

**BY-LAWS  
OF  
ASSOCIATION OF SILVER SHORES PROPERTY OWNERS, INC.**

**SUBJECT INDEX**

**ARTICLE I - OFFICES**

**ARTICLE II - MEMBERS**

- Section 1: Classes of Members
- Section 2: Election of Members
- Section 3: Voting Rights
- Section 4: Termination of Membership
- Section 5: Resignation
- Section 6: Reinstatement
- Section 7: Transfer of Membership

**ARTICLE III - MEETINGS OF MEMBERS**

- Section 1: Annual Meeting
- Section 2: Special Meetings
- Section 3: Place of Meeting
- Section 4: Notice of Meetings
- Section 5: Quorum
- Section 6: Proxies
- Section 7: Manner of Acting
- Section 8: Voting by Mail

**ARTICLE IV - BOARD OF DIRECTORS**

- Section 1: General Powers
- Section 2: Number, Tenure, and Qualifications
- Section 3: Regular Meetings
- Section 4: Special Meetings
- Section 5: Notice
- Section 6: Quorum
- Section 7: Manner of Acting
- Section 8: Vacancies
- Section 9: Compensation
- Section 10: Informal Action by Directors

**ARTICLE V - OFFICERS**

- Section 1: Officers
- Section 2: Election and Term of Office
- Section 3: Removal
- Section 4: Vacancies
- Section 5: President
- Section 6: Vice President

- Section 7: Treasurer
- Section 8: Secretary
- Section 9: Assistant Treasurer and Assistant Secretary

#### ARTICLE VI - COMMITTEES

- Section 1: Committees of Directors
- Section 2: Other Committees
- Section 3: Term of Office
- Section 4: Chairman
- Section 5: Vacancies
- Section 6: Quorum
- Section 7: Rules

#### ARTICLE VII - CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

- Section 1: Contracts
- Section 2: Checks, Drafts, etc.
- Section 3: Deposits
- Section 4: Gifts

#### ARTICLE VIII - CERTIFICATES OF MEMBERSHIP

- Section 1: Certificates of Membership
- Section 2: Issuance of Certificates

#### ARTICLE IX - BOOKS AND RECORDS

#### ARTICLE X - FISCAL YEAR

#### ARTICLE XI - VARIANCES FROM RESTRICTIVE COVENANTS

#### ARTICLE XII - WAIVER OF NOTICE

#### ARTICLE XIII - AMENDMENTS TO BY-LAWS

#### ARTICLE XIV - ADOPTION OF BY-LAWS

ARTICLE I

Offices

The initial principal office of the Corporation in the State of Texas shall be located at 2807 Neches Dr., Chandler, TX 75758. The Corporation may have such other offices, either within or without the State of Texas, as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.

The Corporation shall have and continuously maintain in the State of Texas a registered office and a registered agent whose office is identical with such registered office as required by the Texas Non-Profit Corporation Act. The registered office may be, but does not need to be, identical with the principal office in the State of Texas, and the address of the principal office and the registered office may be changed from time to time by the Board of Directors.

ARTICLE II

Members

Section 1: Classes of Members

The Corporation shall have one (1) class of members. The qualifications and rights of the members of such class shall be as follows:

Each person who owns real property in the Silver Shores Subdivision in Henderson County, Texas shall automatically be a member of the Corporation. No member may be expelled, but membership shall automatically terminate if an owner ceases to own property in the Subdivision. Membership may not be separated from ownership of any Lot.

Section 2: Voting Rights

Each person who owns one or more lots in the Subdivision shall have one vote. No member may be expelled, but membership shall automatically terminate if an owner ceases to own property in the Subdivision. For each lot in which more than one person owns an interest, there shall be no more than one vote, and the owners shall determine among themselves how the vote for that lot will be cast.

Section 3: Transfer of Membership

Membership in this Corporation is not transferable or assignable.

