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THE CLIFFS AT LAKE BELTON

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

Bell County, Texas

Declarant: KACHINA DEVELOPMENT, LLC, a Texas limited liability company

THE CLIFFS AT LAKE BELTON
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

TABLE OF CONTENTS

ARTICLE 1 DEFINITIONS 1

ARTICLE 2 GENERAL AND USE RESTRICTIONS 5

 2.1 General.....5

 2.2 Conceptual Plans.....5

 2.3 Single-Family Residential Use.....6

 2.4 Rentals7

 2.5 Subdividing.....7

 2.6 Hazardous Activities7

 2.7 Insurance Rates.....8

 2.8 Mining and Drilling8

 2.9 Animals - Household Pets8

 2.10 Rubbish and Debris.....8

 2.11 Maintenance.....9

 2.12 Street Landscape Area-Owner’s Obligation to Maintain Landscaping.....9

 2.13 Antennas.....9

 2.14 Location of Permitted Antennas9

 2.15 Signs10

 2.16 Flags – Approval Requirements.....10

 2.17 Flags – Installation and Display10

 2.18 Tanks.....11

 2.19 Barbecue Units.....11

 2.20 Clotheslines; Awnings.....11

 2.21 Temporary Structures.....12

 2.22 Outside Storage Buildings12

 2.23 Unsightly Articles; Vehicles.....12

 2.24 Mobile Homes, Travel Trailers and Recreational Vehicles13

 2.25 Basketball Goals13

 2.26 Trash Containers13

 2.27 Compliance with Restrictions13

 2.28 Liability of Owners for Damage to Common Area.....14

 2.29 Party Fences and Walls14

 2.30 Playscapes and Sports Courts15

 2.31 Decorations and Lighting.....15

ARTICLE 3 CONSTRUCTION RESTRICTIONS..... 15

 3.1 Approval for Construction15

 3.2 Construction Activities.....16

3.3 Drainage 16

3.4 Compliance with Setbacks 16

3.5 Minimum Square Footage 16

3.6 Height Restrictions..... 16

3.7 Masonry Requirements; Foundation Shielding 17

3.8 Windows 17

3.9 Roofing 17

3.10 Garages 17

3.11 Fences..... 17

3.12 Swimming Pools..... 18

3.13 Solar Energy Device..... 18

3.14 Rainwater Harvesting Systems 19

3.15 Landscaping..... 20

3.16 Xeriscaping..... 21

3.17 Maintenance of Septic Systems and Other Sewage Treatment Facilities 22

3.18 Water Quality Facilities, Drainage Facilities and Drainage Ponds 22

3.19 Utility Lines..... 23

3.20 Alteration or Removal of Improvements..... 23

ARTICLE 4 THE CLIFFS AT LAKE BELTON RESIDENTIAL COMMUNITY..... 23

4.1 Organization 23

4.2 Membership 23

4.3 Governance 24

4.4 Voting Rights 24

4.5 Powers 24

4.6 Conveyance of Common Area to the Association..... 27

4.7 Relationships with Other Properties and Entities 28

4.8 Relationships with Quasi-Governmental Entities and Tax Exempt Organizations
..... 28

4.9 Indemnification 28

4.10 Insurance 29

4.11 Bulk Rate Contracts..... 29

4.12 Protection of Declarant’s Interests 29

4.13 Administration of Common Area..... 30

4.14 Right of Action by Association..... 30

ARTICLE 5 INSURANCE..... 30

5.1 Insurance 30

5.2 Restoration 30

ARTICLE 6 COVENANT FOR ASSESSMENTS 30

6.1 Assessments 30

6.2 Maintenance Fund 31

6.3 Regular Annual Assessments..... 31

6.4 Working Capital Assessment 31

6.5 Special Assessments..... 32

6.6 Individual Assessments 32

6.7 Amount of Assessment 33

6.8 Late Charges 33

6.9 Owner’s Personal Obligation; Interest 33

6.10 Assessment Lien and Foreclosure..... 34

6.11 Exempt Property 35

6.12 Fines and Damages Assessment 35

ARTICLE 7 ARCHITECTURAL CONTROL COMMITTEE 36

7.1 Construction of Improvements 36

7.2 Architectural Control Committee 36

ARTICLE 8 MORTGAGE PROVISIONS 39

8.1 Notice of Action..... 39

8.2 Examination of Books..... 40

8.3 Taxes, Assessments and Charges..... 40

ARTICLE 9 GENERAL PROVISIONS..... 40

9.1 Term 40

9.2 Eminent Domain 40

9.3 Amendment 40

9.4 Roadway and Utility Easements..... 41

9.5 No Warranty of Enforceability..... 41

9.6 Enforcement..... 41

9.7 Higher Authority 41

9.8 Severability..... 41

9.9 Conflicts..... 42

9.10 Gender 42

9.11 Acceptance by Owners..... 42

9.12 Damage and Destruction 42

9.13 No Partition..... 43

9.14 Notices 43

9.15 View Impairment 43

9.16 Safety and Security..... 43

ARTICLE 10 EASEMENTS..... 44

10.1 Right of Ingress and Egress 44

10.2 Reserved Easements 45

10.3 Utility Easements 45

10.4 Subdivision Entry and Fencing Easement..... 45

10.5 Landscape and Monument Sign Easement 45

ARTICLE 11 DEVELOPMENT RIGHTS.....46

11.1 Development by Declarant46

11.2 Special Declarant Rights.....46

11.3 Addition of Land.....46

11.4 Withdrawal of Land.....47

11.5 Assignment of Declarant’s Rights.....47

ARTICLE 12 DISPUTE RESOLUTION47

12.1 Introduction and Definitions47

12.2 Mandatory Procedures47

12.3 Claim Affecting Common Areas.....48

12.4 Notice49

12.5 Negotiation50

12.6 Mediation50

12.7 Termination Of Mediation50

12.8 Binding Arbitration-Claims50

12.9 Allocation Of Costs52

12.10 General Provisions52

12.11 Period of Limitation.....52

12.12 Funding Arbitration and Litigation.....53

THE CLIFFS AT LAKE BELTON

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This Declaration of Covenants, Conditions and Restrictions (this “**Declaration**”) is made by **KACHINA DEVELOPMENT, LLC**, a Texas limited liability company (the “**Declarant**”), and is as follows:

RECITALS:

A. This Declaration is filed with respect to Lots 1 through 21, Block 1, and Lots 1 through 16, Block 2, **CLIFFS AT LAKE BELTON PHASE I**, a subdivision in Bell County, Texas, according to the map or plat thereof recorded under Document No. 2017-39958, Official Public Records of Bell County, Texas (the “**Property**”). Declarant is the owner of the Property.

B. Declarant desires to create and carry out a uniform plan for the development, improvement, and sale of the Property.

C. By the Recording of this Declaration, Declarant serves notice that the Property is subject to the terms and provisions of this Declaration.

NOW, THEREFORE, it is hereby declared: (i) that the Property (or any portion thereof) will be held sold, conveyed, and occupied subject to the following covenants, conditions and restrictions which will run with such portions of the Property and will be binding upon all parties having right, title, or interest in or to such portions of the Property or any part thereof, their heirs, successors, and assigns and will inure to the benefit of each owner thereof; and (ii) that each contract or deed conveying the Property (or any portion thereof) will conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions and restrictions, regardless of whether or not the same are set out in full or by reference in said contract or deed.

This Declaration uses notes (text set apart in boxes) to illustrate concepts and assist the reader. If there is a conflict between any note and the text of the Declaration, the text will control.

