

**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
VILLAS AT WHITE OAK RANCH**

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
for
VILLAS AT WHITE OAK RANCH

STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

This Declaration of Covenants, Conditions and Restrictions for Villas at White Oak Ranch ("Declaration"), is made by Trinity Profectus, LLC, ("Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of the following real property located in Montgomery County, Texas:

12.307 acres of land in the James Edwards Survey, A-190, Montgomery County, Texas, described as Tract One (1) in that Special Warranty Deed with Vendor's Lien filed in the Official Public Records of Real Property of Montgomery County, Texas under Clerk's File No. 2017064676 ("Property");

and

WHEREAS, Declarant desires to develop the Property as an age-restricted active adult single-family, residential use subdivision, and to provide and adopt a general plan of development including assessments, conditions, covenants, easements, reservations, and restrictions designed to govern the Property; and

WHEREAS, Declarant has deemed it desirable for the efficient administration of the amenities in the Subdivision and enforcement of the Dedicatory Instruments (hereinafter defined) to create an Association (hereinafter defined) to which will be delegated and assigned the authority to administer and enforce these assessments, conditions, covenants, easements, reservations and restrictions, including levying, collecting and disbursing the assessments; and

WHEREAS, there has been or will be incorporated one or more non-profit corporations created under the laws of the State of Texas, including the first being Villas at White Oak Ranch Community Association, Inc. Declarant is hereby authorized to incorporate one or more entities to provide the functions of the Association. The directors of which Association either have or will establish certain Bylaws by which the Association will be governed through its Board of Directors, for the purpose of exercising the functions aforesaid and any other duties as set out in the Bylaws and/or other Dedicatory Instruments (hereinafter defined).

NOW, THEREFORE, Declarant hereby declares that the Property will be subject to the jurisdiction of the Association, and will be developed, improved, sold, used and enjoyed in accordance with, and subject to the following plan of development, including the applicable assessments, conditions, covenants, easements, reservations, and restrictions hereinafter set forth, all of which are hereby adopted for, and placed upon said Property and will be covenants running with the land and be binding on all parties, now and at anytime hereinafter having or

claiming any right, title or interest in the Property or any part thereof, their heirs, executors, administrators, successors and assigns, regardless of the source of, or the manner in which any such right, title or interest is or may be acquired, and will inure to the benefit of each Owner of any part of the Property.

The Property is subject to this Declaration, which may be amended and/or supplemented from time to time. Additionally, the Property is subject to the Dedicatory Instruments. If any conflict exists between all or any portion of the Declaration and any Dedicatory Instrument, the more restrictive provision will control.

ARTICLE I. DEFINITION OF TERMS

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

- A. "Age-Qualified Occupant" means any individual fifty-five (55) years of age or older who occupies a Dwelling. The terms "occupy," "occupies," or "occupancy" means staying overnight in a particular Dwelling for at least ninety (90) days in any consecutive twelve (12) month period.
- B. "ASC" means the Architectural Standards Committee established for the Property as set forth in herein.
- C. "Assessment" means the assessments levied against all Lots pursuant to this Declaration, a Supplemental Amendment or other Dedicatory Instrument, for the purposes set out herein/therein or any other charge authorized by this Declaration or other Dedicatory Instrument.
- D. "Association" means one or more non-profit corporations, including its successors, assigns, or replacements, created under the laws of the State of Texas, with the first being Villas at White Oak Ranch Community Association, Inc. Declarant is hereby authorized to incorporate one or more entities to provide the functions of the Association. No more than one such non-profit corporation may be in existence at any one time, provided however, the formation of a sub-association is permitted. The Association is a Texas non-profit corporation that has jurisdiction over all properties located within the Subdivision, as same may be amended from time to time as additional property is annexed into the Subdivision (hereinafter defined) as allowed under this Declaration. For purposes of clarity, when "Association" is used herein, that term includes the authority, rights, remedies and obligations of the nonprofit corporation, and the authority of the Board, as defined herein, to carry out the authority, rights, remedies and obligations of the Association.
- E. "Board" means the Board of Directors of the Association as provided within the Bylaws.
- F. "Builder" means an individual or entity that purchases a single or multiple Lots from the Declarant or its affiliates for the purpose of constructing Dwellings thereon, which

- Dwellings will be offered for sale to purchasers. "Builder" does not include an individual or entity constructing additions onto a Dwelling already in existence, performing repairs or maintenance or re-constructing or replacing a Dwelling after demolition or destruction, either partial or complete.
- G. "Bylaws" mean the Bylaws of Villas at White Oak Ranch Community Association, Inc., as they may be amended from time to time.
- H. "Common Area" means all real property owned in fee or held in easement, lease, or license by the Association for the common use and/or enjoyment of the Owners and includes areas designated by Declarant to be conveyed by deed or easement to the Association.
- I. "Community Sites" means Common Area property that is set aside for use as recreational facilities, reserves, or green space and is encumbered by this Declaration, a recorded plat, or both.
- J. "Community Wide Standard" means the standard of conduct, maintenance, or other activity generally prevailing throughout the Subdivision. Such standards may be defined in the Guidelines or rules and regulations. Such standards may be specifically determined, and modified, by the Board, with the approval of Declarant at any time during the Development Period.
- K. "Declarant" means Trinity Profectus, LLC, its successors and assigns as same may be evidenced by a written instrument recorded in the Official Public Records of Montgomery County, Texas.
- L. "Declaration" means this Declaration of Covenants, Conditions, and Restrictions for Villas at White Oak Ranch, which encumbers the Property, and any other property brought under the control of this Declaration, or any Supplemental Amendment, Annexation Agreement and/or amendment thereto.
- M. "Dedicator Instruments" means each document governing the establishment, maintenance and operation of the Subdivision, including but not limited to the Declaration, Bylaws, Certificate of Formation, and similar instruments governing the administration or operation of the Association, as well as any and all rules, Guidelines and policies, and any supplements or amendments to such documents, enforceable by the Association.
- N. "Deed Restriction Violation" means any damage that an Owner or Occupant has caused to the Common Area or a condition on a Lot or an improvement located upon a Lot that does not comply with the terms and conditions of all Dedicatory Instruments covering the establishment, maintenance, and operation of the Subdivision. Failure to pay all amounts due and owing on a Lot will also be considered a Deed Restriction Violation.
- O. "Development Period" means the period of time that Declarant reserves the right to facilitate the development, construction and marketing of the Subdivision or the right

- to direct the size, shape and composition of the Subdivision, which retained rights will be vested in the Declarant until Declarant no longer owns any portion of the Property or such time as Declarant assigns or relinquishes all of its retained rights.
- P. "Dwelling" means a main residential structure constructed on a Lot or Homesite intended for single family residential use.
- Q. "Guidelines" mean general, architectural, and/or builder guidelines, and application and review procedures, if any, which may set forth various standards relating to exterior harmony of any and all improvements placed upon or constructed on any Lot and/or construction types and aesthetics. There will be no limitation on the scope of amendments to the Guidelines, and such amendments may remove requirements previously imposed or otherwise make the Guidelines less restrictive. Guidelines are enforceable by the Board.
- R. "Hardscape" includes but is not limited to such items as rocks, landscape timbers, railroad ties, fountains, statuary, sculpture, terracing materials, lawn swings, and yard art.
- S. "Homesite" means one or more Lots upon which one single-family Dwelling may be erected subject to this Declaration.
- T. "Lot" means a portion of the Property defined as one Lot by the plat of the Subdivision and/or any replat thereof recorded in the real property records of Montgomery County, Texas, and encumbered by this Declaration, and restricted to single-family residential use. Homesites may be comprised of more than one Lot; each such Lot will be subject to the rights and duties of membership in the Association. There may be an Assessment, due for each Lot owned as defined by the then-plat of record, subject to the limitations herein. No Lot may be further subdivided and separated into smaller Lots, and no portion less than all of any Lot may be transferred or conveyed. Notwithstanding anything contained herein to the contrary, this definition does not include any Lot for so long as it is being used by Declarant as a model home Lot and/or a sales information center.
- U. "Member" means an Owner, as defined in this Article, subject to the provisions set forth in this Declaration.
- V. "Member in Good Standing" means an Owner who is current in the payment of all financial obligations to the Association and who is not currently in violation of any provision of this Declaration.
- W. "Occupant" means Owners, residents, tenants, lessees, guests, and invitees of any Lot or Dwelling within the Property for any period of time. An individual who occupies a Dwelling but does not satisfy the criteria set forth in Section BB below, will not be deemed to be a Resident and will not be entitled to any rights or privileges granted to a Resident of the Subdivision.

- X. "Outbuildings" mean and refer to structures such as (by way of example and not limitation) storage buildings, sheds, greenhouses, gazebos and shade trellises.
- Y. "Owner" means an owner of any portion of the Property, other than Declarant. Persons or entities holding title only as a lienholder will not be an Owner for purposes of this Declaration.
- Z. "Public View" means a condition, structure, item or improvement located on a Lot that is openly visible from or by (i) an individual standing at ground level of at least one neighboring Lot (such neighboring Lot does not have to be adjacent to the Lot with any such condition, structure, item or improvement), (ii) a Common Area, or (iii) a street.
- AA. "Reserve Fund" means funds that may be set aside by the Board, in its sole discretion, for capital improvements or unforeseen expenditures, to the extent funds are available.
- BB. "Resident" or "Qualified Resident" means any of the following persons occupying a Dwelling:
- a. Any Age Qualified Occupant;
 - b. Any person 19 years of age or older occupying a Dwelling with an Age Qualified Occupant; and
 - c. Any person 19 years of age or older occupying a Dwelling with an Age Qualified Occupant who continues without interruption, to occupy the same Dwelling after termination of the Age Qualified Occupant's occupancy thereof.
- CC. "Special Assessment" means an Assessment levied pursuant to the terms set forth herein, for a specific purpose.
- DD. "Subdivision," the "Property," and/or "Villas at White Oak Ranch" means Villas at White Oak Ranch Subdivision located in Montgomery County, Texas. As of the date of this Declaration, the Subdivision will be comprised of the Property described herein. The Subdivision may be supplemented as additional land is annexed into the Subdivision by the recording of an Annexation Agreement or Supplemental Amendment.
- EE. "Supplemental Amendment" or "Annexation Agreement" means an amendment or supplement to this Declaration that subjects additional property to this Declaration and/or imposes, expressly or by reference, additional or different restrictions, assessments and/or obligations on the land described therein.

**ARTICLE II.
PURPOSE AND INTENT**

The Subdivision, as initially planned, is intended to be an age-restricted active adult single-family, residential development that is planned to feature residential uses. This Declaration will serve as the means by which design, maintenance and use of the Property, and additional property made a part of the Subdivision, will be established.

Villas at White Oak Ranch is intended to provide housing primarily for persons fifty-five (55) years of age or older. The Subdivision will be operated as an age-restricted community in compliance with all applicable state and federal laws. No person under 19 years of age may stay overnight in any Dwelling for more than ninety (90) days in any twelve (12) month period.

Each Dwelling, if occupied, must be occupied by at least one person fifty-five (55) years of age or older; provided however, that once a Dwelling is occupied by an Age Qualified Occupant, other Qualified Residents of that Dwelling may continue to occupy the Dwelling, regardless of the termination of the Age Qualified Occupant's occupancy. Notwithstanding the above, at all times, at least eighty percent (80%) of the occupied Dwellings within the Subdivision (as calculated pursuant to federal or state law and applicable regulations, including 24 Code of Federal Regulations §100.305, as same may be amended from time to time) must be occupied by at least one person fifty-five (55) years of age or older. The actual minimum percentage may be set higher by the Board of Directors of the Association in any duly approved Dedicatory Instrument.

The Board will adopt and publish policies and procedures from time to time as necessary to maintain the status as an age-restricted community under State and Federal law and demonstrate its intent that the Subdivision be operated as housing for persons fifty-five (55) years of age or older, which policies and procedures may include but are not limited to annual audits.

This Article may not be amended without the prior written consent of Declarant as long as Declarant owns any portion of the Property.