ARTICLE III

Meetings of Members

Section 1: Annual Meeting

An annual meeting of the members shall be held at a date and time in April in each year to be designated by the Board of Directors, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. The meeting shall

not be designated for a legal holiday in the State of Texas. If the election of Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members to be held as soon thereafter as possible.

### Section 2: Special Meetings

Special meetings of the members may be called by the President, the Board of Directors, or not less than one-tenth of the members having voting rights.

### Section 3: Place of Meeting

Meetings of the members shall be held within Henderson County, Texas. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the registered office of the corporation in the State of Texas.

### Section 4: Notice of Meetings

Written notice stating the place, day and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than ten nor more than fifty days before the date of such meeting, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting. In case of a special meeting or when required by statute or by these by-laws, the purpose for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail and addressed to the member at his address as it appears on the records of the corporation, the postage thereon prepaid.

### Section 5: Quorum

The members holding one-third (1/3) of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting from time to time without further notice.

### Section 6: Proxies

At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of execution, unless otherwise provided in the proxy.

### Section 7: Manner of Acting

A majority of the votes entitled to be cast on a matter to be voted upon by the members present or represented by proxy at a meeting at which a quorum is present shall be necessary for the adoption thereof unless a greater proportion is required by law or by these by-laws.

### Section 8: Voting by Mail

Where Directors or officers are to be elected by members or any class or classes of members, such election may be conducted by mail, in person, or in any manner as the

Board of Directors shall determine. Any members casting ballots by mail in such elections shall count towards a quorum.

## ARTICLE IV

### Board of Directors

#### Section 1: General Powers

The affairs of the corporation shall be managed by its Board of Directors. Directors need not be residents of the State of Texas or members of the corporation.

#### Section 2: Number, Tenure and Qualifications

The number of Directors shall be five (5), which positions shall be numbered One through Five. Elections shall be held for all Director positions in 2004. The Directors' terms will be staggered so that elections are held for two Director positions in odd-numbered years, and for the remaining three positions in even-numbered years. The initial terms of Director positions One and Two shall be for one year beginning in 2004 and ending in 2005, and thereafter the terms for Director positions One and Two shall be two years. The terms of Director positions Three, Four, and Five shall be for two years, beginning in even-numbered years. Each Director shall hold office until his successor shall have been elected and qualified.

#### Section 3: Regular Meetings

A regular annual meeting of the Board of Directors shall be held without other notice than this by-law, immediately after, and at the same place as, the annual meeting of members. The Board of Directors may provide by resolution the time and place, either within or without the State of Texas, for the holding of additional regular meetings of the Board without other notice than such resolution.

#### Section 4: Special Meetings

Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State of Texas, as the place for holding any special meeting of the Board called by them.

#### Section 5: Notice

Notice of any special meeting of the Board of Directors shall be given at least two days previously thereto by written notice delivered personally or sent by mail or telegram to each Director at his address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the *United States mail* in a sealed envelope so addressed, the postage thereon prepaid. If notice is given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be

specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these by-laws.

Section 6: Quorum

A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 7: Manner of Acting

The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these by-laws.

Section 8: Vacancies

Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of an increase in the number of Directors may be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 9: Compensation

Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board; but nothing herein contained shall be construed to preclude any Director from serving the corporation in any other capacity and receiving compensation therefor.

Section 10: Informal Action by Directors

In an emergency when it is not possible to hold a meeting of the Directors in time to respond, any action required by law to be taken at a meeting of Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors.

**ARTICLE V**

Officers

Section 1: Officers

The officers of the corporation shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Secretary, a Treasurer and such other officers as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the office of President and Secretary.

## Section 2: Election and Term of Office

The officers of the corporation shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be done. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

## Section 3: Removal

Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

## Section 4: Vacancies

A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

## Section 4: President

The President shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. He or she shall preside at all meetings of the members and of the Board of Directors. He or she may sign, with the Secretary or any other proper officer of the corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these by-laws or by statute to some other officer or agent of the corporation; and in general he or she shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

## Section 6: Vice President

In the absence of the President or in the event of his or her inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

## Section 7: Treasurer

If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. He shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VII of these by-laws; and in

general perform all the duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 8: Secretary

The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these by-laws or as required by law; be custodian of the corporate records; keep a register of the post office address of each member which shall be furnished to the Secretary by such member; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 9: Assistant Treasurers and Assistant Secretaries

If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President or the Board of Directors.

