

171598

Filed this 2 day of June 2017
1:40 p.M

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County Clerk, Blanco County, Texas

By Sheli K. Maly Deputy

**FIFTH AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
RANCHES OF BRUSHY TOP**

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1.4 “Ballot” means an official solicitation e-mailed to all of the Owners at the direction of the President of the Board at least 30 days prior to the date upon which the applicable vote is to be taken providing the voting options available to each Owner at it regards each individual resolution or elected Board position. Election of directors to the Board or the President of the Board shall include the names of each candidate for such position, if known beforehand, and a blank to provide each Owner with the opportunity to write-in a candidate of their choice who is also an Owner. Each Ballot shall also provide an option by which the Owner may assign their right to vote to a designated proxy entitling them to cast the Owner’s vote at the sole discretion of the person to whom the Owner’s proxy has been assigned.

1.5 “Board” or “Board of the Association” means the aggregate of the directors elected to serve three year terms and the President of the Board, the composition of which is as described in Section 5.3 (Owners’ Voting Rights) below.

1.6 “Building Envelope” shall mean the area containing the main residence and all structures on a Tract as approved by the ACC. The Building Envelope on any Tract may be any size, subject to the approval of the ACC. **IF HOWEVER A BUILDING ENVELOPE EXCEEDS ONE ACRE, THE OWNER OF THE TRACT OF A BUILDING ENVELOPE EXCEEDING ONE ACRE MAY BE SUBJECT TO THE LOSS OF AD VALOREM TAX EXEMPTIONS AND ROLLBACK TAX LIABILITY.**

1.7 “Common Area” shall mean all portions of the Property and improvements constructed thereon owned by the Association for the maintenance of a wildlife habitat to support the ongoing care and maintenance of both indigenous and exotic wildlife contained on the Property as well as for the benefit of and for the common use and enjoyment of the Owners, specifically including, but not limited to, reserves reflected on the plat of the Property. Common Area shall also include any land and/or improvements conveyed, leased, dedicated or assigned by Declarant, or by a third party with the Association’s consent, to the Association for maintenance and operation, including but not limited to public and/or private roads, streets, easements, parkways, walkways, trees, plants, vegetation, parks, trails, paths, game fences, ponds, creeks and lakes within the Property and any covered entrance, covered bridge and/or landscaping for the main entrance to the Property.

1.8 “Competitive Bidding Policy” means the policy and guidelines for the solicitation of bids by the Association for purchases with an aggregate value of \$2,500 or more, a copy of which is attached hereto as **Schedule B**, as it may be amended by the Board of Directors from time to time, which amendment prior to adoption by the Board shall be first approved by written Ballot by Owners holding more than 50% of the votes in the Association and provided the proposed amendment is approved by the written consent of Declarant, which Declarant can withhold in its sole discretion.

1.9 “Declarant” shall mean and refer to RANCHES AT BRUSHY TOP PARTNERS, LP and its successors or assigns (whether immediate or remote), as successor Owner of all or a portion of the Tracts in an undeveloped state, but shall not include any purchaser of one or more developed Tracts. For the purposes of this Declaration, “developed Tract” shall mean any parcel of land subdivided out of the Property and not owned by Declarant.

1.10 “Development Period” means the period commencing on the Effective Date of the original Declaration of Covenants, conditions and Restrictions recorded in Volume 348, Page 257 *et seq.*, Official Public Records, Blanco County, Texas and continuing until the earlier to occur of: (i) January 1, 2025, (ii) the date on which Declarant no longer owns any portion of the Property, or (iii) the date on which Declarant files a notice of the termination of the Development Period in the Official Property Records of Blanco County, Texas. During the Development Period, Declarant reserves the right to (a) facilitate the development, construction and marketing of the Property, (b) direct the size, shape, and composition of the Subdivision, and (c) exercise the rights and privileges of the Declarant pursuant to this Declaration.

1.11 “Excluded Tracts” means property as determined by the ACC that is comprised of one or more contiguous tracts which in aggregate exceed 30 acres and with very restricted views of the entire Building Envelope on such Tract(s) from any of the Main Roads.

1.12 “Main Roads” shall mean Bluff Ridge Trail, Gazelle Cove, Impala Cove, Antelope Cove, Black Buck Cove, Ocelot Trail, Elk Run Cove, Lynx Cove, Axis Cove, Kudu Cove, Oryx Cove, Brushy Top Trail, and Brushy Ridge Trail, as shown on a recorded subdivision map of all or a portion of the Property.

1.13 “Management Advisory Teams” are groups of Volunteers segregated by purpose and/or function that are to make recommendations to the Board and to perform such services for the Association as are requested by the Board. The Wildlife and Habitat Management Advisory Teams are to be managed by the Ranch Manager. An initial organizational framework for these Management Advisory Teams is as shown in Schedule E, attached hereto. The Board of Directors may reorganize and revise the framework from time to time if prior to adoption by the Board, the reorganization or revision shall be first approved by written Ballot by Owners holding more than 67% of the votes in the Association.

1.14 “Independent Contractor Agreement” means an agreement for the provision of services to the Association entered into between the Association by and through an officer authorized by the Board of Directors. Attached hereto as Schedule A is a form of Independent Contractor Agreement for this purpose, which form is subject to revision by the Board of Directors from time to time as may be appropriate, provided the proposed revision is approved by the written consent of Declarant, which Declarant can withhold in its sole discretion.

1.15 “Out Buildings” shall mean any structures on a Tract other than a single-family residential dwelling, including but not limited to sheds, barns, barndominiums, storage buildings and guest houses. Out Buildings shall not include garages built exclusively for the purpose of housing automobiles.

1.16 “Owner” or “Owners” shall mean and refer to the record owner(s), whether one or more persons or entities, of a fee simple title to any Tract out of the Property, but excluding those having such interest merely as security for the performance of an obligation.

1.17 “Property” shall mean and refer to: (a) the real property encumbered by the Declaration as of the Effective Date of this Declaration, and (b) such additions thereto as may hereafter be brought within the jurisdiction of this Declaration as permitted herein.

1.18 “Quorum”, with respect to a meeting called for the purpose of soliciting Owner approval of one or more specific resolutions related either to Sections 4.3 (Maximum Annual Assessment) or 4.4 (Owner-Approved Special Assessments) herein, or the election of Board members including the President of the Board as further described in Section 5.3 (Owners’ Voting Rights), shall mean the presence of Owners and/or of Proxies equal to more than 50% of all the votes of the Owners entitled to cast votes at the time of such meeting. If the required Quorum is not present at any such meeting, the meeting shall be adjourned and another meeting may be called subject to the same notice requirements as provided for in Section 4.5 (Notice and Quorum for any Owner Action), but the Quorum required at any such subsequent meeting shall be 75% of the required Quorum applicable in the case of the originally convened meeting. In no event shall the size of a Quorum ever be less than 37.5% of all of the votes of the Owners entitled to cast votes at the time such vote is taken.

1.19 “Ranching” shall include the installation and/or maintenance of fencing, game feeders, game cameras, pens habitat and food plots as well as the performance of normal ranching activities (including notwithstanding the supplemental feeding, darting, trapping, sale or culling of any wildlife on the Property).

1.20 “Ranch Manager” shall mean a qualified third party consultant hired initially by the Declarant for a period of two years beginning in August 2015 charged with the oversight and management of the Property’s wildlife and habitat (including both Common Areas and individually owned Tracts) employing the organizational framework outlined in the attached Schedule E utilizing both third party subcontractors and Volunteers to meet annual goals and objectives as determined by the Board of the Association in direct consultation with the Ranch Manager.

1.21 “Tract” shall mean and refer to any parcel or plat of land out of the Property and/or shown upon any recorded plat of the Property but excluding the Common Area.

* 1.22 “Volunteer(s)” shall mean any Owner, or a member of the immediate family of an Owner who is age 18 or older, who provides a prescribed service without payment to any of the Management Advisory Teams.

1.23 “Wildlife and Habitat Management Advisory Team” comprise two of the Management Advisory Teams as further detailed in Schedule E.

1.24 “Wildlife Management Program” shall mean the program developed every five years and updated on an interim basis from time to time setting out all of the exotic and indigenous species on the Property, the number, gender and age of each, pictures and descriptions of all trophy or mature adult male species, the types of forage, browse and grasses available for grazing, amount of supplemental feed in the form of protein, corn and alfalfa required to seasonally meet the feeding requirements of the hoof stock, soil types present in various sectors of the Property, prescribed type, amount and/or height of grasses, shrubs, tree canopy and water needed to support a healthy wildlife habitat along with the location of hay and corn feeders and cameras and the estimated culling of animals by species type required annually to support targeted animal population levels.

1.25 “Wildlife Policy” means the policy attached hereto as Schedule C, as it may be amended by the Board from time to time in consultation with the Ranch Manager and provided the proposed amendment is approved by the written consent of Declarant, which Declarant can withhold in its sole discretion.

ARTICLE II.

USE RESTRICTIONS AND ARCHITECTURAL CONTROLS

2.1 Permitted Uses. Each Tract shall only be used primarily for agricultural use and secondarily for single-family residential purposes as defined and/or permitted hereafter.

2.2 Restrictions on Residences and Improvements. All residences and improvements shall comply with the following requirements. Nothing in these requirements shall be construed so as to retroactively apply any restriction or condition that was not in effect at the time of construction, nor shall the pre-existence of any variance contained in any home or improvement be deemed to have been approved by virtue of being in existence as of the Effective Date of this Declaration, unless such variance has been approved in writing by the ACC. All variances previously approved shall be available for review by any Owner upon request to the ACC.

a. Theme and Guidelines. All improvements shall be constructed in a manner consistent with a Texas Hill Country architectural theme, and shall comply with all architectural guidelines, established by the ACC.

b. Main Residence; Out Buildings. The main residence on each Tract shall be a single-family residential dwelling not to exceed 2-1/2 stories and 35' in height (measured from the front entry floor elevation to the top of the roof), shall include a private garage for at least two automobiles and not more than five total vehicles. Out Buildings (including guest houses or servants' quarters as permitted herein), but not including a barn, or barndominium constructed on a Tract shall not exceed the main residence in height and may be permanently occupied only by a member of the family occupying the main residence on the Tract, a ranch manager, employees, and/or domestic servants employed on the Tract. The design of all Out Buildings shall be consistent with the main residence. No garage shall be converted to living space or used in any manner so as to preclude the parking of automobiles therein, except for temporary usage as approved by the Developer or the ACC.

c. Garages. Each garage constructed on a Tract shall be consistent with the architectural theme of the main structure. An attached garage shall be located a minimum of 10 feet behind the front building elevation line. A detached garage must be located 30 feet behind the front building elevation line. Single garage doors are recommended for multi-car garage entry, with a masonry column constructed between the single garage doors, but double doors may be approved by the ACC. Garage construction should be oriented such that doors shall not face directly onto any Main Road of the Property, unless approved by the ACC due to unique topography of the

Tract and/or Building Envelope; additional consideration shall be given by the ACC for Tracts situated on the intersection of two of the Main Roads and to an Excluded Tract.

d. Out Buildings. Out Buildings for agricultural use are permitted. All Out Buildings must be specifically approved by the ACC. A barn may include an apartment for employees or a guest living area (a "barndominium"). With the exception of an Excluded Tract, all Out Buildings must be set behind the main dwelling. "Behind the main dwelling" means that the front of the Out Buildings must be behind the furthest point of the back of the main dwelling as measured from the nearest Main Road. There are some tracts that will not have a configuration that will allow an Out Building to be behind the main dwelling. In that instance, subject to ACC approval, an Out Building may be constructed beside or in front of the main dwelling if it (i) is consistent with the architectural theme of the main structure, and (ii) is built of the same material as the main dwelling including, but not limited to, the siding, roof, windows, window frames, doors, shutters, etc. Except as provided for in this Section 2.2 d (Out Buildings) and in the case of Excluded Tracts, Out Buildings shall not be in view from the Main Roads; therefore, if necessary in the opinion of the ACC, unless a variance is approved by the ACC, Out Buildings shall be screened from view from all Main Roads with fencing or landscaping erected like a living screen (*i.e.*, vines on a mesh panel), as approved by the ACC.

e. Recreational Vehicles; Trailers. Recreational vehicles, such as motor homes or similar recreational vehicles, and trailers for use as a primary residence (temporary or otherwise) are strictly prohibited.

f. Residential Trailers; Etc. Residential trailers, mobile homes, manufactured, and/or modular homes, tents of any type are strictly prohibited except as follows:

(i) In the event of a fire or an act of nature which causes the main residence to be unlivable, the ACC in its sole discretion may allow a temporary structure to be placed on a Tract to provide living quarters while the main residence is being rebuilt for a period and in a location to be specified by the ACC and specifically approved by the Board of the Association.

(ii) For use for a community event so designated by the Association for a period not to exceed four days and specifically approved by the Board of the Association.

(iii) In the sole discretion of the ACC, a guest or caretaker's quarters or barndominium may be erected for temporary use as a construction office or living quarters during main residence construction for a period not to exceed 12 months unless such additional time period is specifically approved by the Board of the Association.

(iv) All of the above exceptions are subject to approval and control by the ACC except where otherwise noted.

g. Carports. Carports are prohibited; however, porte cocheres may be used in combination with detached garages if consistent with theme of the main structure and similar materials are used in its construction.

h. Pump Houses. Notwithstanding any of the guidelines contained herein, pump houses (designed solely for the housing protection of water well pump equipment) shall be constructed in a location that is appropriate given the location of the well bore, regardless of its position with respect to the other improvements. Pump houses shall be constructed in a manner that is consistent with the architectural theme of the main residence and shall be identified on the site plan.

2.3 Exterior Materials. The exterior materials of the main residential structure and any garage, guest houses, and servants' quarters shall be constructed of brick or stone masonry, stucco, log, hardiplank, cedar, or other natural wood siding. A minimum of 60% of the exterior surface, excluding windows, of the main residential structure and all Out Buildings (other than barns or barndominiums) shall be native or Texas stone, such minimum being reduced to 20% for all Out Buildings (other than barns or barndominiums). Stone will be defined for purposes herein as naturally occurring and shall not consist of any manufactured materials such as pressed, faux stone or

cinder block. The colors of all exterior surfaces shall blend naturally with the native landscape and shall be subject to the approval of the ACC.