**ARTICLE III.
PROPERTY SUBJECT TO RESTRICTIONS**

A. Property Initially Encumbered

The Property that is initially encumbered by this Declaration and is therefore a part of the Subdivision is more particularly described as follows:

12.307 acres of land in the James Edwards Survey, A-190, Montgomery County, Texas, described as Tract One (1) in that Special Warranty Deed with Vendor's Lien filed in the Official Public Records of Real Property of Montgomery County, Texas under Clerk's File No. 2017064676 ("Property").

B. Annexation of Additional Property

Declarant reserves the right for twenty-five (25) years following the recording of this Declaration to annex any additional property into the Subdivision. Any such annexation occurring during the Development Period requires the joinder of Declarant. Any such annexation occurring after the expiration of the Development Period requires the joinder of the Association. Such annexation may be accomplished by the execution and filing for record of a Supplemental Amendment or Annexation Agreement setting forth the land being annexed and/or the specific restrictions relating to such property, if different. Any Supplemental Amendment or Annexation Agreement may contain Assessments, covenants, conditions, restrictions and easements which apply only to the real property annexed and/or may create exceptions to, or otherwise modify, the terms of this Declaration as they may apply to the real property being annexed in order to reflect the different or unique character and/or intended use of such real property.

Upon the expiration of the twenty-five (25) year term granted above, the right of Declarant to annex land under this Section will automatically pass to the Association.

ARTICLE IV.

ASSOCIATION MEMBERSHIP, VOTING RIGHTS AND BOARD OF DIRECTORS

A. Eligibility

Eligibility to vote, or serve as a director or officer of the Board, after the expiration of the term of the initial Board will be predicated upon that person being a Member of the Association. Nothing contained herein creates a fiduciary duty owed by the Board to the Members of the Association.

B. Membership

Declarant and every record Owner is a Member of the Association, excluding therefrom persons or entities holding an interest in the land merely as security for the performance of an obligation (such as a mortgagee, or holder of any other lien against property), unless that holder of the security interest foreclosed and thereby became the Owner of the Lot(s).

Membership is appurtenant to and runs with the land. Membership is not severable as an individual right and cannot be separately conveyed to any party or entity. Any one (1) Owner will have no more than one (1) Membership in the Association. All duties and obligations set forth in this Declaration are the responsibility of each Member. No waiver of use of rights of enjoyment created by this Declaration will relieve Members or their successors or assigns of such duties or obligations. Mandatory membership will begin with the execution of this Declaration and pass with title to the land (regardless of any method of conveyance) to any subsequent grantee, successor, or assignee of Members. In consideration for payment of Assessments, all Owners of Lots in the Subdivision, and subsequently annexed sections if any, will have the right to the use and enjoyment of the Common Area in the Subdivision. Owners who are not Members in Good Standing may be prohibited from utilizing Common Areas in the Subdivision.

C. Voting Rights

The Association will initially have two (2) classes of membership, being Class A Members and Class B Members, as follows:

1. Class A Membership

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

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

Multiple Owners of any single Lot must vote in agreement (under any method they devise among themselves), but in no case may such multiple Owners cast portions of votes. The vote attributable to any single Lot must be voted in the same manner (i.e. all Owners of the Lot for, or all Owners of the Lot against a particular issue) but in no event can there be more than one Class A vote cast per Lot.

2. Class B Membership

Class B Members will be the Declarant and any entity upon which Declarant, in its sole discretion, may confer Class B status in the Association. Declarant will be entitled to three (3) times the total number of votes allocated to Class A Members. The Declarant's Class B Membership will terminate upon the earliest to occur of the following:

a. When Declarant no longer owns any real property within Villas at White Oak Ranch development; or

b. Such time as Declarant, in its sole discretion, so determines, provided however, that Declarant may assign its rights in whole or in part, permanent or temporary, at any time.

Declarant will have the continuing right, at any time prior to the termination of Declarant's Class B Membership, without the joinder or consent of any other Owner, entity, lender or other Person, to confer Class B status in the Association on any Owner (with such Owner's consent), solely with respect to voting rights and/or Assessments (the "Conferral"). Provided, however, any such Conferral of Class B status does not have to be uniform as to all Class B Members. Declarant will evidence such Conferral of Class B status by filing in the Official Public Records of Montgomery County, Texas, an instrument specifying the name and address of the party upon which Class B status has been conferred, setting forth a legal description for all of the real property to which such Class B conferral applies, and setting forth the terms of such Conferral. The Class B status so conferred by Declarant will terminate and such Owner will become a Class A Member of the Association, upon the earliest to occur of the following:

- a. Termination of Declarant's Class B status in the Association, as provided herein; or
- b. A material violation by such Class B Member of any terms and conditions of the Conferral which has not been cured after the Class B Member has received notice of such violation and has failed to cure such violation; or
- c. Expiration of the term of the Conferral, if any, provided in the Conferral.

D. Voting Procedures

Class A and Class B Members will exercise their votes as set out in the Dedicatory Instruments.

E. Right to Appoint/Elect Board of Directors

Declarant will retain the authority to appoint all members of the Board until not later than the tenth (10th) anniversary of the date this Declaration was recorded in the Official Public Records of Montgomery County, Texas, at which time one-third (1/3) of the Board members (who must be Members of the Association) must be elected by the Owners other than the Declarant, as set forth in the Bylaws. After such anniversary, Declarant will retain the authority to appoint the remaining two-thirds (2/3) of the members of the Board until such time as Declarant no longer owns any portion of the Property. The Declarant may assign to the Association its authority to appoint some or all (as applicable) members of the Board, with such assignment evidenced by an instrument recorded in the Official Public Records of Montgomery County, Texas.

Upon termination of Declarant's authority to appoint two-thirds (2/3) of the members of the Board, any remaining Class B Members will be converted to Class A Members and elections will be held to elect the members of the Board (who must be Members of the Association) pursuant to the provisions of the Certificate of Formation and the Bylaws of the Association. In the event Class B Membership terminates pursuant to the above provisions, and thereafter additional property is annexed into the jurisdiction of the Association, which results in the Declarant owning property in the Subdivision, only Declarant's Class B Membership will be restored (no other previously designated Class B Membership will be restored), until it again terminates as specified hereinabove. Notwithstanding anything contained herein to the contrary, the Declarant may assign, temporarily or permanently, all or a portion of its rights as Declarant to any person(s).

**ARTICLE V.
EFFECTIVE DATE OF DECLARATION**

This Declaration will be effective as of the date this document is recorded in the Official Public Records of Montgomery County, Texas.

**ARTICLE VI.
USE RESTRICTIONS**

Notwithstanding anything contained herein to the contrary, the provisions of this Article will apply only to Lots unless other portions of the Property are specifically included in said provisions.

A. Residential Uses Permitted

Homesites within the Subdivision will be used exclusively for single-family residential purposes. The term "single-family" as used herein refers not only to the architectural design of the Dwelling but also to the permitted number of inhabitants, which will be limited to a single family, as defined below. Single-family will mean the use of and improvement to a Lot with no more than one building designed for and containing facilities for living, sleeping, cooking, and eating therein. In no case may a Lot contain more than one Dwelling. No multi-family Dwellings may be constructed on any Lot. No building, Outbuilding or portion thereof will be constructed for income property or such that Occupants would occupy less than the entire Lot and/or Homesite.

It is permitted for Owners to lease a Dwelling in the Subdivision, so long as Occupants are leasing the entire land and improvements comprising the Homesite. Leasing a Dwelling for residential purposes will not be considered a "business", provided that the Owner and any other Owners with whom such Owner is affiliated do not collectively lease or offer for lease more than one Dwelling at any time. This provision will not preclude the Association or an institutional lender from leasing a Dwelling upon taking title following foreclosure of its security interest in the Dwelling or upon acceptance of a deed in lieu of foreclosure. "Leasing" for purposes of this Declaration, is defined as occupancy of a Dwelling by any person other than the Owner, for which the Owner receives any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument. No fraction or portion of any Dwelling may be leased or rented. All leases must be in writing and must contain such terms as the Board may prescribe from time to time. All leases must provide that they may be terminated in the event of a violation of the Declaration or the Dedicatory Instruments by an Occupant or Occupant's family, and the Board, in its sole discretion, may require termination by the Owner and eviction of the Occupant in such event. Rental or lease of the Lot and Dwelling will not relieve the Owner from compliance with this Declaration or the Dedicatory Instruments.

No Dwelling may be occupied by more than one single family. By way of illustration, the following is an example of an approved single family:

AGE QUALIFIED OCCUPANT AND QUALIFIED RESIDENT RESIDE IN DWELLING.

Additional approved Residents are:

- a) children of either or both Age Qualified Occupant and Qualified Resident*;
- b) no more than a total of two (2) parents of Age Qualified Occupant and Qualified Resident;
- c) one (1) unrelated person*; and

- d) one (1) household employee.

*The inclusion of children and other unrelated person in the example above does not modify the provisions of this Declaration restricting the occupancy of the Lot or Homesite to the age restrictions set forth herein.

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

B. Non-Permitted Uses

1. No trade or business may be conducted in or from any Dwelling, Lot or Homesite, except such use within a Dwelling where (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Dwelling; (b) the business activity conforms to all governmental requirements and other Dedicatory Instruments applicable to the Property; (c) the business activity does not involve visitation to the Dwelling or Homesite by clients, customers, suppliers or other business invitees or door-to-door solicitation of Occupants of the Subdivision; and (d) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Subdivision, as may be determined in the sole discretion of the Board. The uses set out in this Section 1 (a) through (d) will be referred to singularly or collectively as an "Incidental Business Use." At no time may an Incidental Business Use cause increased parking or traffic within the Subdivision. Any increased parking or traffic within the Subdivision as a result of an Incidental Business Use will be deemed to be a Deed Restriction Violation. A day-care facility, home day-care facility, church, nursery, pre-school, beauty parlor, or barber shop or other similar facility is expressly prohibited.

The terms "business" and "trade" as used in this provision will be construed to have their ordinary, generally accepted meanings and includes, without limitation, any occupation, work or activity undertaken on an ongoing basis that involves the manufacture or provision of goods for or to persons other than the Occupant's family, regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does not generate a profit; or (iii) a license is required therefor. Notwithstanding the above, the leasing of a Dwelling will not be considered a trade or business within the meaning of this Section. This Section does not apply to any activity conducted by the Declarant, or by a Builder with approval of the Declarant, with respect to its development and sale of the Property. Garage sales, attic sales, moving sales, estate sales or yard sales (or any similar vending of merchandise) conducted on any Homesite are prohibited. Notwithstanding the foregoing, the Board may permit a community-wide garage sale one (1) time per year on a date determined by the Board in its sole discretion.

2. No vehicles displaying signs or advertising will be permitted to be parked within Public View in the Subdivision, other than service vehicles contracted by Owners to

perform specific services. No vehicles with more than two axles will be permitted to be parked or stored for a period in excess of twelve (12) hours per week in the Subdivision, without prior written permission of the Board, whose approval may be issued or withheld at its sole and absolute discretion.

3. No livestock, domestic or wild animals, nor plants or crops will be raised on any Homesite, Lot, or any portion of the Property for the purpose of breeding or selling same, whether for profit or not. Exchange of such animals, plants or produce for anything of value to the seller will constitute a sale of the merchandise and therefore is prohibited under this provision.

C. Animals and Pets

No animals, livestock, including swine or poultry of any kind, may be raised, bred, or kept on any portion of the Subdivision, except that dogs, cats, or other usual and common household pets, not to exceed a total of two (2) pets, may be permitted in or on a Homesite or in a Dwelling. The foregoing limitation on number of pets does not apply to hamsters, small birds, fish or other constantly caged animals kept inside the Dwelling, nor will it apply to require the removal of any litter born to a permitted pet prior to the time that the animals in such litter are three (3) months old. No pets are permitted to roam free. No animals or pets may be kept, bred, or maintained for any commercial purpose. Dogs and cats must at all times whenever they are outside a Dwelling and/or fence, be confined on a leash which must be held by a responsible person.