**ARTICLE 1
DEFINITIONS**

Unless the context otherwise specifies or requires, the following words and phrases when used in this Declaration will have the meanings hereinafter specified:

“**Applicable Law**” means the statutes and public laws and ordinances in effect at the time a provision of the Restrictions is applied, and pertaining to the subject matter of the Restriction provision. Statutes and ordinances specifically referenced in the Restrictions are “**Applicable Law**” on the date of the Restrictions, and are not intended to apply to the Property

if they cease to be applicable by operation of law, or if they are replaced or superseded by one or more other statutes or ordinances.

“Architectural Control Committee” or **“ACC”** means the committee created pursuant to this Declaration to review and approve or deny plans for the construction, placement, modification, alteration or remodeling of any Improvements on a Lot. As provided in *Article 7* below, the Declarant acts as the ACC and the ACC is not a committee of the Association until the Declarant has assigned its right to appoint and remove all ACC members to the Association in a Recorded written instrument.

“Assessment” or **“Assessments”** means assessments imposed by the Association under this Declaration.

“Assessment Unit” has the meaning set forth in *Section 6.7.2*.

“Association” means TCLB Residential Community, Inc., a Texas non-profit corporation, doing business as The Cliffs at Lake Belton Residential Community, which will be created by Declarant to exercise the authority and assume the powers specified in *Article 4* and elsewhere in this Declaration.

“Board” means the Board of Directors of the Association.

“Bulk Rate Contract” or **“Bulk Rate Contracts”** means one or more contracts which are entered into by the Association for the provision of utility services or other services of any kind or nature to the Lots. The services provided under Bulk Rate Contracts may include, without limitation, cable television services, telecommunications services, internet access services, “broadband” services, security services, trash pick-up services, propane service, natural gas service, lawn maintenance services, and any other services of any kind or nature which are considered by the Board to be beneficial to all or a portion of the Property. Each Bulk Rate Contract shall be approved in advance and in writing by the Declarant until expiration or termination of the Development Period.

“Bylaws” means the Bylaws of the Association.

“Certificate” means the Certificate of Formation of the Association, filed in the Office of the Secretary of State of Texas, as the same may be amended from time to time.

“Common Area” means any property and facilities that the Association owns or in which it otherwise holds rights or obligations, including any property or facilities held by the Declarant for the benefit of the Association or its Members. Common Area includes any property that the Association holds under a lease, license, or any easement in favor of the Association. Some Common Area will be solely for the common use and enjoyment of the Owners, while other portions of the Common Area may be for the use and enjoyment of the Owners and members of the public. Declarant, from time to time and at any time, may designate Common Area.

“Community Manual” means the community manual, which may be initially adopted and recorded by the Declarant as part of the initial project documentation for the benefit of the Association. The Community Manual may include the Bylaws, Rules and Regulations and other policies governing the Association. The Community Manual may be amended, from time to time, by the Declarant during the Development Period. Any amendment to the Bylaws, Rules and Regulations and other policies governing the Association prosecuted by the Board shall be approved in advance and in writing by the Declarant until expiration or termination of the Development Period. Upon expiration or termination of the Development Period, the Community Manual may be amended by a Majority of the Board.

“Community Systems” means any and all cable television, telecommunications, alarm/monitoring, internet, telephone or other lines, conduits, wires, amplifiers, towers, antennae, satellite dishes, equipment, materials and installations and fixtures (including those based on, containing and serving future technological advances not now known), if installed by Declarant pursuant to any grant of easement or authority by Declarant within the Property.

“Declarant” means KACHINA DEVELOPMENT, LLC, a Texas limited liability company, its successors or assigns; provided that any assignment(s) of the rights of KACHINA DEVELOPMENT, LLC, as Declarant, shall be expressly set forth in writing and Recorded.

“Design Guidelines” means the standards for design, construction, landscaping, and exterior items proposed to be placed on any Lot adopted pursuant to *Section 7.2.3*, as the same may be amended from time to time. The Design Guidelines may consist of multiple written design guidelines applying to specific portions of the Property. At Declarant’s option, Declarant may adopt or amend from time to time the Design Guidelines for the Property or any portion thereof. Notwithstanding anything in this Declaration to the contrary, the Declarant will have no obligation to establish Design Guidelines for the Property or any portion thereof.

“Design Review Process” means the process for review and written approval of any Improvement, or any addition, alteration, improvement, installation, modification, redecoration, or reconstruction thereof, by the ACC, as set forth in Exhibit A attached hereto.

“Development Period” means the period of time beginning on the date when this Declaration has been Recorded, and ending twelve (12) months after Declarant no longer owns any portion of the Property, unless earlier terminated by a Recorded written instrument executed by the Declarant. Declarant may terminate the Development Period by an instrument executed by Declarant and Recorded. The Development Period is the period in which Declarant reserves the right to facilitate the development, construction, and marketing of the Property, and the right to direct the size, shape and composition of the Property.

“Homebuilder” means an Owner (other than the Declarant) who acquires a Lot for the construction of a single family residence for resale to a third party.

“Improvement” means all physical enhancements and alterations to the Property, including but not limited to grading, clearing, removal of trees, alteration of drainage flow, and site work, and every structure and all appurtenances of every type and kind, whether temporary or permanent in nature, including, but not limited to, buildings, outbuildings, storage sheds, patios, tennis courts, sport courts, recreational facilities, swimming pools, putting greens, garages, driveways, parking areas and/or facilities, storage buildings, sidewalks, fences, gates, screening walls, retaining walls, stairs, patios, decks, walkways, landscaping, mailboxes, poles, signs, antennae, exterior air conditioning equipment or fixtures, exterior lighting fixtures, water softener fixtures or equipment, and poles, pumps, wells, tanks, reservoirs, pipes, lines, meters, antennas, towers and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or other utilities.

“Lot” means any portion of the Property designated by Declarant or as shown as a subdivided lot on a Plat other than Common Area.

“Majority” means more than one-half.

“Manager” has the meaning set forth in *Section 4.5.8*.

“Members” means every person or entity that holds membership privileges in the Association.

“Mortgage” or **“Mortgages”** means any mortgage(s) or deed(s) of trust securing indebtedness and covering any Lot.

“Mortgagee” or **“Mortgagees”** means the holder(s) of any Mortgage(s).

“Owner” means the person(s), entity or entities, including Declarant, holding all or a portion of the fee simple interest in any Lot, but does not include the Mortgagee under a Mortgage prior to its acquisition of fee simple interest in such Lot pursuant to foreclosure of the lien of its Mortgage.

“Plat” means the final plat of CLIFFS AT LAKE BELTON PHASE I, a subdivision in Bell County, Texas, Recorded under Document No. 2017-39958, as it may be amended, and any other Recorded subdivision plat of any portion of the Property, and any amendments thereto.

“Plateau Lot” means Lots 3 through 21, Block 1, on the Plat.

“Property” means Lots 1 through 21, Block 1, and Lots 1 through 16, Block 2, CLIFFS AT LAKE BELTON PHASE I, a subdivision in Bell County, Texas, according to the map or plat thereof Recorded under Document No. 2017-39958, subject to such additions thereto and deletions therefrom as may be made pursuant to *Section 11.3* and *Section 11.4* of this Declaration.

“Record, Recording, Recordation and Recorded” means recorded or to be recorded in the Official Public Records of Bell County, Texas.

“Resident” means an occupant or tenant of a Lot, regardless of whether the person owns the Lot.

