or persons, entity or entities that either own a recorded freehold estate or a fee estate to a lot, or parcel, or a successor or assignee thereof, or has entered into a Contract for Deed, covering a lot or any other portion or parcel of the property. The term "Owner" shall exclude any person or persons, entity or entities, having an interest in a lot or any such parcel merely as security for the performance of an obligation. For the purposes hereof, the term "Contract for Deed" shall be a contract executed by an owner of one or more lots with another person, containing as its title or as part of its title the term "Contract for Deed" pursuant to which such person is acquiring a lot or any such parcel on an installment basis whereby the Seller does not transfer the freehold estate or fee estate to the lot until such person has satisfied all of the terms and conditions of such contract.
- T. "Permanent Improvements" shall mean with respect to any lot or portion or parcel of the property, any and all improvements, buildings, structures, and boathouses, including, but without limitation, masonry posts, columns, or walls, retaining walls, hedges, fences, planters, patios, decks, permanent walkways, flagpoles, fire places, fire pits, pools, mailboxes, driveways, solar collectors, geothermal collectors, generators, greenhouses, garages, arbors, pergolas, water wells, water harvesting systems, and spas and hot tubs.
- U. "Plat" shall mean the Board approved subdivision plat of any portion of the property presently on file in the Plat Records of Smith County, Texas, and any other Board approved plat or plats of all or any portion of the property, now or hereafter filed for record in the Plat Records of Smith County, Texas (as such Board approved plat or plats may be amended from time to time). The streets shown on the plat, unless otherwise stated on the plat, have been dedicated to the Association.
- V. "Property" shall mean the property depicted on the Board approved Subdivision Plat or any other Board approved Plat of any unit or part of East Lake Woods in Smith County, Texas as described herein and any other Plat or Plats of all or any portion of the real property, described in said Plat which may be hereafter filed for record in the Plat Records of Smith County, Texas.
- W. "Reserved Areas" shall mean those areas, if any, of the property (including without limitation, all easements, including, but not limited to landscaping easements), which are designated on the plat or reserved herein, the

ownership of which are reserved to the Association and its successors and assigns.

- X. "Roadways" shall refer to the easement and road extending from County Road 294 through East Lake Woods Unit I, adjacent to and across property currently owned by the City of Tyler, and extending through East Lake Woods Unit II, including all streets and side streets in Units I, II, III, and IV, adjacent to all lots within these four units.
- Y. Except as provided below, a "Single Family" is defined as a relationship within the third degree by consanguinity or within the second degree by affinity. These degrees of a relationship shall be computed by the civil law method. This standard was selected because it is the standard which is generally considered to be nepotism under Title 5, Section 573 of the Texas Government Code. Exceptions to these requirements are as follows: (a) the ending of a marriage by divorce or the death of a spouse shall not end relationships by affinity, (b) an adult unmarried couple where both persons are members shall be considered to be spouses with respect to affinity, (c) a live-in adult person that is not an owner and who may or may not have children shall be considered to be a spouse with respect to affinity, (d) foster children and persons under guardianship-type directives shall be considered to be part of the single-family unit.
- Z. "Subdivision Plat" shall mean the various Board approved plats describing the residential subdivision located in Smith County, Texas, and known as East Lake Woods, recorded as shown above in the Plat Records of Smith County, Texas. Said plats may be amended or supplemented from time to time with prior written Board approval.

2. DEED RESTRICTIONS BINDING ON PROPERTY AND OWNERS

2.01 Property Bound. From and after the date of recordation of these Deed Restrictions, the property shall be subject to the Deed Restrictions, and the Deed Restrictions shall run with, be for the benefit of, bind and burden the property.

2.02 Owners Bound. From and after the date of recordation of these Deed Restrictions, the Deed Restrictions shall be binding upon and inure to the benefit of each Owner and his heirs, executors, administrators, personal representatives, successors and assigns, whether or not so provided or mentioned in the deed, except with respect to the exempt property, and each owner, for himself, his heirs, executors, administrators, personal representatives, successors and assigns expressly agrees to pay and become personally liable for the assessments provided for hereunder and to be bound by all of the Deed Restrictions herein set forth. Except with respect to exempt property, each owner shall be and remain personally liable (regardless of whether he has transferred title to his lots) for the amount of assessments, charges, and fines

together with interest, costs and attorney's fees as provided herein which fall due while he was an Owner. No Owner shall escape personal liability for the assessments herein provided by nonuse of the reserved areas, or by transfer or abandonment of a lot.

2.03 Ordinances. East Lake Tyler is owned by the City of Tyler. The East Lake Woods Subdivision contains property that adjoins property that is owned or controlled by the City of Tyler. All covenants, conditions, restrictions, guidelines, rules and regulations herein declared shall additionally be conformed and inferior to the laws, covenants, conditions, rules and ordinances of the City of Tyler (Including Chapter 19, Water Utilities Article VI and Exhibit B), Smith County, State of Texas, and the United States. If any portion, article or section of a Declaration, covenant, condition, restriction, guideline, rule, or regulation of East Lake Woods conflicts with those of the higher authorities referenced above, that portion, article, or section is rendered null and void but the remainder of the declarations are valid and enforceable.

3. GENERAL RESTRICTIONS

3.01 Single Family Residential Purposes. All lots in the property shall be used only for single-family residential purposes. No dwelling unit shall have more than one mailing address. Additionally, no dwelling unit shall be utilized as a clubhouse, lodge, hotel, time share, or other rental arrangement. Dwelling units shall not house persons on a permanent basis that do not comprise a single family as defined in this Deed Restrictions. No obnoxious or offensive activity of any sort shall be permitted, nor shall anything be done on any lot, which may be or become an annoyance or nuisance to the neighborhood.

No lot shall be used for any commercial, business or professional purposes. Members have the right to transact business or professional activities inside their dwelling unit provided the business displays no signage on any structure or on the lot and clients do not visit the dwelling unit or outbuilding on a regular basis to transact business. Furthermore, the business activity shall not be visible from outside of the dwelling unit.

- A. Subject to the foregoing restrictions, Owners shall have the right to lease or rent their Lots, provided that any lease or rental agreement between an Owner and a tenant shall be in writing and shall provide that it is in all respects subject to the provisions of these Deed Restrictions, the Bylaws, and the Rules and Regulations and that any failure by the tenant to comply with such provisions shall be a default under the rental agreement or lease. However, the failure of any lease or rental agreement to so provide shall not excuse any person from complying with the provisions of these Deed Restrictions, the Bylaws, and the Rules and Regulations.

- B. In the event an Owner shall rent or lease his Lot such Owner shall immediately give to the Board of Directors in writing:
- (1) the name of the tenant and the Lot rented or leased;
 - (2) the current address of such Owner;
 - (3) a copy of a memorandum signed by the owner and tenant identifying the parties involved and term of the lease; and
 - (4) the certification of the Owner that the tenant has been given a copy of these Deed Restrictions, any applicable amendments, the Bylaws and the Rules, Regulations, and Guidelines and that such tenant has been advised of any obligations he may have thereunder as a tenant.
- C. In no event shall any lease or rental agreement release or relieve an Owner from the obligation to pay regular and special assessments to the Association, regardless of whether the obligation to pay assessments has been assumed by the tenant in such lease or rental agreement.

3.02 Type of Structures. No building shall be erected, altered or permitted to remain on any lot other than one (1) detached single family residential dwelling unit not to exceed three (3) stories in height. Each such dwelling unit shall have a private garage which may be detached from the main residential structure but shall be fully enclosed, covered, and large enough to house an average automobile or pick-up truck. Said private garages shall maintain the architectural integrity and visually match the exterior of the single family residence located on the same lot, unless otherwise approved by the Board and the Architectural Review Committee. There may be entrances to the garage from the front of the dwelling, but all garage entrances shall be covered with industry standard garage doors, except where other doors are approved by the Architectural Review Committee. Any additions to an originally approved dwelling as well as other exterior alterations or changes must be approved by the ARC. These additions shall be constructed with the same type of materials and color schemes found in the existing dwelling unit in order to maintain the architectural integrity of said structures. These considerations include, but are not limited to, exterior masonry, siding, windows, doors, roofing, and trim materials. Design elements shall be replicated so that the exterior of any new addition or modification visually matches the existing dwelling unit located on the lot. Any deviations from these criteria require prior written approval of the Board. Under no circumstances shall outbuildings (storage buildings), detached garages, modular buildings, or other structures be moved onto or built upon the lot without prior written consent of the Board and the ARC. Like additions to existing dwelling units, the exterior of all outbuildings on any lot, including detached garages, shall be constructed with the same or very similar type of materials and color schemes found in the existing dwelling unit located on the lot, and maintain the architectural integrity of and visually match said dwelling unit.