D. Antennas

No exterior antennas, aerials, satellite dishes, or other apparatus for the reception of television, radio, satellite or other signals of any kind may be placed, allowed, or maintained upon any portion of the Subdivision, including any Homesite, which is visible from any street, Common Area or other Lot unless it is impossible to receive signals from another location. In that event the receiving device may be placed in a visible location as approved by the ASC. The ASC may require as much screening as possible while not substantially interfering with reception. No satellite dishes will be permitted which are larger than one (1) meter in diameter. No exterior antennas, aerials, satellite dishes, or other apparatus will be permitted which transmit television, radio, satellite or other signals of any kind will be placed, allowed, or maintained upon any portion of the Property. The Declarant, by promulgating this Section, is not attempting to violate the Telecommunications Act of 1996 (the "1996 Act"), as same may be amended from time to time. This Section will be interpreted to be as restrictive as possible while not violating the 1996 Act.

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

Declarant and the Association will have the right, without the obligation, to erect an aerial, satellite dish, or other apparatus (of any size) for a master antenna, cable, or other communication system for the benefit of all or any portion of the Subdivision, should any master system or systems require such exterior apparatus.

E. Basketball Goals and Backboards

Basketball goals and backboards are prohibited on any Lot or Homesite.

F. Exterior Seasonal Decorations

The display of exterior seasonal decorations, by way of illustration but not limited to lights, banners, flags, wreaths, are subject to reasonable rules and regulations, if any, promulgated by the Board. Such rules may address the appearance and length of time of such display. Such display must be maintained and kept in good condition at all times. If any exterior seasonal decorations are placed or remain within the Subdivision in violation of this Declaration or the Dedicatory Instruments, the Board or its agents will be authorized to exercise its Self Help remedy, to bring the Owner's Lot into compliance with this provision.

G. Flags and Flagpoles

The size, number, and placement of flagpoles, and the display of flags within the Subdivision, will be subject to any applicable Guidelines, rules or policies adopted by the Board.

The Declarant, by promulgating this Section, is not attempting to violate any local, state or federal law. This Section will be interpreted to be as restrictive as possible while not violating any laws of the State of Texas and/or the United States of America.

H. General Nuisances

No portion of the Subdivision may be used, in whole or in part, for the storage of any property or thing that will cause it to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor may any substance, thing, animal, or material be kept upon any portion of the Subdivision that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, comfort, or serenity of the Owners and/or Occupants of surrounding Homesites and users of the Common Areas.

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

It is the responsibility of each Owner to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on his or her Lot or Homesite. The pursuit of hobbies or other visible activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, that

might tend to cause disorderly, unsightly, or unkempt conditions, may not be pursued or undertaken on any part of the Subdivision. Notwithstanding the above, the disassembly and assembly of motor vehicles to perform repair work may be permitted provided such activities are not conducted on a regular or frequent basis, and are either conducted entirely within an enclosed garage or, if conducted outside, are begun and completed within twelve (12) hours.

Notwithstanding anything contained herein to the contrary, the Association has the right but not the obligation to enter upon any Common Area and/or street right-of-way and remove signs not authorized by the Board in advance, and/or to regulate (including, but not limited to, the prohibition of) street vending and similar non-approved activities.

No portion of the Subdivision may be used, in whole or in part, in a way that creates a nuisance within the Subdivision. Activities or conditions constituting a nuisance are incapable of exhaustive definition which will fit all cases, but they can include those activities and conditions that endanger life or health, give unreasonable offense to senses, or obstruct reasonable use of property. Those activities or conditions that cause minor and/or infrequent disturbances resulting from ordinary life activities within a deed restricted community are not intended to constitute a nuisance. Whether such activity or condition constitutes a nuisance will be determined by the Board. The Board may adopt rules or policies to further define what constitutes a nuisance, as warranted.

I. Generators

The size, number, placement, and other characteristics of standby electric generators within the Subdivision are subject to any applicable Guidelines, rules or policies adopted by the Board.

J. Monuments and Fences

The Declarant and the Association, including their respective designees, are hereby granted an easement to place, maintain and repair a monument or marker within the Subdivision.

Fencing on all Lots within the Subdivision will be as set forth in the Guidelines or other Dedicatory Instrument and will be subject to prior written approval by the ASC.

Unless otherwise set forth in a Dedicatory Instrument, Owners are responsible for the maintenance, repair and/or replacement of all fences in existence at the time of transfer from Builder to Owner. Replacement fences must be of a similar material and design as originally constructed. The maintenance of any portion of a fence which lies between Lots is the joint responsibility of the Lot Owners on whose property the fence lies between. In the event an Owner fails to repair, replace or maintain any fence in a manner consistent with the Community Wide Standard in the sole discretion of the Board, the Board may exercise its Self Help remedy pursuant to the terms set forth in this Declaration, and has the right, but not the obligation, through its agents, contractors and/or employees to enter such Lot for the repair and/or replacement of such fence after notice to the Owner. Any expense incurred by the Association in effectuating such repairs/replacement will be the responsibility of the Owner(s) having such

obligation to maintain, or will be split evenly between adjoining Lot Owners if a common fence is involved, and will be secured by the continuing lien on the Lot.

Regarding any fencing located on an Owner's Lot that the Association may have the obligation to maintain, the Association's maintenance obligation extends only to normal wear and tear of such fencing. Any damage caused to such fencing by an Owner or Occupant that is beyond normal wear and tear will be the Owner's obligation to repair and/or replace, subject to prior written approval of the ASC. The Board has the sole discretion to determine what constitutes normal wear and tear.

K. Outbuildings

Outbuildings may not be constructed or placed on a Lot within the Subdivision without the prior written approval of the ASC. Reasonable Guidelines may be established from time to time addressing factors including, but not limited to, the appearance, type, size, quality and location of Outbuildings on a Lot.

L. Outside Storage and Trash Collection

No equipment, machinery, or materials of any kind or nature may be stored on any Homesite forward of the fence at the front wall of the Dwelling situated thereon, unless the equipment, machinery or materials is being used temporarily (not more than one week) and is incident to repair or construction of the Dwelling or Homesite. All equipment, machinery, and materials must be properly stored out of sight of every other Homesite immediately after use of such item, and all trash, debris, excess, or unused materials or supplies will likewise be disposed of immediately off of the Homesite, or stored out of view until trash collection occurs.

Trash may only be placed outside for collection the evening before collection. Such trash must be contained to protect from animals or spillage and trash cans must be removed from sight the same evening of collection. No outdoor incinerators may be kept or maintained on any Lot.

M. Parking and Prohibited Vehicles

No commercial vehicles or non-motorized vehicles, by way of example and not limitation, tow trucks, plumbing or similar service type vans or trucks, boat, trailer, golf cart, all-terrain vehicle, marine craft, recreational vehicle, camper rig off of truck, hovercraft, aircraft, machinery or equipment of any kind may be parked or stored on any part of any Lot, street, easement, or right-of-way, unless such vehicle or object is completely concealed from Public View inside a garage or enclosure approved by the ASC.

Passenger automobiles, passenger vans, motorcycles, or pick-up trucks that: (a) are in operating condition; (b) are qualified by current vehicle registration and inspection stickers; (c) are currently licensed and in daily use as motor vehicles on the streets and highways of the State of Texas; (d) do not exceed Eighty inches (80") in height, or one hundred inches (100") in width and (e) have no advertising or signs located thereon, may be parked in the driveway on a Lot, however, no vehicle may be parked so as to obstruct or block a sidewalk or be parked on a grassy area. The restriction concerning advertising and signs does not apply to any vehicles,

machinery, or equipment temporarily parked and in use for the construction, repair or maintenance of a Dwelling in the immediate vicinity. Storage of any vehicles in the street is prohibited. Storage means the parking of a vehicle for the shorter of: (i) seventy-two (72) consecutive hours or (ii) seven (7) days in any calendar month, whichever occurs first.

Vehicles to be parked on a Homesite must meet the restrictions of this Declaration and the Dedicatory Instruments, and at all times be operable (unless otherwise completely concealed in an enclosed garage), have current license tags, current state inspection stickers, and comply with current mandatory insurance under the laws of the State of Texas. Any vehicle not in daily use as a motor vehicle on the streets and highways of the State of Texas and not in compliance with the foregoing will be considered stored on the property and such storage is strictly prohibited unless same is completely concealed in an enclosed garage. A vehicle that cannot physically fit within the designed garage of the Dwelling with the door closed will be construed as a vehicle not incident to residential use of a Homesite. Additional rules and regulations for the use, maintenance and parking on private and/or public streets may be promulgated by the Board.

Recreational vehicles, such as mobile homes, motor homes, campers, and boats are not considered vehicles incident to the residential use of a Homesite and therefore are not permitted to be stored outside of the garage or ASC approved enclosure on a Homesite for any period of time greater than forty-eight (48) hours. A recreational vehicle with not more than two (2) axles may be parked in front of or on the Homesite for up to forty-eight (48) hours for loading, and unloading only. Go carts, four-wheelers, dirt bikes and similar vehicles may not be ridden in the Subdivision. Such vehicles may only be kept in the Subdivision if they are at all times stored in an enclosed garage.

Parking of any vehicle other than in a driveway or within an enclosed garage of a Homesite or other paved area provided for parking is expressly prohibited. The Owners of any Lot, by virtue of ownership of a Lot within the Subdivision, hereby contractually covenant and agree that the Association has jurisdiction over the public streets within the Subdivision, and has the right without the obligation to enforce the ban on parking on the public streets.

Notwithstanding anything contained herein to the contrary, the Board may promulgate parking rules which may change the dimensions of permitted vehicles and/or the length of time for temporary parking or storage of vehicles. If there is a conflict between this Section and parking rules promulgated by the Board, the parking rules will control.

The Association may establish from time to time reasonable rules regarding the use, maintenance and parking of vehicles on the roads and streets, and the Association has discretion to determine the various types of vehicles that fall within the scope of any such rules.

N. Play Structures

Play Structures (as defined herein) may not be constructed or placed on a Lot within the Subdivision without the prior written approval of the ASC. Guidelines may be established from time to time regarding play forts, play houses, swing sets and other recreational equipment ("Play Structures"), taking into account such factors including but not limited to the overall height, size, location and number of Play Structures placed on a Lot. In setting the

Guidelines, factors including but not limited to the size and configuration of the Lot, the location of the Lot in the community, the location of the Play Structure on the Lot, the type of fencing on the Lot and visibility of the Play Structure from streets, other Lots, or the Common Areas may be taken into account.

O. Screening

No Owner or Occupant of any portion of the Property may keep or permit keeping of articles, goods, materials, utility boxes, refuse, trash, storage tanks, or like equipment on the Property which may be considered a nuisance or hazard in the sole discretion of the Board. Air conditioners, utility boxes, garbage containers, antennas to the extent reasonably possible and pursuant to the terms set forth herein, or like equipment, may not be kept in Public View and must be placed in a location first approved in writing by the ASC. Such screen must be of a height at least equal to that of the materials or equipment being stored, but in no event may such screen be more than six feet (6') in height. Added screening must also be provided to shield such stored materials and equipment from grade view from adjacent Dwellings or Common Area. Utility boxes must be screened so that they are not visible from the street and as may be set out in the Guidelines. A combination of trees, hedges, shrubs or fences should be used as screening material, as same may be set out in the Guidelines. All screening designs, locations, and materials are subject to prior written ASC approval. Any such screening installed must be maintained in a clean and neat manner at all times, and may not detract from the appearance of the Property.

P. Signs

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

1. For Sale Signs. An Owner may erect one (1) sign on his Lot, not exceeding 2'x3' in area, fastened only to a stake in the ground and extending not more than three (3') feet above the surface of such Lot advertising the property for sale.
2. Political Signs. Not more than one sign per political candidate or ballot item, not exceeding 4' x 6' in area, may be erected upon a Lot by the Owner of such Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal, provided that such signs may not be displayed before the ninetieth (90th) day preceding the date of the election and must be removed before the tenth (10th) day after such election.
3. Security Signs/Stickers. Signs or stickers provided to an Owner by a commercial security or alarm company providing service to the Dwelling are permitted so long as the sign is not more than 8" x 8" or the sticker is no more than 4" x 4". There may be no more than one sign and no more than six (6) stickers located on the windows or doors. Stickers are also permitted upon windows and doors for a "Child Find" program or a similar program sponsored by a local police and/or local fire department.

All signs and emblems within the Subdivision may be subject to Guidelines.

A Builder and/or the Declarant may place certain information and advertising signs on Lots without the prior permission of the ASC, so long as such signs are similar to those listed as acceptable for Builder use in the Guidelines, and so long as such signs do not otherwise violate this Declaration.