“Restrictions” means the restrictions, covenants, and conditions contained in this Declaration, the Design Guidelines, if any, Bylaws, Community Manual, Rules and Regulations, or in any other rules and regulations promulgated by the Association pursuant to this Declaration, as adopted and amended from time to time. *See Table 1* for a summary of the Restrictions.

“Rules and Regulations” means any instrument, however denominated, which is adopted by the Board for the regulation and management of the Property or the Common Area, including any amendments to those instruments.

“Solar Energy Device” means 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 energy. 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.

**ARTICLE 2
GENERAL AND USE RESTRICTIONS**

All of the Property shall be owned, held, encumbered, leased, used, occupied, and enjoyed subject to the following limitations and restrictions:

2.1 General.

2.1.1 **Conditions and Restrictions.** All Lots within the Property will be owned, held, encumbered, leased, used, occupied and enjoyed subject to the Restrictions.

2.1.2 **Ordinances.** Ordinances and requirements imposed by local governmental authorities are applicable to all Lots within the Property. Compliance with the Restrictions is not a substitute for compliance with Applicable Law. Please be advised that the Restrictions do not purport to list or describe each restriction which may be applicable to a Lot located within the Property. Each Owner is advised to review all ordinances, requirements, regulations and encumbrances affecting the use and improvement of their Lot prior to submitting plans to the ACC for approval. Furthermore, approval by the ACC should not be construed by the Owner that any Improvement complies with the terms and provisions of any ordinances, requirements, regulations or encumbrances which may affect the Owner’s Lot. Certain encumbrances may benefit parties whose interests are not addressed by the ACC.

2.2 Conceptual Plans. All master plans, site plans, brochures, illustrations, information and marketing materials relating to the Property or the Common Area (collectively, the **“Conceptual Plans”**) are conceptual in nature and are intended to be used for illustrative purposes only. The land uses and Improvements, including but not limited to any amenity

centers, reflected on the Conceptual Plans are subject to change at any time and from time to time, and it is expressly agreed and understood that land uses within the Property or the Common Area may include uses which are not shown on the Conceptual Plans. Neither Declarant nor any Homebuilder or other developer of any portion of the Property or the Common Area makes any representation or warranty concerning such land uses and Improvements shown on the Conceptual Plans or otherwise planned for the Property or the Common Area and it is expressly agreed and understood that no Owner will be entitled to rely upon the Conceptual Plans or any statements made by the Declarant or any of Declarant's representatives regarding the proposed land uses, or proposed or planned Improvements, in making the decision to purchase any land or Improvements within the Property. Each Owner who acquires a Lot within the Property acknowledges that development of the Property and/or the Common Area will likely extend over many years, and agrees that the Association will not engage in, or use Association funds to support, protest, challenge, or make any other form of objection to development of the Property or the Common Area or changes in the Conceptual Plans as they may be amended or modified from time to time.

2.3 Single-Family Residential Use. The Lots shall be used solely for private single family residential purposes. No professional, business, or commercial activity to which the general public is invited shall be conducted on any Lot, except an Owner or Resident may conduct business activities within a residence so long as: (i) such business activity complies with all Applicable Law; (ii) no sign is erected advertising the business on any Lot; (iii) no sound or smell emanates from such business activity within the residence; (iv) such business activity does not involve door-to-door solicitation of residents within the Property; (iv) such business activity does not, in the Board's judgment, generate a level of vehicular or pedestrian traffic or a number of vehicles parked within the Property which is noticeably greater than that which is typical of residences in which no business activity is being conducted; (v) such business activity is consistent with the residential character of the Property and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Property as may be determined in the sole discretion of the Board; and (vi) such business activity does not require the installation of any machinery other than that customary to normal household operations. In addition, for the purpose of obtaining any business or commercial license, neither the residence nor Lot will be considered open to the public. The terms "business" and "trade", as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (x) such activity is engaged in full or part-time; (y) such activity is intended to or does generate a profit; or (z) a license is required.

In addition to the foregoing, no portion of the Property may be used for the following uses or purposes: (i) a junk yard, salvage yard or storage facility for abandoned vehicles, abandoned aircraft or vehicle parts; (ii) the dumping and incineration of garbage or refuse; (iii) the smelting of iron, tin or zinc; (iv) a sanitary landfill; (v) a sexually-oriented business,

including, but not limited to a sexually oriented massage parlor, a nude modeling studio, an adult book/pornographic materials store, a lounge or club featuring nude or semi-nude entertainers, an escort service or a theatre showing of pornographic films; (vi) a slaughterhouse or feedlot; (vii) a horse or dog racing track or any facility for off-track pari-mutuel betting; (viii) a jail, prison or honor farm; (ix) a cemetery; or (x) a flea market.

Leasing of a residence shall not be considered a business or trade within the meaning of this subsection. This subsection shall not apply to any activity conducted by the Declarant or a Homebuilder.

Notwithstanding any provision in this Declaration to the contrary, until the expiration or termination of the Development Period: (i) Declarant and/or its licensees may construct and maintain upon portions of the Common Area, any Lot, or portion of the Property owned by the Declarant, such facilities and may conduct such activities which, in Declarant's sole opinion, may be reasonably required, convenient, or incidental to the construction or sale of single family residences constructed upon the Lots, including, but not limited to, business offices, signs, model homes, and sales offices. Declarant and/or its licensees shall have an easement over and across the Common Area for access and use of such facilities at no charge; and (ii) Declarant and/or its licensees will have an access easement over and across the Common Area for the purpose of making, constructing and installing Improvements upon the Common Area.

2.4 Rentals. Nothing in this Declaration shall prevent the rental of any Lot and the Improvements thereon, or any portion thereof, by the Owner thereof for residential purposes; provided that all rentals shall be for terms of at least one (1) month. All leases shall be in writing. The Owner shall provide to its lessee copies of the Restrictions. Within ten (10) days after receipt of a request from the Board, an Owner will deliver a copy of any current lease(s) for such Owner's Lot to the Association.

2.5 Subdividing. No Lot shall be further divided or subdivided, nor may any easements or other interests therein less than the whole be conveyed by the Owner thereof without the prior written approval of the ACC; provided, however, that when Declarant is the Owner thereof, Declarant may further divide and subdivide any Lot and convey any easements or other interests less than the whole, all without the approval of the ACC.

2.6 Hazardous Activities. No activities may be conducted on or within the Property and no Improvements may be constructed on or within any portion of the Property which, in the opinion of the Board, are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms or fireworks may be discharged upon any portion of the Property unless discharged in conjunction with an event approved in advance by the Board and no open fires may be lighted or permitted except within: (i) safe and well-designed and constructed fireplaces; (ii) safe and well-designed and constructed fire pits; or (iii) contained barbecue units while attended and in use for cooking purposes. No portion of the Property may be used for the takeoff, storage, or landing of aircraft (including, without limitation, helicopters), except for medical emergencies.

2.7 Insurance Rates. Nothing shall be done or kept on the Property which would increase the rate of casualty or liability insurance or cause the cancellation of any such insurance on the Common Area, or the Improvements located thereon, without the prior written approval of the Board.

2.8 Mining and Drilling. No portion of the Property may be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel, aggregate, or earth. This provision will not be construed to prevent the excavation of rocks, stones, sand, gravel, aggregate, or earth or the storage of such material for use as fill provided that such activities are conducted in conjunction with the construction of Improvements and/or the development of the Property by the Declarant. Furthermore, this provision will not be interpreted to prevent the drilling of water wells by the Declarant or otherwise approved in advance by the ACC which are required to provide water to all or any portion of the Property. All water wells shall also be approved in advance by any applicable regulatory authority.