3.03 Minimum Square Footage. The living area of such residence (exclusive of porches, patios, garage, terraces or driveways) on each lot shall be not less than

eighteen hundred (1,800) square feet, except that plans submitted to the Architectural Review Committee in writing prior to January 31, 2004 shall be accepted as approved.

3.04 Setbacks. As to any lot, except with respect to masonry walls or columns, retaining walls, fences, driveways, mailboxes, planters, hedges or other screening material, no permanent improvement, or any part thereof, including roof overhang, shall be nearer than twenty-five (25) feet to any side street line. No permanent improvement, except for masonry wing walls, masonry posts or columns, HVAC units, pool equipment, retaining walls, planters, hedges, fences, or other screening material, or any part thereof, including roof overhang, shall be nearer than seven and one-half (7 1/2) feet to any adjacent lot line. No building shall be located nearer than one hundred (100) feet from the three hundred seventy eight (378) foot elevation line pursuant to ordinances established by the City of Tyler in its regulations of Lake Tyler East. Additionally, on non-waterfront lots no dwelling unit shall be located nearer than twenty five (25) feet to the rear (back) property line; however, other permanent improvements may extend to the rear (back) property line. On any lot, no permanent improvement, except for retaining walls, driveways, masonry posts or columns, or mailboxes, or any part thereof may be nearer to the front street property line than thirty-five (35) feet. Further, on non-waterfront lots, the setback of the front wall (i.e., the distance between the wall and the front street property line) of a proposed structure must be the same, plus or minus fifteen (15) feet, as the existing similar setback on each adjacent lot. In the event setback lines established on the plat are more restrictive than the foregoing, such setback lines established on the plat shall control. In the event that an owner desires to purchase two (2) lots for the purpose of building a structure that would violate any side set-back line or be built upon both lots, such ownership shall be limited to only one dwelling per such two (2) lot combination. Such violation of the setback lines and/or building across lot lines must have prior written approval of the Architectural Review Committee and, as an exception to these Deed Restrictions, by the Board of Directors.

3.05 Walls, Fences, Hedges and Other Screening Material. No masonry post, column, or wall, retaining wall, fence, planter, hedge or other screening material shall be placed on the property without the approval of the Architectural Review Committee. Fencing shall not be permitted in front yard areas. The front yard is defined as the portion of the lot between the main entry door of the dwelling unit and the road. Fences shall not be installed on lots without dwelling units without prior written approval of the Board. Fence construction shall be limited to backyard areas on non-waterfront lots. Backyard is defined as that part of the property that is on the opposite side of the dwelling unit from the driveway access to the street except on corner lots with side access driveways. Acceptable fencing material on all lots shall be either black wrought iron or black chain link. The installation of any other type of fencing material requires the approval of the Board. Furthermore, the fencing may connect to either or both sides of the dwelling unit but the connection shall be to a portion of the structure close to the rear (back) property line and the fence shall comply with setback restrictions pursuant to Article 3.04 of the Deed Restrictions. Fence construction on waterfront lots shall be limited to backyard areas; however, fencing shall not extend toward the lake any closer

than one hundred (100) feet back from the three hundred seventy eight (378) foot elevation line. A variance to these fencing requirements on waterfront lots may be extended by the Board to accommodate safety concerns of a pool or retaining wall, if permitted by City of Tyler ordinances. Furthermore, a variance to these fencing requirements on non-waterfront lots may be extended by the Board to accommodate safety concerns of a retaining wall. Additional fencing requirements and approvals are detailed in the ARC Construction Regulations and City of Tyler ordinances.

3.06 Driveways. As to any lot, all driveways shall be constructed entirely of reinforced poured concrete at least three and a half (3 1/2) inches thick which may be overlaid with tile or brick, interlocking concrete pavers with a proper base, or asphalt (recycled or conventional) with a proper base. Additionally driveways shall be paved before any dwelling unit may be occupied. No driveway or other roadway may be constructed on any lot in such a manner as to furnish access to any adjoining lots or other property without the prior written consent of the Architectural Review Committee. All driveways shall be constructed in such a manner that all runoff will not cause erosion problems to adjacent lots or into Lake Tyler East. All driveways shall be constructed in a manner that does not substantially affect the flow of bar ditches or culverts in an adverse way. Driveways may not be nearer than seven and one half (7 ½) feet to any adjacent lot line unless the width of the lot, at the location of the driveway, is less than thirty (30) feet and the proposed location of the driveway is approved by the Architectural Review Committee and, as an exception to these Deed Restrictions, by the Board of Directors, except that driveways installed prior to January 1, 2009 shall be deemed accepted as approved as to setbacks only.

3.07 Grandfathering. Any permanent Improvement that was constructed in compliance with or was approved pursuant to a superseded Deed Restriction, ARC Guideline, or ARC Construction Regulation shall not be rendered out of compliance or subject to an enforcement action or fine as a result of being out of compliance with any of the Deed Restrictions, ARC Guidelines, or ARC Construction Regulations adopted or enacted after the construction or installation of such Improvement. The Owner shall be responsible to maintain and provide to the Association on request, evidence of the date of an approval or of construction of such an Improvement to establish any rights pursuant to this Article 3.07.

3.08 Construction Materials and Colors. All materials used in the construction of the exterior of any dwelling unit or other structure shall be as prescribed in the ARC Construction Regulations and must be approved by the Architectural Review Committee. A minimum of sixty per cent (60%) of the exterior walls of any dwelling unit, detached garage, or outbuilding shall consist of masonry materials such as brick (clay or concrete), stone (natural and manmade), stucco (traditional and synthetic), or fiber cement siding. Exceptions to this requirement require prior written approval of the Board and the ARC. Colors of roofing, siding and masonry shall be detailed on the ARC application and prior ARC approval of color choices shall be required for all dwelling units, detached garages, outbuildings, boathouses, fences, masonry walls and columns,

retaining walls, screens, arbors, pergolas, and other such structures. Said structures shall feature muted color pallets, which blend in with the natural environment and neighboring homes. Examples of colors not permitted include, but are not limited to, bright shades of purple, pink, lime green, orange, and all fluorescents. Bright shades of red, blue, and yellow should be used for accents only. Exceptions to these restrictions concerning colors shall only be granted by a variance by the Board. Repainting does not require ARC approval if the quality of the paint and the colors are kept the same or very similar to what was originally approved. Painting of graphics or murals on buildings or permanent improvements are permitted only if they utilize approved color choices, are appropriate to the style of the dwelling unit, and meet the following stringent criteria: (a) No graphic shall be patently offensive or infringe on the rights or beliefs of others; (b) Graphics shall be clearly decorative rather than informational or express a position, message, or concept; (c) Graphics shall not advertise or promote a person, business, athletic team, school, or political position or candidate; and (d) No graphic shall exceed twenty (20) square feet in size unless a variance is approved by the Board Only new construction materials shall be used (except for used brick or other architectural accents, if and as approved by the Architectural Review Committee on a case by case basis). No concrete blocks shall be used in construction unless the blocks are decorative or covered up by the final exterior finish material. Painting is not an acceptable covering material for smooth surfaced concrete blocks. All dwelling units shall be built on a concrete slab, solid poured concrete beam foundation or a concrete pier and beam foundation approved by the Architectural Review Committee. Newer, less conventional foundations may be considered on a case by case basis but shall require prior written approval of the Board of Directors. In no event shall any used building or mobile, manufactured, or modular home be moved onto any lot.

3.09 Prosecution of Construction. With reasonable diligence, and in all events within nine (9) months from the commencement of construction; unless completion is prevented by war, labor strike or by an act of God, any dwelling unit or other structure commenced upon any lot shall be completed as to its exterior and all temporary structures shall be removed.

3.10 Air Conditioners and Heaters. No window air conditioner or heater shall be permitted to be used, erected, placed or maintained on or in any dwelling unit. Installation of wall mounted (“through the wall”) HVAC units must have Board approval.