If any sign is placed within the Subdivision, including but not limited to the streets, street right-of-ways, and Common Areas, in violation of this Declaration or the Dedicatory Instruments, the Board or its agents have the right but not the obligation to enter upon any Lot, Homesite, street, street right-of-way, or Common Areas and remove and/or dispose of any such sign violation, and in doing so will not be subject to any liability for trespass, other tort or damages in connection with or arising from such entry, removal and/or disposal nor in any way will the Association or its agent be liable for any accounting or other claim for such action.

Guidelines may be established from time to time addressing the display of signs, including but not limited to billboards, posters, school activities, political signs, security signs/stickers and advertising devices within the Subdivision. The right is reserved by Declarant to construct and maintain, or to allow Builders to construct and maintain signs and other advertising devices on land they own and on the Common Area as is customary in connection with the sale of developed tracts and newly constructed residential Dwellings. In addition, the Declarant and the Association have the right to erect and maintain directional and informational signs along the streets within the Property and identifying signs and monuments at entrances to the Subdivision.

Q. Swimming Pools/Spas

No above ground swimming pools are permitted. All swimming pools and spas require prior written approval by the ASC, which approval will depend, in part, on whether there is adequate space for the swimming pool/spa. A five foot (5') side setback is required for all swimming pools. Swimming pools may not be constructed within a utility easement and may not negatively impact drainage on the Lot or neighboring Lots. Fencing is required and must be approved by the ASC.

R. Tree Removal

No trees greater than four (4) caliper inches to be measured at a point six (6) inches above grade may be removed, except for diseased or dead trees and trees needing to be removed to promote the growth of other trees or for safety reasons, unless approved in writing by the ASC. In the event of an intentional or unintentional violation of this Section, the violator may be required to replace the removed tree with one (1) or more comparable trees of such size and number, and in such locations, as the Board may determine necessary, in its sole discretion, to mitigate the damage.

S. Window Air Conditioning Units

No window or wall type air conditioners will be permitted to be used, placed or maintained on or in any building on the Lots, with the exception that window or wall type air conditioners are permitted for the benefit of a garage if such air conditioning unit is located at

the rear of the garage unit and is screened from Public View. All window air conditioning units require prior written ASC approval as set forth herein.

All livings areas within the home, including any room additions, must be centrally air-conditioned, unless otherwise approved by the ASC. Units that are alternatives to centrally air-conditioned units must be screened from Public View, and will require ASC approval.

T. Wind Turbines

No device used to convert wind into energy, including by way of illustration and not limitation, wind turbines, wind pumps, wind chargers and windmills, are permitted to be used, placed or maintained in any location within the Subdivision. Provided, however, this provision does not apply to Common Areas within the Subdivision. The Board has the sole discretion to determine what devices are prohibited pursuant to this provision.

U. Window Treatments

Within three (3) months of occupying a Dwelling on any Homesite, an Owner must install appropriate window treatments in keeping with the Community Wide Standard. Appropriate window treatments include, by way of illustration and not limitation, curtains and draperies with backing material of white, light beige, cream, light tan, or light gray; blinds or miniblinds of the same colors or natural wood; and/or shutters of the same colors or natural wood. No other window treatment color may be visible from the exterior of the Dwelling. The Board has the sole discretion to determine what window treatments are appropriate.

Expressly prohibited both before and after the initial three (3) months of occupancy are any temporary or disposable coverings not consistent with the Community Wide Standard, such as reflective materials, newspapers, shower curtains, fabric not sewn into finished curtains or draperies, other paper, plastic, cardboard, or other materials not expressly made for or commonly used by the general public for window coverings in a residential subdivision of the same caliber as the Subdivision.

**ARTICLE VII.
COMMON AREA**

The Board, subject to the rights of the Members set forth in this Declaration and any amendments or Supplemental Amendments thereto, is responsible for the exclusive management and control of the Common Area and all improvements thereon and must keep it in good, clean, attractive and sanitary condition. No Member may appropriate any portion of the Common Area or any improvement thereon for his or her own exclusive use. Any Member or his or her guests, family or invitees that cause damage to the Common Area is financially responsible for said damage. The cost of repair, if not timely paid by the Member (subject to any notice that may be required by law), will be assessed against the Member's Lot and secured by the continuing lien set forth in this Declaration.

The Declarant, and its designees, may transfer or convey at any time to the Association interests in real or personal property within or for the benefit of the Subdivision, and the Association is hereby obligated to accept such transfers and conveyances, even if such transfer

or conveyance occurs after the termination of the Development Period. Such property may be improved or unimproved and may consist of fee simple title, easements, leases, licenses, or other real or personal property interests. Real property transferred to the Association by the Declarant, or its designees, may be transferred via a deed without warranty; provided, however, the property must be transferred free and clear of all liens and mortgages at the time of such transfer. Upon the Declarant's written request, the Association must reconvey to the Declarant any unimproved real property that the Declarant originally conveyed to the Association for no payment, to the extent conveyed in error or needed to make minor adjustments in property lines or accommodate changes in the development plan.

Owners hereby covenant (i) not to possess any Common Area in any manner adverse to the Association, and (ii) not to claim or assert any interest or title in any Common Area. Owners hereby waive their right to adversely possess any Common Area, and hereby acknowledge and agree that any claim of adverse possession by an Owner of any Common Area will be void.

ARTICLE VIII. NOTICES AND EASEMENTS

A. Easements for Green Belt, Pond Maintenance, Flood Water and Other Landscape Reserves

Declarant and the Association reserve for themselves and their successors, assigns and designees the non-exclusive right and easement, but not the obligation, to enter upon any green belts, detention or landscape reserves, ponds, and other bodies of water located within the Property (a) to install, keep, maintain and replace pumps in order to obtain water for the irrigation of any of the Common Area, (b) to construct, maintain and repair any fountain, wall, dam, hardedge, canal, or other structure retaining water therein, and (c) to remove trash and other debris and fulfill their maintenance responsibilities as provided in this Declaration. Declarant's rights and easements hereunder will automatically terminate at such time as Declarant ceases to own any portion of the Property subject to the Declaration. The Declarant and the Association, and their designees will have an access easement over and across any portion of the Property abutting or containing any portion of any of the green belts and landscape reserves to the extent reasonably necessary to exercise their rights and responsibilities under this Declaration.

There is further reserved, for the benefit of Declarant, the Association, and their designees, a perpetual, non-exclusive right and easement of access and encroachment over Common Areas in order to enter upon and across such portions of the Property for the purpose of exercising rights and performing obligations under this Declaration. All persons entitled to exercise these easements must use reasonable care in, and repair any damage resulting from, the intentional exercise of such easements. Nothing herein will be construed to make Declarant or any other person or entity liable for damage resulting from flood due to hurricanes, heavy rainfall, or other natural disasters.

There is further reserved for the Declarant, the Association, and/or their designees an easement for the over spray of herbicides, fungicides, pesticides, fertilizers, and water over

portions of the Subdivision located adjacent to the Common Area, any landscape/open space reserves, greenbelts, canals, ponds, or other bodies of water.

B. Easements to Serve Additional Property

The Declarant and the Association, including their duly authorized agents, representatives, and employees, designees, successors, assignees, licensees and mortgagees, will have and there is hereby reserved an easement over the Common Areas for the purposes of enjoyment, use, access and development of any annexed property, whether or not such Property is made subject to this Declaration. This easement includes but is not limited to a right of ingress and egress over the Common Areas for construction of roads and for tying in and installation of utilities on any annexed property.

Declarant agrees that if an easement is exercised for permanent access to any annexed property and such property or any portion thereof is not made subject to this Declaration, the Declarant must enter into a reasonable agreement with the Association to share the cost of maintenance to any access roadway serving the property. Such agreement will provide for sharing of costs based on the ratio that the number of Dwellings or buildings on that portion of the property that is served by the easement and is not made subject to this Declaration bears to the total number of Dwellings and buildings within the Subdivision.

C. Utilities and General

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

Without limiting the generality of the foregoing, there are hereby reserved for the local water supplier, electric company, cable company and natural gas supplier easements across all the Common Areas for ingress, egress, installation, reading, replacing, repairing and maintaining utility meters boxes, installation equipment, service equipment, and any other device, machinery or equipment necessary for the proper functioning of the utility; however, the exercise of this easement will not extend to unauthorized entry into the Dwelling on any Homesite, except in an emergency. Notwithstanding anything to the contrary contained in this

Section, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on the Property, except as may be approved by the Board or Declarant.

D. Water Features

Owners of Lots within Villas at White Oak Ranch are hereby advised that several lakes, ponds, or water features exist either in close proximity to and/or within the Property, including but not limited to Restricted Reserve "E" within Villas at White Oak Ranch Section 1 which is restricted in its use to detention (collectively referred to as the "Water Features"). Owners of Lots within the Subdivision are hereby advised that there may be potentially dangerous conditions that may exist near the Water Features such as, by way of illustration and not limitation, the following: holes, streams, roots, stumps, ditches, gullies, erosion and/or instability of natural topography, insects, reptiles, and/or animals. It is possible for some or all of these conditions to extend into the Subdivision and the Lots within the Subdivision.

Owners and Occupants hereby agree to hold harmless the Declarant and the Association and release them from any liability for the existence, placement, construction, design, operation, replacement and/or maintenance of the Water Features and agree to indemnify such released parties from any liability arising out of or related to such Owner's or Occupant's use of, or proximity to, the Water Features. Each Owner and Occupant acknowledges and understands that the Association, its Board, and the Declarant are not insurers and that each Owner and Occupant assumes all risks for loss or damage to persons, and further acknowledge that the Association, its directors, officers, managers, agents, or employees, the Declarant or any successor declarant have made no representations or warranties nor has any Owner or Occupant relied upon any representations or warranties, expressed or implied, relative to water level variances, safety, any use, and/or any future change in use of the Water Features.

Owners grant an easement to the Declarant and the Association, or their respective designees, for any incidental noise, lighting, odors, parking, visibility and/or traffic, which may occur in the normal operation of the Water Features. There is further reserved for the Declarant, the Association and/or their designees an easement to the extent necessary over portions of Lots located adjacent to the Water Features for variances in water level and/or overspray of any products used to control vegetation and water quality within the Water Features.

The Declarant and/or the Association have the right to promulgate rules and regulations governing the use of the Water Features and will not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of the Water Features within the Property.

Owners and Occupants of Lots that are adjacent to or abut the Water Features must take care and may not permit any trash, fertilizers, chemicals, petroleum products, environmental hazards or any other foreign matters to infiltrate the Water Features. Any Owner or Occupant permitting or causing such infiltration will indemnify and hold harmless the Association for all costs of clean up and remediation necessary to restore the Water Features to their condition immediately prior to said infiltration.

Notwithstanding the foregoing, the Association, and the Declarant (for so long as the Declarant owns property that is or may be subjected to this Declaration) may use and regulate

the use of the Water Features for the irrigation of the Common Areas, or for any other purpose deemed appropriate by the Board or the Declarant, subject to the terms of any easement agreement affecting such use. The Declarant's rights under this Section are superior to any rights of the Association.

E. Road and Street Easements

The roads and streets in the Subdivision are not dedicated to the public, but shall be conveyed to the Association and operated as privately owned streets by the Association with each Owner having an easement for the use and benefit of such Owner of a Homesite fronting thereon or adjacent thereto, which easement includes rights of ingress, egress and passage over and along said streets in favor of Declarant, the Association, Owners and their respective legal representative, successors and assigns, guests, invitees, licensees, designees, and successors in title to each Lot Owner and in favor of the invitees and designees of each successors in title to each Lot Owner, but not in favor of the public.

Notwithstanding the Association's operation of the roads and streets in the Subdivision as privately owned streets, Declarant hereby grants to law enforcement agencies and officers of Montgomery County and the State of Texas, other governmental law enforcement bodies, fire department officials and fire protection personnel, vehicles and equipment, ambulances, school buses, Montgomery County officials and personnel and other governmental officials and personnel rights of ingress and egress and passage over and along said privately owned roads and streets of the Subdivision in connection with the performance of such individual's or entity's official functions. Declarant reserves the right to grant access to other individuals or entities.