2.9 Animals - Household Pets. No animals, including pigs, hogs, swine, poultry, fowl, wild animals, horses, cattle, sheep, goats, or any other type of animal not considered to be a domestic household pet within the ordinary meaning and interpretation of such words may be kept, maintained, or cared for on or within the Property (as used in this paragraph, the term "domestic household pet" shall not mean or include non-traditional pets such pot-bellied pigs, miniature horses, exotic snakes or lizards, monkeys, chickens or other exotic animals). The Board may determine, in its sole discretion, whether a particular pet is a domestic household pet within the ordinary meaning and interpretation of such words. No Owner may keep on such Owner's Lot more than four (4) cats and dogs, in the aggregate. No animal may be allowed to make an unreasonable amount of noise, or to become a nuisance, and no domestic pets will be allowed on the Property other than within the Owner's residence, or the fenced yard space associated therewith, unless confined to a leash. The Association may restrict pets to certain areas on the Property. No animal may be stabled, maintained, kept, cared for, or boarded for hire or remuneration on the Property, and no kennels or breeding operation will be allowed. No animal may be allowed to run at large, and all animals shall be kept within enclosed areas which shall be clean, sanitary, and reasonably free of refuse, insects, and waste at all times. All pet waste will be removed and appropriately disposed of by the owner of the pet. All pets shall be registered, licensed and inoculated as required by Applicable Law.

2.10 Rubbish and Debris. As determined by the Board, no rubbish or debris of any kind may be placed or permitted to accumulate on or within the Property, and no odors will be permitted to arise therefrom so as to render all or any portion of the Property unsanitary, unsightly, offensive, or detrimental to any other property or Residents. Refuse, garbage, and trash shall be kept at all times in covered containers, and such containers shall be kept within enclosed structures or appropriately screened from view. Each Owner will contract with an independent disposal service to collect all garbage or other wastes, if such service is not provided by a governmental entity or the Association.

2.11 Maintenance. The Owners of each Lot shall jointly and severally have the duty and responsibility, at their sole cost and expense, to keep their Lot and all Improvements thereon in good condition and repair and in a well-maintained, safe, clean and attractive condition at all times. The Board, in its sole discretion, shall determine whether a violation of the maintenance obligations set forth in this *Section 2.11* has occurred. Such maintenance includes, but is not limited to the following, which shall be performed in a timely manner, as determined by the Board, in its sole discretion: (i) prompt removal of all litter, trash, refuse, and wastes; (ii) lawn mowing; (iii) tree and shrub pruning; (iv) watering; (v) keeping exterior lighting and mechanical facilities in working order; (vi) keeping lawn and garden areas alive, free of weeds, and attractive; (vii) keeping planting beds free of turf grass; (viii) keeping sidewalks and driveways in good repair; (ix) complying with Applicable Law; (x) repainting of Improvements; and (xi) repair of exterior damage, and wear and tear to Improvements.

2.12 Street Landscape Area-Owner's Obligation to Maintain Landscaping. Each Owner will be responsible, at such Owner's sole cost and expense, for maintaining mowing, replacing, pruning, and irrigating the landscaping between the boundary of such Owner's Lot and the curb of any adjacent right-of-way, street or alley (the "**ST Landscape Area**"), unless the responsibility for maintaining the ST Landscape Area is performed by the Association.

2.13 Antennas. Except as expressly provided below, no exterior radio or television antennae or aerial or satellite dish or disc, shall be erected, maintained or placed on a Lot without the prior written approval of the ACC; provided, however, that: (i) an antenna designed to receive direct broadcast services, including direct-to-home satellite services, that is one meter or less in diameter; or (ii) an antenna designed to receive video programming services via multipoint distribution services, including multi-channel multipoint distribution services, instructional television fixed services, and local multipoint distribution services, that is one meter or less in diameter or diagonal measurement; or (iii) an antenna that is designed to receive television or radio broadcast signals (collectively, (i) through (iii) are referred to herein as the "**Permitted Antennas**"). Permitted Antennas will be permitted subject to reasonable requirements as to location and screening as may be set forth in rules adopted by the ACC, consistent with Applicable Law, in order to minimize obtrusiveness as viewed from streets and adjacent property. Declarant and/or the Association will have the right, but not the obligation, to erect an aerial, satellite dish, or other apparatus for a master antenna, cable, or other communication system for the benefit of all or any portion of the Property.

2.14 Location of Permitted Antennas. A Permitted Antenna may be installed solely on the Owner's Lot and shall not encroach upon any street, Common Area, or any other portion of the Property. A Permitted Antenna shall be installed in a location on the Lot from which an acceptable quality signal can be obtained and where least visible from the street and the Property, other than the Lot. In order of preference, the locations of a Permitted Antenna which will be considered least visible by the ACC are as follows: (i) attached to the back of the principal single-family residence constructed on the Lot, with no part of the Permitted Antenna any higher than the lowest point of the roofline and screened from view of adjacent Lots and the street; then (ii) attached to the side of the principal single-family residence constructed on

the Lot, with no part of the Permitted Antenna any higher than the lowest point of the roofline and screened from view of adjacent Lots and the street. The ACC may, from time to time, modify, amend, or supplement the rules regarding installation and placement of Permitted Antennas.

2.15 Signs. Unless otherwise prohibited by Applicable Law, no sign of any kind may be displayed to the public view on any Lot without the prior written approval of the ACC, except for: (i) signs which are expressly permitted pursuant to the Design Guidelines or Rules and Regulations; (ii) signs which are part of Declarant or Homebuilder's overall marketing, sale, or construction plans or activities for the Property; (iii) one (1) temporary "For Sale" sign placed on the Lot. The sign shall be professionally made and shall be limited to a maximum face area of five (5) square feet on each visible side and, if free standing, is mounted on a single or frame post. The overall height of the sign from the finished grade of the Lot at the spot where the sign is located may not exceed four (4) feet. The sign shall be removed within two (2) business days following the sale of the Lot; (iv) political signs may be erected provided the sign: (a) is erected no earlier than the 90th day before the date of the election to which the sign relates; (b) is removed no later than the 10th day after the date of the election to which the sign relates; and (c) is ground-mounted. Only one sign may be erected for each candidate or ballot item. In addition, signs which include any of the components or characteristics described in Section 202.009(c) of the Texas Property Code are prohibited; (v) a religious item on the entry door or door frame of a residence (which may not extend beyond the outer edge of the door frame), provided that the size of the item(s), individually or in combination with other religious items on the entry door or door frame of the residence, does not exceed twenty-five (25) square inches; (vi) permits as may be required by legal proceedings; and (vii) permits as may be required by any governmental entity. An Owner or Resident will be permitted to post a "no soliciting" and "security warning" sign near or on the front door to their residence, provided, that the sign may not exceed twenty-five (25) square inches. For Lease and For Rent signs are expressly prohibited.

2.16 Flags – Approval Requirements. An Owner is permitted to display the flag of the United States of America, the flag of the State of Texas, an official or replica flag of any branch of the United States Military, or two (2) flags with official insignia of a college or university ("**Permitted Flag**") and is permitted to install a flagpole no more than five feet (5') in length affixed to the front of a residence near the principal entry or affixed to the rear of a residence ("**Permitted Flagpole**"). Only two (2) Permitted Flagpoles are allowed per residence. A Permitted Flag or Permitted Flagpole need not be approved in advance by the ACC. Written approval by the ACC is required prior to installing vertical freestanding flagpoles installed in the front or back yard area of any Lot ("**Freestanding Flagpole**").