3.11 Utilities. Every dwelling unit shall be required to have a septic system which meets the requirements of the City of Tyler, Smith County and the State of Texas. Individual underground electrical service drops must be installed to service each dwelling unit. Each owner shall comply with the requirements of the applicable utility company regarding such underground service installations, including without limitation the payment of any lawful charges which might be incurred for the installation of the underground service as set forth in the applicable utility company rules, regulations and terms and conditions of service, as same may be amended from time to time without

notice. Each lot shall be impressed with a 5-foot utility easement for the installation of a water meter and for the installation of other utilities.

3.12 Cutting of Trees. Removal of trees having a trunk diameter smaller than five inches (5") when measured three feet (3') from the ground, do not need Architectural Review Committee approval, but ARC approval is required for removal of living trees that exceed this dimension. Dead trees of any size may be removed without ARC approval. However, removal of trees on waterfront lots within one hundred (100) feet of the three hundred seventy eight (378) foot elevation line requires approval from the City of Tyler. Members may appeal decisions with respect to the cutting of trees made by the ARC to the Board of Directors.

3.13 Boathouses. Boathouse construction requires the approval and the acquiring of a permit from the City of Tyler. Additionally all boathouses and dock plans must be approved by Architectural Review Committee and may not be constructed of unpainted galvanized corrugated metal, either for siding or roofing. Additionally, oriented strand board and plywood panels shall not be used for siding even if painted. Additions or modifications to boathouses with respect to architectural control shall be handled the same as additions to dwelling units and shall maintain the architectural integrity of the existing boathouse structure. Specific restrictions are detailed in the ARC Construction Regulations document.

3.14 Roofing Materials. Roofs of all structures shall be covered with composition shingles or other approved materials and may be hail and wind resistant. Members may also install roofing materials that are energy efficient and/or solar generating provided that they resemble approved materials and provide durability, quality and aesthetics comparable to the materials utilized on properties surrounding the applicant's property pursuant to Sec. 202.011 of the Texas Property Code. The Architectural Review Committee shall approve all roofing materials including color choices and it may consider other materials upon request with consent, if any, provided by a variance from the Board of Directors. Routine replacement of roofing materials does not require an ARC application if the same or very similar type, quality, and color roofing material is used. Additional details with respect to roofing are provided in the ARC Construction Regulations document. Installation of wooden shakes or shingles shall not be permitted.

3.15 Solar Energy Devices. Solar energy devices are generally permitted provide they meet stringent requirements found in Sec. 202.010 of the Texas Property Code. Regardless, such installations are prohibited until the proposed installation receives prior written approval of the Architectural Review Committee and upon showing by the applicant that the installation will not constitute a substantial interference with the use and enjoyment of the land by causing discomfort and/or annoyance to persons of ordinary sensibilities. Restrictions on solar collectors are detailed in the ARC Construction Regulations document and reflect current state law.

3.16 Religious Displays and Seasonal Decorations. Members generally have the right to display both traditional religious and secular seasonal decorations provided the size, content, brightness, sound, or physical condition of the display does not create an annoyance or nuisance pursuant to Article 3.01 of these Deed Restrictions. Except as otherwise provided by this article, the Association may not enforce or adopt a restrictive covenant that prohibits a property owner or resident from displaying or affixing on the entry to the owner's or resident's dwelling one or more religious items the display of which is motivated by the owner's or resident's sincere religious belief pursuant to Sec. 202.018 of the Texas Property Code. The Association may remove an item displayed in violation of the restrictive covenant permitted by this section of the Texas Property Code.

3.17 Flagpoles. Pursuant to Sec. 202.011 of the Texas Property Code, Installation of any free standing flagpole shall have prior written approval of the Architectural Review Committee and be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the flagpole and harmonious with the dwelling. Flagpoles shall be maintained in good condition and any deteriorated flag or deteriorated or structurally unsafe flagpole shall be repaired, replaced, or removed. Additionally, if noise from the flagpole becomes a nuisance, the condition must be corrected or the flagpole removed. Each dwelling unit is limited to the installation of one freestanding flagpole that shall not exceed the height of the dwelling unit or twenty feet (20'), whichever is less. Additional requirements are detailed in the ARC Construction Regulations document.

3.18 Water Conservation Devices. Pursuant to Sec. 202.007 of the Texas Property Code, members are generally permitted to utilize rain barrels, rainwater harvesting devices and efficient irrigation systems provided the installations meet requirements detailed in the Architectural Construction Regulations. Additionally, xeriscaping (water efficient landscaping) is permitted provided it meets the requirements in the ARC Construction Regulations and is properly maintained.

3.19 Solid Waste Composting. Pursuant to Sec. 202.007 of the Texas Property Code, members are generally permitted to utilize both fixed, permanent composting installations and smaller, movable composting devices. Permanent installations require approval from the Architectural Review Committee while smaller movable commercial units generally do not. Both types have restrictions on size, materials, color, placement, and screening which are found in the ARC Construction Regulations.

3.20 Pools. Pools shall be constructed as follows:

1. All installations must be of an "in ground" variety. No above ground pools are permitted with the exception of exposed or elevated edges associated with "vanishing edge" pools.
2. All pools are to be constructed of solid injected gunite or poured concrete.

3. Size of the pool is to be proportionate to the size and configuration of the dwelling unit and the style should be compatible with the design elements of existing structures on the lot.
4. Associated features and components, including but not limited to, diving boards, slides, game nets, arbors, fountains, waterfalls, fireplaces, decking, hardscape, planters, and pots should be clearly specified and detailed in the application.
5. The placement of pool equipment must be shown on the site plans. Efforts should be taken to make the pool equipment as visually unobtrusive as possible and to reduce noise levels associated with operation. Screening shall be required to facilitate these objectives.
6. Placement of pools in front yards is not permitted. Placement in side yards is discouraged and not permitted if a suitable location exists in the back yard.
7. Physical barriers are not required around pools; however, homeowners may elect to secure the pool area with appropriate fencing and/or screening.

3.21 Fire Pits/Fireplaces. The construction of permanent fire pits/fireplaces requires the approval of the ARC. Fire pits/fireplaces may be installed on grade or in the ground and shall be constructed of heat resistant materials such as stone, brick, concrete, or metal. Portable fire pits/fireplaces made by commercial fabricators subject to federal and state consumer laws do not require ARC approval but are subject to set back requirements. Permanent or portable fire pits/fireplaces shall be located within seventy-five (75) feet of a pressurized water faucet. Construction of fire pits with a burning compartment area larger than twenty-five (25) square feet and/or a depth greater than two (2) feet shall require approval by the Board.

4. EAST LAKE WOODS HOMEOWNERS ASSOCIATION

4.01 Property Owners Association. The East Lake Woods Homeowners Association, a Texas nonprofit corporation (the "Association"), consisting of membership held by the Owners of Property within the four Units of East Lake Woods, has been formed. The Association has been assigned all obligations, rights and powers of the Declarant as set forth in the original Deed Restrictions for Units I, II, III and IV of East Lake Woods which are referenced in the introductory paragraphs of these Deed Restrictions.

5. MAINTENANCE

5.01 Owner's Failure to Maintain. Owners are required to properly maintain permanent improvements including landscaping as well as the general condition of the lot with respect to accumulation of trash, garbage and debris. In the event any portion of the property (other than Association land) or any dwelling unit thereon, is in the judgment of the Association or the Board so maintained by the Owner thereof (i) as to present a public or private nuisance, (ii) as to substantially detract from the appearance or quality of the surrounding Lots or other areas of the Property or any adjacent land

owned by the Association, or its successors or assigns, not presently included in the Property, but which is substantially affected thereby or related thereto, or (iii) in such a manner as to constitute a breach of the Deed Restrictions, either the Association or the Board, in any such instances, may make a finding to such effect, specifying the particular condition or conditions which exist, and pursuant thereto deliver notice thereof to the offending Owner stating that unless corrective action is taken within ten (10) days, the Board will cause such action to be taken at such Owners cost. If after the expiration of said ten (10) day period of time the requisite corrective action has not been taken, the Board shall be authorized and empowered to cause such action to be taken and the cost thereof, including but not limited to the cost of collection, court costs and attorney's fees (which costs being herein collectively called the "Maintenance Charge"), together with the interest accruing thereon from the expiration of such ten (10) day period, at the rate of Ten (10) percent per annum shall be assessed against the lot and the dwelling unit of the offending owner. The maintenance charge, together with all interest accruing thereon, shall be for all purposes (i) deemed to be an assessment on such lot, (ii) secured by the assessment lien provided in Article VII herein, and (iii) enforced as provided in Article VIII herein and other provisions hereof. Written notice of such assessment shall be delivered to the offending Owner which notice shall specify the amount of such maintenance charge and shall demand payment thereof within thirty (30) days after the date of said notice.