F. Pipeline Easements

Owners within the Subdivision are hereby advised that within the Subdivision, as well as outside of and in near proximity thereto, there exist certain pipeline easements described in the Official Public Records of Real Property of Montgomery County, Texas.

Owners and Occupants of the Affected Lots hereby agree to hold harmless the Declarant and the Association and release them from any liability for the existence, placement, and/or maintenance of said Easements, and agree to indemnify the parties released from any damages they may sustain. Owners further grant an easement to the Declarant and the Association for any incidental odor, noise and/or visibility of said Easements, and/or traffic which may occur due to the existence of said Easements. Each Owner and Occupant acknowledges and understands that the Association, its Board, and the Declarant are not insurers and that each Owner and Occupant assumes all risks for loss or damage to persons, and further acknowledge that the Association, its directors, officers, managers, agents, or employees, the Declarant or any successor declarant have made no representations or warranties nor has any Owner or Occupant relied upon any representations or warranties, expressed or implied, relative to safety, any use, and/or any future change in use of the Easements.

G. Restricted Reserves

Owners of Lots within Villas at White Oak Ranch are hereby advised that reserve areas exist throughout the Property that may be restricted to uses such as, by way of illustration and not limitation, landscape, open space, drainage, detention, recreation and/or utility purposes, including Restricted Reserves A, B, C, D and E within Villas of White Oak Ranch Section 1, (all such reserves collectively referred to as the "Restricted Reserves"). Additional Restricted Reserves may be annexed into this Declaration in accordance with its terms. Owners and Occupants hereby agree to hold harmless the Declarant and the Association and release them from any liability for the existence, placement, construction, design, operation, replacement and/or maintenance of the Restricted Reserves and agree to indemnify such released parties from any liability arising out of or related to such Owner's or Occupant's use of, or proximity to, the Restricted Reserves. Each Owner and Occupant acknowledges and understands that the Association, its Board, and the Declarant are not insurers and that each Owner and Occupant assumes all risks for loss or damage to persons, and further acknowledge that the Association, its directors, officers, managers, agents, or employees, the Declarant or any successor declarant have made no representations or warranties nor has any Owner or Occupant relied upon any representations or warranties, expressed or implied, relative to safety, any use, and/or any future change in use of the Restricted Reserves.

Owners grant an easement to the Declarant and the Association, or their respective designees, for any incidental noise, lighting, odors, parking, visibility and/or traffic, which may occur in the normal operation of the Restricted Reserves. There is further reserved for the Declarant, the Association and/or their designees an easement for the overspray of herbicides, fungicides, pesticides, fertilizers, and water over portions of the Subdivision located adjacent to the Restricted Reserves.

The Declarant and/or the Association have the right to promulgate rules and regulations governing the use of the Restricted Reserves and will not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of the Restricted Reserves within the Subdivision.

Owners and Occupants of Lots that are adjacent to or abut the Restricted Reserves must take care and may not permit any trash, fertilizers, chemicals, petroleum products, environmental hazards or any other foreign matters to infiltrate the Restricted Reserves. Any Owner or Occupant permitting or causing such infiltration will indemnify and hold harmless the Association for all costs of clean up and remediation necessary to restore the Restricted Reserves to their condition immediately prior to said infiltration.

H. Community Center

Owners are advised that there exists or will exist within Villas at White Oak Ranch a Community Center ("Community Center"). Such Community Center may include, by way of illustration and not limitation, a clubhouse, clubhouse parking, aquatics, bocce ball courts, and pickle ball courts. Further, such Community Center may be illuminated for night time activities. Owners and Occupants hereby agree to hold harmless the Declarant and the Association and release them from any liability for the existence, placement, construction, design, operation, replacement and/or maintenance of the Community Center and agree to

indemnify the parties released from any damages they may sustain regarding the Community Center. Each Owner and Occupant acknowledges and understands that the Association, its Board, and the Declarant are not insurers and that each Owner and Occupant assumes all risks for loss or damage to persons, and further acknowledge that the Association, its directors, officers, managers, agents, or employees, the Declarant or any successor declarant have made no representations or warranties nor has any Owner or Occupant relied upon any representations or warranties, expressed or implied, relative to safety, any use, and/or any future change in use of the Recreation Center.

Furthermore, Owners and Occupants of Lots located adjacent to, or in close proximity to, the Community Center ("Affected Lots") are subject to the risk of damage or injury due to errant sports balls and/or the use and improvements (if any) of the Community Center. Owners and Occupants of Affected Lots, their successors and assigns hereby assume the risk of damage and injury and hereby release the Association and/or the Declarant, their agents, employees, officers, successors and assigns, from any and all liability for damage or injury caused by errant sports balls in, on, or around the Community Center and/or the use and improvements (if any) of the Community Center. There is hereby reserved and granted to the Declarant and the Association, as to the Affected Lots, along with the Declarant's and Association's servants, independent contractors, agents, members, guests and invitees, a nonexclusive easement over and across the Affected Lots, or portions thereof as provided below, for the following purposes:

- (i) Flight of sports balls over, across, and upon the Affected Lots;
- (ii) Doing of every act necessary and incident to the use of and playing of recreational activities on or within the Community Center, including, lighting of parking facilities and lighting within the Community Center; and
- (iii) Creation of noise related to the normal maintenance, operation, use and Community activities of the Community Center, including, but not limited to, the operation of mowing and spraying equipment. Such noise may occur from early morning until late evening.

Owners grant an easement to the Declarant and the Association, or their respective designees, for any incidental noise, lighting, odors, parking, visibility and/or traffic, which may occur in the normal operation of the Community Center. There is further reserved for the Declarant, the Association and/or their designees an easement for the overspray of herbicides, fungicides, pesticides, fertilizers, and water over portions of the Subdivision located adjacent to the Community Center. The Declarant and/or the Association have the right to promulgate rules and regulations governing the use of the Community Center and will not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of the Community Center.

Owners and Occupants of Lots that are adjacent to or abut the Community Center will take care and will not permit any trash, fertilizers, chemicals, petroleum products, environmental hazards or any other foreign matters to infiltrate the Community Center. Any Owner or Occupant permitting or causing such infiltration will indemnify and hold harmless

the Association for all costs of clean up and remediation necessary to restore the Community Center to their condition immediately prior to said infiltration.

**ARTICLE IX.
DEED RESTRICTION ENFORCEMENT**

A. Authority to Promulgate Rules, Policies, and Guidelines

The Board has the authority, without the obligation, to promulgate, amend, cancel, limit, create exceptions to, and enforce reasonable rules, policies, and Guidelines, including but not limited to rules and policies concerning the administration of the Property, the enforcement of the Dedicatory Instruments, the use and enjoyment of the Property, limitations on the use of the Common Area, establishing and setting the amount of fines for violations of the Dedicatory Instruments and all fees and costs generated in the enforcement of the Dedicatory Instruments. Such rules, policies, and Guidelines will be binding upon all Owners and Occupants, if any. The rights and remedies contained in this Article are cumulative and supplement all other rights of enforcement under applicable law.

B. Attorney's Fees and Fines

In addition to all other remedies that may be available, after giving notice and an opportunity to be heard as may be required by Chapter 209 of the Texas Property Code, as same may be amended, the Association has the right to collect attorney's fees and/or fines as set by the Board from any Owner that is in violation of the Dedicatory Instruments, any applicable Supplemental Amendment or amendments, any Guidelines, or any other rule or regulation promulgated by the Board pursuant to the provisions set forth herein. Said attorneys fees and fines will be added to the violating Owner's Assessment account and will be secured by the continuing lien on the Lot.

C. Remedies

Every Owner must comply with all provisions of the Dedicatory Instruments. Failure to comply will be grounds for an action to recover sums due, for damages or injunctive relief, or for any other remedy available at law or in equity, maintainable by the Association. In addition, the Board has the authority, but not the obligation, to enforce the covenants, conditions and restrictions contained in the Dedicatory Instruments, and to regulate the use, maintenance, repair replacement, modification, and appearance of the Subdivision, and may avail itself of any and all remedies provided in the Dedicatory Instruments and local, state and Federal law. Notwithstanding anything contained herein to the contrary, the Board has no duty, legal or otherwise, to institute legal or other proceedings on behalf of or in the name of an Owner.

The decision to pursue enforcement action in any particular case will be left to the Board's discretion. Without limiting the generality of the foregoing sentence, the Board may determine that, under the circumstances of a particular case:

- (i) the Association's position is not strong enough to justify taking any or further action;

- (ii) although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources; or
- (iii) it is not in the Association's best interests, based upon hardship, expense, or other reasonable criteria, to pursue enforcement action.

Such decision will not be construed a waiver of the Association's right to enforce such provision at a later time under other circumstances or preclude the Association from enforcing any Dedicatory Instrument.

D. Enforcement by Owners

Each Lot Owner is empowered to enforce the covenants, conditions and restrictions contained in the Dedicatory Instruments; provided, however, no Owner will have the right to enforce the lien rights retained in this Declaration in favor of the Association and/or other rights, regarding Assessments, Fees, fines, or other charges retained by the Association.

E. Self Help

"Self Help" means the authority, but not the obligation, of the Association, upon approval of not less than a majority of the Board members, to enter upon a Lot or Homesite and cause to be performed any of the Owner's maintenance and repair obligations, or acts required by that Owner to bring his/her Lot or Homesite into compliance with the Dedicatory Instruments, if said Owner fails to perform same after written demand from the Board. In exercising its Self Help remedy, the Association will not be subject to any liability for trespass, other tort or damages in connection with or arising from such exercise of Self Help, nor in any way will the Association or its agent be liable for any accounting or other claim for such action. The Association will have the right, but not the obligation, to enter into any Lot for emergency, security, and safety reasons, and to inspect for the purpose of ensuring compliance with the Dedicatory Instruments, which right may be exercised by the Association's Board, officers, agents, employees, managers, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in the case of emergency situations, and as otherwise specified herein, the Association must give the violating Owner notice as may be required by law, of its intent to exercise Self Help.

Subject to any notice that may be required by law, any costs incurred by the Association in the exercise of its Self Help remedy will be the personal obligation of the person or entity who was the Owner of the Lot at the time when the Self Help costs were incurred. Subject to any notice that may be required by law, the costs incurred by the Association in exercising its Self Help remedy, which costs may include by way of illustration and not limitation, the actual costs incurred by the Association and an administrative fee set by the Board, may be charged to the subject Owner's Assessment account and will be supported by the continuing lien created herein.

**ARTICLE X.
ARCHITECTURAL RESTRICTIONS**

The provisions of this Article are broad and sweeping and an extremely wide range of activities are regulated hereby. Owners are advised to review this Article and the Guidelines carefully to ensure that they comply with all of the requirements before commencing any work or engaging in any activity on or in connection with their Lot or Dwelling to ensure they comply with all of the provisions set forth herein and in the Guidelines. Work commenced, performed, or completed without prior approval as required herein, in the Guidelines, or otherwise in violation of the terms of the Dedicatory Instruments, or applicable law may subject the Owner of the Lot to substantial costs, expenses, fees, and penalties, which may be in addition to a requirement that the Lot and/or Dwelling be restored to its original condition. All references herein to ASC approval means the prior written approval of the ASC.

Owners are hereby on notice that all plans must first be approved by the ASC.

A. Architectural Standards Committee - "ASC"

The ASC will be a committee of the Board. In the absence of a designation by the Declarant, the initial ASC will be composed of the individuals designated as the initial members of the Board as set forth in the Association's Certificate of Formation; provided however, the Declarant will have the sole authority to designate all members of the ASC who need not be members of the Board. One member of the ASC may be designated as the representative to act on behalf of the ASC. During the Development Period, the Declarant reserves the right to appoint replacements as necessary by reason of resignation, removal or incapacity. The Declarant will retain the right of ASC appointment and removal until the first to occur of the following:

1. the Declarant no longer owns any portion of the Property, or
2. the Declarant relinquishes, in writing, its authority over ASC appointment.

At such time, the Board of the Association will have the right to replace such ASC members by duly appointing Members of the Association. The Board reserves the right to appoint replacements as necessary by reason of resignation, removal or incapacity. Such removal and/or appointment will be at the sole authority and discretion of the Board and the Board will have the right to review any action or non-action taken by the ASC and will be the final authority.