ARTICLE VI

Committees

Section 1: Committees of Directors

The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one or more committees, each of which shall consist of two or more Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the corporation, except that no such committee shall have the authority of the Board of Directors in reference to amending, altering or repealing the by-laws; electing, appointing or removing any member of any such committee or any Director or officer of the corporation; amending the articles of incorporation; restating articles of incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the corporation; authorizing the voluntary dissolution of the corporation or revoking proceedings therefore; adopting a plan for the distribution of the assets of the corporation; or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repeated by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon it or him or her by law.

Section 2: Other Committees

Other committees not having and exercising the authority of the Board of Directors in the management of the corporation may be appointed in such manner as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the corporation, and the President of the corporation



shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the corporation shall be served by such removal.

Section 3: Term of Office

Each member of a committee shall continue as such until the next annual meeting of the members of the corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member cease to qualify as a member thereof.

Section 4: Chairman

One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

Section 5: Vacancies

Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 6: Quorum

Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 7: Rules

Each committee may adopt rules for its own government not inconsistent with these by-laws or with rules adopted by the Board of Directors.

ARTICLE VII

Contracts, Checks, Deposits, and Funds

Section 1: Contracts

The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these by-laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 2: Checks, Drafts, etc.

All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or Vice President of the

corporation.

### Section 3: Deposits

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

### Section 4: Gifts

The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the corporation.

## ARTICLE IX

### Books and Records

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at its registered or principal office a record giving the names and addresses of the members entitled to vote. A member, on written demand stating the purpose of the demand, has the right to examine and copy, in person or by agent, accountant, or attorney, at any reasonable time, for any proper purpose, the books and records of the corporation relevant to that purpose, at the expense of the member. The Association may require the member to pay the actual copying costs and all other expenses of responding to such request, including the time spent by any Association personnel in responding. The Association may require a deposit of such costs in advance.

## ARTICLE X

### Fiscal Year

The fiscal year of the Corporation shall begin on January 1 and end on December 31 in each year.

## ARTICLE XI

### Variances from Restrictive Covenants

If authorized in the restrictive covenants, variances from the requirements of those covenants may be granted to owners of specific lots in the following manner:

- a. An owner who wishes to obtain a variance must submit a written Request for Variance and a proposed Petition for Variance to the Board, at least seven days in advance of the meeting at which the variance is to be first considered. The Request for Variance shall state specifically which lot(s) shall be affected; identify the precise provisions of the Covenants which would be affected; state which requirements of those Covenants will be subject to the variance; provide a complete and correct description of the actions the owner of the lot will be authorized to take which would otherwise violate these Covenants; and include a space where each owner's name,

address, and lots owned may be listed, and where the owner may sign and indicate his vote in favor of granting or denying the requested variance. The Request for Variance shall be signed by the owner requesting the variance but shall not require any other signatures. The Petition for Variance shall have spaces allowing each owner to indicate his or her name and lot(s) owned, and to sign and indicate the vote for or against approval of the variance.