5.02 Actions of the Board. The Board, at its discretion, may beautify, improve, construct, maintain and install permanent improvements in, upon and under the reserved areas, and in addition thereto, the Board may perform such other construction, alteration, maintenance, provisions and operations as provided in Article 9 hereof. The Board shall maintain roadways owned by the membership for the benefit of all owners. The membership of the Association shall have the right by a majority vote of the membership of the Association to dedicate the roads to the public, at its discretion, at any time.

6. ASSESSMENTS AND VOTING

6.01 In order to provide funds for the purposes and uses specified in Article V, Section 5.02 hereof, the membership of the Association shall have the right to levy assessments (including dues) against the assessable property to be prorated among said assessable property on a per Lot basis. Assessments will be fixed and levied in accordance with the procedure outlined in the Bylaws of East Lake Woods Homeowners Association, Inc.

6.02 Owner of two or more adjacent or contiguous Lots will be required to pay assessments for only two of those adjacent or contiguous Lots. Notwithstanding the preceding sentence to the contrary, an Owner shall be required to pay assessments on each Lot upon which there is a portion of a residential dwelling unit or a portion of a structure of improvement capable of being used as a residential dwelling unit.

6.03 For purposes of voting with respect to these Deed Restrictions and with respect to the Association, an Owner shall have the number of votes equal to the number of Lots on which the Owner is required to pay assessments.

- A. Notwithstanding anything in these Deed Restrictions to the contrary, no assessments, dues or other charges except fines shall ever be levied against nor required to be paid by the Owners of Lots 1, 2, 3, 4, 5, 6A, or 6 in Unit I of East Lake Woods. Generally, these lots are outside the gate of the subdivision on CR 294. In the absence of any judicial decision to the contrary by a Court of competent jurisdiction, the Association reserves the right to enforce these Deed Restrictions with respect to these lots since they are located within the platted confines of the East Lake Woods subdivision. Additionally, lot 59 in unit 1 owned by the water utility company shall not be charged assessments, dues, or other charges associated with membership pursuant to contracts between Lakeshore Utility and the developers of East Lake Woods... The lot housing the storage facility accessed through the roadway of East Lake Woods is not located within the confines of the subdivision and is not burdened by an assessment lien. Lot 9a in unit 2 shall always owe two assessments unless a future re-subdivision increases the number of assessable lots.

- B. Notwithstanding anything in these Deed Restrictions or state law to the contrary, the Owner of any of Lots 1, 2, 3, 4, 5, 6A, and 6 in Unit I of East Lake Woods shall not with any respect to any of such Lots be allowed to vote on matters dealing with the budget or enforcement of the collection of assessments. Notwithstanding anything in state law to the contrary, lot 59 in unit 1 owned by the water utility company shall not be allowed to vote on matters dealing with these Deed Restrictions nor with respect to matters related to the Association pursuant to contracts between Lakeshore and the developers of East Lake Woods. Additionally, the lot housing the storage facility accessed through the roadway of East Lake Woods is not located within the confines of the subdivision and ownership of said lot does not entitle the owner the right to vote on matters related to the Association. East Lake Woods grants the owner of said lot housing the storage facility a voluntary easement of access over Association roads. Lot 9a in unit 2 shall always be allowed two votes unless a future re-subdivision increases the number of assessable lots.

7. IMPOSITION OF LIEN; EXEMPTIONS; OWNER'S AGREEMENT

7.01 Imposition of Assessment, Lien and Priority of the Lien. Except with respect to exempt property, each Lot shall be charged with and subject to a continuing servitude and lien from the date of recordation of these Deed Restrictions for the amount of the assessments levied and assessed against each such lot for the purposes set forth in Article V hereof, for any interest accrued on any assessments and for any

and all costs, including court costs and attorney's fees incurred by the Association in collecting same. Except as otherwise provided herein, the lien (herein called the "Assessment Lien") against each lot shall be superior to any and all other charges, liens, or encumbrances, which hereafter in any manner may arise or be imposed on each such lot, except that such assessment lien shall be subject and subordinate to liens for taxes and other public charges which by applicable law are expressly made superior.

7.02 Owner's Covenants. Each Owner owning a portion of the assessable property, for himself, his heirs, executors, administrators, personal representatives, successors and assigns, covenants and agrees: (i) that he will pay to the Association when due the assessments levied and assessed by the Deed Restrictions against his lot; (ii) that he acquires his Lot subject to the assessments, charges, fines and the assessment lien, as same may exist from time to time; and (iii) that by accepting a Deed to his Lot, he shall be and shall remain, personally liable for any and all assessments, charges and fines assessed against his Lot while he is (or was) the owner thereof, regardless of whether such covenants or agreements are expressed in such Deed and regardless of whether he signed the Deed.

8. ENFORCEMENT OF PAYMENT OF ASSESSMENT CHARGES AND ASSESSMENT LIEN

8.01 The Association as Enforcing Body. The Association shall have the exclusive right to enforce the provisions of these Deed Restrictions.

8.02 The Association's Enforcement Remedies. If the Owner of any lot constituting a portion of the assessable property fails to pay any of the assessments, charges and fines when due, or pay any interest accrued, and any and all costs (including Court costs and attorneys' fees) incurred by the Association in collecting same, the Association may enforce the payment of the assessments, charges and fines and all interest accrued thereon and costs incurred by the Association in collecting same, and/or enforcing the assessment lien by taking either or both of the following actions, concurrently or separately (and, by exercising either of the remedies hereinafter set forth, the Association does not prejudice his exercise of any other remedy) (i) bring an action at law and recover judgment against the Owner personally obligated to pay the assessments; (ii) enforce the assessment lien against the Owner's Lot by any means available at law. The Association or any other owner may be the Purchaser at any such foreclosure sale.

8.03 Power of Sale. By accepting an interest in or title to a Lot, each Owner grants to the Association a private power of non-judicial sale in connection with the Association's Assessment lien, through an Application for Expedited Foreclosure. The Board may appoint, from time to time, an Association officer, agent, trustee, substitute trustee, or attorney to exercise the power of sale on behalf of the Association. The

appointment must be in writing and may be in the form of a resolution recorded in the minutes of a Board meeting.

8.04 Foreclosure of Lien. The Assessment lien may be enforced by judicial foreclosure or Application for Expedited Foreclosure. An Application for Expedited Foreclosure must be conducted in accordance with the provisions applicable to the exercise of powers of sale as set forth in Section 51.002 of the Texas Property Code. In any foreclosure, the Owner is required to pay the Association's costs and expenses for the proceedings, including reasonable attorneys' fees and costs. The Association has the power to bid on the Lot at foreclosure sale and to acquire, hold, lease, mortgage, and convey same.

8.05 Subordination to the First Mortgage or Deed of Trust. The assessment lien provided for herein shall be subordinate to any first mortgage lien held by, or deed of trust of which the beneficiary is an institutional lender which is chartered or licensed by the United States or any State within the United States. The sale or transfer of any lot shall not affect the assessment lien, provided, however, that if the sale or transfer is pursuant to foreclosure of such mortgage or deed of trust, or pursuant to any sale or proceeding in lieu thereof, the purchaser at the mortgage foreclosure or deed of trust sale, or any Grantee taking by deed in lieu of foreclosure, shall take the lot free of the assessment liens that have accrued up to the date of issuance of a sheriff's or trustee's deed or deed in lieu of foreclosure; but upon the date of issuance of sheriff's or trustee's deed or deed in lieu of foreclosure, the assessment lien immediately shall become and remain superior to any and all other charges, liens and encumbrances (except liens for taxes or other public charges, which by applicable law are expressly made superior and except to the extent stated herein with respect to any subsequent first lien financing) and at such mortgage and deed of trust foreclosure sale, purchaser or Grantee shall (i) take subject to all assessments and other assessment liens therefore accruing subsequent to the date of the issuance of a sheriff's or trustee's deed or deed given in lieu of foreclosure; and (ii) be and remain personally liable for all assessments, together with interest, costs and attorney's fees as provided herein which may fall due while he is an Owner.