2.4 Roofing Materials. The roof of all buildings (including any garage or servants' quarters) shall be metal roof or constructed or covered with a material acceptable to and approved by the ACC. Composition or other shingles shall not be permitted. All roofs on any residence constructed on a Tract shall have no less than a 4'/12' roof slope, unless a unique modern architectural style calling for an alternative roof pitch is approved by the ACC. Any variance from the minimum roof slope requirement dictated by site-specific characteristics (regardless of architectural style) is subject to the approval of the ACC, in its sole discretion. No roof shall be installed with a bright red or otherwise visually offensive color.

2.5 Solar Energy Device Restrictions.

a. "Solar Energy Device". As used in this Declaration, "solar energy device" has the meaning assigned by Section 171.107 of the Texas Tax Code, which defines the term as "a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar generated power". The term includes a mechanical or chemical device that has the ability to store solar-generated energy for use in heating or cooling or in the production of power.

b. Permitted and Not Permitted Solar Energy Devices. A solar energy device is not permitted anywhere on a Tract except on the roof of the residence or an Out Building or in a fenced yard or patio within the Tract. A solar energy device (1) may not extend higher than or beyond the roofline of such structure, (2) must conform to the slope of the roof and have a top edge that is parallel to the roofline, and (3) shall not have frames, support brackets and visible piping or wiring that are not a silver, black or bronze tone commonly available in the marketplace. If a solar energy device is mounted on the roof of the residence or an Out Building, it must be in a location designated by the ACC unless an alternate location designated by the Owner increases the estimated annual energy production of the device, as determined by using a publicly available modeling tool provided by the National Renewable Energy Laboratory, by more than 10% above the energy production of the device if located in an area designated by the ACC. A solar energy device located in a fenced yard or patio shall not be taller than or extend above the fence enclosing the yard or patio. A solar energy device shall not be installed on a Tract in a manner that voids material warranties.

The installation of solar energy devices is prohibited without prior approval of the ACC in accordance with the approval process set out in Article III. The ACC may withhold approval for the installation of a solar energy device if it determines in writing that the placement of the solar energy device, as proposed by the Owner, constitutes a condition that substantially interferes with the use and enjoyment of the Property by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. Additionally, no solar energy device may threaten the public health or safety or violate applicable law. A solar energy device may not be installed in the Common Areas except if approved by the Board.

c. Declarant Disapproval. During the Development Period, the Declarant may withhold approval of the installation of a solar energy device in its sole discretion.

2.6 Minimum Square Footage Within Improvements; Use of Temporary Structures. The living area of the main residential structure (exclusive of Out Buildings, guest houses, porches, garages and servants' quarters) shall not be less than 2,000 square feet. Except as provided in Section 2.2 (Restrictions on Residences and Improvements) above, no structures of a temporary character, mobile home, trailer, tent, shack, garage, barn or other Out Buildings shall be built before the main residence or used on any Tract at any time as a primary residence. Except as provided in Section 2.2(f)(iii), the ACC shall NOT be allowed to provide any variance to this requirement.

2.7 Maximum Number of Structures, Square Footage. Construction on any Tract shall be confined to the Building Envelope and within the building setbacks provided elsewhere in this Declaration, except with respect to contiguous Tracts in which the shared property line and utility easement has been removed so that the setbacks shall apply only to the perimeter of the combined Tracts, and also subject to the approval of the ACC within the guidelines specifically provided in this Declaration. The configuration of all structures is subject to the approval of the ACC. The total gross square footage of all vertical structures (including without limitation houses, barns,

barndominiums, Out Buildings, and covered arenas, but excluding fences, walls, and hedges) on a Tract cannot exceed five percent of the total area of the Tract unless approved by the ACC.

2.8 Location of the Improvements Upon the Tract. No building or other improvements shall be located on any Tract nearer than:

- a. One hundred feet to the Main Roads, unless otherwise approved by the ACC; and
- b. Sixty feet to the side or rear Tract line, unless otherwise approved by the ACC.

Considerations for approval by the ACC for a deviation from these distances may only include the topography of the Tract and existing Trophy Trees [as defined in Section 2.32 (Destruction of Plants, Disturbance of Natural Habitat) below] thereon and be a requirement necessitated by the size of the Building Envelope.

The ACC may, in its sole discretion, further define a specific Building Envelope after taking into consideration the view corridors of nearby Tracts.

2.9 Combined Building Site. Any Owner of one or more adjoining Tracts may consolidate such Tracts into one single-family residence building site and may place or construct improvements on such combined building site, in which case setback lines shall be measured from the resulting combined Tract lines rather than from the individual singular Tract lines. The location of the combined Tract setback lines shall be subject to the approval of the ACC. The Owner of a combined building site shall continue to pay assessments and charges on and with respect to each Tract included therein.

2.10 Re-subdivision and Re-platting. Declarant retains the right to subdivide any of its existing unsold Tracts for any reason whatsoever, and this right shall extend to any successor in interest of its unsold lots who purchases Declarant's unsold Tracts in the context of a "Bulk Sale" (defined as any transaction other than a direct sale of fewer than five Tracts to one or more individuals for the purposes of agricultural use, personal enjoyment or investment). Under no circumstances may any Tract resulting from subdivision or re-platting be less than five acres in total area. Subdividing of Tracts by Owners (except as maintained by the purchaser in the event of a Bulk Sale as described above) is prohibited unless approved by the Board of the Association.

2.11 Easements for Utilities, Drainage and Wildlife Management. Easements for installation and maintenance of utilities, drainage facilities and wildlife management are reserved by Declarant as shown on each recorded plat, and no structure of any kind shall be erected upon any of said easements. In addition to the easements shown on each recorded plat, Declarant reserves easements for installation and maintenance of utilities, drainage facilities, wildlife feeders and game cameras along the exterior boundaries of the Property, the common boundary lines of the Tracts, the Main Roads, and all public or private streets and roads surrounding or going through the Property. Declarant also reserves the wildlife management and game fence easements described in Section 2.12 (Ad Valorem Tax Exemption and Survey, and Easements for Wildlife Management and Game Fences) below. All such easements shall include an easement over and through each Tract as reasonably necessary in connection with installation and maintenance activities, and are reserved in favor of Declarant and the Association.

2.12 Ad Valorem Tax Exemption and Survey, and Easements for Wildlife Management and Game Fences. An Owner may fence his entire Tract, and the wildlife management easement provided below shall not apply unless the Owner later removes his fence. Any fence shall be subject to the approval of the ACC as herein provided. Each Owner should determine the availability of exemptions from ad valorem taxes prior to fencing his property, because fencing the Tract may affect the availability of exemptions from taxation. The remainder of the Tract area (excluding areas that are fenced) shall be open space land, and Declarant reserves a permanent easement thereon in favor of Declarant and the Association for Ranching and wildlife habitat. The placement of game feeders, cameras and food plots shall be made in consultation with the affected Owner so as not to obstruct sight lines, however such Owner shall not unreasonably withhold approval of the desired placement of such equipment and food plots without valid and supportable reasons. Any culling, snaring or trapping of animals on a privately owned Tract shall only be pursued with that Tract Owner's expressed written permission. Declarant also reserves a permanent easement in favor of Declarant and the Association as reasonably necessary for the installation and maintenance of a game fence along any exterior perimeter boundary of the Property, and an easement over and through each Tract as reasonably necessary in connection with such installation and maintenance. The installation of any such game fence

shall be at the sole discretion of Declarant or the Association, and any such game fence shall be Common Area and owned by the Association. Ranching activities shall only be those conducted by the Association through the Ranch Manager and the Wildlife and Habitat Management Advisory Teams. Wildlife for which the open space land is available shall be subject to approval by the Association, and may include whitetail deer, cattle, wild turkey, exotic wildlife, native birds, and any other indigenous wildlife.

2.13 Agricultural Use. For purposes hereof, the term “agricultural use” shall be limited as follows:

a. Livestock, Rabbits and Laying Hens. Raising of livestock, rabbits and laying hens shall be permitted; however, commercial feed lot operations and commercial poultry operations are strictly prohibited. In the case of poultry or rabbits, no more than 15 hens kept in a coop that is not visible from any Main Roads or adjacent lots and no more three rabbits per Tract owned may be kept by any Owner, provided that they are not kept, bred or maintained for any commercial purpose. Poultry known to be vocal (such as roosters, guinea fowl, peacocks, ducks or geese) shall not be allowed due to concern for noise pollution. No such pets or animals may be kept if they become a nuisance by virtue of their numbers, sight, odor or noise. If a question arises as to whether any animal (individually or considered together) is a nuisance, the Board of the Association shall make the determination and its determination shall be final and binding on all parties

** b. Horses; Cows; Calves; Lambs; Goats; Sheep, Etc. The cumulative total of horses that may be kept at any one time shall not exceed one horse per five acres of land owned. The cumulative total of cows, calves, lambs, goats, sheep and like animals (except horses) that may be kept by any Owner at any one time shall not exceed one per each five acres of grazeable land owned. All animals are to be contained in pens or enclosures approved by the ACC and maintained in a sanitary and odorless condition, not visible from the Main Roads or adjacent tracts. No pigs, hogs, or swine are allowed except as stated below, and no commercial swine operations are allowed.

c. Un-weaned Offspring. Any animal with un-weaned offspring shall be deemed to be a single animal unit. Otherwise each horse, cow, or other animal shall be deemed to be a single animal unit.

d. Exception. An exception to subsections a, b, and c above shall be a project defined in this subsection d. An FFA, 4-H or club/civic project may be allowed by the ACC upon written request and approved by the Board of the Association. The documented FFA, 4-H, or club/civic project member of each Owner’s family is allowed to have up to the greater of three animals or the number of animals required by the club or association for purposes of the club or association project. The ACC may in its sole discretion deny the request for any reason (*i.e.*, number of animals, type of animal, *etc.*).

e. Dogs, cats or other common household pets are excluded from the term “livestock” and “animal unit.” Dogs, cats or other household pets not to exceed a total of five in number (exclusive of unweaned offspring) may be kept on any Tract so long as they are not kept, bred or maintained for any commercial purpose. All dogs must remain in positive control of the owner or guest while the dog is outdoors on Owner’s Tract. Dogs will not be allowed to roam or molest game animals or roam onto other Tracts not owned by the Owner. If, in the sole discretion of the Declarant or the Board of the Association, a dog is declared a nuisance because of two infractions of these rules, the Owner will be required to keep the dog on a leash or otherwise restricted so that roaming or molestation cannot occur.

f. Lots; Pens; Corrals; Animal Enclosures. All animals (including household pets) and poultry belonging to an Owner shall be kept within such Owner’s Tract(s) by pen(s), fence, leash, or other appropriate device, and shall not be allowed outside such Owner’s Tract(s). Any lots, pens, corrals, structures enclosure of any kind or any other areas where animals of any kind are kept shall be subject to the approval of the ACC, must be constructed of new material, must be attractive in appearance, and at all times must be kept neat and clean in appearance, consistent with the requirements herein specified for other improvements (including Section 2.15 (Wall, Fence and Hedge) below), and reasonably free from odors and shall be periodically sprayed or otherwise treated to restrict and minimize flies and other insects so as not to become a nuisance to the Owners. The lots, pens and other areas may not be visible from the roadways or adjacent tracts. Screening which is approved by the ACC may be used for any pens and lots. All such improvements must be located behind the main dwelling and all building set-back lines with the exception of Excluded Tracts.

g. Commercial Activity. Commercial activity, whether or not for profit, and any other activity open to the public, is prohibited. Similarly, except for limited agricultural use as provided above, commercial use that involves, directly or indirectly, the storage, warehousing and/or distribution of goods or services is prohibited. As an exception to the foregoing, wildlife management activities conducted by the Ranch Manager shall be permitted as authorized in the annual wildlife and habitat management budgets either by the Declarant during the Development Period or by the Board of the Association. See also Section 2.34 (Mineral Extraction) below.

2.14 Electric Service. Each Owner shall be required to install, at such Owner's sole cost and expense, underground electrical service from the electrical distribution line serving the Property to such Owner's main residence and improvements. All installation must meet all applicable county, state and federal building code requirements.

2.15 Wall, Fence and Hedge. As part of the common scheme and plan as shown on the recorded plat, an Owner is not required to fence such Owner's Tract. Any fence, wall or hedge to be constructed on a Tract shall be subject to approval by the ACC prior to commencing construction with the exception of a three cross member pipe or cedar fence (no higher than 42" above ground) constructed along a portion of a Tract's perimeter (non-Main Road frontage) to prevent trespass from a contiguous Tract or Common Area. Any fence (other than a game fence on the exterior perimeter boundary of the Property), wall or hedge erected on a Tract by Declarant shall convey with title to the Tract, and thereafter the Owner of such Tract shall maintain such fence, wall or hedge. Hurricane-type or chain-link fences are strictly prohibited and forbidden, and no variance for same will be granted; provided, subject to approval (and conditions as specified) by the ACC, game proof and/or protective fencing may be allowed around garden and play areas and individual plants. An Owner may construct a security (privacy) gate as an integral part of a fence erected along Main Road frontage of the Owner's Tract which shall be consistent with the community's architectural theme and shall be composed of building materials consisting of native or Texas stone, cedar, logs, other hard woods and/or steel pipe. The ACC shall be informed as to the composition and architecture of the proposed fence and gate prior to construction but shall not oppose any reasonable plan which is consistent with the overall plan for the specific building site.

2.16 Driveways. All driveways must be either gravel, road base material, caliche, crushed limestone, concrete, pavers or other similar materials. That portion of the driveway extending from the property line of each Tract to the paved surface of any Main Road or public road must be asphalt or concrete. The driveway must be completed before occupying the residence. Width, curvature, material, and all aspects of construction and materials shall be subject to ACC approval, and must comply with TxDOT and Blanco County standards.

Drainage structures under private driveways shall be constructed to Texas Department of Transportation ("TxDOT") and Blanco County standards. Drainage pipe, if required, shall have a diameter of not less than 18" unless a variance is approved by the ACC due to specific topography conditions.