- b. Variances shall only be available from the restrictive covenants in the sections entitled Use Restrictions, Permissible Improvements and Alterations, Signs, Easements, Animals, and Water Wells. Under no circumstances may a variance be granted regarding the other provisions of the restrictive covenants. If the Board determines that a Request for Variance would violate this paragraph, it shall advise the owner requesting the variance of that finding and then shall be required to take no further action.
- c. The Board shall approve or deny the format of the Request for Variance and Petition for Variance. The Board may promulgate forms to be used for these purposes if desired. The Board shall not withhold its approval of those documents because it believes the variance should not be granted. If the Board denies the format of either document, it shall state the specific reasons for denial so that the owner can revise the document(s), and shall allow the owner requesting the variance to present the revised document(s) to the Board at a future meeting. The Board may in its sole discretion recommend that the owners approve or deny the requested variance.
- d. Once the Board has approved the forms submitted by the owner requesting the variance, it shall provide that owner with a list of names and addresses of owners. The owner requesting the variance shall deliver to the Association sufficient copies of the Request for Variance, complete with envelopes and postage, to the Association for mailing. The owner may if desired include a letter with each copy, and the Board may include a written recommendation for or against the variation. The Petition for Variance shall not be included in the mailing. The Association shall verify that a copy of the Request for Variance is provided for each owner, and shall mail the copies to all owners.
- e. The owner requesting the variance shall have sixty days from the date on which notice is mailed to circulate the Petition for Variance for signature by the owners entitled to vote. A true and correct copy of the Request for Variance must be attached to the Petition for Variance at all times. The owner requesting the variance shall present the original Petition for Variance to the Association no later than the end of the sixty-day period. Any owner who so desires may indicate his vote for or against the requested variance on the Request for Variance form sent to that owner, and shall return that form to the Association or to the owner requesting the variance.
- f. The variance shall be granted if a majority of all Members indicate their vote in favor of granting the variance, either on the Petition for Variance or on that owner's copy of the Request for Variance. Votes indicated on the Petition for Variance or on an owner's copy of the Request for Variance which are not

returned to the Association within sixty days of the mailing shall not be counted. If the variance is approved, the owner requesting the variance shall file a copy of same, with a copy of the Request for Variance attached, with the deed records of the county within twenty-one days of approval.

### ARTICLE XII

#### Waiver of Notice

Whenever any notice is required to be given under the provisions of the Texas Non-Profit Corporation Act or under the provisions of the articles of incorporation or the by-laws of the corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

### ARTICLE XIII

#### Amendments to By-laws

These by-laws may be altered, amended or repealed and new by-laws may be adopted by a majority of the Directors present at any regular meeting or at any special meeting, if at least two days written notice is given of intention to alter, amend or repeal or to adopt new by-laws at such meeting.

### ARTICLE XIV

#### Adoption of By-laws

The foregoing Initial By-laws of this Corporation are hereby adopted by the undersigned, being all the Directors of such Corporation, on April 24, 2004, 2004.

<u>Blaine Karlsson</u> Director	<u>[Signature]</u> Director
<u>Jim Woodson</u> Director	<u>[Signature]</u> Director
<u>Wm. [Signature]</u> Director	

**AMENDED RESTRICTIVE COVENANTS  
SILVER SHORES SUBDIVISION, HENDERSON COUNTY, TEXAS**

The individual owners of property in the Silver Shores Subdivision in Henderson County, Texas ("the Subdivision") do hereby restrict Lots One (1) thru Ninety (90) in said Subdivision, inclusive, as hereinafter set forth. These Amended Restrictive Covenants ("Covenants") shall supersede all previous Restrictive Covenants imposed by the lot owners or the Association of Silver Shores Property Owners, Inc.; shall be binding upon the current owners of said lots and on their heirs, assigns, successors and administrators; and shall be binding on future purchasers or persons acquiring any interest in said lots.