8.06 Costs to be Borne by Owner in Connection With Enforcement. In an action taken pursuant to this Article, the Owner shall be personally liable for, and the assessment lien shall be deemed to secure the amount of the assessment together with interest and the Association's costs and attorney's fees.

9. USE OF FUNDS

9.01 Purposes for Which Funds May be Used. The Association shall apply all funds collected and received by it through its imposition of assessment for the benefit of the property (including the reserved areas), the Owners and residents of the subdivision by devoting said funds among other things to the purposes set forth in Article 5.02 hereof, and for the formation and maintenance of the construction, alteration,

maintenance, provision and operation by any manner or method whatsoever, of any and all land, amenities, properties, improvements, facilities, services, projects, programs, studies, landscaping, recreation, utilities, roadways, and safety. The Association, in accordance with the procedure outlined in the Bylaws of East Lake Woods Homeowners Association, Inc., may also establish such reserves as the Association may deem necessary to provide for future expenditures which may be needed to be made pursuant to this section. The Association, in accordance with the procedure outlined in the Bylaws of East Lake Woods Homeowners Association, Inc., may also expend its funds for any purposes for which any municipality may expend its funds under the law of the State of Texas or such municipality's charter, including by way of illustration, all purposes (enumerated or implied) for which the City of Tyler, Texas, may expend its funds pursuant to the charter of the City of Tyler. Any reserve account created for a specific purpose is to be considered a special assessment, and must be used for the intended purpose. Any other use of said funds requires a vote of the members of the Association at an annual meeting or a special meeting called for that purpose.

10. RIGHTS AND POWERS

10.01 Enforcement. The Board shall have the right to enforce the Deed Restrictions set forth in these Deed Restrictions and/or any and all covenants, restrictions, reservations, charges, servitudes, assessments, fines, conditions, liens or easements provided for in any contract, deed, declaration or other instrument affecting all or any part or parts of the property. Any instrument recorded subsequent to the recordation of these Deed Restrictions shall at all times be subordinate and inferior to these Deed Restrictions whether or not provided in such instrument.

10.02 Right to Inspect. The Board or members of the ARC shall have the right to enter all lots at a time mutually agreed upon with the property owner or during daylight hours if necessary for the purpose of inspecting whether or not the Owner thereof is in compliance with the Deed Restrictions. If, during the course of construction of a Dwelling Unit or permanent improvement upon a lot, the Board determines that there is a violation of the Deed Restrictions, the Board may order a discontinuance of construction of the Dwelling Unit or permanent improvement until such time as corrective measures have been taken to assure full compliance with the Deed Restrictions. If an Owner fails to immediately discontinue such construction of the Dwelling Unit or permanent improvement, such failure shall constitute a violation of these Deed Restrictions by the Owner.

10.03 Fines. Both the Association or the Board, jointly or severally, shall have the right, power and authority to levy reasonable monetary penalties, herein referred to as "fines," against any Owner who (i) violates these Deed Restrictions or any of the Deed Restrictions herein, (ii) violates any other covenant, restriction, reservation, charge, servitude, assessment or condition set forth in these Deed Restrictions, (iii) fails to maintain the Owner's property or (iv) violates any rule, condition or regulation

enacted, passed or otherwise required or approved by the Architectural Review Committee, the Board or the Association.

- A. When the Board shall levy a reasonable fine against any Owner or Owners, the Board, as applicable, shall give written notice of such fines to the affected Owner or Owners at such Owner's or Owners' most recent address according to the records of the Association by United States certified mail, with proper postage affixed thereon. From the time the notice is mailed the Owner or Owners shall have thirty (30) days to request in writing a private meeting with the Board to discuss the nature of the violation giving rise to the fine, and request an appeal regarding the violation. Appeals to the Board shall be heard and determined within thirty (30) days after the date the Appeal Letter is received by the Board.

- B. (i) At the conclusion of the private meeting provided for in Article 10.03(a), above or (ii) if no private meeting is requested by the Owner or Owners, the Board shall advise the Owner or Owners in writing of its final decision with respect to the violation. If the final decision results in a fine being levied against the Owner or Owners, the Owner or Owners shall pay such fine within ten (10) days of such final decision. If such fine is not fully paid within such ten (10) day period, the Board may enforce such assessment as provided in these Deed Restrictions. Article 9 of the Bylaws provides much more detail with respect to enforcement procedures and contains the current schedule of fines.

10.04 Bylaws of the Association. The Board shall have the duty to manage and supervise the affairs of the Association pursuant to the Amended and Restated Bylaws of the East Lake Woods Homeowners Association.

11. EASEMENTS AND RIGHTS OF ENJOINMENT IN RESERVED AREAS, RESERVATION OF THE ASSOCIATION

11.01 Reservations of the Association. The following reservations are hereby made by the Association:

- A. The utility easements shown on the Plat are dedicated with the reservation that such utility easements are for the use and benefit of any public utility operating in Smith County, Texas, as well as for the benefit of the Association to allow for the construction, repair, maintenance and operation of a system or systems of electric light and power, telephone lines, television cable lines, security, gas, water, sanitary sewers, storm sewers and any other utility or service which the Association may find necessary or proper. All lots and roadways are hereby impressed with utility easements as necessary for installation and maintenance on behalf of utility companies.

- B. The Association reserves the right from time to time to make changes in the location, shape and size of, and additions to the easements described in the foregoing section for the purposes of more efficiently installing utilities therein and thereon.
- C. The title conveyed to any part of the property shall not be held or construed to include the title to the water, gas, electricity, telephone, storm sewer or sanitary sewer lines, pipes, conduits, cable television lines or other appurtenance or utilities constructed by the Association or public utilities companies upon, under, along, across or through such utility easements; and the right (but no obligation) to construct, maintain, repair and locate such systems, utilities, appurtenances and facilities is reserved to the Association, its successors and assigns.
- D. The right to sell or lease the lines, utilities, appurtenances and other facilities described in this Article to any municipality, governmental agency, Public Service Corporation or other party is hereby expressly reserved to the members of the Association.
- E. Neither the Association nor its successors or assigns shall be liable for any damage done by any of the parties or any of their agents or employees to shrubbery, trees, flowers or other property of an Owner situated on the lots covered by the above described utility easements.
- F. The right to enter upon any lot or lots during the installation of streets for the purpose of performing street excavation, construction and paving is hereby reserved by the Association, its successors and assigns, and neither the Association, nor its successors or assigns shall be liable for any damage done by any such party or parties or any of their agents or employees to shrubbery, trees, flowers or other property of the Owners which is necessitated by such street construction.

12. FURTHER CONVEYANCES OF AND MODIFICATIONS TO ASSOCIATION LAND

12.01 The membership of the Association shall have the absolute, exclusive and unrestricted right, exercisable in its sole discretion, without consent from any other, to (i) sell, transfer, convey, lease, dedicate, encumber or in any manner alienate to any public or private entity the Association land or any part thereof and any rights of the Association under these Deed Restrictions, or otherwise deal with the Association land or any part thereof, including the reserved areas and roadways, upon such terms and in such manner as the membership of the Association in its sole discretion may determine, or (ii) modify the nature, scope, location, configuration, construction, design or other characteristics of the Association land or easements reserved herein. A majority vote of

the membership of the Association is required for the Board of Directors to negotiate or finalize any of the preceding actions.