2.17 Storage of Vehicles. No vehicles or similar equipment may be parked or stored in any area visible from any Main Road within the Property, except that passenger automobiles, motorcycles, passenger vans and pick-up trucks may be parked in any garage or on an Owner's driveway if such vehicle (i) has less than one ton in carrying capacity; (ii) has fewer than three axles; (iii) is in operating condition with valid license and inspection stickers; AND (iv) is generally in place for daily use as a motor vehicle on the streets and highways of the State of Texas. No abandoned, derelict or inoperable vehicles may be stored or located on any Lot or a street within the Property except within an enclosed garage. No dismantling or assembling of motor vehicles, boats, trailers, recreational vehicles, or other machinery or equipment will be permitted in any driveway or portions of any Lot that are visible from any street within the Property, with the exception of vehicles used for the maintenance of Common Area as conducted at the direction of the Board of the Association. No vehicles of any type may be driven or parked in the Common Area or any easement overnight. For purposes of this requirement, "overnight" shall be defined as the time from 10 p.m. through 6 a.m., local time zone.

a. Boats, Trailers, Commercial and Recreational Vehicles. No boat trailers, boats, travel trailers, motor homes, campers, tractors, recreational vehicles, vehicles with more than two axles or greater than one ton carrying capacity, and/or equipment or accessories related thereto of any kind may be kept on any Lot, unless such vehicle, equipment, accessory and item is in operable condition and such vehicle, equipment, accessory and

item is either (i) kept fully enclosed within a garage located on such Lot; (ii) kept fully screened from view from all Main Roads by a screening structure or fencing approved by the ACC; (iii) temporarily parked on a street within the Property or on a Lot for the purpose of loading or unloading; or (iv) a commercial vehicle that is in use for the construction, maintenance or repair of improvements in the immediate vicinity and previously approved by the ACC in accordance with Article III of this Declaration. "Temporarily parked" shall mean less than 16 hours and shall not include "overnight" hours as defined in the paragraph above. The Board of the Association shall have the sole and absolute authority to determine from time to time whether an item is in operable condition and complies with the requirements of clauses (i) through (iv) above in this paragraph. Upon an adverse determination by the Board of the Association, the Owner shall immediately cause the item to be removed and/or otherwise brought into compliance with this paragraph. Notwithstanding any provision herein, no trucks or vehicles of any size which transport inflammatory or explosive cargo may be kept on the Property at any time. No motorized vehicle of any type (other than an ATV), with the exception of those used in the prosecution of wildlife management or dam/lake inspection, repair or treatment may be used on either of the two dams on the Property or in the Common Areas of the Property with the exception of parking in a designated parking area in the Common Area, the location of which is to be determined and subject to the approval of the Board of Directors.

b. Special Motorized Vehicles or SMVs. The Association may adopt rules and regulations concerning the use of motorcycles, go-karts, mini-bikes, mopeds, dirt bikes, all-terrain vehicles ("ATVs"), (collectively, "SMVs"), and may, in its sole discretion, restrict or prohibit their use if such operation creates a fire and/or safety hazard, excessive noise, or unacceptable annoyance to the Owners.

2.18 Tract Maintenance, Dumping. The Owner of each Tract shall at all times (i) keep weeds and grass thereon cut in a sanitary, healthful, attractive manner and (ii) maintain all brush and tree canopy consistent with proper wildlife habitat management as determined by the Ranch Manager and as set out in the Wildlife Management Program. In no event shall any Tract be used for storage of material and/or equipment except for normal residential requirements or incident to construction of improvements thereon as herein permitted. The accumulation of garbage, trash, or rubbish of any kind and the burning (except as such burning is permitted by law) of any such materials is prohibited. Each Owner shall arrange for at least weekly garbage, rubbish and trash pickup from such Owner's Tract as long as such service is not provided and required by a municipality. The Association may, at its option, require each Owner to purchase trash service from one service and charge for such service as part of the assessments described in Article IV hereof. Maintaining includes, but is not limited to, mowing the drainage ditches and keeping all easement areas within each Tract clean and free of debris and trash in accordance with Association guidelines. No Tract or other area on the Property shall be used as a dumping ground for construction rubbish or a site for the accumulation of unsightly materials of any kind, including but not limited to broken or rusty equipment, disassembled or inoperative cars and discarded appliances and furniture. Trash, garbage or other waste shall not be kept except in sanitary containers. If any improvement or Tract is damaged or destroyed by casualty or otherwise, the Owner thereof shall be obligated to remove or repair same and shall comply with the applicable provisions of Article III below.

Each Owner understands that the easements for the Main Roads may be wider than the actual paved surface of the Main Roads, as shown on the recorded plats. Each Owner shall be solely responsible for the maintenance of any driveway from a Main Road to such Owner's Tract, from that point where such driveway exits the Tract to that point where it ties into the Main Road pavement, and shall maintain the grass height on such Tract and the easement and/or ditch area along each Main Road that borders such Tract up to the Main Road pavement, as specified by the Association. The Board of Directors may, at its sole discretion, initiate mowing and weed management along such Main Roads within such easements, the cost of which shall be expensed by the Association as part of the annual dues paid by each member of the Association. Mowing and weed management shall be bid out competitively by the Board for a period of one year at a time and will include the entire surface area to be mowed within the Property to include Common Areas and select easements and bids shall be solicited and considered according to the Competitive Bidding Policy.

In the event of default on the part of any Owner in observing any of the above requirements, and if such default continues after 10 days' written notice thereof to such Owner, Declarant or the Association may without liability, in trespass or otherwise, to such Owner, but without being under any duty to do so, enter upon said Tract, cut or cause to be cut such weeds and grass, remove or cause to be removed such garbage, trash and rubbish, and/or do any other thing necessary to secure compliance with this Declaration and to place said Tract in a neat, attractive,

healthful and sanitary condition, and may charge such Owner for the cost of such work. Each Owner is obligated for and agrees to pay any such charges as provided in Article IV below.

2.19 Trash Containers. Trash containers, dumpsters or any object holding or storing trash must be kept in a clean and sanitary condition, must be located and screened in a manner approved by the ACC, and must be out of sight of all public or private streets and roads surrounding or going through the Property. Storing or placing trash containers, dumpsters, or any object holding or storing trash adjacent to or within view of a Main Road is strictly prohibited, except during construction of improvements and as approved by the ACC.

Moveable trash containers may be put at a driveway entrance to the Tract the night before or the morning of a scheduled trash pickup. The moveable containers shall be removed from the road area the same day of the trash pickup.

2.20 Mail Boxes, Newspaper Holders. Owners shall be required to use the mail boxes provided by the Association located next to the Sales Center and as such shall not install mail boxes or newspaper holders.

2.21 Antennas, Satellite Dishes. No antenna or similar device of any type shall be erected, constructed, placed or permitted to remain on any Tract, residence, or structure except as otherwise provided herein. No portion of any Tract shall be sold, leased, conveyed, or in any manner transferred for use as a wireless or cellular communication facility. Declarant reserves the right to construct a centralized antenna to provide wireless internet service to the Property.

The following antennas and satellite dishes are not permitted:

- antennas or dishes that only transmit signals;
- antennas or dishes that interfere with reception of video signals by other Owners;
- antennas or dishes mounted on roofs or buildings, except as provided herein;
- antennas or dishes in Common Areas; and
- dishes greater than one meter in diameter.

Unless prohibited above, an antenna or satellite dish may be installed only (a) inside the attic, garage or living area of a residence or (b) outside in the back yard or side yard of a residence. However, the ACC may in its discretion allow antennas or dishes to be mounted on the back half of a roof (the portion of the roof furthest from the street). Outside installation is allowed only if the plans and specifications for location, attachment, safety and screening are approved in writing by the ACC for compliance with the following standards.

The antenna or satellite dish must:

- be properly bolted and secured in a workmanlike manner;
- be located behind the Residence or behind a solid wall, fence or perennial landscaping in the side yard or back yard of a Residence;
- be screened by the above fence or landscaping, to the greatest extent reasonably possible, in order to prevent the antenna or dish from being seen from any street, Common Area or neighboring Residence;
- be no higher than the fence or landscaping that is screening it from view; and
- not be located within any building setback lines.

Each Owner is liable for all damages to Association property, personal property, animals and persons caused by such Owner's installation and use of any antenna or dish.

These location, installation and screening requirements are based on aesthetics, non-interference with reception by neighbors, preservation of property values, and safety considerations, including avoidance of injury or property damage from improperly installed or otherwise dangerous antennas or dishes.

2.22 Septic System. Prior to occupancy of a residence or residential improvements on any Tract, the Owner of such Tract shall construct, install and maintain on such Tract a septic tank and soil absorption system in

accordance with the specifications for same as established by the laws of the State of Texas and the rules and regulations of the Association, Blanco County, Texas and any other governing authority having jurisdiction over the same. Such construction and installation shall be performed by a septic system contractor licensed by the State of Texas. If such septic system complies with such specifications, but still emits foul or noxious odors or unsafe substance onto streets, ditches or adjoining Tracts, such system shall be modified as specified by the ACC so as to eliminate such foul or noxious odors or unsafe substance. Aerobic septic systems are not permitted unless approved by the ACC upon written request due to documented soil quality or other concerns.

2.23 Propane Tanks. Propane tanks must be installed by a propane provider licensed by the State of Texas and in accordance with all appropriate codes regulating the same. If installed above ground, then tanks must be located behind the rear building line of the main residence and screened from view from all Main Roads and adjacent lots with an exterior screen wall consisting of the same masonry as the residence or other such material as approved by the ACC with the exception of Excluded Tracts.

2.24 Outdoor Equipment. Outdoor equipment such as HVAC compressors shall be screened from view from all Main Roads and adjacent lots with an exterior screen wall consisting of the same masonry as the residence or other such material as approved by the ACC.

2.25 Water System, Rain Water Harvesting.

a. Water Wells. Water wells on any Tract shall be drilled and maintained in accordance with the laws of the State of Texas and the rules and regulations of the Blanco-Pedernales County Groundwater Conservation District.

b. Rain Water Harvesting. The Association and the ACC encourage environmental sensitivity and preservation of scarce resources, such as water. Rain water harvesting is permitted, subject to the following and to the Association's rules and/or guidelines for any rain water harvesting system ("RWHS") constructed above ground; none of the following restrictions shall apply to any underground RWHS installed by Owner:

(1) Location. Any RWHS shall be located behind the rear building line of the main residence and within 20 feet from the residence with the exception of Excluded Tracts.

(2) Color. The exterior color of the RWHS should blend with the native environment, but an exterior screen wall may be used to effect the same intent, which is to minimize visibility of the RWHS from adjacent Main Roads and Tracts.

(3) Height. The height of the RWHS shall be no more than eight feet from the ground to its top.

(4) Topography. If there are topographic variations on the Tract, special design attention shall be devoted to installing the RWHS to reduce the visual impact.

(5) Native Trophy Trees. The location of the RWHS on the Tract shall seek to preserve Trophy Trees (as defined in Section 2.32 (Destruction of Plants, Disturbance of Natural Habitat) below).

(6) View Corridor. A view corridor from any adjacent or nearby Tract shall be considered in the RWHS location decision on a Tract. The intent is to reduce any view corridor interference impacting any adjacent or nearby Tract.

(7) View from the Street. Special design consideration shall be devoted to minimizing the view of the RWHS from any Main Road. An exterior screen wall, consisting of the same masonry as the residence and as tall as the proposed RWHS, or other such material as approved by the ACC, shall be constructed to reduce the visual impact. The screen wall shall be installed before the installation of the RWHS is complete and it is operational.

2.26 Signs, Billboards, Displayed Objects, and Flags. No sign, billboard emblem, object, display, or flag of any kind shall be placed or displayed on any Tract or mounted, painted or attached to any residence, Out Building, fence or other improvement upon such Tract so as to be visible from public view without approval of the ACC except as set forth below. The Association may remove any item displayed in violation of this Section 2.26 (Signs, Billboards, Displayed Objects, and Flags).

a. For Sale Signs. An Owner may erect one sign not exceeding six square feet in area, fastened only to a stake in the ground and extending not more than three feet above the surface of the ground advertising the property for sale.

b. Declarant's and Builders' Signs. Signs or billboards may be erected by Declarant or any builder of a residence on the Property with permission of Declarant.

c. Legally Required Signs. Signs required for legal proceedings may be displayed.

d. Political Signs. An Owner may erect one political sign not exceeding six square feet in area on such Owner's Tract advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal, provided that such sign shall not be erected more than 90 days in advance of an election to which signs pertain and are removed within 15 days after such election.

e. No Trespassing, Address and Other Signs. An Owner may erect one or more signs which shall be no larger than two feet by three feet, unless otherwise approved by the ACC, (i) the placement, number, and design of which do not significantly diminish the scenic character of the Property, (ii) which state the names and address of the Tract and the names of persons living on the Tract, or (iii) which are intended to control unauthorized entry or use of the Tract. All such signs shall be subject to approval by the ACC.

f. Religious Items and Emblems. An Owner may display religious items and emblems on the entry door or door frame of such Owner's dwelling if such display is motivated by such Owner's sincere religious belief, provided that such displays do not (i) threaten the public health or safety, (ii) violate applicable law, (iii) contain language, graphics, or any display that is patently offensive to a passerby, or (iv) extend past the outer edge of the door frame of the Owner's dwelling.

g. Flags. An Owner may display the official flag of the United States of America, the State of Texas, or any branch of the United States armed forces in accordance with this Section 2.26 (Signs, Billboards, Displayed Objects, and Flags). The flag of the United States of America must be displayed in accordance with 4 U.S.C. Sections 5-10. The flag of the State of Texas must be displayed in accordance with Chapter 3100, Texas Government Code. A flagpole attached to a dwelling or a freestanding flagpole must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the flagpole and harmonious with the dwelling. The display of a flag, and the location and construction of the supporting flagpole, must comply with applicable zoning ordinances, easements, and setbacks of record. A flag and the flagpole on which it is flown must be maintained by such Owner in good condition and any deteriorated flag or deteriorated or structurally unsafe flagpole must be repaired, replaced, or removed by such Owner. No more than three flagpoles may be constructed on a Tract, and no flagpole may exceed more than 20 feet in height and may not be erected on the roof of any structure. Flags may not be displayed that exceed a dimension of five feet in height by eight feet in width. The particular location of flag poles and any lighting used to illuminate a flag must be approved by the ACC. The external halyard of a flagpole may not create noise that can be heard more than 25 feet from the flagpole, or within the interior of any home or other structure in the Property. No Owner may install a flag or flagpole on property that is owned or maintained by the Association or owned in common by the members of the Association.