2.17 Flags – Installation and Display. Unless otherwise approved in advance and in writing by the ACC, Permitted Flags, Permitted Flagpoles and Freestanding Flagpoles, installed in accordance with the Flagpole Application, shall comply with the following: (i) no more than one (1) Freestanding Flagpole OR no more than two (2) Permitted Flagpoles are permitted per Lot, on which only Permitted Flags may be displayed; (ii) any Permitted Flagpole shall be no

longer than five feet (5') in length and any Freestanding Flagpole shall be taller than the lesser of the roofline of the residence constructed on the Lot or twenty-five feet (25'); (iii) any Permitted Flag displayed on either a Permitted Flagpole or a Freestanding Flagpole may not be more than three feet in height by five feet in width (3'x5'); (iv) with the exception of flags displayed on Common Area or any Lot which is being used for marketing purposes by the Declarant or a Homebuilder, the flag of the United States of America shall be displayed in accordance with 4 U.S.C. Sections 5-10 and the flag of the State of Texas shall be displayed in accordance with Chapter 3100 of the Texas Government Code; (iv) the display of a Permitted Flag, or the location and construction of a Permitted Flagpole or Freestanding Flagpole shall comply with all Applicable Law, easements and setbacks of record; (v) each Permitted Flagpole and Freestanding Flagpole shall be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction thereof and harmonious with the residence; (vi) any Permitted Flag, Permitted Flagpole, and Freestanding Flagpole shall be maintained in good condition and any deteriorated Permitted Flag or deteriorated or structurally unsafe Permitted Flagpole or Freestanding Flagpole shall be repaired, replaced or removed; (vii) a Permitted Flag may be illuminated by no more than one (1) halogen landscaping light of low beam intensity which shall not be aimed towards or directly affect any neighboring Lot; and (viii) any external halyard of a Permitted Flagpole or Freestanding Flagpole shall be secured so as to reduce or eliminate noise from flapping against the metal of the Permitted Flagpole or Freestanding Flagpole.

2.18 Tanks. The ACC shall approve any tank used or proposed in connection with a residence, including tanks for storage of fuel, water, oil, or liquid petroleum gas (LPG), and including swimming pool filter tanks. No elevated tanks of any kind may be erected, placed or permitted on any Lot without the prior written approval of the ACC. All permitted tanks shall be screened from view in accordance with a screening plan approved in advance and in writing by the ACC. This provision will not apply to a tank used to operate a standard residential gas grill.

2.19 Barbecue Units. Barbecue units are only permitted within the rear yard of each Lot and placed in such manner as to not be visible from any other portion of the Property. The "rear yard" for the purpose of this provision means the yard area in the rear or posterior to the residence constructed on a Lot. In the event of any dispute regarding what portion of a Lot constitutes the "rear yard," the opinion of the ACC will be final, binding, and conclusive.

2.20 Clotheslines; Awnings. No clotheslines and no outdoor clothes drying or hanging shall be permitted in the Property, nor shall anything be hung, painted or displayed on the outside of the windows (or inside, if visible from the outside) or placed on the outside walls or outside surfaces of doors of any residence on any Lot, if visible from adjoining property or from public or private thoroughfares. Awnings, canopies or shutters may be affixed or placed upon the exterior walls or roofs of any residence on any Lot, or any part thereof, with the prior written approval of the ACC.

2.21 Temporary Structures. No tent, shack, or other temporary building, Improvement, or structure shall be placed upon the Property without the prior written approval of the ACC; provided, however, that temporary structures necessary for storage of tools and equipment, and for office space for Declarant, Homebuilders, architects, and foremen during actual construction may be maintained with the prior written approval of Declarant (unless placed by the Declarant), approval to include the nature, size, duration, and location of such structure.

2.22 Outside Storage Buildings. Outside storage buildings located in a fenced rear yard of a Lot are allowed with the prior written approval of the ACC. One (1) permanent storage building will be permitted if: (i) the surface area of the pad on which the storage building is constructed is no more than one hundred (100) square feet; (ii) the height of the storage building, measured from the surface of the Lot, is no more than eight (8) feet; (iii) the exterior of the storage building is constructed of the same or substantially similar materials and of the same color as the principal residential structure constructed on the Lot; (iv) the roof of the storage building is the same material and color as the roof of the principal residential structure constructed on the Lot; and (v) the storage building is constructed within all applicable building setbacks. No storage building may be used for habitation. The "rear yard" for the purpose of this provision means the yard area in the rear or posterior to the residence constructed on a Lot. In the event of any dispute regarding what portion of a Lot constitutes the "rear yard," the opinion of the ACC will be final, binding, and conclusive.

2.23 Unsightly Articles; Vehicles. No article deemed to be unsightly by the Board will be permitted to remain on any Lot so as to be visible from adjoining property or from public or private thoroughfares. Without limiting the generality of the foregoing, trailers, graders, trucks other than pickups, boats, tractors, campers, wagons, buses, motorcycles, motor scooters, golf carts, all-terrain vehicles and garden maintenance equipment shall be kept at all times except when in actual use, in enclosed structures or screened from view and no repair or maintenance work shall be done on any of the foregoing, or on any automobile (other than minor emergency repairs), except in enclosed garages or other structures. Each residence constructed within the Property shall have sufficient attached or detached garage space, as approved by the ACC, to house all vehicles to be kept on the Lot. Residents shall not park automobiles within the front building setback area on a Lot, established pursuant to *Section 3.4* below, for any period in excess of seventy-two (72) hours. Service areas, storage areas, compost piles and facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from view, and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials, scrap, refuse or trash shall be kept, stored, or allowed to accumulate on any portion of the Property except within enclosed structures or appropriately screened from view. No: (i) racing vehicles; or (ii) other vehicles (including, without limitation, motorcycles or motor scooters) which are inoperable or do not have a current license tag shall be permitted to remain visible on any Lot or to be parked on any roadway within the Property.

Parking of commercial vehicles or equipment, mobile homes, recreational vehicles, boats and other watercraft, trailers, stored vehicles or inoperable vehicles in places other than (i) in

enclosed garages and (ii) behind a fence so as to not be visible from any other portion of the Property is prohibited; provided, however, construction, service and delivery vehicles may be exempt from this provision for such period of time as is reasonably necessary to provide service or to make a delivery to a residence.

2.24 Mobile Homes, Travel Trailers and Recreational Vehicles. No mobile homes, travel trailers or recreational vehicles shall be parked or placed on any street right-of-way, Lot, or used as a residence, either temporary or permanent, at any time; provided, however, that such vehicles may be parked temporarily for a period not to exceed forty-eight (48) consecutive hours during each two (2) month period.

2.25 Basketball Goals. Permanent basketball goals are permitted in the front or rear of the residence on a Lot, provided a basketball goal located in the front of the residence is located a minimum of twenty feet (20') from the street curb. For a basketball goal located in the front of the residence on a Lot, the backboard shall be perpendicular to the street. All basketball goals shall be mounted on a black metal pole permanently installed in the ground. Portable basketball goals are prohibited. Basketball goals shall be properly maintained and painted, with the net in good repair. All basketball goals shall be approved in writing by the ACC prior to being placed on any Lot.

2.26 Trash Containers. Trash containers and recycling bins shall be stored inside the garage of the single-family residence constructed on the Lot or in such a manner that the trash container and recycling bin is not visible from any street, alley, or adjacent Lot. The Board shall have the right to specify additional locations on each Owner's Lot in which trash containers or recycling bins shall be stored.