1. **Membership.** Each person who owns one or more lots in the Subdivision shall automatically be a Member in the Association and shall have one vote as such. No member may be expelled, but membership shall automatically terminate if an owner ceases to own property in the Subdivision. Membership shall not be transferrable or assignable. For each lot in which more than one person owns an interest, there shall be no more than one vote, and the owners shall determine among themselves how the vote for that lot will be cast.
2. **Assessments.** The owner(s) of each lot shall pay regular assessments to the Association of Silver Shores Property Owners, Inc. ("the Association"). The initial amount of the regular assessments shall be \$50.00 per year, due on or before March 1st of each year. The Association may increase or decrease the amount of the regular assessments by a majority vote of all Members in the Association. The Association may impose a special assessment by a majority vote of all Members in the Association. Votes may be cast by mail or by proxy if authorized in the Bylaws or by the Association's Board of Directors (hereinafter "Board"). Regular and special assessments may be used for such purposes as determined by the Board.
3. **Lien.** All obligations owed by any owner to the Association shall be secured by a lien on each lot owned by that owner. Obligations secured by this lien shall include but not be limited to regular assessments, special assessments, cleanup costs, rental fees, late fees, fines, collection costs, attorney's fees, or other charges of any kind whatsoever.
4. **Use Restrictions.** All of said lots shall be used exclusively for residential purposes. No structure or a temporary character, trailer, bus, tent, shack, garage, barn or other outbuilding shall be used on any lot at any time as a residence, either temporarily or permanently, except that:
  1. After the Board has approved the written plans for construction of a permanent residence on a lot, and after the Board has approved of the specific vehicle or temporary structure to be used, an owner may temporarily use a recreational vehicle or temporary structure as a residence for a period

not to exceed six consecutive months while construction of the permanent residence is underway.

- 2. A property owner who owns a lot with a residence constructed thereon may permit temporary visitors to reside on that lot or on a contiguous lot owned by the same owner, in a commercially constructed recreational vehicle or trailer, but under no circumstances shall an owner permit persons to reside on any one lot in recreational vehicles or trailers for more than twenty-one (21) days per calendar year.
- 3. The Board may require an owner or other person to remove a recreational vehicle, trailer, or temporary structure from a lot if it determines for any reason that such removal is in the best interests of the Association or the other property owners. The Board shall have discretion to require such removal regardless of whether the presence of the recreational vehicle, trailer, or temporary structure was previously approved by the Board.

5. Maintenance of Property.

- 1. No lot shall be used or maintained as a dumping ground for garbage or other refuse. Trash, garbage, or other waste shall not be kept on any lot except in sanitary containers. The owner shall keep all incinerators, bins, trash cans or other equipment for the storage or disposal of such material in a clean and sanitary condition.
- 2. No noxious, unlawful, immoral or offensive trade or activity shall be carried on upon any residential lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.
- 3. The owner of each lot shall keep the same clean and free of weeds and debris.
- 4. Upon failure of any owner to maintain his property in accordance with these Covenants, the Association may have the lot cleaned and the owner shall reimburse the Association upon demand for all expenses thereof.

6. Resubdivision and Ownership. No lot shall be resubdivided. In the event of common ownership of more than one lot and the construction of one building on more than one lot, the combined area shall be considered as one lot for purposes of these Covenants.

7. Permissible Improvements and Alterations.

- 1. All structures shall be neat in appearance.
- 2. Wood exteriors shall be stained or painted with two coats of paint or stain.

3. No outdoor toilet shall be erected, placed or permitted to remain on any lot. All individual sewage disposal systems shall be located, constructed, and equipped in accordance with standards and requirements as required by the applicable laws and regulations.
4. No more than one single family dwelling, not to exceed two stories, shall be erected, placed, or permitted to remain on any residential lot.
5. No structure of a temporary character, shack, garage, barn or other outbuilding shall be built or placed on any lot except as authorized herein. No manufactured home, mobile home, prefabricated home, or trailer house shall be placed on any lot.
6. No residence of less than one thousand (1,000) square feet, including porch area and garage, shall be erected or constructed on any lot.
7. No residence or outbuilding shall be located on any lot nearer than twenty (20) feet to the front lot line, nor nearer than seven (7) feet to the side or back lot line of any lot.
8. **Signs.** No commercial sign shall be erected, placed or permitted to remain on any lot, except that a standard real estate For Sale sign not to exceed ten (10) inches by twenty four (24) inches may be erected.
9. **Architectural Control**
  1. Any owner who wishes to construct a house, external building, fence, or other improvement, or to remodel the exterior of an existing structure, shall submit written plans for such improvement to the Board before beginning construction. Any owner who fails to obtain prior approval of the Board may be forced to remove such improvement at his or her sole expense.
  2. The Board shall review such plans to determine whether they comply with these Covenants and whether they will be attractive and consistent with the common scheme of development. If the Board fails to approve or disapprove of the improvement within thirty days, the plans shall be deemed to have been approved unless the project involves a violation of these covenants, the corporation's Bylaws, procedures, or Articles as existed at the end of the thirty-day period.
  3. All improvements must be completed on the exterior within six (6) months from beginning date of construction unless completion is prevented by Act of God or Public Calamity. In such case the owner shall notify the Board in writing of the reason(s) why construction cannot be completed within that time. If the Board finds that the deadline should be extended, it shall