At any time prior to the happening of (1) or (2) above, the Declarant may, without obligation, assign to the Board, or such other person the Declarant deems appropriate, all or a portion of Declarant's ASC rights and/or the responsibility for review and approval of modifications to existing Dwellings.

Guidelines may be promulgated and amended by the Declarant during the Development Period. After the expiration of the Development Period, Guidelines may be promulgated and amended by Board. Guidelines may be modified or amended as deemed necessary and appropriate for the orderly development of the Subdivision, including, but not

limited to, those portions of the Guidelines regarding workmanship, materials, building methods, observance of requirements concerning installation and maintenance of public utility facilities and services, and compliance with governmental regulations. Subject to the provisions herein, there will be no limitation on the scope of amendments to the Guidelines, and such amendments may remove requirements previously imposed or otherwise make the Guidelines less restrictive. The rules, standards, and procedures set forth in the Guidelines, as same may be amended from time to time, are binding and enforceable against each Owner in the same manner as any Dedicatory Instrument. Further, different Guidelines for additional property that may be annexed into the Property may be promulgated.

The ASC has the authority, but not the obligation, to delegate review and approval or denial of plans for modifications of existing improvements within the Subdivision to a Modifications Committee. The members of the Modifications Committee will be appointed, and may be removed, by the Declarant during the Development Period, and thereafter by the Board. A denial by the Modifications Committee, if it is created, may be appealed to the ASC.

B. ASC Approval Required

No buildings, Hardscape, additions, modifications (including tree removal) or improvements may be erected, placed or performed on any Lot or Homesite until the construction plans and specifications including, but not limited to, the site plan, design development plan, and exterior plan have been submitted in duplicate to and approved in writing by the ASC as hereinafter provided. Builders may submit their design plans as master design plans, which plans must include all specifications, including specifications as to brick color and paint color that may be used when building each design. In the event the ASC fails to approve such plans and specifications within thirty (30) days after the receipt thereof, they will be deemed to be disapproved. In no case may construction begin prior to approval of plans by the ASC. If plans are disapproved, no construction can commence until revised plans are submitted and approved by the ASC. The Board has the right to establish and charge a review fee, to be paid at the time of submittal of plans and any revisions. If a fee is set and not paid, the thirty (30) day time period set out herein will not begin to run until the fee is paid.

The Board, on behalf of the ASC, may retain and/or delegate review of plans and specifications to a designated AIA architect or other such person or firm as may be designated by the Board, experienced or qualified to review same, who may then render an opinion to the ASC or Board. Approval of plans and specifications will not cover or include approval for any other purpose and specifically, but without limitation, will not be construed as any representation as to or responsibility for the structural design or engineering of the improvement or the ultimate construction thereof.

The Board will have the authority hereunder to require any Owner or Owner's agents or contractors to cease and desist in constructing or altering any improvements on any Homesite, where such actions have not first been reviewed and approved, constitute a violation of the Dedicatory Instruments or any other documents promulgated by the Board pursuant to the provisions set forth herein. Written notice may be delivered to the Owner, or any agent or contractor with apparent authority to accept same, and such notice will be binding on Owner as if actually delivered to Owner. The violating Owner must remove such violating improvements or sitework at its sole expense and without delay, returning same to its original condition or

bringing the Homesite into compliance with the Dedicatory Instruments and any plans and specifications approved by the ASC for construction on that Homesite. If an Owner proceeds with construction that is not approved by the ASC, or that is a variance of the approved plans, the Association may assess fines as provided for herein, and may continue to assess such fines until ASC approval is granted or the violation is removed. This Declaration is notice of such liability for violation and Owners hereby agree to bear the cost and expense to cure any violations according to this provision, regardless of the substantial cost, time or loss of business involved. Each Owner acknowledges that it may not always be possible to identify objectionable features of proposed construction or alteration of improvements until such construction and/or alteration is completed, in which case it may be unreasonable to require changes to the improvements involved; however, the ASC may refuse to approve similar proposals in the future.

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

The ASC will have the right to set reasonable time constraints for both the commencement and completion of construction, which constraints must be no less than ninety (90) days to commence construction and no more than nine (9) months to complete construction. If construction fails to start before the designated commencement date or is not completed before the designated completion date the plans will be deemed not approved. Plan approval will be effective for twelve (12) months after issued by the ASC. If no construction has been commenced within the twelve (12) month period after ASC approval, the plan approval will expire, and plans must be re-submitted prior to commencement of construction.

C. Building Setbacks

No Dwelling or other structure may be erected nearer to any street or property line than as established herein, in a Supplemental Amendment, in the Guidelines or the applicable plat or other Dedicatory Instrument. In the event there is a conflict between the Guidelines, this Declaration, any other documents imposed upon the Property that contain a setback requirement, and the applicable plat, the more restrictive will control. Notwithstanding anything to the contrary herein, in no case will any setback on any Lot be less than the width of any easement existing on a Lot, as shown on the applicable plat. All Dwellings must be oriented to the front of the Lot. Unless otherwise provided on the applicable plat or other Dedicatory Instrument, no Dwelling may be built within five feet (5') of a side Lot line. Unless otherwise provided on the applicable plat or other Dedicatory Instrument, all Lots have a minimum rear setback of the greater of ten feet (10') or the width of any easement.

D. Landscaping

All open, unpaved space in the front and at the sides of a Homesite must be planted and landscaped. Declarant or the Association will provide and maintain landscaping outside the fenced area of a Homesite. The Owner is responsible for providing and maintaining any

landscaping inside the fenced area of a Homesite. Any additional landscaping the Owner wishes to add to the existing landscaping on any Homesite must have prior written approval from the ASC.

E. Grading and Drainage

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

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

F. Temporary Structures

Temporary structures may only be erected on undeveloped Property by Builders with the prior written approval of the ASC, or the Declarant. Even temporary structures are maintained in good condition and all construction debris must be contained to the site. Time limitations for such structures are limited to the period of active and exclusive construction and sales within the Subdivision.

G. Garages

Dwellings must at all times have either an attached or detached garage. Garages are required to maintain fully operational overhead doors which are in good condition at all times. No garage may be used for or converted to a living area. Garage doors must remain closed at all times, except to the limited extent reasonably necessary to permit entry or exit of vehicles or persons.

H. Minimum Square Footage

All Dwellings must contain a minimum number of square feet of living area which will not include porches, garages or non-air conditioned areas. Varying minimum and maximum square footage requirements may be set forth in a Dedicatory Instrument or Guidelines. Care should be taken to verify the required minimum and maximum square footage before submitting any application to the ASC.

Notwithstanding anything contained herein to the contrary, the Declarant hereby reserves the right to develop the Subdivision, and/or any additional property which may be subjected to this Declaration, in any manner consistent with residential use, including but not limited to Dwellings which may contain higher or lower square footage requirements in other portions of the Subdivision.

I. No Combining of Lots

Combining multiple Lots to create one Homesite is not permitted.

**ARTICLE XI.
MAINTENANCE**

A. General Maintenance

Each Owner must maintain and keep in good repair his or her Dwelling and all structures, parking areas and other improvements, including the driveway and its apron portion forward of the building line comprising the Homesite. The Association will repaint the fascia and the soffet of the Dwelling every five to seven years, with such intervals to be determined at the sole discretion of the Board. All other structures, exterior components of the Dwelling and other improvements designed to be painted must be maintained and kept painted by the Owner. Further, the paint may not be allowed to become faded, cracked, flaked or damaged in any manner. By way of example and not limitation, the Owner is responsible for maintenance and painting of the front door, garage door(s), and shutters, and power washing of driveways, fences and exterior surfaces. The Association will clean gutters of the Dwelling as the Board deems necessary in its sole discretion.

B. Landscaping

The Association will provide the following services at each Homesite outside the fenced area: mowing, edging, weed control and fertilization for the lawn, trimming of bushes, and irrigation. The Association will replace dead or diseased plants that were installed by Declarant or the Association. The Owner is responsible for maintaining and replacing any landscaping he or she installs.

Each Owner hereby grants to the Association and its designees an easement over and across such Owner's Lot for the purpose of providing such maintenance. The Association or its designees are authorized to enter upon any Lot to conduct such maintenance, and in doing so will not be subject to any liability for trespass, other tort or damages in connection with or arising from such entry, and maintenance nor in any way will the Association or its designees be liable for any accounting or other claim for such action. Additionally, the Association is responsible for the maintenance of the landscape buffers located throughout the Subdivision.

The Owner must maintain all landscaping, grass or vegetation that is within the fenced area of a Lot. In the event an Owner fails to maintain all landscaping, grass or vegetation that is within the fenced area of a Lot in a manner consistent with the Community Wide Standard established within the Property and satisfactory to the Board, the Board, after providing notice as may be required by law setting forth the action intended to be taken by the Association and after approval by a majority vote of the Board, has the right, but not the obligation, through its agent, contractors and/or employees, to exercise its Self Help remedy to bring the Owner's Lot into compliance with this provision.

C. Dwelling and Improvement Exteriors

In the event any Owner of any Homesite fails to maintain the exterior of the Homesite or improvement in a manner consistent with the Community Wide Standard established within the Property as solely determined by the Board, the Board, after providing notice as may be required by law setting forth the action intended to be taken by the Association and after approval by a majority vote of the Board, has the right, but not the obligation, through its agents, contractors and/or employees, to enter upon said Homesite and to exercise its Self Help remedy to bring the Owner's Lot into compliance with this provision.

D. Other Hazards

To the extent necessary to prevent pest infestation, diminish fire hazards and/or diminish hazards caused by structural damage, the Association has the right, but not the obligation, through its agents, contractors and/or employees, to enter any unoccupied Dwelling or other improvement located upon such Homesite, without notice to take the action necessary to prevent such pest infestation, diminish such fire hazards or diminish hazards caused by structural damage at the Owner's expense. Any such expenses, including administrative fees set by the Board, incurred by the Association will be secured by the continuing lien created herein.

E. Liability, Cost and Approval

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

All Owners' replacement, repair and restoration practices as to the improvements on Property within the Subdivision are subject to the prior written approval of the ASC and must comply with all Guidelines which may change from time to time, as found necessary and appropriate in the discretion of the Board.

F. Casualty Losses

It will be the Owner's obligation to have repaired or reconstructed any damage or destruction to their Dwelling or Lot. If a Dwelling, landscaping, Outbuilding or any other improvement located on a Lot is damaged by fire, storm, or any other casualty, the Owner must bring the affected Lot and all improvements thereon, as applicable, into compliance with the Dedicatory Instruments within six (6) months of the date of the casualty, pursuant to the architectural requirements and approval process set forth in the Dedicatory Instruments. Regarding Dwellings that are totally destroyed due to casualty, the Owner(s) of such Dwellings must have the Dwellings or damaged portions of the Dwellings razed within ninety (90) days of

the date of the casualty, and replaced within twelve (12) months of the date of the casualty, subject to ASC prior written approval.

ARTICLE XII. VARIANCES

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

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

ARTICLE XIII. LIMITATION OF LIABILITY

NEITHER DECLARANT, THE ASSOCIATION, THE ASC, THE BOARD, NOR ANY OF THE RESPECTIVE OFFICERS, AGENTS, MANAGERS, PARTNERS, DIRECTORS, SUCCESSORS OR ASSIGNS OF THE ABOVE, ARE LIABLE IN DAMAGES OR OTHERWISE TO ANYONE WHO SUBMITS MATTERS FOR APPROVAL TO ANY OF THE ABOVE-MENTIONED PARTIES, OR TO ANY OWNER AFFECTED BY THIS DECLARATION BY REASON OF MISTAKE OF JUDGMENT, NEGLIGENCE, OR NONFEASANCE ARISING OUT OF OR IN CONNECTION WITH THE APPROVAL, DISAPPROVAL, OR FAILURE TO APPROVE OR DISAPPROVE ANY MATTERS REQUIRING APPROVAL HEREUNDER. APPROVAL BY THE ASC, THE BOARD, OR THE ASSOCIATION, OR ANY OF THEIR RESPECTIVE OFFICERS, PARTNERS, DIRECTORS, AGENTS, MANAGERS, SUCCESSORS OR ASSIGNS, IS NOT INTENDED AS ANY KIND OF WARRANTY OR GUARANTEE AS TO THE INTEGRITY OR WORKABILITY OF THE PLANS OR THE CONTRACTORS USED.