2.27 Outside Lighting. The outside lighting plan for each Tract shall be approved by the ACC, and shall utilize Dark Sky Lighting systems to the maximum extent practicable. Subdued and directed architectural lighting shall be allowed, subject to the prior approval of the ACC. The intent of this outside lighting provision is to maintain the visibility of the natural skylight for all Owners and to minimize outside light pollution and lighting that could affect the adjacent lots. All lighting should be directed downward and be utilized for the Owners' safety at night.

2.28 Specific ACC Approvals for Outdoor Structures.

a. Outside Storage Buildings and Sheds: ACC approval of outside storage buildings and sheds is required and outside storage buildings and sheds must meet the following specifications, unless the ACC specifies other specifications:

- (i) Size no greater than eight feet wide by 12 feet long.
- (ii) Ceiling plate line height no greater than eight feet.
- (iii) Siding material must be the same type and color masonry as the residence on the Tract, and the roof material must be the same type and color material as the residence roof.
- (iv) Location of building must meet the minimum side yard and rear yard setback provisions for the Tract and be screened from view from the Main Roads.

b. Outside Storage Containers: ACC approval of outside storage containers is required and outside storage containers must meet the following specifications:

- (i) Maximum of two containers per Tract.
- (ii) Maximum of four feet tall.
- (iii) Must be compatible with the residence on such Tract and with community surroundings.

c. Children's Trampolines, Playscapes and Playhouses: ACC approval of children's trampolines, playscapes and playhouse is required for size and style and such items must meet the following specifications:

- (i) be properly constructed in a workmanlike manner;
- (ii) be located behind the Residence or behind a solid wall, fence or perennial landscaping in the side yard or back yard of a Residence;
- (iii) be screened by the above fence or landscaping, to the greatest extent reasonably possible, in order to prevent the structure from being seen from any Main Road, Common Area or neighboring Residence;
- (iv) not be located within any building setback lines.

The location, installation and screening requirements are based on aesthetics, preservation of property values.

d. Basketball Goals: Permanent basketball goals require ACC approval. Basketball goals shall not be mounted on any Residence or Out Building. Portable basketball goals require NO ACC approval, but such goals must meet the following specifications:

- (i) if stored outdoors, must be stored in an upright position out of the street and on the residence Tract; and
- (ii) must be properly maintained.

e. Greenhouses: ACC approval of greenhouses is required and greenhouses may be no more than 14 feet at the highest point.

f. Gazebos/Arbors: ACC approval of gazebos and arbors is required and such structures may be no more than 20 feet at the highest point.

g. Swimming Pools: ACC approval of swimming pools is required and swimming pools must be "in-ground" in nature. Pre-fabricated or above-ground pools shall NOT be permitted. All pools must be constructed behind the rear building line of the residence, not visible from the Main Roads or adjacent lots unless approved by the ACC due to unique topography or layout of the homesite.

h. Outside Color Change, Remodel: ACC approval is required for any outside color change of any improvement, and any remodel of any improvement.

2.29 Quality Workmanship. All improvements and structures including but not limited to homes, garages, barns, barndominiums, fences, sheds, storage buildings, and other improvements shall be constructed of quality material and in a workmanlike manner. Barns and barndominiums are not subject to the masonry requirement set forth in Section 2.3 (Exterior Materials), but must be approved in advance by the ACC. All improvements shall be kept weatherproofed by painting or such other method as may be necessary and appropriate, and none of the improvements shall be allowed to deteriorate to the detriment of the Property as a whole.

2.30 Watering Restrictions. All Owners shall comply with all rules and guidelines of the Association and of all governmental authorities having jurisdiction over water usage, including without limitation Blanco County and the Blanco-Pedernales Groundwater Conservation District.

2.31 Hydrology, Drainage. An Owner must request in written form and seek and obtain written approval from the ACC prior to any and all construction of any lake, pond or other water body. No activity may be conducted that pollutes or contributes to the pollution of land or water, above ground or underground.

Drainage on each Tract shall follow the natural drainage to the street, utility easement or natural grade elevations. Each Owner is responsible for managing the surface drainage of such Owner's Tract. The general grading, slope and drainage plan of a Tract may not be altered without written permission of the ACC and any approvals which may be required from any governmental body or agency having authority to grant such approval.

2.32 Destruction of Plants, Disturbance of Natural Habitat. Within the Building Envelope on each Tract, the Owner of such Tract shall have the right to cut and remove diseased trees, shrubs and plants, to cut firebreaks and to clear for construction of improvements. Owners shall also have the right to cut and remove trees, shrubs or plants to accommodate habitat management activities (including removal of ash juniper (cedar) and/or removal of oak trees **pursuant to an oak wilt prevention program approved by the Association**), and to conduct controlled prescribed burning in order to reduce brush, to maintain allowed existing improvements and/or as necessary to facilitate the construction of improvements on the Property. **No pruning or removal (other than cedar trees) of any species of oak trees shall be conducted between February 1st and June 30th. Violation of this rule shall be subject to a \$1,500 fine per occurrence.** Subject to all restrictions set forth in this Declaration, wildlife habitat and wetland enhancements are acceptable physical alterations to a Tract; provided, any dams, ponds, or water improvements shall be subject to approval (and conditions as specified) by the Ranch Manager and the ACC. Prior to undertaking any enhancement activities, a plan describing enhancements must be submitted to the Ranch Manager and the ACC for approval. In case of wetlands alterations, individuals proposing alterations must ensure full compliance with all applicable wetland regulations including the National Clean Water Act and all engineering and water rights requirements for the Texas Commission on Environmental Quality. Trees and vegetation outside of the Building Envelope may be removed or altered with the approval of the Ranch Manager, consistent with the Wildlife Management Program, subject to the oak wilt prevention program as stated above and published by the U.S. Department of Agriculture. In general, Trophy Trees (as defined below) shall be retained and preserved whenever practical. A "Trophy Tree" shall be defined as a native live oak, elm or pecan greater than six caliper inches in diameter three feet above the ground or a madrone greater than two caliper inches in diameter three feet above the ground.

The Association may from time to time establish rules and guidelines pertaining to the prevention and/or treatment of oak wilt. In such event each Owner shall comply with such rules and guidelines.

2.33 Prohibition of Trade and Offensive Activities. No retail, industrial, multifamily, office, mixed use, or commercial construction or use is allowed on any Tract. Any and all commercial development and commercial business is strictly prohibited. Noxious or offensive activities of any sort including loud noises or anything done on any Tract that may be or may become a nuisance to the neighborhood shall not be permitted.

2.34 Mineral Extraction. The excavation, mining, or removal of soil, sand, gravel, rock, peat, sod, or other surface materials or minerals by any surface mining method is prohibited, except that construction materials, such as rock, dirt, sand, and gravel, may be taken for the purposes of maintaining existing roads and facilities or in connection with other activity permitted herein on the Property to the extent permitted by applicable law. Mining or production of subsurface minerals, such as oil and gas, is strictly prohibited.

2.35 Leasing. No residence or Tract may be leased for transient purposes or for less than 30 days. All leases shall be subject to this Declaration, the Bylaws, and any rules and guidelines of the Association. The Association shall have the authority to evict tenants of Owners after reasonable notice for substantial or repeated violations of this Declaration, the Bylaws, or any rules or guidelines of the Association. The Association shall have the authority to enforce this Declaration, the Bylaws, or any rule or guideline provisions against an Owner's tenants, including collection of fines for violations by the tenant of this Declaration, the Bylaws, or any rules or guidelines of the Association. Owners are liable for all fines levied against their tenants and their tenants' guests or invitees. No Owner may lease (for barter or monetary amounts) any part of such Owner's residence (such as leasing a bedroom to a boarder) with the exception of live-in domestic help in association with customary residential purposes.

2.36 Firearms. No pistol, rifle, shotgun or any other firearm or explosives shall be discharged on any part of the Property, except (a) for the protection of the Owners and their property or animals from predators or nuisance varmints in a lawful manner; or (b) in the performance of official wildlife management duties conducted at the direction of the Ranch Manager as part of the culling requirement set out in the annual update to the Wildlife Management Program for the benefit of the Association. The Association may adopt rules and regulations concerning the use of firearms on the Property. RECREATIONAL HUNTING IS STRICTLY PROHIBITED IN ORDER TO PROMOTE SAFETY. FIREARMS OF ANY KIND ARE STRICTLY PROHIBITED IN THE COMMON AREAS FOR ANY REASON EXCEPT UNDER THE DIRECT SUPERVISION AND DIRECTION OF THE RANCH MANAGER AS PART OF THE ANNUAL WILDLIFE MANAGEMENT PROGRAM.

ARTICLE III. ACC REVIEW

3.1 Appointment of ACC. The ACC shall serve to guide Owners through the design and construction process utilizing "best practices" as developed from previous experience within the Property and other residential community developments while maintaining the restrictions contained in this Declaration on behalf of the Association. The ACC shall consist of at least three and not more than five members, as designated by Declarant in its sole discretion during the Development Period, and thereafter by the Board of Directors. No member of the ACC, who is also an Owner in the Property, may hold that position concurrently with being a member of the Association's Board of Directors. A majority of ACC members shall constitute a quorum for purposes of conducting an ACC meeting, and all decisions shall be decided by a majority of the ACC members present for any meeting. In the event a meeting cannot be conducted in person for various reasons, members of the ACC can conduct business and achieve a quorum either by telephone conference or by email. At least one member of the ACC shall be an Owner within the Property, preferably an Owner residing upon the Property, although that shall not be a prerequisite for appointment. Declarant shall have the right from time to time to appoint and/or replace the member(s) of the ACC in Declarant's sole discretion for any reason. Without limiting the generality of the foregoing, Declarant has the right to condition the appointment and continued service of any member of the ACC who is an Owner on the compliance of such member with all provisions of this Declaration, the Bylaws, any rules and guidelines of the Association, the Board of the Association, or any applicable regulatory or governmental authority, and any other applicable law, regulation, rule or contractual obligation. The Association shall maintain in its records a current roster of the members of the ACC. If there exists at any time one or more vacancies on the ACC that is left unfilled by the Declarant for a period of 30 days, the remaining members or member of the ACC (or if there are no remaining members, the Board of the Association) may designate successor member(s) to fill such vacancy or vacancies. Declarant hereby retains its right to assign the duties, powers and responsibilities of the ACC

to the Association at any time, and the term "Architectural Control Committee" or "ACC" herein shall include the Association as such assignee.

3.2 Authority. No construction or installation of any main residence, Out Building, fence, wall, basketball goal pole, or other structure or improvement of any kind (including all repair arising by reason of any casualty damage or destruction) shall be commenced, erected, placed, maintained or altered on any Tract, and no exterior painting of, exterior addition to, or alteration of any such items shall be undertaken until all plans and specifications and a plot plan showing the Building Envelope and the location of such improvements have been submitted to and approved in writing by the ACC as to:

- a. The quality of construction planned, including but not limited to materials, adequacy of site dimensions, adequacy of structural design, acceptability of floor plan elevations and proper facing of main elevation with respect to any Main Road;
- b. conformity and harmony of the external design, color, type and appearance of exterior surfaces and landscaping in relation to the various parts of the proposed improvements and in relation to improvements on other Tracts, and with the country style in the Blanco and Texas Hill Country area;
- c. topography of the Tract and finish grade elevation of the proposed improvement; and
- d. the other standards set forth within this Declaration and/or the rules and guidelines of the ACC and/or the Association.

All landscaping at Brushy Top should utilize xeriscape, naturally occurring grasses, plants and trees, and native rocks, as much as possible, keeping in mind that all yards, unless fenced, are grazing and habitat land for the native and exotic species of animals on the ranch. Any landscaping item that does not naturally exist on the ranch should be approved by the ACC prior to being incorporated in the landscaping of a tract. The ACC will encourage plantings of native plants that are not palatable to the game animals that roam freely over the Property.

The ACC is authorized and empowered to consider and review any and all aspects of construction and landscaping which may, in the reasonable opinion of the ACC, adversely affect the living enjoyment of one or more Owners of any Tracts or the general value of the Tracts. In considering the harmony of external design between existing structures and improvements and the proposed improvement to be erected, placed or altered, the ACC shall consider only the general appearance of the proposed improvement that can be determined from the front, rear and side elevations on submitted plans.

No exterior or interior removal, addition, or alteration shall be made to any main residence or Out Building which involves removal, addition, or alteration of load-bearing or non-load-bearing exterior walls without the prior written consent of the ACC. Plans for all such work shall be submitted to the ACC in compliance with this Article III. All removals, additions, and alterations must comply with all applicable governmental regulations, including building code and fire code regulations.

As an approved exception to the requirements above, in the event of damage caused by fire, storm or natural events, repairs and re-construction performed to restore improvements in every respect to the originally-approved design shall be deemed approved without written ACC approval, provided that repairs are performed by the same builder as originally constructed the improvements, if possible. Otherwise, improvements and/or re-construction must be submitted to the ACC for approval.

3.3 Procedure for Approval. Each Owner shall follow a four step review and approval process for ACC approval of any improvements proposed by such Owner. Each member of the ACC shall maintain strict confidentiality regarding the plans required to be submitted by an Owner to the ACC for any new construction, remodeling, hardscapes or landscaping. No discussion regarding such plans shall be permitted by the members of the ACC among any third parties without the Owner's expressed written permission.

a. Preliminary Design Review. The Owner shall submit to the ACC the preliminary new home or improvement design as soon as the Owner has a preliminary concept and design. The following action and documents must be completed and/or submitted to the ACC for the preliminary plan review by the ACC:

(i) Plot Plan. A plot plan must be submitted containing the Tract topography elevations, tree survey and proposed improvements. The site materials and impervious cover computations must be included on the plot plan.

(ii) Exterior Elevations. All four exterior elevations of the improvements must be submitted. Exterior materials must be identified although the final exterior material and color decisions may be presented to the ACC with the final plan review. The ACC may request exterior material and color samples before final approval by the ACC.

(iii) Floor Plan. The floor plan of any proposed structure must be submitted to the ACC for preliminary plan review.