13. ARCHITECTURAL CONTROL

13.01 Prior Approval. No building, fence, masonry post, column, or wall, sign, exterior lighting, permanent improvement, or other structural apparatus, either permanent or temporary shall be commenced, erected, placed or retained upon any lot, nor shall any exterior addition thereto, alteration or excavation thereof, including, without limitation, changes in the alteration of grade, major landscaping, driveways and permanent walkways be made until the plans and specifications showing the nature, kind, shape, height, materials, color, location and other material attributes of the same shall have been submitted to and approved by the Board or by the Architectural Review Committee composed of three or more representatives appointed by the Board. Such plans and specifications shall satisfy the format prescribed by the Architectural Review Committee and a fee may be charged for such review. Said plans and specifications shall be reviewed by the Architectural Review Committee to determine compliance and conformity to both the Deed Restrictions and the Architectural Construction Regulations. Plans that are not in compliance with both of these documents shall be rejected without prejudice and the applicant advised as to which specific factors or aspects precipitated the rejection of the project. The applicant is free to change the plans and specifications so that they comply and conform to both the Deed Restrictions and the Architectural Construction Regulations and resubmit the proposed project pursuant to these Deed Restrictions. Additionally, the applicant has the right to appeal to the Board any adverse decision made by the ARC pursuant to Article 13.02 of the Deed Restrictions

13.02 Response. In the event there is no response from the Architectural Review Committee within thirty (30) days after said plans and specifications have been received by the Architectural Review Committee, approval will not be required and this Article will be deemed to have been fully complied with. The applicant shall be required to provide written documentation as to date the application was submitted to and received by the Architectural Review Committee. Additionally, if the application is deemed incomplete and additional information is requested by the ARC, the thirty (30) day time limit does not start until the additional information is received and the application is deemed complete. Members have the right of appeal to the Board of Directors decisions made by the ARC. The Board should respond to said appeals in a timely manner; however, the Board is not burdened by the thirty (30) day time limit with respect to rulings on said appeals. Additionally, members shall have the right to submit requests to the Board for variances to ARC Construction Regulations and Deed Restrictions but the Board shall grant such variances only when said ARC Construction Regulations and Deed Restrictions specifically allow for such variances. However, the Board is under no obligation to approve the variance and no time limit is mandated for action on these types of requests.

13.03 Non-exercise of Powers. Non-exercise of the powers herein reserved by the Association in one or more instances shall not be deemed to constitute a waiver of the right to exercise such power in other or different instances. Likewise, approval of any one set of plans and specifications shall not be deemed to constitute approval of any other different plans and specifications even if subsequent submissions are very similar in nature to plans previously approved. In the absence of gross negligence or willful misconduct attributable to the Board or an Architectural Review Committee appointed by the Board, neither the Board nor the Architectural Review Committee shall be liable for the improper enforcement or failure to exercise any of the powers reserved unto the Association pursuant to this Article.

13.04 Qualifications and Limitations of Approvals. In no event shall any approval obtained from the Board or the Architectural Review Committee pursuant to the terms of this Article be deemed to be a representation of any nature regarding the structural safety or engineering soundness of the structure or other items for which such approval was obtained, nor shall such approval represent in any manner compliance with any building or safety codes or ordinances or regulations including those of the City of Tyler dealing with property around East Lake Tyler. Additionally such approval shall not be construed as a representation or warranty as to any matter which is the subject of such approval.

14. USE RESTRICTIONS

14.01 Use Restrictions Applicability. Except with respect to exempt property, including the Association land, all lots are hereby restricted as follows:

- A. Antennas/Satellite Dish Receiver.** In accordance with FCC Regulations, ARC approval is not required for the installation of an antenna or satellite dish that does not exceed one meter (39") in size. However, antennas and satellite dishes must conform to all FCC requirements under the Telecommunications Act of 1996 and the homeowner is responsible for doing so. The homeowner is required to submit an ARC application showing the proposed location of the satellite dish or antenna. It is recommended that dishes be located at a rear area of a dwelling unit and a wall-mounted dish is preferred to a remote placement on a lot. All applicable federal, state and local laws shall apply.
- B. On Street Parking.** On street parking is restricted to approved delivery, construction, maintenance, or pick-up vehicles, or short time guests and invitees and shall be subject to such reasonable rules and regulations as shall be adopted by the Association.
- C. Storage.** No exterior storage of any items of any kind shall be permitted, except in those cases where such items can be concealed from view from adjacent properties, dwelling units, and streets by the use of topography, vegetation, and/or buildings, berms, or screening material approved by the

ARC. This provision shall apply to wood piles except for moderately sized and neatly stacked firewood. Additionally this provision applies without limitation to unused building materials, rubble, debris, camping trailers, boat trailers, travel trailers, utility trailers, boats, mobile homes, go-carts, all-terrain vehicles, tractors, equipment, machinery, lawnmowers, and unmounted pickup camper or utility units. Also, without limitation, no automobile, truck or other vehicle, regardless of ownership, age, condition or appearance shall remain on any lot which could be construed as being stored, neglected, abandoned or otherwise not in frequent use.

- D. Garbage.** No garbage or trash shall be placed at the exterior of any building, except in containers no larger than eighty (80) gallon and meeting the specifications of the Association. The placement, maintenance and appearance of all such containers shall be subject to reasonable rules and regulations of the Association. All rubbish, trash and garbage shall be regularly removed from each lot and shall not be allowed to accumulate thereon. Regular trash collection will be collected by a company selected by the Board after taking competitive bids. The cost of the pickup service will be paid by the resident directly to the selected company.
- E. Exterior Lighting.** No permanent exterior 110-120 volt lighting shall be placed, allowed or maintained on any lot without the prior written approval and authorization of the Architectural Review Committee and shall conform to restrictions detailed in the ARC Construction Regulations document. The installation of low voltage lighting generally does not require ARC approval unless it involves the construction of associated permanent masonry or wooden structures. Additionally, the use of extension cords with traditional Christmas or seasonal decorative lighting and other temporary lighting fixtures does not require ARC approval; however, the member shall bear all legal responsibility with respect to the use of such temporary electrical fixtures. The Board of Directors may establish reasonable rules and regulations on a case by case basis regulating the brightness of all 110-120 volt and low voltage lighting systems and the time of day that said systems are required to be turned on and off.
- F. Animals, Household Pets.** No animals, including pigs, poultry, fowl, wild animals, horses, cattle, sheep, goats, reptiles, or any other type of animal not considered to be a domestic household pet within the ordinary meaning and interpretation of such words may be kept, maintained or cared for within the Community Area. No animal shall be allowed to make an unreasonable amount of noise, to become a nuisance or threat, or to cause any damage to a Lot not owned by the animal's owner, or to cause significant inconvenience or danger to the occupant of another Lot. No domestic pets will be allowed within the Community Area other than on the Lot on which its owner resides or is a visitor unless confined to a leash. No animal may be stabled,

maintained, kept, cared for or boarded for hire or remuneration in the Community Area and no kennels or breeding operation will be allowed. The number of household pets generally considered to be outdoor pets, such as dogs, cats, et cetera, shall not exceed three (3) in numbers except for newborn offspring of such household pets, which are under nine (9) months of age. All dogs and cats must be vaccinated for rabies, and revaccinated as required by law or as necessary to maintain current and adequate protection from rabies. All dogs and cats shall be tagged for identification. All applicable federal, state and local laws shall apply.

The Board may adopt Rules and Regulations concerning animals, which are more restrictive than the provisions of this Deed Restriction, including rules that prohibit the ownership of certain pets, except that such rule shall not apply to animals residing in the Community Area at the time such rule is adopted.

- G. Re-subdivision.** No lot shall be further subdivided, and no portion less than all of such lot or any easement or other interest therein shall be conveyed by any owner without the prior written authorization of the Board. In the event that two or more lots are combined (i.e. re-subdivided) in such a way that the number of lots are reduced, and the Assessments, both annual and special Assessments, against these lots are also reduced, the resultant lot or lots may not again be re-subdivided unless and until the current owner pays the total of all Assessments that would have been paid had the original combination of lots never occurred.
- H. Diseases and Insects.** No Owner shall permit anything or condition to exist upon any lot, which shall induce, breed or harbor plant diseases or noxious insects. Such conditions include but are not limited to improperly maintained pools, spas, hot tubs, ponds, tanks, water collection devices, fountains or water features or other areas of stagnant water. Additionally, containers, tubs, pots and other types of vessels shall not be stored on any lot that allow for the accumulation and retention of stagnant water.
- I. Machinery, Fixtures and Equipment.** No machinery, fixtures or equipment of any type, including without limitation, commercial air conditioning or refrigeration equipment, hoists, ramps, and clothes lines, shall be placed, allowed or maintained upon the ground on any lot except with prior written approval and authorization of the Board in areas attractively screened or concealed (subject to all required approvals as to architectural control) from view of neighboring property, dwelling units and streets. This provision does not apply to residential HVAC units and aerobic septic equipment.
- J. Utility and Service Lines.** No gas, electric, power, telephone, water, sewer, cable television or other utility or surface lines of any nature or kind, shall be

placed, allowed or maintained upon or above the ground on any lot, except to the extent, if any, underground placement thereof may be prohibited by law or would prevent the subject line from being functional or dangerous. The foregoing shall not prohibit surface pedestals and other ground switch cabinets and transformers where required.