2.27 Compliance with Restrictions. Each Owner, his or her family, Residents of a Lot, tenants, and the guests, invitees, and licensees of the preceding shall comply strictly with the provisions of the Restrictions as the same may be amended from time to time. Failure to comply with any of the Restrictions shall constitute a violation of the Restrictions and may result in a fine against the Owner in accordance with *Section 6.12* of this Declaration, and shall give rise to a cause of action to recover sums due for damages or injunctive relief, or both, maintainable by the Declarant, the Board on behalf of the Association, the ACC, or by an aggrieved Owner. The result of every act or omission that violates any provision of the Restrictions is a nuisance, and any remedy allowed by law against a nuisance, either public or private, is applicable against the violation. Without limiting any rights or powers of the Association, the Board may (but shall not be obligated to) remedy or attempt to remedy any violation of any of the provisions of Restrictions, and the Owner whose violation has been so remedied shall be personally liable to the Association for all costs and expenses of effecting (or attempting to effect) such remedy. If such Owner fails to pay such costs and expenses upon demand by the Association, such costs and expenses (plus interest from the date of demand until paid at the maximum lawful rate, or if there is no such maximum lawful rate, at the rate of one and one-half percent (1-1/2%) per month) shall be assessed against and chargeable to the Owner's Lot(s). Any such amounts assessed and chargeable against a Lot shall be secured by

the liens reserved in this Declaration for Assessments and may be collected by any means provided in this Declaration for the collection of Assessments, including, but not limited to, foreclosure of such liens against the Owner's Lot(s). Each such Owner shall release and hold harmless the Association and its officers, directors, employees and agents from any cost, loss, damage, expense, liability, claim or cause of action incurred or that may arise by reason of the Association's acts or activities under this *Section 2.27* (including any cost, loss, damage, expense, liability, claim or cause of action arising out of the Association's negligence in connection therewith), except for such cost, loss, damage, expense, liability, claim or cause of action arising by reason of the Association's gross negligence or willful misconduct. "Gross negligence" as used herein does not include simple negligence, contributory negligence or similar negligence short of actual gross negligence.

2.28 Liability of Owners for Damage to Common Area. No Owner shall in any way alter, modify, add to or otherwise perform any work upon the Common Area without the prior written approval of the Board and the Declarant during the Development Period. Each Owner shall be liable to the Association for any and all damages to: (i) the Common Area and any Improvements constructed thereon; or (ii) any Improvements constructed on any Lot, the maintenance of which has been assumed by the Association, which damages were caused by the neglect, misuse or negligence of such Owner or Owner's family, or by any tenant or other Resident of such Owner's Lot, or any guest or invitee of such Owner or Resident. The full cost of all repairs of such damage shall be an Individual Assessment against such Owner's Lot, secured by a lien against such Owner's Lot and collectable in the same manner as provided in *Section 6.10* of this Declaration.

2.29 Party Fences and Walls. A fence or wall located on or near the dividing line between two (2) Lots and intended to benefit both Lots constitutes a "Party Fence" and, to the extent not inconsistent with the provisions of this *Section 2.29*, is subject to the general rules of law regarding party walls and liability for property damage due to negligence, willful acts, or omissions.

2.29.1 Encroachments & Easement. If the Party Fence is on one Lot due to an error in construction, the Party Fence is nevertheless deemed to be on the dividing line for purposes of this *Section 2.29*. Each Lot sharing a Party Fence is subject to an easement for the existence and continuance of any encroachment by the Party Fence as a result of construction, repair, shifting, settlement, or movement in any portion of the Party Fence, so that the encroachment may remain undisturbed as long as the Party Fence stands. Each Lot is subject to a reciprocal easement for the maintenance, repair, replacement, or reconstruction of the Party Fence.

2.29.2 Right to Repair. If the Party Fence is damaged or destroyed from any cause, the Owner of either Lot may repair or rebuild the Party Fence to its previous condition, and the Owners of both Lots, their successors and assigns, have the right to the full use of the repaired or rebuilt Party Fence. No Party Fence may be constructed, repaired, or rebuilt without the prior written approval of the ACC in accordance with *Article 7* of this Declaration.

2.29.3 Maintenance Costs. The Owners of the adjoining Lots share equally the costs of repair, reconstruction, or replacement of the Party Fence, subject to the right of one Owner to call for larger contribution from the other under any rule of law regarding liability for negligence or willful acts or omissions. If an Owner is solely responsible for damage to or destruction of the Party Fence, that Owner will bear the entire cost of repair, reconstruction, or replacement. If an Owner fails or refuses to pay his share of costs of repair or replacement of the Party Fence, the Owner advancing monies has a right to file a claim of lien for the monies advanced in the Official Public Records of Bell County, Texas, and has the right to foreclose the lien as if it were a mechanic's lien. The right of an Owner to require contribution from another Owner under this *Section 2.29* is appurtenant to the Lot and passes to the Owner's successors in title.

2.29.4 Alterations. The Owner of a Lot sharing a Party Fence may not cut openings in the Party Fence or alter or change the Party Fence in any manner that affects the use, condition, or appearance of the Party Fence to the adjoining Lot. The Party Fence will always remain in the same location as when erected unless otherwise approved by the Owner of each Lot sharing the Party Fence and the ACC.

2.30 Playscapes and Sports Courts. Recreational courts (*e.g.*, "sport courts"), tennis courts, and playscapes or similar recreational facilities may be constructed on a Lot only with the prior written approval by the ACC. No lighting of these structures will be allowed without the prior written approval of the ACC.

2.31 Decorations and Lighting. Unless otherwise permitted by *Section 2.15(v)*, decorative appurtenances such as sculptures, birdbaths and birdhouses, fountains, or other decorative embellishments shall only be placed on the residence or on the front yard or on any other portion of a Lot that is visible from any street with the prior written approval of the ACC. The Owner of a Lot containing an approved birdbath, fountain or other waterscape shall be responsible for maintaining an effective mosquito control program for same. Customary seasonal decorations for holidays are permitted without approval by the ACC but shall be removed within thirty (30) days of the applicable holiday. Outside lighting fixtures shall be placed so as to illuminate only the yard of the applicable Lot and so as not to affect or reflect into surrounding residences or yards. No mercury vapor, sodium or halogen light shall be installed on any Lot which is visible from any street unless otherwise approved in advance and in writing by the ACC.

ARTICLE 3 CONSTRUCTION RESTRICTIONS

3.1 Approval for Construction. Unless prosecuted by the Declarant, no Improvements shall be constructed upon any Lot without the prior written approval of the ACC in accordance with *Article 7* of this Declaration.

3.2 Construction Activities. The Restrictions will not be construed or applied so as to unreasonably interfere with or prevent normal construction activities during the construction of Improvements by the Declarant or a Homebuilder upon or within the Property. Specifically, no such construction activities will be deemed to constitute a nuisance or a violation of the Restrictions by reason of noise, dust, presence of vehicles or construction machinery, posting of signs or similar activities, provided that such construction is pursued to completion with reasonable diligence and conforms to usual construction practices in the area. If during the course of construction upon any Lot there is excessive accumulation of debris of any kind which would render the Lot or any portion thereof unsanitary, unsightly, offensive, or detrimental to it or any other portion of the Property, then the ACC may contract for or cause such debris to be removed, and the Owner of the Lot will be liable for all reasonable expenses incurred in connection therewith.

3.3 Drainage. There shall be no interference with the established drainage patterns over any of the Property, including the Lots, except by Declarant, unless adequate provision is made for proper drainage and such provision is approved in advance and in writing by the ACC. Specifically, and not by way of limitation, no Improvement, including landscaping, may be installed which impedes the proper drainage of water between Lots.