(iv) View Corridors. The ACC shall consider impact of the preliminary plan on view corridors of surrounding Tracts.

(v) Water and Septic Systems. Proposed water and septic systems plans must be submitted.

Upon receipt of all materials listed above, the ACC shall schedule a meeting either in person, by phone, or via email to discuss and review the submitted preliminary plans, typically within 10 days but in no circumstances greater than 20 days afterwards. ACC suggestions shall be communicated to the Owner and any builder and/or architect engaged or proposed by such Owner.

b. ACC Pending Notice. Following the preliminary design review, the ACC will notify the Owner of pending ACC approval along with any questions or clarifications needed. Notice shall include identification of the Tract upon which improvements will be constructed and any variances to this Declaration requested by the Owner which are being considered by the ACC. In the event a variance is requested to this Declaration, a notice will be sent electronically to all Owners on the Association's website and to each Owner's email who has a registered email address with the Association. Owners shall have up to seven days to respond to the ACC via email with written comments related to any proposed variance.

Within 14 days following the preliminary design review, the ACC shall communicate preliminary design review comments to the Owner, along with written approval for any variances granted by the ACC (such approval to be kept on file for review by any Owner upon request) or written disapproval for any variances denied by the ACC along with the reason for denial.

c. Final Design Review. Owner shall then submit a complete copy of the final plans and specifications (which shall address such all comments from the preliminary design review) in duplicate by direct delivery or by overnight courier or certified mail to the ACC, or electronically as may be requested. The following documents must be submitted to the ACC for the final plan review by the ACC:

(i) Complete Final Set of Construction Plans. The Owner and/or his builder and/or architect shall submit the complete final construction plans to the ACC for final plan review, which shall be prepared by a certified professional architect or professional architectural design firm. The plans shall be approved and sealed by a certified professional engineer or architect for both the integrity of the framing and the foundation given the soil conditions that exist at the building site. The plans shall include detailed construction plans and specifications for all aspects of the proposed improvements, including without limitation, the final design, all structural, framing, foundation, roof, electrical, plumbing, mechanical, heating, ventilation, air conditioning, and flooring components, and all matters set forth in the building and performance standards provisions of the Texas Residential Construction Commission Act (or its successor).

(ii) Landscape and Irrigation Plans. All landscaping should be xeriscape as much as possible, incorporating native plants, grasses and rocks which occur in the Texas Hill Country. Any landscape plan for any main residence that goes beyond naturally-occurring materials must be submitted to the ACC prior to the approval of the frame inspection for the main residence. For slab on grade construction, it is recommended that perimeter irrigation be installed to provide consistently moist conditions.

(iii) Other Design Documents. Any other design documents required or requested by the ACC.

Upon receipt of all materials listed above, the ACC shall schedule a meeting to discuss and review the final plans and specifications, typically within 10 days but in no circumstances greater than 20 days afterwards. At such time as the final plans and specifications are approved by the ACC, the ACC shall send written notice of approval and will retain the plans and specifications. If disapproved by the ACC, the plans and specifications shall be returned marked "Disapproved" and shall be returned to the Owner accompanied by a statement of the reasons for disapproval, which statement shall be signed by an ACC representative. Any modification of an approved set of plans and specifications must again be submitted to the ACC for its review and approval. The ACC's approval or disapproval, as required herein, shall be in writing, and in no event may the ACC give verbal approval of any plans.

If the ACC fails to approve or disapprove the plans and specifications submitted in accordance with this subsection c within 20 days after the date of its receipt of such plans, the plans shall be deemed disapproved. Persons submitting plans and specifications are strongly encouraged to obtain written confirmation of receipt by the ACC of such plans and specifications. The ACC shall act with good faith and due diligence in attempting to review, and either approve or disapprove all submitted plans and specifications to the extent reasonably possible within the above-described time period. The ACC has sole discretion and authority to approve and disapprove submitted plans and specifications, provided specific and valid reasons are given for disapproval, with such disapproval being subject to review by the Board of the Association upon request by the ACC or the Owner.

If the plans are deemed disapproved due to failure of the ACC to approve or disapprove within 20 days the plans and specifications submitted in accordance with this subsection c, then Owner shall submit a copy of plans and specifications to the President of the Board of the Association, along with a copy of the written confirmation of receipt by the ACC of such plans and specifications previously submitted. The President of the Board of the Association shall exercise any and all influence to compel the ACC to approve or disapprove the plans and specifications within 30 days following receipt of plans and specification by Owner, provided that such plans and specifications have not changed since the previous submittal to the ACC. If ACC fails to approve or disapprove the plans and specifications re-submitted to the President of the Board of the Association within 30 days after the date of receipt by the President of the Board of the Association, then the plans shall be deemed approved.

In the case of a dispute about whether the ACC responded within such time period, the Owner submitting the plans shall have the burden of establishing that the ACC and, subsequently, the President of the Board of the Association received the plans. The receipt of the plans by the ACC or the President of the Board of the Association may be established by a signed certified mail receipt or by a signed delivery receipt.

d. Building Permit. Any provision of this Declaration to the contrary notwithstanding, prior to the commencement of any improvement, landscaping, renovation, addition, or alteration of the Tract and/or any residence, Out Building, or improvement thereon, the Owner of such Tract shall obtain a Building Permit issued by the ACC after completion of the following:

(i) The Owner shall obtain written approval of the final design plans and specifications.

(ii) The Owner shall obtain the written approval of the ACC of the specific homebuilder and/or any other contractor selected by the Owner pursuant to Section 3.5 (Required Approval Process for Homebuilder and Contractor) below.

(iii) The Owner and each such homebuilder or contractor shall execute and deliver to the ACC a written document in such recordable form as the ACC may specify, agreeing and confirming that (a) the Owner and each such homebuilder or contractor shall be bound by and shall comply with this Declaration, (b) all improvements shall comply with all applicable laws, rules, ordinances, statutes, covenants, conditions and restrictions regarding the use and ownership of the Property and the design and construction of residences and improvements on the Property, including, without limitation the Texas Residential Construction Commission Act (or its successor), (c) Declarant, the Association and/or any Owner shall have the right to enforce the terms of this Declaration against the Owner and/or such homebuilder or contractor pursuant to this Declaration, and (d) all improvements will be constructed according to the final design plans and specifications approved by the ACC. Attached hereto as **Schedule F** is the ACC New Home Approval Process, Builder Guidelines & Design Review Checklist Effective March 1, 2017 (the "Builder Guidelines"). The Builder Guidelines is required to be signed and initialed by the Owner and its homebuilder or contractor and filed with the ACC as a condition to the ACC's and Association's processing and approval of an Owner's permit request. The Builder Guidelines may be revised by the ACC or new or additional policies or guidelines issued by the ACC without amending the Declaration, provided if it is during the Development Period, the revision or new or additional policies are approved by the Declarant and Declarant's mortgagee (if any). No revision to the Builder Guidelines or new or additional policy or guideline issued by the ACC is valid or effective without the written approval of the Declarant and Declarant's mortgagee (if any).

3.4 Special Restrictions for Elevations and Floor Plans. Any main residence built on a Tract shall meet the following requirements:

a. No main residence front elevation shall be exactly duplicated on any main residence built on another Tract unless approved by the ACC.

b. No floor plan of a main residence on a Tract shall be repeated on a main residence built on another Tract in the same cul de sac unless materially modified and/or approved by the ACC.

3.5 Required Approval Process for Homebuilder and Contractor.

a. Submittals. In addition to other requirements set forth herein, the Owner shall be required to provide the following documentation to the ACC for review and approval or disapproval prior to any construction of a main residence or other improvement on a Tract, or any renovation, addition or alteration to such main residence, other improvement, or Tract:

(i) Name and ownership of the homebuilder or contractor.

(ii) Specific locations where the homebuilder or contractor is building homes in the Hill Country area.

(iii) Price range of new homes built by the homebuilder or contractor in the Hill Country area.

(iv) History of the homebuilder or contractor in the Hill Country area (length of time in business, previous building businesses, *etc.*).

(v) Specific addresses of residences or improvements constructed by the homebuilder or contract similar to the Owner's proposed improvement.

(vi) Financial information of the homebuilder or contractor to confirm that the homebuilder or contractor has the financial ability to complete the contemplated construction activities, including, without limitation, the homebuilder's or contractor's most current balance sheet and income statement.

(vii) A binding commitment on the part of the Owner for funding of the estimated costs for the proposed improvement, renovation, addition or alteration.

(viii) And such other information as the ACC may in its sole discretion determine appropriate.

b. Contractors. The ACC shall have the responsibility and the authority to review and approve a specific homebuilder or contractor selected by an Owner to build, improve, renovate, or alter a main residence or other improvement on the Owner's Tract. The ACC shall consider the required documentation, as well as any additional documentation and information submitted by the Owner and/or the homebuilder or contractor or otherwise obtained by the ACC, in the review and approval and/or disapproval of the homebuilder or contractor. The ACC shall have the responsibility and authority to approve or reject the requested homebuilder or contractor, based on the sole discretion of the ACC. The ACC may consider any factor in approving or rejecting the requested homebuilder or contractor, including, without limitation: the history, experience, ownership and construction activities of the homebuilder or contractor; the performance of the homebuilder or contractor under other contracts; the financial ability of the homebuilder or contractor; any current or prior violations of the homebuilder of this Declaration, the Bylaws, any rules or guidelines of the Association, or any other governing documents, laws or regulations.

Additionally, all contractors used and contracted directly by the Association to perform services on the Property must comply with the terms and conditions of the Independent Contractor Agreement and submit bids for contracting services according to the Competitive Bidding Policy where applicable.

c. Previously Approved Contractors. The ACC may, in its discretion, maintain and provide to any Owner, at its request, a list of custom homebuilders who are currently approved to build in the Property. If the proposed homebuilder or contractor is on this list of custom builders, the requisites of this Section 3.5 (Required Approval Process for Homebuilder and Contractor) may be met by the Owner's written notice to the ACC of the name of the homebuilder or contractor and the ACC's subsequent written confirmation to the Owner that the homebuilder or contractor is currently still approved to build in the Property. Declarant and ACC make no representations to any Owner as to the suitability of any active builder for its particular home or other improvements. The architects, engineers and inspectors employed by Owner, not Declarant or ACC, are responsible for compliance and construction quality. The ACC only approves plans, and its obligations are limited to approving construction according to certified plans, assuring consistent standards are maintained within the Property and promoting compliance with the restrictions and guidelines promulgated herein. Each Owner is solely responsible for the administration and satisfaction under its builder contract(s), including sub-contractors and any performance before, during or after the construction.

d. Condition to a Building Permit; Revocation of Approval. The Owner must obtain the ACC's written approval of any homebuilder or contractor before the ACC will issue a Building Permit. The ACC may revoke or suspend the approval of any homebuilder or contractor as to any particular improvement at any time prior to the commencement of significant construction activities.

3.6 Prior to Construction Commencement. The following action and documents must be approved and secured as provided herein prior to construction commencement of any improvement:

a. Blanco County Permits. All required development permits and septic system permits must be approved and issued by Blanco County before construction commencement.

b. Inspection of Final Plan. The ACC-reviewed plan must be reviewed and approved for compliance with all appropriate building codes, by an independent inspector selected or approved by the ACC prior to construction commencement.

c. ACC Building Permit. The ACC must issue written approval pursuant to Section 3.3 (Procedure for Approval) before construction commencement.

3.7 Independent Construction Inspections. The ACC will designate or approve an independent, third-party inspector ("Inspector") to inspect the construction or any improvement, according to the ACC rules and regulations, as the construction occurs and at certain milestones reached during construction. If the Inspector is not

available at the beginning of the project, it is the responsibility of the homebuilder to provide the name and contact information of an independent third-party inspector to provide all inspections required. The Inspector will also assure compliance with all regulations that are required by law at the time of construction whether County, Water District or other governmental regulations. The Inspector will consider compliance with other commonly accepted regulations governing the issuance of a Certificate of Occupancy for all residences. The Inspector will review and may comment on the certified plans for the construction of all residences including, but not limited to foundation, framing, electrical, plumbing and HVAC plans. The Owner and his builder or contractor shall be responsible for the securing and paying for such Inspector's initial plan review and for all construction inspections on a timely basis. Such Inspector shall have the authority and responsibility to stop construction if the Owner's builder or contractor does not secure the required construction inspections before the next inspection is required in the construction process. All such inspections shall be submitted to the ACC on a timely basis.

3.8 Certificate of Occupancy.

a. Certificate. If required by the ACC, as a part of approval of any plans for any main residence or other improvements to be used for human occupancy, this Section 3.8 (Certificate of Occupancy) shall apply. No improvement completed, or materially renovated or altered, on or after the Effective Date, may be used, occupied or reoccupied until the ACC has issued a written document approving such improvement for occupancy (a "Certificate of Occupancy"). An Owner or its homebuilder or contractor shall provide written notice (a "Notice of Completion") to the ACC by direct delivery or certified mail promptly following the completion of the initial construction or material renovation, addition or alteration of such improvement. The Notice of Completion shall include a final inspection report issued by the Inspector covering such construction, renovation, addition or alteration.

b. Review. The ACC has the sole discretion and authority to approve and disapprove a requested Certificate of Occupancy upon written request by the Owner. The ACC will rely upon the Inspector to advise the ACC regarding the compliance and completion of all required items during construction and upon completion. The ACC may request additional information, inspections or reports from the Owner or the Inspector for its evaluation of the requested Certificate of Occupancy. The Owner shall have the responsibility to pay for all actual out of pocket costs incurred by the ACC in connection with such review and issuance or disapproval of a Certificate of Occupancy.

c. Issuance. If approved by the ACC, a Certificate of Occupancy shall be issued and signed by a representative of the ACC. If disapproved by the ACC, the Notice of Completion shall be returned marked "Disapproved" and shall be accompanied by a signed statement of the reasons for disapproval. In no event shall the ACC give verbal approval of any improvements for use or occupancy. If the ACC fails to issue a Certificate of Occupancy or disapprove the Notice of Completion within 30 days after the date of the ACC's receipt of the Notice of Completion, the improvements shall be deemed disapproved and may not be used or occupied until a Certificate of Occupancy is issued by the ACC. Persons submitting a Notice of Completion are strongly encouraged to obtain written confirmation of the ACC's receipt of such Notice of Completion.