- K. Burning and Incinerators.** No open fire shall be permitted on any lot which does not comply with the regulations provided in "Outdoor Burning Rule, Title 30, Texas Administrative Code, Sections 111.201-221". No incinerators or like equipment shall be placed, allowed or maintained upon any lot. The foregoing shall not be deemed to preclude the use, in customary fashion, of outdoor residential barbecues, grills or properly constructed fire pits or fire places that were approved by the ARC Committee and conform to requirements detailed in the ARC Construction Regulations. Materials burned in barbeques, grills and fire pits/fire places shall comply with the regulations provided in "Outdoor Burning Rule, Title 30, Texas Administrative Code, Sections 111.201-221. Burning of building materials, trash, garbage, or anything that generates significant amounts of noxious smoke shall not be permitted.
- L. Non-political Signs and Mailboxes.** No exterior non-political signs or advertisements of any kind may be placed, allowed or maintained on any lot or easement without prior approval and authorization of the Board, except that conventional and properly sized residential name plates, real estate "For Sale" signs, and signs designating the contractor of the dwelling unit upon such lot may be placed and maintained in conformity with such common specifications, including without limitation, reasonable restrictions as to size as may be adopted by the Board. Mailboxes must have ARC approval and be a masonry structure supported by a poured concrete foundation. The design and use of construction materials for mailboxes shall be compatible with and similar to the architectural elements of the dwelling unit at the same address. The distance of the box from the pavement must be approved by the postmaster of the post office serving the subdivision and be at least six (6) inches but not more than eight (8) inches from the edge of the pavement. A dwelling unit shall have no more than one mailbox.
- M. Political Signs.** Pursuant to Sec. 202.009 of the Texas Property Code, members may display one or more signs advertising a political candidate or ballot item for an election on or after the 90th day before the date of the election to which the sign relates; or before the 10th day after that election date. Any sign must be ground-mounted. Owners may have one (1) sign per candidate and one (1) sign for a ballot item. No signage under this section is allowed if it contains roofing material, siding, paving materials, flora, one or more balloons or lights, or any other similar building, landscaping, or nonstandard decorative component.

No signage under this article shall be attached in any way to plant material, a traffic control device, a light, a trailer, a vehicle, or any other existing structure or object. Furthermore, such signage is prohibited if it: (a) includes the painting of architectural surfaces; (b) threatens the public health or safety; (c) is larger than four (4) feet by six (6) feet; (d) violates a law; (e) contains language, graphics, or any display that would be offensive to the ordinary person; or (f) is accompanied by music or other sounds or by streamers or is otherwise distracting to motorists.

- N. Repairs.** No repairs of any detached machinery, equipment or fixtures, including without limitation, motor vehicles shall be made upon any portion of any lot within the view of neighboring property, dwelling units and streets, without the prior written approval and authorization of the Board.
- O. Oil, Gas and Mineral Activity.** No oil or gas exploration, drilling, development or refining operations, and no quarrying or mining operation of any kind, including oil wells, surface tanks, tunnels or mineral excavations or shafts shall be permitted or pursued by any Owner upon or under any lot, and no derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on any lot.
- P. Septic Tanks and Sewage Disposal.** No outside toilets of any kind are permitted except during the period of construction or remodeling of a dwelling unit during which time chemically treated outside toilets may be maintained in a manner subject to the Board's approval; and no installation of any type of device for disposal of sewage shall be allowed which would result in raw or unsanitary sewage being carried into any body of water or water source. Improper maintenance of septic systems may constitute a nuisance violation pursuant to Article 3.01 of the Deed Restrictions.
- Q. Water Wells.** At no time shall the drilling, usage or operation of any water well be permitted on any lot without a variance by the Board and approval of the ARC.
- R. Fire Arms and Weapons.** No lot or any other portion of the Community Area shall be used or permitted for the hunting of game animals, or for the discharge of any pistol, rifle, shotgun or any other firearm, or any bow and arrow, except for the justifiable protection of life or property. All applicable federal, state and local laws shall apply.
- S. Motor Vehicles.** The operation of any and all motorized vehicles within the property shall be subject to such rules and regulations as shall from time to time be established by the Board. Registration of vehicles that are not licensed or street legal may be required. Operation of such vehicles is strictly regulated and pursuant to article 9.1 of the Bylaws and state law, the Board

may suspend the right of members to use these vehicles on Association property including roadways in the event of repeat or serious violations.

- T. Change in Intended Use.** No portion of the property shall be developed or redeveloped otherwise than in accordance with its original intended use, without the prior written authorization of the Board.
- U. Misuse and Mismanagement.** No lot shall be maintained or utilized in such manner as to present an unsightly appearance (including but not limited to clothes drying within public view) or constitute a nuisance or unreasonable annoyance or to endanger the health of other owners or residents of the property; and no obnoxious or otherwise offensive condition or activity shall be allowed to exist or be conducted thereon.
- V. Parking on Yard Areas.** Parking on yard, lawn, turf, garden or natural areas on lots or common areas is restricted to vehicles, trailers, or pieces of equipment which are actively being utilized for delivery, pickup, construction, or maintenance functions or for short-term parking for guests and invitees. In addition, guests shall not park on yard areas overnight without written permission of the Board and shall be subject to such reasonable rules and regulations as shall be adopted by the Association. Other than the exceptions listed above, all long-term parking shall be restricted to driveways approved by the Architectural Review Committee and is limited to street-legal vehicles.
- W. Display of Flags.** Pursuant to Sec. 202.011 of the Texas Property Code, a member may display a United States flag, Texas flag, or a United States military branch flag so long as the flag is displayed properly according to federal and/or Texas law and is maintained in good condition. Any deteriorated flag or structurally unsafe flagpole must be repaired, replaced or removed. Any flag that is permanently displayed must be flown from a flagpole affixed to the dwelling or a freestanding flagpole that has been approved by the ARC and conforms to restrictions detailed in the Architectural Construction Regulations. In the event such flagpole and flag becomes a nuisance or is obscene due to its condition or noise, the owner shall either repair, replace, or removed such flagpole and flag. Furthermore, lighting associated with the display of flags must be approved by the ARC and comply with regulations detailed in the ARC Construction Regulations document and these Deed Restrictions.
- X. Violation of Statutes, Ordinances and Regulations.** No lot shall be maintained or utilized in such manner as to violate any applicable statute, ordinance or regulation of the United States of America, the State of Texas, the County of Smith, or any other governmental agency or subdivision having jurisdiction over the property.

Y. Violation of Deed Restrictions, Conditions or Restrictions. No lot shall be maintained or utilized in violation of these Deed Restrictions or of the rules and regulations of the Association, or of any Covenants, Conditions or Restrictions applicable to and binding upon said lots.

15. TERM; AMENDMENTS; TERMINATIONS

15.01 Term; Method of Termination. These Deed Restrictions shall be effective upon the date of the recordation hereof and as amended from time to time and shall continue in full force and effect to and including December 31, 2018. From and after said date, these Deed Restrictions, as amended, shall be automatically extended for successive periods of ten (10) years each, unless there is an affirmative vote to terminate these Deed Restrictions by the then Owners casting seventy-five (75%) percent of the total votes (each Owner having one vote per assessed lot), present at a meeting held for such purpose within six (6) months prior to the expiration of the initial effective period thereof or any ten (10) year extension.

15.02 Amendments. These Deed Restrictions may be amended or changed in whole or in part at any time by the approval of the Board of Directors and the affirmative vote of more than Fifty Percent (50.0%) of the total votes of the Owners present in person, proxy or by any acceptable voting method permitted by law at any annual meeting of members or at a special meeting of the members called for the purpose of amending these Deed Restrictions. Any proposed amendment, revision, alteration, or change to these Deed Restrictions shall be listed as an agenda item and detailed in the notification process for that specific meeting. Modifications to proposed revisions to these Deed Restrictions as detailed in the notification process may be allowed at an annual or special meeting provided each specific change or modification is voted on in a manner consistent with modified Robert's Rules of Order and recorded in the minutes of the meeting. Each member will be entitled to the number of votes as provided in Article 6 of these Deed Restrictions.