3.4 Compliance with Setbacks. Unless otherwise approved in advance and in writing by the ACC, no residence may be constructed within thirty feet (30') of the front boundary line of a Lot, within twenty feet (20') of the rear boundary line of a Lot or within ten feet (10') of any side boundary line of a Lot. Notwithstanding the foregoing, unless otherwise approved in advance and in writing by the ACC, no residence may be constructed within thirty-five feet (35') of the front boundary line of a Plateau Lot, within twenty feet (20') of the rear boundary line of a Plateau Lot or within ten feet (10') of any side boundary line of a Plateau Lot. In the event of any disagreement regarding the location of the front, rear, or side boundary lines of a Lot, the decision of the ACC will be final. For the purpose of this restriction, eaves, steps, and open porches will not be considered as part of a residence; however, this *Section 3.4* will not be construed to permit any portion of any Improvement on any Lot to encroach upon another Lot, any minimum building setback lines shown the Plat, or other portion of the Property.

3.5 Minimum Square Footage. Unless otherwise approved in advance and in writing by the ACC, the minimum aggregate square footage for each residence, together with any accessory buildings—exclusive of open or screened porches, terraces, patios, decks, driveways, and garages—shall be 2,700 for each Lot and 3,200 for each Plateau Lot. Further, with respect to two (2) story residences and accessory buildings, if any, not less than sixty percent (60%) of the aggregate square footage within such residence and accessory buildings, if any, shall be within the first (1st) floor of the residence and accessory buildings, if any.

3.6 Height Restrictions. The roof line of the residence and any accessory buildings built on each Lot in the Property shall be no greater than thirty-five feet (35'), as measured

vertically from the highest point of the front minimum building setback line on the Lot to the main ridge line of the roof.

3.7 Masonry Requirements; Foundation Shielding. The exterior of each residence and each accessory building constructed within the Property shall be one-hundred percent (100%) masonry construction. Only brick, stucco and natural stone shall be considered masonry for purposes of this *Section 3.7*. Exposed portions of the foundation on each front elevation and side elevation shall be concealed by extending the exterior masonry to finished grade. Retaining walls shall be limited to a four foot (4') rise with a minimum of four foot (4') planting area between walls and shall be constructed of stone veneer over structural masonry or dry stacked stone.

3.8 Windows. All windows on each residence shall have a consistent design throughout the residence, be constructed of wood, metal clad wood, or iron, and shall comply with any applicable requirements and shall otherwise be approved in advance and in writing by the ACC.

3.9 Roofing. Roofing materials shall be limited to 35 year or better architectural grade composite shingles, clay tile, concrete tile, slate, synthetic slate, or non-reflective standing seam metal, each of an earth tone color, which, in each case, shall be approved in advance and in writing by the ACC. In addition, roofs of buildings may be constructed with "Energy Efficiency Roofing" with the prior written approval of the ACC. For the purpose of this *Section 3.9*, "Energy Efficiency Roofing" means roofing materials that are designed primarily to: (a) be wind and hail resistant; (b) provide heating and cooling efficiencies greater than those provided by customary composite shingles; or (c) provide solar generation capabilities. The ACC will not prohibit an Owner from installing Energy Efficient Roofing provided that the Energy Efficient Roofing: (i) resembles the materials used or otherwise authorized for use within the community; (ii) are more durable than, and are of equal or superior quality to, the materials used or otherwise authorized for use within the community; and (iii) match the aesthetics of adjacent property. An Owner who desires to install Energy Efficient Roofing will be required to comply with the architectural review and approval procedures set forth herein. In conjunction with any such approval process, the Owner should submit information which will enable the ACC to confirm the criteria set forth in this *Section 3.9*. Any other type of roofing material shall be permitted only with the prior written approval of the ACC.

3.10 Garages. The size, location, orientation and opening of each garage to be located on a Lot shall be approved in advance and in writing by the ACC. An effort should be made to conceal garage doors from view in the front of the Lot. All garage doors shall be constructed of metal, glass or wood clad. All garages shall be maintained for the parking of automobiles and shall not be used for storage or other purposes which preclude its use for the parking of automobiles. No garage may be permanently enclosed or otherwise used for habitation.

3.11 Fences. Each Lot shall be fenced using materials approved in advance and in writing by the ACC. Unless otherwise approved in advance and in writing by the ACC, all

fences constructed on each Lot shall be at least six feet (6') in height and constructed of masonry, wrought iron or decorative metal, or a combination thereof. Notwithstanding the foregoing, unless otherwise approved in advance and in writing by the ACC, all fences constructed on each Plateau Lot shall be not more six feet (6') in height, of which, the lower three feet (3') or less portion thereof shall be constructed of constructed of masonry, wrought iron or decorative metal, or a combination thereof, and the remaining portion thereof shall be constructed of wrought iron or decorative metal. Unless otherwise approved in advance and in writing by the ACC, all metal bars shall be no less than ½" x ½" construction. Notwithstanding the foregoing, within the perimeter fence installed in accordance with this *Section 3.11*, an Owner may install a fenced dog run within the rear yard of a Lot, constructed of the same or substantially similar materials as those used for the perimeter fence, and approved in advance and in writing by the ACC. The "rear yard" for the purposes of this *Section 3.11* means the yard area in the rear or posterior to the residence constructed on the Lot. In the event of any dispute regarding what portion of the Lot constitutes the "rear yard," the opinion of the ACC will be final, binding and conclusive.

3.12 Swimming Pools. Any swimming pool constructed on a Lot shall be enclosed with a fence or other enclosure device completely surrounding the swimming pool, which, at a minimum, satisfies all Applicable Law and is approved in advance and in writing by the ACC. Nothing in this *Section 3.12* is intended or shall be construed to limit or affect an Owner's obligation to comply with any Applicable Law concerning swimming pool enclosure requirements. Above-ground swimming pools are permitted only with the prior written approval of the ACC, in its discretion, based on a finding that the pool is an integral component of the residence on the Lot and otherwise consistent with the overall objectives of this Declaration. Temporary swimming pools are prohibited.

3.13 Solar Energy Device. Solar Energy Devices may be installed with the prior written approval of the ACC in accordance with the procedures set forth below.

3.13.1 Application. To obtain ACC approval of a Solar Energy Device, the Owner shall provide the ACC with the following information: (i) the proposed installation location of the Solar Energy Device; and (ii) a description of the Solar Energy Device, including the dimensions, manufacturer, and photograph or other accurate depiction (the "**Solar Application**"). A Solar Application may only be submitted by an Owner unless the Owner's tenant provides written confirmation at the time of submission that the Owner consents to the Solar Application. The Solar Application shall be submitted in accordance with the provisions of *Article 7* of the Declaration.

3.13.2 Approval Process. The ACC will review the Solar Application in accordance with the terms and provisions of *Article 7* of the Declaration. The ACC will approve a Solar Energy Device if the Solar Application complies with *Section 3.13.3* below **UNLESS** the ACC makes a written determination that placement of the Solar Energy Device, despite compliance with *Section 3.13.3*, will create a condition that substantially interferes with the use and enjoyment of the property within the Property by causing unreasonable discomfort or

annoyance to persons of ordinary sensibilities. The ACC's right to make a written determination in accordance with the foregoing sentence is negated if all Owners of Lots immediately adjacent to the Owner/applicant provide written approval of the proposed placement. Any proposal to install a Solar Energy Device on Common Area or property maintained by the Association shall be approved in advance and in writing by the Board, and the Board need not adhere to this *Section 3.13* when considering any such request.