If the Notice of Completion is deemed disapproved due to failure of the ACC to either issue a Certificate of Occupancy or disapprove the Notice of Completion within 30 days of submission to the ACC submitted in accordance with this Section 3.8 (Certificate of Occupancy), then Owner shall submit a copy of the Notice of Completion to the President of the Board of the Association, along with a copy of the written confirmation of receipt by the ACC of such Notice of Completion previously submitted. The President of the Board of the Association shall exercise any and all influence to compel the ACC to either issue a Certificate of Occupancy or disapprove the Notice of Completion along with a signed statement of the reasons for disapproval within 30 days following receipt of the Notice of Completion by Owner. If ACC fails to either issue a Certificate of Occupancy or disapprove the Notice of Completion re-submitted to the President of the Board of the Association, then the improvements shall be deemed to be approved for occupancy, and the combination of the written confirmation of receipt by both the ACC and the President of the Board of the Association shall serve in lieu of the written Certificate of Occupancy.

In the case of a dispute about whether the ACC responded within such time period, the Owner submitting the Notice of Completion shall have the burden of establishing that the ACC and, subsequently the President of the

Board of the Association, received the Notice of Completion. The ACC's receipt of the Notice of Completion may be established by a signed certified mail receipt or by a signed delivery receipt.

d. No Liability for Decisions. The members of the ACC shall have no liability for decisions made by the ACC with respect to a Certificate of Occupancy or otherwise so long as such decisions are made in good faith and are not arbitrary or capricious. Any defects, violations, errors or omissions in the design or construction of any improvements shall be the responsibility of the Owner of the Tract to which the improvements relate, and the ACC shall have no obligation to check for any compliance with county codes, state statutes or the common law; such compliance rests with the Inspector and will be included in its final report to the ACC.

e. No Waiver by Issuance. The issuance of a Certificate of Occupancy by the ACC shall not waive any requirements or violations of this Declaration. Any variances approved by the ACC in its sole discretion must be specifically set forth in writing in accordance with Section 5.16 (Variance Provision) below.

f. Fine. If an Owner violates the provisions of this Section 3.8 (Certificate of Occupancy), the Board of the Association may assess a fine for each day that an improvement is used or occupied prior to the issuance of a Certificate of Occupancy by the ACC. The initial fine shall be \$100 for each day of use or occupancy prior to issuance of a Certificate of Occupancy, subject to reasonable, uniform increases that may be approved by the Board of the Association from time to time.

3.9 Timeline for Construction of Improvements. Unless otherwise approved in writing by the ACC, construction with respect to any improvements approved by the ACC shall be commenced by the Owner thereof (including homebuilders) within 120 days after such approval, shall be diligently pursued to final completion, and shall be completed within one year (or such later date as the ACC approves) after such approval. If construction is not commenced or completed by the applicable date, all ACC approvals with respect thereto shall expire, and the Owner shall re-submit plans for ACC review and approval as provided herein prior to any further construction.

3.10 Standards. The ACC shall use good faith efforts to promote and ensure a high level of taste, design, quality, harmony and conformity throughout the Property consistent with this Declaration. The ACC shall have sole discretion with respect to taste, design and all standards specified herein. One objective of the ACC is to prevent unusual, radical, curious, odd, bizarre, peculiar or irregular structures from being built on the Property. The ACC from time to time may publish and promulgate bulletins regarding architectural standards, which shall be fair, reasonable and uniformly applied and shall carry forward the spirit and intention of this Declaration.

3.11 Liability of the ACC. The members of the ACC shall have no liability for decisions made by the ACC, and the ACC shall have no liability for its decisions so long as such decisions are made in good faith and are not arbitrary or capricious. Any errors in or omissions from the plans and specifications or the site plan submitted shall be the responsibility of the Owner of the Tract to which the improvements relate, and the ACC shall have no obligation to check for errors in or omissions from any such plans or to check for such plans' compliance with the general provisions of this Declaration, county codes, state statutes or the common law, whether the same relate to Tract boundary or Building Envelope lines, building lines, easements or any other matters.

ARTICLE IV.
COVENANT FOR MAINTENANCE ASSESSMENTS

4.1 Creation of the Lien and Personal Obligation of Assessments. With respect to each Tract within the Property, Declarant hereby covenants, and each Owner by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, shall be deemed to covenant and agree to pay to the Association: (a) annual assessments or charges; (b) special assessments for community improvements (which are those improvements approved by an affirmative vote of 67% of the votes of the Owners who are voting in person or by proxy at a meeting duly called for such purpose) and/or for repayment of funds used and/or borrowed in payment of community improvements; and (c) assessments for mowing and maintaining Tracts or removing trash as permitted herein. Such assessments shall be established and collected as hereinafter provided. All assessments, together with any applicable interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner at the time with the assessment fell due. Declarant shall not be exempt from any assessments.

4.2 Purpose of Assessments. The assessments levied by the Association shall be used as permitted exclusively herein to promote the recreation, health, safety and welfare of the Owners within the Property and for the improvements and maintenance of the Common Area and any other property owned by the Association. Special Assessments, as provided in Section 4.4 d (Owner-Approved Special Assessments) below shall also be the only means by which any funds collected from all of the members of the Association may be expended for the purpose of pursuing any legal initiative for the direct or indirect purpose of challenging, amending, rewriting or altering in any way this Declaration.

4.3 Maximum Annual Assessment. The maximum annual assessment for 2014 (not including assessments for water and trash service and other special assessments) shall be \$430 for each Tract. From and after January 1, 2014, the maximum annual assessment may be adjusted (increased or decreased) as determined by the Board of the Association, provided that any increase shall not exceed 20% of the maximum assessment for the previous year unless approved by an affirmative vote of 67% of the votes cast on the Ballots of the Owners entitled to vote who are voting in person or by proxy at a meeting duly called for such purpose and for which a Quorum is present. The Board of the Association may fix the annual assessment at such amount not in excess of the maximum as the Board of the Association determines.

4.4 Owner-Approved Special Assessments. In addition to the annual assessments authorized above, the Board of the Association may levy in any assessment year the following special assessments:

a. Road Maintenance Reserve. For the calendar year 2014, the Board of the Association levied an annual special assessment for each Tract of \$100 for a Road Maintenance Reserve. For any assessment year after 2014, the Board of the Association may levy an annual assessment for each Tract for the Road Maintenance Reserve which has the effect of bringing the aggregate amount in such special reserve account to a total of \$25,000 or such higher amount as may be approved by the Owners consistent with subsection d below.

b. Road Resurfacing Reserve. For the calendar year 2014, the Board of the Association levied an annual special assessment for each Tract of \$120 for a Road Replacement Reserve. For any assessment year after 2014, the Board of the Association may levy an annual assessment for each Tract for the Road Replacement Reserve in the annual amount of \$120 or any such higher amount as may be approved by the Owners consistent with subsection d below.

c. Reserve Accounts. Each special assessment shall be placed in a separate, segregated account and may be used by the Board of the Association only for the purpose for which each such assessment was made. Except as provided for in this Section 4.4 (Owner-Approved Special Assessments), the Road Maintenance Reserve and the Road Resurfacing Reserve may be used solely for maintenance or replacement/reconstruction of the Main Roads, as the Board of the Association from time to time determines in its sole discretion.

d. Owner-Approved Special Assessments. The Board of the Association may levy an Owner-approved special assessment for the purpose of defraying, in whole or in part, the cost of any new construction, reconstruction, repair or replacement of a capital improvement upon the Common Area and/or of any property or improvement owned by the Association, including fixtures and personal property related thereto, or for

the accrual of any legal funds used for the purpose of pursuing any Owner approved changes to this Declaration consistent with Section 5.6 (Amendment) herein, provided that any such Owner-approved special assessment is approved by an affirmative vote of 67% of the votes cast on the Ballots of the Owners entitled to vote who are voting in person or by proxy at a meeting duly called for such purpose and for which a Quorum is present.

4.5 Notice and Quorum for any Owner Action. Written notice of any meeting of Owners called for the purpose of taking any action authorized under Sections 4.3 (Maximum Annual Assessment) and 4.4 (Owner-Approved Special Assessments) above, or for the election of members to the Board shall be mailed (by U.S. first class mail) to all Owners not less than 30 days or more than 60 days in advance of the meeting. If the required Quorum is not present at any such meeting, the meeting shall be adjourned and another meeting may be called subject to the same notice requirement. No such subsequent meeting shall be held less than 30 days or more than 60 days following the preceding meeting.

4.6 Rate of Assessment; Due Dates. All Tracts shall be subject to the annual assessments determined by the Board of the Association in accordance with the provisions of Sections 4.3 (Maximum Annual Assessment), 4.4 (Owner-Approved Special Assessments) and 4.6 (Rate of Assessment; Due Dates) hereof. The Board of the Association shall fix the amount of the annual assessment against each Tract at least 30 days in advance of each annual assessment period. Written notice of the annual assessment shall be mailed (by U.S. first class mail) to every Owner subject thereto. The Board of the Association shall establish the payment dates. The Association shall, upon request and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Tract have been paid and the amount of any delinquencies. The Association shall not be required to obtain a request from the Owner for such certificate, but may deliver such certificate to any party who in the Association's judgment has a legitimate reason for requesting same.

4.7 Fines. The Board of the Association shall have the right to assess fines or other charges against an Owner for violations of this Declaration, the Bylaws, any rules, regulations or guidelines of the Association published by the Board and filed in the Official Public Records of Blanco County, or any other governing documents, as further described in Section 4.10 (Remedies of the Association) below. Fines may increase for each day such Owner allows the violation to continue. The Board of the Association may in its discretion waive all or part of any fine if there are hardships or unusual circumstances. Attorney's fees incurred by the Association in enforcing this Declaration, the Bylaws, any rules or guidelines of the Association or any other governing documents may be assessed to the violating Owner's account.

It is the Owner's responsibility to notify the Association, in writing, when the Owner believes a violation has been cured to allow the Association to reevaluate the violation and consider ceasing the accrual of any additional fines. Fines may continue to be assessed until the Association receives such notice from the Owner.

4.8 Suspension of Privileges. In addition to any rights and remedies available at law or in equity or specifically provided in this Declaration or any other governing document, in the event an Owner or his family, homebuilder, contractor, tenants, occupants or guests violates this Declaration, the Bylaws, any rules, regulations or guidelines of the Association published by the Board and filed in the Official Public Records of Blanco County, or any applicable regulatory or governmental authority, or violates any other applicable law, regulation, rule or contractual obligation, the Board of the Association and/or the ACC, acting on behalf of the Association, may (a) suspend or condition the right of an Owner and any of his family, tenants, occupants or guests to use the facilities and amenities (including all or part of the Common Area(s) owned, operated, or managed by the Association) until such matter or violation is cured or satisfied, (b) suspend any approval for the construction, improvement, renovation, addition or alteration to a Tract or improvement, (c) record a notice of non-compliance regarding such violation (specifying the applicable Tract) in the Official Public Records of Blanco County, Texas, and/or (d) withhold any approval or consent required or permitted to be given pursuant to this Declaration until such matter or violation is cured or satisfied.

4.9 Payments and Alternative Payment Schedule. The Association may at any time without further notice require any payments due to the Association be made in cash, wired federal funds, or other certified funds. The Association shall adopt reasonable guidelines to establish an alternative payment schedule by which an Owner may make partial payments to the Association for assessments or other amounts owed to the Association without accruing additional penalties.

4.10 Remedies of the Association.

a. Delinquency; Lien. Any assessments, fines, or other sum due under this Declaration, the Bylaws, or any rules or guidelines of the Association or other governing documents not paid within 30 days after the due date shall be delinquent and at the discretion of the Board of the Association, shall bear interest from the due date at the rate of the lesser of 10% per annum or the highest lawful applicable rate permitted by law, and the Board of the Association may impose late fees and collection fees for any unpaid amounts due the Association, or any of the foregoing. Any such assessment, fine, or other amount due and all interest and costs of collection, including administrative costs of the Association and reasonable attorney's fees and any late fees adopted by the Board of the Association shall be secured by a lien upon the Owner's Tract to which such assessment, fine, or other costs relate, which lien (a) shall be superior to all other liens and charges against such Tract, except only for ad valorem tax liens and all sums unpaid on a bona fide mortgage lien or deed of trust lien of record and otherwise permitted hereunder, and (b) shall be coupled with a power of sale in favor of the Association entitling the Association to exercise the right of foreclosure sale and the other rights and remedies afforded under the Texas Property Code, as amended. It is expressly intended that by acceptance of a deed or other form of conveyance to a Tract, each Owner acknowledges that title is accepted subject to the lien provided for herein, which shall be deemed to be an express contractual lien and shall be superior to any defense of homestead or other exemption, the lien having been created prior to the creation or attachment of any homestead right with respect to any Tract.

b. Duty to Provide Notice Before Enforcement Action. Except as excluded in Section 4.10 c (Hearing Before Board; Alternative Dispute Resolution) below, before the Association may suspend an Owner's right to use the Common Area, file a suit against an Owner other than a suit to collect an Assessment or charge or foreclose under the Association's lien, charge an Owner for property damage, or levy a fine, the Association must give written notice to the Owner by certified mail, return receipt requested. The notice must describe the violation or property damage that is the basis for the suspension action, charge, or fine and state any amount due the Association from the Owner and inform the Owner that the Owner is entitled to a reasonable period to cure the violation and avoid the fine or suspension (unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six months), may request a hearing under Section 209.007 of the Texas Property Code on or before the 30th day after the date the Owner receives the notice, and may have special rights or relief related to the enforcement action under federal law, including the Service Members Civil Relief Act (50 U.S.C. app. Section 501 *et seq.*), if the Owner is serving on active military duty.

c. Hearing Before Board; Alternative Dispute Resolution. If the Owner is entitled to an opportunity to cure the violation, the Owner has the right to submit a written request for a hearing to discuss and verify facts and resolve the matter in issue before a committee appointed by the Board or before the Board if a committee is not appointed. If a hearing is to be held before a committee, the notice prescribed by Section 209.006 of the Texas Property Code must state the Owner has the right to appeal the committee's decision to the Board by written notice. The Association shall hold a hearing under this section not later than the 30th day after the date the Board receives the Owner's request for a hearing and shall notify the Owner of the date, time, and place of the hearing not later than the 10th day before the date of the hearing. The Board or the Owner may request a postponement, and, if requested, a postponement shall be granted for a period of not more than 10 days. Additional postponements may be granted by agreement of the parties. The Owner or the Association may make an audio recording of the meeting. The Association may use alternative dispute resolution services. The Owner's presence is not required to hold a hearing.