15.03 Amendment. If requested by a governmental agency or federal chartered lending institutions anything in this Article to the contrary notwithstanding, the Association reserves the right to amend all or any part of these Deed Restrictions to such an extent and with such language as may be requested by any Federal, State or local agency which requests such an amendment as a condition precedent to such agency's approval of these Deed Restrictions or by any federally chartered lending institution as a condition precedent to lending funds upon the security of the property or any portion thereof. Any such amendment shall be effected by the recordation, by the Association of a Certificate of Amendment signed by a duly authorized agent of the Association with signatures acknowledged, specifying the Federal, State or local governmental agency, or the federally chartered lending institution requesting the amendment and setting forth the mandatory language requested by such agency or institution. Recordation of such a certificate shall be deemed conclusive proof of the agency's or institution's request for such an amendment, and such certificate, when

recorded, shall be binding upon the property and all persons having an interest in the property. Except as provided in these Deed Restrictions, the Board shall not have any right to amend these Deed Restrictions otherwise than in accordance with and pursuant to the provisions hereof.

16. MISCELLANEOUS

16.01. Interpretation of Deed Restrictions. Except for judicial construction, the Board shall have exclusive right to construe and interpret the provisions of these Deed Restrictions. In the absence of any judicial decision to the contrary by a Court of competent jurisdiction, the Board's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all persons and property benefited and bound by the Deed Restrictions and provisions hereof.

16.02 Severability. Any determination by any Court of competent jurisdiction that any provision of these Deed Restrictions is invalid or unenforceable shall not affect the validity or enforceability of any other provision hereof.

16.03 Change of Circumstances. Except as otherwise expressly provided in these Deed Restrictions, no change of conditions or circumstances shall operate to extinguish, terminate, or modify any of the provisions of these Deed Restrictions.

16.04 Rules and Regulations. In addition to the right to adopt rules and regulations on the matters expressly mentioned elsewhere in the Bylaws and these Deed Restrictions, the Board shall have the right to adopt rules and regulations with respect to all other aspects of the Association's rights, activities and duties provided said rules and regulations are not inconsistent with the law, the Articles of Incorporation, or the provisions of the Bylaws and these Deed Restrictions. New Rules, Regulations, and Guidelines shall be detailed in the minutes of the Board Meeting at which they are adopted and posted on the Website of the Association as soon as possible. Furthermore, they shall not take affect or be enforced for sixty (60) days from the date that they are posted on the ELW website. These Rules, Regulations, and Guidelines are subject to referendum by the membership of the Association. At any special meeting called by the Members, the membership of the Association has the exclusive right and authority to rescind any Rule, Regulation, or Guideline previously adopted by the Board. Should the Members rescind any Rule, Regulation, or Guideline at a special meeting, the Board shall not adopt the same or similar Rule, Regulation, or Guideline for a period of two (2) years.

16.05 Limitation of Liability. In the absence of gross negligence or gross misconduct attributable to the Association or its successors or assigns, neither the Association, nor its successors or assigns shall have any liability arising out of the performance or nonperformance of any of the rights and powers reserved unto the Association, its successors or assigns, pursuant to these Deed Restrictions.

16.06 Successors and Assigns of the Association. Any reference in these Deed Restrictions to the Association shall include any successors or assigns of any of the Association's rights and powers hereunder.

16.07 Gender and Number. Wherever the context of these Deed Restrictions so requires, words used in the masculine gender shall include the feminine and neuter genders; words used in the neuter gender shall include the masculine and feminine genders; words in the singular shall include the plural; and words in the plural shall include the singular.

16.08 Captions and Titles. All captions, titles or headings of the Articles and Sections in these Deed Restrictions are for the purpose of reference and convenience only, and are not to be deemed to limit, modify or otherwise affect any of the provisions hereof, or to be used in determining the intent or context thereof.

16.09 Notices. Any notice required or permitted to be delivered as provided herein, shall be delivered either personally, by mail, or by any other manner specifically permitted by state law. If delivery is made by mail, delivery shall be deemed to have been made the day a copy of the notice has been deposited in the United States mail, postage prepaid, registered or certified mail, addressed to each such person at the address given by such person to the party sending the notice, or to the address of the dwelling unit of such person, if no address has been given. Such address may be changed from time to time by notice in writing.

16.10 Prior Recorded Instruments. These Deed Restrictions and all of the provisions hereof are expressly subject to all prior recorded documents affecting the Property, or any part thereof.

16.11 Enforcement of the Deed Restrictions. Notwithstanding anything to the contrary herein, in the event of any violation or attempted violation of any of the provisions hereof, including any of the Deed Restrictions, enforcement may be authorized by any proceeding at law or in equity against any person or persons violating or attempting to violate any of such provisions, including proceedings to restrain or prevent such violation or attempted violation by injunction, whether prohibitive in nature or mandatory in commanding compliance with such provision; and it shall not be a prerequisite to the granting of any such injunction to show inadequacy of legal remedy or irreparable harm. Likewise, any person entitled to enforce the provisions hereof, may recover damages if such person has sustained damages by reason of the violation of such provisions.

16.12 Suspension of the Deed Restrictions and Variances to ARC Construction Regulations and Deed Restrictions. The Board shall have the right during a period of construction, maintenance, development and sale, or for a short-term social function, to grant reasonable and specifically limited exemptions from the Deed Restrictions to the Board and any other Member, developer or contractor. Any such

exemption shall be granted only upon specific written request itemizing the exemption requested, the location thereof, and the need therefore, and the anticipated duration thereof; and any authorization and approval thereof shall be similarly itemized. No such exemption shall be broader in terms of activity, location or time than is reasonably required. Pursuant to Article 13.02 of these Deed Restrictions, members shall have the right to submit requests to the Board for variances to ARC Construction Regulations and Deed Restrictions but the Board shall grant such variances only when said ARC Construction Regulations and Deed Restrictions specifically allow for such variances.

EXHIBIT "A"

BE IT KNOWN, on September 22, 2015, 7:05 PM, a Meeting of the membership of the East Lake Woods Homeowners Association was called for the purpose of reviewing and voting on proposed revisions, additions and deletions to the recorded Deed Restrictions of East Lake Woods Units I, II, and III & IV. The Meeting was conducted in accordance with the requirements of the Bylaws of East Lake Woods Homeowners Association, and a quorum was present. The proposed revisions, additions and deletions were presented to the membership for one vote for or against all items.

Written ballots were cast in accordance with the requirements of the Bylaws of East Lake Woods Homeowners Association, and the result of the voting was as follows:

APPROVE: 44 votes

DISAPPROVE: 5 votes

The proposal was approved by a majority vote. All ballots were counted and the vote certified by the Board of Directors of the East Lake Woods Homeowners Association.

SIGNED on the _____ day of _____, 2015.

I, James Durnil, President of East Lake Woods Homeowners Association, do hereby declare, swear and affirm that the results of the votes of the Owners of Lots in Units I, II, III and IV of East Lake Woods as set forth on Exhibit "A" to these Deed Restrictions are true and correct results of the votes of such Owners as cast on September 22, 2015 in Smith County, Texas.

James Durnil, President
East Lake Woods Homeowners Association

SUBSCRIBED AND SWORN TO BEFORE ME the undersigned authority by James Durnil, President of East Lake Woods Homeowners Association, on the _____ day of _____, 2015.

NOTARY PUBLIC, STATE OF TEXAS

I, John Childress, Secretary of East Lake Wood Homeowners Association, do hereby declare, swear and affirm that the results of the votes of the Owners of Lots in Units I, II, III and IV of East Lake Woods as set forth on Exhibit "A" to these Deed Restrictions are true and correct results of the votes of such Owners as cast on September 22, 2015 in Smith County, Texas.

John Childress, Secretary
East Lake Woods Homeowners Association

SUBSCRIBED AND SWORN TO BEFORE ME the undersigned authority by John Childress, Secretary of East Lake Woods Homeowners Association, on the _____ day of _____, 2015.

NOTARY PUBLIC, STATE OF TEXAS

ACKNOWLEDGMENTS

STATE OF TEXAS §
COUNTY OF SMITH §

This instrument was acknowledged before me by James Durnil, President of East Lake Woods Homeowners Association, on the _____ day of _____, 2015.

NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS §
COUNTY OF SMITH §

This instrument was acknowledged before me by John Childress, Secretary of East Lake Woods Homeowners Association, on the _____ day of _____, 2015.

NOTARY PUBLIC, STATE OF TEXAS

When Recorded Return To:
Mr. James Durnil, East Lake Woods Homeowners Association
13946 East Ridge Road
Arp, TX 75750