establish a revised deadline for completion of the improvements.

10. **Easements.** Easements for the installation and maintenance of utilities and drainage facilities are reserved across the front five (5) feet and the rear six (6) feet for the full width of each lot and for five (5) feet on the sides for the full length of the lot, and channel easements are reserved as designated on the recorded plat or map of said Subdivision.
11. **Animals.** No animals except household pets shall be kept or maintained on any lot.
12. **Common Areas and Facilities.** All property owners and members of their immediate families shall have ingress and egress to the lake through the park area and boat ramp as shown on the plat of record of the Subdivision, and all park, lake and beach improvements shall be available for use of all property owners and their families, except that the Association may implement measures such as identification cards and/or keys to control access to said areas, and the Association may suspend such privileges for nonpayment of assessments; violation of the Articles of Incorporation, Bylaws, rules, regulations, or policies of the Association; or violation of other obligations to the Association. The Association shall not be liable to any property owner or other person using the common areas or facilities owned by the Association.
13. **Water Wells.** The Association shall have the option of drilling one or more water wells to serve the needs of the subdivision. Should such wells be drilled, each owner may connect into the water lines by paying the cost of connection together with the cost of installing their own water lines from such main line to the residence, installing their own meter. Each owner who connects to the Association's water lines shall pay to the Association the current rate for use of water, and the Association may discontinue service and/or charge late fees, a deposit, or reconnect fees to any owner who fails to timely pay said rates. Any lot owner may drill his or her own water well on his lot for use on his own property, provided such well complies with any local or state standards or regulations and the construction of said well is approved in advance by the Board.
14. **Variances.** Variances from the requirements of these Covenants may be granted in accordance with procedures contained in the Association's Bylaws.
15. **Enforcement.** The Association or any person owning an interest in any lot in the Subdivision may enforce these Covenants through a proceeding at law or equity against any person, or persons, violating or attempting to violate any Covenant, either to restrain violation or to recover damages from the violations. The successful party shall recover reasonable court costs and attorney's fees in any such proceeding.
16. **Interpretation/Partial Invalidity.** The members and the Association agree that these Covenants shall be liberally construed to effectuate their purposes.



Invalidation of any one of these Covenants by a judgment or court order shall not affect any of the other provisions or Covenants, which shall remain in full force and effect. It may be impracticable to prosecute every violation of these Covenants; therefore the members and the Association agree that the failure of the Association to enforce these Covenants shall in no way constitute a waiver of same, a ratification of any violation of same, or shall estop the Association or any other person from enforcing said Covenant at any time. Neither the Association nor the Directors nor officers of the Association shall have any liability nor responsibility at law nor in equity on account of the enforcement of, nor on account of the failure to enforce, these Covenants.

17. Covenants that Run with the Land. These Covenants are to run with the land and shall be binding on all persons or entities owning property in the Silver Shores Subdivision. These Covenants shall not be altered, changed, amended or revoked in whole or in part, except by a written petition signed by a majority of the members of the Association of Silver Shores Property Owners, Inc.

Certification

I certify that I am the President of the Association of Silver Shores Property Owners, Inc, and that the foregoing Amended Restrictive Covenants were duly adopted by the members of the Association on the 16th day of March, 2004.

Blaine M. Kulman  
President, Association of Silver Shores Property Owners, Inc.