Notwithstanding anything in this Declaration to the contrary, the notice and hearing provisions of this Declaration do not apply if the Association files a suit seeking a temporary restraining order or temporary injunctive relief or files a suit that includes foreclosure as a cause of action, but a party to the suit may file a motion to compel mediation. The notice and hearing provisions of this Declaration do not apply to a temporary suspension of a person's right to use the Common Area if the temporary suspension is the result of a violation that occurred in the Common Area and involved a significant and immediate risk of harm to others in the subdivision. The temporary suspension is effective until the Board makes a final determination on the suspension action after following the procedures set out in this section.

d. Limit on Foreclosures. Notwithstanding the foregoing, the Association may not foreclose an Assessment lien if the debt securing the lien consists solely of (i) fines assessed by the Association, (ii) attorney's

fees incurred by the Association solely associated with fines assessed by the Association, or (iii) amounts added to the Owner's account as an Assessment under Section 209.005(i) of the Texas Property Code (relating to fees incurred in connection with the reproduction of the Association's books and records).

e. Filing Notice of Lien. To evidence the lien, the Association may file a written notice of such lien in the Official Public Records of Blanco County, Texas, setting forth the amount of the unpaid indebtedness, the name of the Owner of the Tract covered by such lien, and a description of the Tract. Subsequent to the recording of a notice of lien as provided herein, the Association may bring an action at law against the Owner personally obligated to pay the indebtedness secured thereby, and in addition, conduct a nonjudicial foreclosure sale of the Owner's Tract under the Texas Property Code or judicially foreclose the lien against the Owners Tract, all such remedies being cumulative. In any suit or proceeding against the Owner or the Owner's Tract, the Owners shall be required to pay and shall be liable for all costs, expenses and reasonable attorneys' fees incurred by the Association. No Owner may waive or otherwise avoid liability for the assessments, fines, or other charges provided for herein by non-use of the Common Areas or abandonment of the assessed Tract by the Owner.

4.11 Subordination of the Lien to Mortgages. The lien of the assessments, fines, and other charges provided for herein shall be subordinate to the lien of any first mortgage, subordinate mortgage for home or other improvements, or home equity mortgage, existing at any time upon the particular Tract involved. Sale or transfer of any Tract shall not affect the assessment lien, and all provisions of this Declaration shall be binding as to any Tract acquired by foreclosure, trustee's sale or otherwise after such acquisition of title and as to any breach occurring thereafter. However, the sale or transfer of any Tract pursuant to foreclosure of a mortgage permitted herein (whether by exercise of power of sale or otherwise) or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Tract from liability for any assessments thereafter becoming due or from the lien thereof, but such lien shall exist as, and constitute, a separate and distinct charge and lien on such Tract.

4.12 Priority and Application of Payments. A payment received by the Association from an Owner shall be applied to the Owner's debt in the following order of priority: (a) any delinquent Assessment; (b) any current Assessment; (c) any attorney's fees or third party collection costs incurred by the Association associated solely with Assessments or any other charge that could provide the basis for foreclosure; (d) any other attorney's fees incurred by the Association that are not subject to clause (c) above; (e) any fines assessed by the Association; and (f) any other amount owed to the Association by such Owner. The foregoing notwithstanding, if, at the time the Association receives a payment from an Owner such Owner is in default under an alternative payment schedule entered into with the Association, the Association is not required to apply the payment in the order of priority specified above, and in applying the payment, a fine assessed by the Association may not be given priority over any other amount owed to the Association. The Association may refuse to accept partial payment, i.e., less than the full amount due and payable. The Association may also refuse to accept payments to which the payer attaches conditions or directions contrary to the foregoing order of priority or to any other policy of the Association. The Association may adopt a policy that endorsement and deposit of a payment does not constitute acceptance by the Association, and that acceptance occurs when the Association posts the payment to the Owner's account.

4.13 Third Party Collections. The Association may not hold an Owner liable for fees of a collection agent (defined below) retained by the Association unless the Association first provides written notice to the Owner by certified mail, return receipt requested, that (a) specifies each delinquent amount and the total amount of the payment required to make the account current; (b) describes the options the Owner has to avoid having the account turned over to a collection agent, including information regarding availability of an alternative payment schedule through the Association; and (c) provides a period of at least 30 days for the Owner to cure the delinquency before further collection action is taken. An Owner is not liable for fees of the Association's collection agent if the obligation for payment by the Association is in any way dependent or contingent on amounts recovered, or the payment agreement between the Association and the collection agent does not require payment by the Association of all fees to a collection agent for the action undertaken by the collection agent. The agreement between the Association and a collection agent may not prohibit the Owner from contacting the Association's Board of the Association or the Association's managing agent regarding the Owner's delinquency. The Association may not sell or otherwise transfer any interest in the Association's accounts receivables for a purpose other than as collateral for a loan. In this Section 4.13 (Third Party Collections), "collection agent" means a debt collector, as defined by Section 803 of the federal Fair Debt Collection Practices Act (15 U.S.C. Section 1692a).

4.14 Prerequisites to Foreclosure. The Association may not foreclose an assessment lien by giving notice of sale under Section 51.002 of the Texas Property Code or commencing an expedited judicial foreclosure action unless the Association has (a) provided written notice of the total amount of the delinquency giving rise to the foreclosure to any other holder of a lien of record whose lien is inferior or subordinate to the Association's lien and is evidenced by a deed of trust recorded in the Official Public Records of Blanco County, Texas; and (b) provided the recipient of such notice an opportunity to cure the delinquency before the 61st day after the date on which the recipient receives such notice. Such notice must be sent by certified mail, return receipt requested, to the address for the lienholder shown in the applicable deed of trust.

ARTICLE V. GENERAL PROVISIONS

5.1 Enforcement. All restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration shall run with the land. The Association, the ACC, Declarant, or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by Declarant, the Association, any Owner, or any other party to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

All rights and authority granted to Declarant hereunder shall continue until the termination of the Development Period, as set forth in Section 1.10 (Development Period) above. On such date, all rights and authority granted to Declarant hereunder shall vest in, and thereafter be exercised by, the Association, except for rights and authority which by their terms cease to exist hereunder on or prior to such date. Declarant may assign any or all of its rights and authority as Declarant hereunder to any person or entity until the termination of the Development Period by written assignment duly recorded in the Official Public Records of Blanco County, Texas, a copy of which shall be delivered to the Board of the Association. Conveyance by Declarant of a property interest alone shall not constitute an assignment of Declarant's rights and authority as Declarant hereunder.

5.2 Traffic Rules. All persons must obey all traffic signs, all posted speed limits, and all other rules promulgated by the Association throughout the Property. Unless otherwise posted, the speed limit on all roads in the Property is 25 miles per hour.

5.3 Owners' Voting Rights. Each Owner, including Declarant, shall be entitled to one vote for each Tract owned by such Owner in all matters pertaining to this Declaration, the Association, and the Property. Owner's in common or in joint tenancy shall specify which Owner has signature authority for any vote cast on a resolution put before the members of the Association by providing an original copy of the "Notice of Signature Authority", available on the Association's Website, or such other document clearly identifying the Owner having signature authority for a particular Tract, signed by both Owners or a scanned copy of such original signed document either emailed, mailed using the U.S. Postal Service, Fed Ex or similar mail delivery service or hand delivered to the Secretary of the Board of the Association. If such signed document is not in the possession of the Secretary of the Association prior to the vote on a resolution or election, the vote cast by the Owner(s) in such resolution shall not be valid. The signed Notice of Signature Authority, or such similar document, shall remain valid and on file until a change in a Tract's ownership occurs. Owners shall have the right to vote on each of the following items, each as provided for specifically herein: (i) Special Assessments, (ii) increase in dues annual escalation rate above 20%, (iii) approval of the Ranch Manager, (iv) election of three year term members to the Board and separately, the Board President, (v) approval of an annualized general line item budget for the Association for the subsequent calendar year, (vi) any and all changes to this Declaration after the Development Period or separately, the Schedules attached hereto, and (vii) such other specific proposals as may be put before the membership of the Association from time to time.

The Board President shall be elected by a simple majority of all of the Ballots cast, comprised of both (i) the Owner's present who are entitled to vote, plus (ii) available proxies from those Owner's not present and entitled to vote at the annual meeting of the membership of the Association each year, provided a Quorum is present for the purpose of conducting Association business. The membership shall nominate either one of the currently serving directors, one of the newly elected directors, if applicable, or alternatively, another Owner who shall agree to allow their nomination to be submitted from the floor for consideration. Each candidate wishing to be considered for such

role shall make a presentation to the Owners at the meeting, prior to the vote, of their qualifications and their vision and short term objectives for the community for the subsequent 12 month period to last no longer than 5 minutes per candidate. The President may serve for one or more successive one year terms, if re-elected, up to a maximum of three terms in any 8 year period. Removal or displacement from the role of President shall have no affect or bearing on a director's elected term of service. If a third party, who is not already serving as a director on the Board of the Association, is elected as President of the Board, then that person shall serve as an additional member of the Board up to total number of six directors (with no more than five directors and no less than three directors having been elected to serve a term of three years each), with all of the rights and privileges of a duly elected Board member, for so long as that person's role as President is perpetuated through annual re-election. No director may serve more than one three year term after having been elected by the members of the Association. Once a director has served a full term, that person may not stand for re-election to the Board for a period of at least three years.

5.4 Owners' Easement of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area, which shall be appurtenant to and shall pass with the title to every Tract subject to the following provisions and applicable provisions of the Texas Property Code:

- a. The right of the Association as permitted herein to charge reasonable admission and other fees for the use of the Common Area as provided herein.
- b. The right of the Association to right to use of the Common Area by an Owner as provided herein.
- c. The right of the Association as permitted herein to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Association. No such dedication or transfer shall be effective unless approved by an affirmative vote of 67% of the votes of the Owners who are voting in person or by proxy at a meeting duly called for such purpose.

5.5 Delegation of Use. Subject to the Bylaws and/or the rules or guidelines of the Association, any Owner may delegate his right of enjoyment to the Common Area and facilities, if any, to the members of his family, and when accompanied by such Owner or a family member, to any of his invitees and guests who reside on or occupy such Owner's Tract or enter the Property. Owners may not hold events for commercial purposes. Declarant may host events for potential landowners and/or real estate professionals for the purpose of marketing unsold Tracts in the Property, so long as notice to the Board of the Association is provided at least 30 days prior to each such event and no such event is planned on a weekend or bank holiday.

5.6 Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of 50 years from the Effective Date of the original Declaration, after which time they shall be automatically extended for successive periods of 20 years. In addition to being subject to amendment by the Declarant during the Development Period, this Declaration may be amended during the first 50 year period by an amendment Ballot listing each of the individual line item changes, each one of which must be individually agreed to and approved by at least 75% of the Owners entitled to vote in the Association, if also approved by the Declarant as herein provided. Those proposed changes not receiving the requisite level of Owner approval shall be removed from the amendment instrument. Thereafter, the Amended and Restated Declaration, including only those individual line item changes receiving the requisite Owner approval, must be distributed by email at the direction of the President of the Board to all of the Owners in the Association along with a Ballot to indicate Owner approval of such instrument which Ballot must be signed and returned by email by Owners holding at least 67% of the votes entitled to be cast in the Association. Declarant may amend this Declaration without approval or consent of the Owners by an instrument signed by it any time during a period ending on or before the expiration of the Development Period, and such Amendment shall be binding upon all Owners. No person shall be charged with notice of or inquiry with respect to any amendment until and unless it has been filed for record in the Official Public Records of Blanco County, Texas. Notwithstanding the foregoing, until the Development Period terminates pursuant to Section 1.10 (Development Period) above, no amendment to this Declaration and/or amendment or revision to Schedules A – F shall be valid or effective without the written consent of Declarant and Declarant's mortgagee (if any).

5.7 Annexation. Declarant may at any time on or before the annexation of the Development Period, annex additional residential property and/or Common Area to the Property without approval or consent of the Owners.

5.8 Gender and Number. Whenever used herein, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

5.9 Headings. The section headings herein are inserted for convenience of reference only and shall in no way alter, modify or define, or be used in construing, the text of such sections.

5.10 Execution by the Association. The Association by joining in the execution hereof agrees to be bound by all the terms and provisions of this Declaration.

5.11 Lien Holder. **E2M Value Added Fund, LP and E2M Value Added Fund (Tax Exempt), LP** (“Lienholders”) join herein solely for the purpose of subordinating the liens held by them of record upon the Property to the covenants, conditions and restrictions hereby imposed by Declarant with, however, the stipulation that such subordination does not extend to any lien or charge imposed by or provided for in this Declaration.

5.12 Wildlife Management by Declarant and After the Development Period. As long as Declarant owns any Tract, Declarant (and/or its agent) shall have the right (but not the obligation) to exclusively manage and control the management of any and all wildlife animals (exotic or otherwise) and wildlife habitat on the Property, initially hire a Ranch Manager, and shall have access to all areas (public and private) of the Property at reasonable times and as needed to manage and care for such native and exotic wildlife animals.

The position of Ranch Manager, and the requirement to promptly fill any vacancy in that position and the organizational structure described in **Schedule E**, shall continue after the end of the Development Period, in perpetuity unless amended in accordance with **Section 5.6** (Amendment) above. The Ranch Manager may never be an Owner on the Property or be related in any way to an Owner.

The Wildlife Policy as regards the Property shall be as described in the attached **Schedule C**.

The Feeding Policy shall be as described in **Schedule D**.

The Organization Chart and reporting responsibilities of the Ranch Manager and Volunteers with regard to both wildlife and habitat management shall be as described in **Schedule E**.

The Board of the Association shall provide budgetary oversight and will be responsible for setting broad direction, budgetary limits and annual objectives with the input of the Ranch Manager by the end of October of each year with respect to the following calendar year. The Ranch Manager shall also provide a mid-year comparison of actual to forecasted budget by the end of July each year, with an updated comparison and reconciliation through the month of October (projected through year end) at the annual meeting of the members of the Association each year.