**ARTICLE XIV.
ASSESSMENTS**

A. Creation of the Lien and Personal Obligation of Assessments

The Owners of any Lot, by virtue of ownership of Property within the Subdivision, covenant and agree to pay all applicable assessments and any fines, penalties, interest and costs as more particularly set forth in this Declaration and any applicable Dedicatory Instrument, including but not limited to the following:

1. Annual Assessment
2. Special Assessment
3. Capitalization Fee

The Annual Assessment, Special Assessment, Capitalization Fee, and any other assessment or charge set forth in this Declaration or a Dedicatory Instrument (collectively the "Assessment"), together with attorney's fees, late fees, interest and costs are a charge and continuing lien in favor of the Association upon the Homesite and/or Lot against which each such Assessment is made. Each such Assessment, together with attorney's fees, late fees, interest and costs, will also be the personal obligation of the person or entity who was the Owner of the land at the time when the Assessment became due. No diminution or abatement of Assessments or set-off will be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or the Board under this Declaration, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association. The obligation to pay Assessments is a separate covenant on the part of each Owner of a Lot.

B. Purpose of Assessments

Assessments levied by the Association will be used for any legal purpose for the benefit of the Subdivision as determined by the Board and, in particular, may, by way of example and not limitation or obligation, maintenance, repair or improvement of any Common Area, sidewalks, pathways, fountains, parkways, private streets and roads, entry gates installed as a controlled access system, boulevards, esplanades, setbacks and entryways, patrol service, street cleaning, street lighting, mosquito control, landscape architecture, greenbelts, fences or walls, regulatory signage or directional signage, signalization, special pavement markings, entrances and entrance monuments, public or private art or sculptures, other services as may be in the Property's and Owners' interest and all buildings, services, improvements and facilities deemed necessary or desirable by the Board in connection with the administration, management, control and operation of the Subdivision. The Association may, in its sole discretion, give one or more of the purposes set forth herein preference over other purposes, and it is agreed that all expenses incurred and expenditures and decisions made by the Association in good faith will be binding and conclusive on all Members. Parkway, fountains, private streets, roads, esplanades, setbacks and entryways that are not contained in any Common Area may be included in the Association's maintenance if, in the sole discretion of the Board, the maintenance of such areas benefits the Association's Members. Such share agreements for maintenance and improvement will require the consent of a majority of the total number of

directors of the Association. Additionally, Assessments levied by the Association may be used, in the sole discretion of the Association, to pay the Association's fair allocation for maintenance costs for the participation in any agreement among other property owners associations in the area and for consolidated programs that provide consistency and economy of scale. Approval to enter such agreements will require a majority vote of the Board.

C. Annual Assessment

The Lots within the Subdivision are subject to the Annual Assessment, as follows:

1. Creation

Payment of the Annual Assessment is the obligation of each Owner, subject to the provisions below, and constitutes a lien on the Homesite, or Lot(s), binding and enforceable as provided in this Declaration.

2. Rate

The initial Annual Assessment established by the Association will be Three Thousand, Three Hundred Sixty and 00/100 Dollars (\$3,360.00) ("Standard Rate") per Lot. The amount of this initial Annual Assessment may be adjusted pursuant to the terms set forth hereinafter. The Annual Assessment may be paid in full on January 1st of each year; however, Owners have the option to pay the Annual Assessment in equal monthly installments due on the first day of each month.

Declarant may elect annually to pay the deficit between the total approved operating budget for the year less the total amount due by Class A Members (the "Deficit"), or elect to pay Annual Assessments, so long as there is a Deficit, at the rate of fifty percent (50%) of the amount assessed Class A Members for each Lot owned. Notwithstanding anything contained herein to the contrary, the Declarant is hereby vested with the authority, without the obligation, to elect to pay the lesser of the options set forth in the previous sentence, even if the option selected results in the Declarant owing nothing. The Declarant's obligation to fund the deficit automatically terminates without further action or consent by any party, when Declarant no longer owns a Lot. Declarant is required to provide written notice to the Board each year by September 1st of the elected option. Failure to provide such notice will result in Declarant being billed in the manner of the last option taken by Declarant. If no option has ever been taken by Declarant, then Declarant will be billed the difference between the total approved operating budget for the year less the total amount due by Class A Members.

A Builder is not obligated to pay the Annual Assessment for the period of time that the Builder owns a Lot. Notwithstanding anything contained herein to the contrary, any Lot being used by Declarant or a Builder as a model home or sales office Lot is not subject to any Assessments created herein. Upon conveyance of such model home or sales office Lot to a purchaser, said Lot will thereafter be subject to all Assessments and charges provided for in this Declaration and as secured by the liens created herein.

3. Commencement

For purposes of calculation, the initial Annual Assessment for a Lot will commence on the date of closing.

4. Proration

An Owner's initial Annual Assessment will be made for the balance of the calendar year as determined on a pro-rata basis and will become due and payable on the commencement date described above. The Annual Assessment for any year after the first year will be due and payable on the first day of January. Any Owner who purchases a Lot or Lots after the first day of January in any year will be personally responsible for a pro-rated Annual Assessment amount for that year. The Annual Assessment may be paid in equal monthly installments due on the first day of each month; however, in the event an Owner fails to pay monthly installments for three (3) consecutive months, the Association may accelerate the debt and demand payment in full of the Annual Assessment within thirty (30) days.

5. Levying of the Annual Assessment

The Annual Assessment will be levied at the sole discretion of the Board. The Board will determine the sufficiency or insufficiency of the then-current Annual Assessment to reasonably meet the expenses for providing services and capital improvements in the Subdivision and may, at its sole discretion and without a vote by the Members, increase the Annual Assessment in an amount up to ten percent (10%) annually. The Annual Assessment may only be increased by more than ten percent (10%) annually if such increase is approved by Owners of a majority of the Lots present, in person or by proxy, at a meeting called for said purpose at which a quorum is present in person or by proxy. The Annual Assessment may not be adjusted more than once in a calendar year nor will any increase be construed to take effect retroactively, unless otherwise approved by Owners of a majority of the Lots subject to such Annual Assessments present at a meeting called for said purpose at which a quorum is present in person or by proxy.

Annual Assessments will be paid in such manner and on such dates as the Board may establish, which may include discounts for early payment or similar time/price and method of payment differentials. The Board may require advance payment of Annual Assessments at closing of the transfer of title to a Lot, and impose special requirements for Owners with a history of delinquent payment.

The annexation of all or a portion of property adjoining the Subdivision may result in the Board adjusting the rate of Annual Assessments to be charged to the annexed property such that the adjusted Annual Assessments may not be uniform with the Annual Assessments being charged to other Owners. The Board will have the absolute discretion to determine any such adjustment on a case-by-case basis.

D. Special Assessment

In addition to the Annual Assessment authorized above, the Association may levy a Special Assessment applicable to that year only for the purpose of defraying in whole or in part the cost of any construction, reconstruction, modification, repair or replacement of a capital improvement in the Common Area, or any unbudgeted expenses or expenses in excess of those budgeted, unusual, infrequent expense benefiting the Association. The Board may impose a Special Assessment not more than once per year of up to five hundred dollars (\$500.00) at its sole discretion and without a vote by the Members. Any Special Assessment greater than five hundred dollars (\$500.00) must have the approval of both (i) the Owners of a majority of the Lots present at a meeting duly called for this purpose at which a quorum is present in person or by proxy; and (ii) the written approval of the Declarant during the Development Period. Such Special Assessments will be due and payable as determined by the Board and will be levied only against those Owners subject to the Annual Assessment as set forth hereinabove and will be prorated in accordance therewith. The Association, if it so chooses, may levy a Special Assessment against only those Lots benefited by or using the capital improvement for which the Special Assessment is being levied. Special Assessments are due upon presentment of an invoice, or copy thereof, for the same to the last-known address of the Owner. Declarant will not be obligated to pay Special Assessments.

E. Capitalization Fee

Each purchaser of a Lot within Villas at White Oak Ranch, other than the Declarant, hereby covenants and agrees to pay to the Association a capitalization fee, which will be an amount equal to fifty percent (50%) of the then-current Annual Assessment (at the Standard Rate amount, as same may be adjusted pursuant to the terms herein) for such Lot ("Capitalization Fee"), unless otherwise determined by the Board. The Capitalization Fee will not be prorated. The Capitalization Fee is secured by the continuing lien set out herein and will be collected in the same manner as Assessments. This amount will be in addition to, not in lieu of, the Annual Assessment and will not be considered an advance payment of such Annual Assessments.

The Capitalization Fee may be used by the Association for any purpose, which in the Association's sole discretion is for the benefit of the Subdivision, including, but not limited to, maintenance of the lakes, ponds, and other bodies of water, installation, maintenance and improvement of Community Sites and the facilities located thereon, maintenance of gates, fences, and/or monuments, if any, which in the Association's sole discretion, benefit the Subdivision, and/or placement of such Capitalization Fee in a reserve account. The transferring Owner must notify the Association's Secretary, or managing agent, of a pending title transfer at least seven days prior to the transfer. Such notice must include the name of the purchaser, the date of title transfer, and other information as the Board may require.

F. Collection and Remedies for Assessments

1. The Assessments provided for in this Declaration, together with attorneys' fees, interest, late fees and costs as necessary for collection, will be a charge on and a continuing lien upon the land in favor of the Association against which each such

Assessment is made. Each such Assessment, together with attorney's fees, interest, late fees, and costs, will also be the personal obligation of the Owner of the Lot at the time the Assessment became due.

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

3. In order to secure the payment of the Assessments hereby levied, a lien is hereby reserved in favor of the Association in each deed from the Declarant to the Owner of each Lot in the Subdivision, which lien may be foreclosed upon by the Association pursuant to the laws of the State of Texas; each Owner grants a power of sale to the Association to sell such property upon default in payment by any amount owed. Alternatively, the Association may judicially foreclose the lien or maintain an action at law to collect the amount owed.

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

5. Although no further action is required to create or perfect the lien, the Association may, as further evidence give notice of the lien, by executing and recording a document setting forth notice that delinquent sums are due the Association at the time such document is executed and the fact that a lien exists to secure the repayment thereof. However the failure of the Association to execute and record any such document will not, to any extent, affect the validity, enforceability, or priority of the lien. If required by law, the Association must also give notice and an opportunity to cure the delinquency to any holder of a lien that is inferior or subordinate to the Association's lien, pursuant to Section 209.0091 of the Texas Property Code, or its successor statute.

6. In the event the Association has determined to foreclose its lien provided herein, and to exercise the power of sale hereby granted, such foreclosure will be accomplished pursuant to the requirements of Sections 209.0091 and 209.0092 of the Texas Property Code by first obtaining a court order in an application for expedited foreclosure under the rules adopted by the Supreme Court of Texas. Notwithstanding anything contained herein to the contrary, in the event that the laws of the State of Texas are changed to no longer require a court order in an application for expedited foreclosure, the Association may pursue foreclosure of its lien via any method established herein, including but not limited to nonjudicial foreclosure, as may be permitted by the then-current law, without the necessity of amending this Declaration. At any foreclosure proceeding, any person or entity, including but not limited to the Declarant, Association or any Owner, will have the right to bid for such Lot at the foreclosure sale and to acquire and hold, lease, mortgage and convey the same. During the period such foreclosed Lot is owned by the Association following foreclosure, (1) no right to vote will be exercised on its behalf; and, (2) no Assessment will be levied on it. Out of the proceeds of such sale, there will be paid all expenses incurred by the Association in connection with such default, including attorneys' fees and trustee's fees; second, from such proceeds there will be

paid to the Association an amount equal to the amount of Assessments in default inclusive of interest, late charges and attorneys' fees; and, third, the remaining balance, if any, will be paid to such Owner. Following any such foreclosure, each Occupant of any such Lot foreclosed on and each Occupant of any improvements thereon will be deemed to be a tenant-at-sufferance and may be removed from possession by any lawful means.