The Board of the Association shall have no input or control over who may be a Volunteer in either the Wildlife or Habitat Management Advisory Teams or in what capacity those individuals may serve within those Management Advisory Teams.

Implementation of the objectives set out by the Board of the Association and the Ranch Manager at the beginning of each calendar year shall be at the sole direction of the Ranch Manager with the support of the Volunteers acting under his direction. The Ranch Manager shall provide a typed written summary to the Board of the Association at least five days prior to its scheduled Board meeting(s) which shall discuss completed activities on behalf of each of the Wildlife and Habitat Management Advisory Teams for the prior interval since the last Board meeting and the anticipated actions to be undertaken in the succeeding interval prior to the next Board meeting.

The Ranch Manager, as part of his responsibilities, may initiate a contract for either products or services or a Competitive Bidding Process, where applicable, with regard to (i) new incremental products or services not

previously identified in the annual capital and expense budget for the purpose of presenting a valid cost estimate for the implementation or application of such project, product or service to the Board for their consideration and approval, or (ii) products or services previously itemized and approved by the Association which were included as part of the annual wildlife or habitat management budgets for the purpose of approval or selection of the low cost bidder by the Board of the Association. With regard to the latter subsection (ii) and assuming compliance with the attached Schedule B if applicable, no additional bids, individual contractors or product types or sources may be requested by the Board in addition to those presented by the Ranch Manager. Declarant may assign any or all rights and obligations for wildlife and habitat management to the Association at any time with the understanding that the operations of such shall be as expressly provided herein.

5.13 Subsequent Approval of a New Ranch Manager. The successor to the initial Ranch Manager shall be approved by a majority of the members of the Association at a regularly convened annual meeting of such members. The Wildlife Management Advisory Team and the Habitat Management Advisory Team will, to the best of their ability, present to the Association by email three qualified candidates, or other such lesser or greater number depending on availability and qualifications, at least 30 days prior to the annual meeting along with the terms and conditions of the proposed services agreement (which terms shall have been previously and tentatively agreed to, subject to Association approval). At the annual meeting each of the qualified candidates will be asked to make a short presentation of their respective background and experience. Afterwards, the qualified candidates shall be excused and a majority of the Owners present and entitled to vote, including proxies and assuming the presence of a Quorum, shall elect and approve the new Ranch Manager along with the terms of the proposed services contract. The successful candidate shall be so informed by the Board of the Association within three business days from the date of the annual meeting and the new services contract will be mutually executed by the President of the Board and the selected Ranch Manager promptly thereafter. The term of such new Ranch Manager's contract shall be for at least one year and no more than two years unless a special exception is requested by the Wildlife and Habitat Management Advisory Teams and approved by the Owners at the same time the new Ranch Manager is approved.

5.14 Management Advisory Teams; Volunteers. To the extent not prohibited by the Texas Business Organizations Code or other applicable laws, the Association is to and hereby indemnifies and defends Volunteers who are or may be named defendant or respondent in any proceeding as a result of his or her actions or omissions or service as a Volunteer on a Management Advisory Team, heretofore or hereafter, including being indemnified against judgments, settlements, and expenses (including attorney's fees) incurred in connection with the proceeding. The Board of Directors is to adopt, as soon as practicable, but not later than 30 days from the date of the filing of this Fifth Amended and Restated Declaration, a Bylaw or policy further setting out and addressing protection of Volunteers from civil legal liability for actions or omissions, including but not limited to decisions made or for services rendered heretofore or hereafter in his or her capacity as a Volunteer and to provide further protection from legal liability by being named (in aggregate as "Volunteers") as Additional Insured under the Association's DOI policy. It is the intent of the Association and this Declaration that no Volunteer should be required to pay any out-of-pocket expenses for their own personal legal defense as a result of a civil law suit brought by another Owner or a third party for services rendered while acting as a Volunteer except in cases where a Volunteer is ultimately found guilty of willful misconduct or gross negligence.

5.15 Exotic Animals. The affirmative vote of Owners holding 67% of all of the votes entitled to be cast in the Association shall be required to (i) introduce or remove any particular type of exotic species, (ii) remove 100% of a specific gender of a particular exotic species, or (iii) remove more than 10% of an entire herd of a particular exotic species unless an emergency or dire situation exists necessitating the immediate removal of such greater amount. In such latter situation, the Ranch Manager shall explain to the Association at the first available opportunity the reasons for such action. Otherwise, notice of such initiative shall be given to each member of the Association in the method for giving of notice set out in the Bylaws of the Association at least 60 days in advance of any vote and the requirement of the affirmative vote of Owners holding 67% of all of the votes entitled to be cast in the Association, whether cast in person or through proxies at a meeting called for such purpose or by written Ballot and submitted by email to the Board).

5.16 Variance Provision. Except as expressly otherwise provided herein, Declarant or the ACC shall have the right, but not the obligation, in its discretion to review and approve or disapprove variances with respect to any requirements of this Declaration requiring approval by the ACC, based on detailed documentation as specified by and provided to Declarant or the ACC.

5.17 Final Plat and Notes, Other Authorities. Each Owner is obligated to read, understand and strictly follow the notes and provisions of each Final Plat. If other authorities, such as the county or state, impose more demanding, expensive or restrictive requirements than those set forth herein, the requirements of such authorities shall be complied with. Other authorities' imposition of lesser requirements than those set forth herein shall not supersede or diminish the requirements herein.

5.18 Addresses. Any notices or correspondence by the ACC or the Association to an Owner of a Tract shall be addressed to the street address of the Tract or to such other address as the ACC or Association and such Owner shall specify. Any notice or plan submission to the Association as it is recorded in the Official Public Records of Blanco County, the address of the Association's management company or by email to the ACC as listed on the website for the Association or community. The ACC may change its address for notice and plan submission by recording in the Official Public Records of Blanco County a notice of change of address.

5.19 No Warranty of Enforceability. While Declarant has no reason to believe any of the restrictive covenants or other terms or provisions contained in this Declaration are or may be invalid or unenforceable for any reason or to any extent, Declarant makes no warranty as to the present or future validity or enforceability of any provision hereof. Any Owner acquiring a Tract in reliance on one or more of such restrictive covenants, terms or provisions shall assume all risks of the validity and enforceability thereof, and by acquiring the Tract agrees to hold Declarant, the Association, the Board of the Association, and the ACC harmless therefrom. Declarant, the Association, the Board of the Association and the ACC shall not be responsible for the acts or omissions of any individual, entity or other Owner.

5.20 Association Books and Records. Upon written request by an Owner or an Owner's authorized representative, including an Owner's agent, attorney or certified public accountant, the Association shall make the books and records of the Association reasonably available for examination by such Owner or such Owner's authorized representative, pursuant to the Association's records production policy.

ARTICLE VI. **COMMON AREA**

6.1 Common Area's Purpose. The Common Area is for the maintenance of a wildlife habitat to support the ongoing care and maintenance of both indigenous and exotic wildlife contained on the Property and managed by the Ranch Manager under the direction of the Board of the Association as further and expressly provided for herein. It is also for the use, pleasure, enjoyment and outdoor recreation of all Owners.

6.2 Owner's Right of Use and Easement of Enjoyment. Every Owner shall have a right to use and an easement of enjoyment in and to the Common Area, which shall be appurtenant to and shall pass with the title to every Tract, subject to the provisions of this Declaration, the rules and guidelines of the Association, and other governing documents.

6.3 Use Restrictions for Common Area. The Association or the Declarant prior to the end of the Development Period shall have the right to prescribe rules and guidelines governing and restricting use of the Common Area. No Owner shall use the Common Area in any manner that would (a) interfere with their purpose, (b) alter or change their look, terrain, environment, or ecosystem, (c) constitute a public or private nuisance, (d) interfere with the use and enjoyment of other owners, or (e) violate any of the following unless approved by the Association or the Declarant:

a. No cutting or removal of any trees, plants, bushes, or any of the natural vegetation and habitat in the Common Area is allowed, except in the quarry, without the written approval of the Ranch Manager and the Board of the Association.

b. No altering of the soils, embankments, hills, creeks, streams and land in the Common Area is allowed except in the quarry.

c. No buildings or structures, temporary or permanent, shall ever be erected, placed or permitted on the Common Area except for an animal holding pen and storage shed or barn to be located on the Common Area Tract containing the quarry and a Pavilion and a partially in-ground barbeque grill or pit to be located next to the East Lake, assuming the latter is approved by a majority of the Owners entitled to vote at the time such meeting is called to vote on such a resolution and a Quorum is present at such meeting.

d. No tents, inflatable equipment of any type or dining facilities for more than 10 people, other than the Pavilion described previously, may be placed on the Common Area without the prior written approval of the Board of the Association.

e. No boat or flotation device not owned by the Association may be left unattended on the Common Area.

f. No hunting, trapping, capturing (except fishing), caging, interference with or killing of any animals in the Common Area is allowed for any reason, unless conducted by individuals engaged in the wildlife management program under the direction of the Ranch Manager as authorized by the Board of the Association. **No firearms of any kind are allowed in Common Areas.**

g. No gasoline, diesel, internal combustion motors of any type on any boat or watercraft shall be allowed in any of the ponds or lakes. Electric motors are allowed. No boats or watercraft with a length longer than 14 feet are allowed on the lake or ponds. Catch-and-release fishing is allowed with barbless hooks unless otherwise authorized or provided by the Ranch Manager.

h. No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to the Common Area for any reason in connection with the use or maintenance of the Common Area; provided however, such machinery or equipment may be placed, operated or maintained by any governmental or quasi-governmental agency or by a public utility in the performance of its legitimate functions.

i. No sign, advertisement, billboard, or advertising structure of any kind shall be placed, maintained or displayed on the Common Area.

j. SMVs may not be operated by an unlicensed driver on any of the Main Roads on the Property or on any of the Common Areas, including any of the Hiking Trails unless accompanied by an adult licensed driver at least 21 years old. SMVs may not be operated in Common Areas after sunset.

6.4 Common Area Fees. The Association shall have the right to charge reasonable fees for the use of the Common Area in order to preserve and maintain the natural habitat, terrain, landscaping, wildlife, ponds, lakes, creeks, and all other areas and improvements thereof.

6.5 Transfer of Common Area. The Association may dedicate or transfer all or any part of the Common Area to any public agency, authority or utility as permitted in Section 5.4 (Owners' Easement of Enjoyment) above.

6.6 Land Adjacent to the Common Area. For all land within each Tract that is adjacent to the Common Area, all landscaping shall be designed so as to protect and promote, as far as practicable, the natural local landscape environment through use of native materials, natural drainage, indigenous plant selection, and site design. All landscaping design shall be subject to the applicable provisions of this Declaration, and shall:

a. Whenever possible, save and incorporate all existing trees with trunk diameters of four or more inches. To insure the viability of these trees, soil compacting, trenching and/or cut and fill shall be avoided, to the greatest extent possible, in the area defined by the trees' drip line.

b. Maintain or enhance, wherever possible, existing vegetation within drainage easements to prevent erosion, siltation, or runoff augmented by development.

6.7 Association Facilities on Common Area. At the sole discretion of the Declarant or the Association, Association facilities may be installed on the Common Area.

6.8 Declarant's Conveyances to Association. Conveyance of property to the Association by the Declarant to be Common Area does not require and is not contingent upon the consent or acceptance of the Association in order to be effective. The Board of Directors of the Association is authorized to approve and/or negotiate terms and conditions proposed by Declarant for such conveyances by the Declarant to the Association.

SIGNED May 31, 2017 to be effective as of the date this Declaration is filed for record in the Official Public Records of Blanco County, Texas (the "Effective Date").

DECLARANT:

RANCHES AT BRUSHY TOP PARTNERS, LP

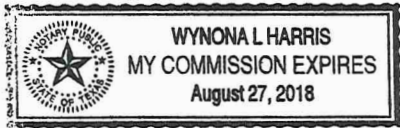
By: RBT Managing GP, LLC,
a Texas limited liability company,
its managing general partner

By: 
William P. Daves, IV, President

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on this 31st day of May, 2017, by William P. Daves, IV, President of RBT Managing GP, LLC, a Texas limited liability company, as Managing General Partner of Ranches at Brushy Top Partners, L.P., on behalf of said company and said limited partnership.


Notary Public, State of Texas




LIENHOLDERS:

E2M Value Added Fund, LP,
a Delaware limited partnership

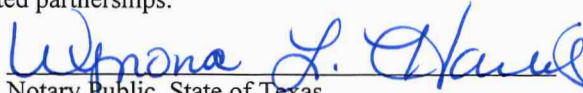
By: E2M General Partner, LP, a Delaware
limited partnership, its general partner

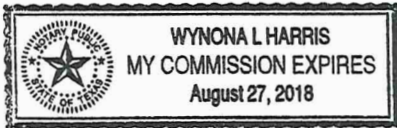
By: E2M Partners, LLC, a Delaware
limited liability company, its general
partner

By: 
William P. Daves, IV, President

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on this 31st day of May, 2017, by William P. Daves, IV, President of E2M Partners, LLC, a Delaware limited liability company, general partner of E2M General Partner, LP, a Delaware limited partnership, general partner of E2M Value Added Fund, LP, a Delaware limited partnership, on behalf of said limited liability company and said limited partnerships.



Notary Public, State of Texas



**E2M Value Added Fund (Tax Exempt), LP,
a Delaware limited partnership**

By: E2M General Partner, LP, a Delaware
limited partnership, its general partner

By: E2M Partners, LLC, a Delaware
limited liability company, its general
partner

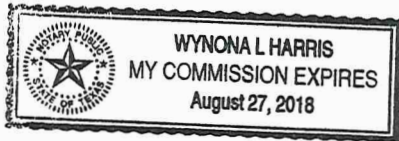
By: 
William P. Daves, IV, President


THE STATE OF TEXAS

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COUNTY OF DALLAS

This instrument was acknowledged before me on this 31st day of May, 2017, by William P. Daves, IV, President of E2M Partners, LLC, a Delaware limited liability company, general partner of E2M General Partner, LP, a Delaware limited partnership, general partner of E2M Value Added Fund (Tax Exempt), LP, a Delaware limited partnership, on behalf of said limited liability company and said limited partnerships.




Notary Public, State of Texas