G. Subordination of the Lien to Purchase Money Mortgages

The lien for Assessments, including interest, late charges, costs and attorney's fees, provided for herein will be subordinate to the lien of any purchase money mortgage on any Lot or Homesite. The sale or transfer of any Lot or Homesite will not affect the lien. The sale or transfer will not relieve such Lot or Homesite from lien rights for any Assessments thereafter becoming due. Where the mortgagee holding a purchase money mortgage of record or other purchaser of a Lot or Homesite obtains title pursuant to foreclosure of the mortgage, it will not be liable for the share of the Assessments or other charges by the Association chargeable to such Lot or Homesite that became due prior to such acquisition of title. However, from the date of foreclosure forward, such Assessments again accrue and be payable to the Association.

H. Notice of Delinquency

When the Association or its agent or designee gives a written notice of the Assessment to any Owner who has not paid an Assessment that is due under this Declaration, such notice will be mailed to the Owner's last known address. The address of the Lot or Homesite will be presumed to be the address for proper notice unless written notice of another address has been provided by the Owner to the Association.

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

A. Amendment by Declarant

In addition to specific amendment rights granted elsewhere in this Declaration, until termination of the Development Period, the Declarant may amend this Declaration and any Supplemental Amendment for any purpose. Any such amendment may not adversely affect the title to any Lots or Homesites unless the Owner consents thereto in writing.

After the expiration of the Development Period, the Declarant may amend this Declaration and any Supplemental Amendment at any time without the joinder or consent of any Owners, entity, Lender or other person to amend this Declaration and any Supplemental Amendment if such amendment is (a) necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation, or judicial determination; (b) necessary to enable any reputable title insurance company to issue title insurance coverage on Lots and Homesites; (c) required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Lots or Homesites; (d) necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on Lots or Homesites; or (e) for the purpose of clarifying or resolving any ambiguities or conflicts herein or in any

Supplemental Amendment, or correcting any inadvertent misstatements, errors or omissions herein or in any Supplemental Amendment; provided, however, any such amendment may not adversely affect the title to any Lots or Homesites unless the Owner consents thereto in writing.

Any amendment made by the Declarant must be recorded in the Official Public Records of Montgomery County, Texas, whereupon to the extent of any conflict with this Declaration or Supplemental Amendment, and any amendment thereto, the more restrictive provision will control.

Any amendment made to the Declaration or a Supplemental Amendment will become effective upon recording unless otherwise specified in the amendment.

B. Amendment by Owners

During the Development Period, this Declaration and any Supplemental Amendment may be amended, modified or terminated by the approval of Owners of a majority of the Lots and the written consent of the Declarant. After the termination of the Development Period, this Declaration and any Supplemental Amendment may be amended, modified or terminated by the approval of Owners of a majority of the Lots and the written consent of the Association.

Upon approval of the Owners, as set out above of said amended declaration or amended supplemental amendment (as evidenced by the President's or Vice-President's signature) the amended declaration or amended supplemental amendment must be recorded in the Official Public Records of Montgomery County, Texas, whereupon to the extent of any conflict with this Declaration or Supplemental Amendment and any amendment thereto, the more restrictive provision will control. For purposes of this Section, the approval of multiple Owners of a Lot may be reflected by the signature of any one Owner of such Lot.

Notwithstanding anything contained herein to the contrary, the Association is entitled to use any combination of the following methods to obtain approval of the Owners for an amendment to the Declaration and any Supplemental Amendment:

1. by written ballot, or electronic ballot as same may be established by the Board, that states the substance of the amendment and specifies the date by which a written or electronic ballot must be received to be counted;
2. at a meeting of the Members of the Association, if written notice of the meeting stating the purpose of the meeting is delivered to the Owners of the Lots; such notice may be hand-delivered to the Owners, sent via regular mail to the Owner's last known mailing address, as reflected in the Association's records, or via email to the Owner's email address as reflected in the Association's records;
3. by door-to-door circulation of a petition by the Association or a person authorized by the Association; and/or
4. by any other method permitted under this Declaration or applicable law. Any limitation of amendment to the Declaration and any Supplemental Amendment related to said Property will not limit the rights of the Declarant pertaining to the

Declaration and any Supplemental Amendment as otherwise herein reserved. Particularly reserved to the Declarant, is the right and privilege of Declarant to designate the use and architectural restrictions applicable to any portion of the Properties, as provided herein; and such designation, or subsequent change of designation, will not be deemed to adversely affect any substantive right of any existing Owner.

ARTICLE XVIII. ALTERNATE DISPUTE RESOLUTION

A. Dispute Resolution

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

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

B. Outside Mediator

In a dispute between any of the above entities or individuals, the parties must voluntarily submit to the following mediation procedures before commencing any judicial or administrative proceeding. Each party will represent himself/herself individually or through an agent or representative, or may be represented by counsel. The dispute will be brought before a mutually selected mediator. Such mediator will either be an attorney-mediator skilled in community association law, a Professional Community Association Manager as certified by the Community Associations Institute, or a Certified Property Manager as certified by the Institute of Real Estate Managers. In order to be eligible to mediate a dispute under this provision, a Mediator may not reside in the Subdivision, work for any of the parties, represent any of the parties, nor have any conflict of interest with any of the parties. The Board must maintain a list of no less than five (5) potential mediators, but the parties will be in no way limited to their choice by this list. Costs for such mediator will be shared equally by the parties. If the parties cannot mutually agree upon the selection of a mediator after reasonable efforts (not more than thirty (30) days), each party will select their own mediator and a third will be appointed by the two selected mediators. If this selection method must be used, each party will pay the costs of their selected mediator and will share equally the costs of the third appointed mediator.

C. Mediation is Not a Waiver

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

D. Assessment Collection and Lien Foreclosure

The provisions of this Declaration dealing with Alternate Dispute Resolution will not apply to the collection of Assessments and/or the foreclosure of the lien by the Association or as set out in the Declaration.

E. Term

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

**ARTICLE XIX.
GENERAL PROVISIONS**

A. Severability

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

B. Compliance with Laws

At all times, each Owner must comply with all applicable federal, state, county, and municipal laws, ordinances, rules, and regulations with respect to the use, occupancy, and condition of the Homesite and any improvements thereon. If any provision contained in this Declaration or any supplemental declaration or amendment is found to violate any law, then the provision will be interpreted to be as restrictive as possible to preserve as much of the original provision as allowed by law.

C. Gender and Number

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

D. Headlines

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

E. Governing Law

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

F. Fines for Violations

The Association may assess fines for violations of the Dedicatory Instruments, other than non-payment or delinquency in Assessments, in amounts to be set by the Board of Directors, which fines are secured by the continuing lien set out in this Declaration.

G. Books and Records

The books, records and papers of the Association, upon written request and by appointment, during normal business hours, are subject to inspection by any Member, pursuant to a Records Production and Copying Policy adopted by the Association.

H. Notices

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

I. Mergers

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

J. Current Address and Occupants

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

K. Security

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

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

L. View Impairment

Neither the Declarant, nor the Association, guarantee or represent that any view over and across the Lots, Common Areas, reserves or open space within the Subdivision will be preserved without impairment. The Declarant and the Association will have no obligation to relocate, prune, or thin trees or shrubs on the Common Area. The Association will have the right to add trees and other landscaping to the Common Area. There will be no express or implied easements for view purposes or for the passage of light and air.

M. Video, Data and Communication Service Agreements

Subject to the approval of the Declarant during the Development Period, the Association has or may hereafter enter into an agreement with a service provider for the provision of cable television and/or other communication services in order to obtain access to benefits and services for the benefit of Owners and Dwellings located in the Subdivision. Payment for services and benefits provided pursuant to video, data and/or communication service agreements executed pursuant to this provision will be made from Assessments levied and collected by the Association pursuant to the authority granted herein, and such Assessments will be supported by the lien created herein. While Owners are free to obtain the same or similar services from a provider of their choice, no Owner may avoid paying any portion of Assessments levied based on non-use of video, data or communication services provided and paid for by the Association with Assessments.

N. Occupants Bound

All provisions of the Dedicatory Instruments applicable to the Property and Owners also apply to all Occupants of any Lot or Dwelling. Every Owner must cause all Occupants to comply with the foregoing, and every Owner is responsible for all violations, losses, or damages caused by an Occupant, notwithstanding the fact that such Occupant is jointly and severally liable and may be sanctioned for any violation. In addition to all other remedies available to the Association in the event of a violation by an Occupant, the Association may require that the Occupant be removed from and not be allowed to return to the Subdivision and/or that any lease, agreement or permission given allowing the Occupant to be present be terminated.

O. Transfer of Title and Resale Certificate

1. Transfer of Title Any Owner, other than the Declarant, desiring to sell or otherwise transfer title to his or her Lot must give the Board at least seven (7) days prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board may reasonably require. The person, other than the Declarant, transferring title will continue to be jointly and severally responsible with the person accepting title for all obligations of the Owner, including Assessment and other obligations, until the date upon which the Board receives such notice, notwithstanding the transfer of title.

Upon acceptance of title to a Lot, the new Owner of the Lot must pay to the Association an administrative transfer fee to cover the administrative expenses associated with updating the Association's records, which transfer fee is supported by the lien created herein. Such fees will be in such amount as the Board may reasonably determine necessary to cover its costs, including but not limited to, and fees charged by a management company retained by the Association for updating its records.

2. Resale Certificate No Owner, other than the Declarant, may transfer title to a Lot, together with the improvements thereon, unless and until he or she has requested and obtained a resale certificate signed by a representative of the Association as described in Chapter 207 of the Texas Property Code, or its successor statute ("Resale Certificate") indicating, in addition to all other matters described in Chapter 207, the information required in Section 5.012 of the Texas Property Code.

The Association may charge a reasonable fee to prepare, assemble, copy, and deliver a Resale Certificate and accompanying information and any update to a Resale Certificate, which charge is supported by the lien created herein.

P. Insurance

The Association, acting through its Board or its duly authorized agent, must obtain and continue in effect the following types of insurance, if reasonably available, or if not, the most nearly equivalent coverages as are reasonably available:

- a. Blanket property insurance for the Common Area and all improvements thereon for broad form covered causes of loss to the extent that the Association has assumed responsibility in the event of a casualty, regardless of ownership; except that the total

amount of insurance must not be less than the full insurance replacement costs of all the insured property less applicable deductibles at the time the insurance is purchased and at such renewal date, exclusive of land, foundation, excavations and other items normally excluded from property policies;

b. Commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use or management of the Common Area, insuring the Association with minimum limits of \$1,000,000.00 combined single limit per occurrence and \$1,000,000.00 general aggregate limit, insuring the Board of Directors, the Association, any managing agent and their respective employees, agents and all Persons acting as agents; and

c. Directors and officers' liability insurance insuring the Board of Directors, officers, the Association, any managing agent and their respective employees, agents and all Persons acting as agents.

Q. Indemnity

The Association must indemnify its officers, directors, agents, successors and assigns from any liability arising out of or related to the enforcement of this Declaration.


R. Cost Sharing Agreements and Shared Use Agreements

The Association may enter cost sharing and shared use agreements with neighboring property owners' associations as the Board deems beneficial and desirable for the Owners. Owners are bound by the rules and regulations promulgated by the neighboring property owners' association when utilizing such amenities.

16 IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration this 16 day of August, 2017 to be effective upon recording in the Official Public Records of Real Property of Montgomery County, Texas.

DECLARANT:

TRINITY PROPECTUS, LLC

By: 

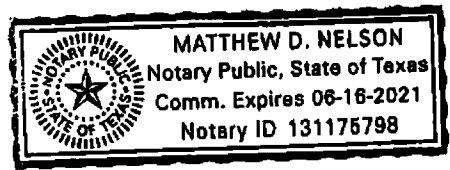
Adrian Jacob, President

STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

BEFORE ME, the undersigned authority, on this day personally appeared Adrian Jacob, the President of Trinity Profectus, LLC, a Wyoming limited liability company, known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that he executed the same for the purposes herein expressed and in the capacity herein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 16 day of AUGUST, 2017.

Matthew D. Nelson
Notary Public - State of Texas



E-FILED FOR RECORD

08/18/2017 08:16AM



COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS,
COUNTY OF MONTGOMERY

I hereby certify that this instrument was e-filed in the file number sequence on the date and time stamped herein by me and was duly e-RECORDED in the Official Public Records of Montgomery County, Texas.

08/18/2017



County Clerk
Montgomery County, Texas