3.13.3 Approval Conditions. Unless otherwise approved in advance and in writing by the ACC, each Solar Application and each Solar Energy Device to be installed in accordance therewith shall comply with the following:

(i) The Solar Energy Device shall be located on the roof of the residence located on the Owner's Lot, entirely within a fenced area of the Owner's Lot, or entirely within a fenced patio located on the Owner's Lot. If the Solar Energy Device will be located on the roof of the residence, the ACC may designate the location for placement unless the location proposed by the Owner increases the estimated annual energy production of the Solar Energy Device, as determined by using a publicly available modeling tool provided by the National Renewable Energy Laboratory, by more than 10 percent (10%) above the energy production of the Solar Energy Device if installed in the location designated by the ACC. If the Owner desires to contest the alternate location proposed by the ACC, the Owner should submit information to the ACC which demonstrates that the Owner's proposed location meets the foregoing criteria. If the Solar Energy Device will be located in the fenced area of the Owner's Lot or patio, no portion of the Solar Energy Device may extend above the fence line.

(ii) If the Solar Energy Device is mounted on the roof of the principal residence located on the Owner's Lot, then: (a) the Solar Energy Device may not extend higher than or beyond the roofline; (b) the Solar Energy Device shall conform to the slope of the roof and the top edge of the Solar Device shall be parallel to the roofline; and (c) the frame, support brackets, or visible piping or wiring associated with the Solar Energy Device shall be silver, bronze or black.

3.14 Rainwater Harvesting Systems. Rain barrels or rainwater harvesting systems (a "Rainwater Harvesting System") may be installed with the prior written approval of the ACC.

3.14.1 Application. To obtain ACC approval of a Rainwater Harvesting System, the Owner shall provide the ACC with the following information: (i) the proposed installation location of the Rainwater Harvesting System; and (ii) a description of the Rainwater Harvesting System, including the color, dimensions, manufacturer, and photograph or other accurate depiction (the "Rain System Application"). A Rain System Application may only be submitted by an Owner unless the Owner's tenant provides written confirmation at the time of submission that the Owner consents to the Rain System Application.

3.14.2 Approval Process. The decision of the ACC will be made in accordance with *Article 7* of this Declaration. Any proposal to install a Rainwater Harvesting System on Common Area shall be approved in advance and in writing by the Board, and the Board need not adhere to this *Section 3.14* when considering any such request.

3.14.3 Approval Conditions. Unless otherwise approved in advance and in writing by the ACC, each Rain System Application and each Rainwater Harvesting System to be installed in accordance therewith shall comply with the following:

(i) The Rainwater Harvesting System shall be consistent with the color scheme of the residence constructed on the Owner's Lot, as reasonably determined by the ACC.

(ii) The Rainwater Harvesting System does not include any language or other content that is not typically displayed on such a device.

(iii) The Rainwater Harvesting System is in no event located between the front of the residence constructed on the Owner's Lot and any adjoining or adjacent street, unless screened from view in a manner approved by the ACC in accordance with this *Section 3.14*.

(iv) There is sufficient area on the Owner's Lot to install the Rainwater Harvesting System, as reasonably determined by the ACC.

3.14.4 Guidelines. If the Rainwater Harvesting System will be installed on or within the side yard of a Lot, or would otherwise be visible from a street, Common Area, or another Owner's Lot, the ACC may regulate the size, type, shielding of, and materials used in the construction of the Rainwater Harvesting System. Accordingly, when submitting a Rain System Application, the application should describe methods proposed by the Owner to shield the Rainwater Harvesting System from the view of any street, Common Area, or another Owner's Lot. When reviewing a Rain System Application for a Rainwater Harvesting System that will be installed on or within the side yard of a Lot, or would otherwise be visible from a street, Common Area, or another Owner's Lot, any additional regulations imposed by the ACC to regulate the size, type, shielding of, and materials used in the construction of the Rainwater Harvesting System, may not prohibit the economic installation of the Rainwater Harvesting System, as reasonably determined by the ACC.

3.15 Landscaping. Each Owner shall be required to install landscaping upon such Owner's Lot in accordance with landscaping plans approved in advance and in writing by the ACC. Notwithstanding any provision in this Declaration to the contrary, such landscaping plans shall be approved by the ACC and all landscaping shown on the approved landscaping plans shall be installed and completed prior to occupancy of the residence located on the Lot to which such landscaping plans apply, unless otherwise approved in writing by the ACC. All landscaping materials (*e.g.*, plants) shall be approved in advance and in writing by the ACC. The ACC or its assigns shall be entitled to make recommendations with respect to tree disease

control, whereupon the Owner or Owners to whom such recommendations are directed shall be obligated to comply with such recommendations, which may include, but not be limited to tree removal and replacement. Notwithstanding any provision in this Declaration to the contrary, the ACC may require that the landscaping plans, and the landscaping materials installed pursuant thereto, for each Plateau Lot be limited in locations, height and variety in a manner that maximizes views of Lake Belton from the other Lots in the Property, as determined by the ACC in its sole and absolute discretion.

3.16 Xeriscaping. As part of the installation and maintenance of landscaping on an Owner's Lot, an Owner may submit plans for and install drought tolerant landscaping ("Xeriscaping") upon the prior written approval of the ACC. All Owners implementing Xeriscaping shall comply with the following:

3.16.1 Application. Approval by the ACC is required prior to installing Xeriscaping. To obtain the approval of the ACC for Xeriscaping, the Owner shall provide the ACC with the following information: (i) the proposed site location of the Xeriscaping on the Owner's Lot; (ii) a description of the Xeriscaping, including the types of plants, border materials, hardscape materials and photograph or other accurate depiction and (iii) the percentage of yard to be covered with gravel, rocks and cacti (the "**Xeriscaping Application**"). A Xeriscaping Application may only be submitted by an Owner unless the Owner's tenant provides written confirmation at the time of submission that the Owner consents to the Xeriscaping Application. The ACC is not responsible for: (a) errors or omissions in the Xeriscaping Application submitted to the ACC for approval; (b) supervising installation or construction to confirm compliance with an approved Xeriscaping Application or (c) the compliance of an approved application with Applicable Law.

3.16.2 Approval Conditions. Unless otherwise approved in advance and in writing by the ACC, each Xeriscaping Application and all Xeriscaping to be installed in accordance therewith shall comply with the following:

(i) The Xeriscaping shall be aesthetically compatible with other landscaping in the community as reasonably determined by the ACC. For purposes of this *Section 3.16*, "aesthetically compatible" shall mean overall and long-term aesthetic compatibility within the community. For example, an Owner's Lot plan may be denied if the ACC determines that: (a) the proposed Xeriscaping would not be harmonious with already established turf and landscaping in the overall community; and/or (b) the use of specific turf or plant materials would result in damage to or cause deterioration of the turf or landscaping of an adjacent property owner, resulting in a reduction of aesthetic appeal of the adjacent property Owner's Lot.

(ii) No Owners shall install gravel, rocks or cacti that in the aggregate encompass over thirty percent (30%) of such Owner's front yard or fifty percent (50%) of such Owner's back yard.

(iii) The Xeriscaping shall not attract diseases and insects that are harmful to the existing landscaping on neighboring Lots, as reasonably determined by the ACC.

3.16.3 Process. The decision of the ACC will be made within a reasonable time, or within the time period otherwise required by the principal deed restrictions which govern the review and approval of improvements. A Xeriscaping Application submitted to install Xeriscaping on property owned by the Association or property owned in common by members of the Association will not be approved. Any proposal to install Xeriscaping on property owned by the Association or property owned in common by members of the Association shall be approved in advance and in writing by the Board, and the Board need not adhere to the requirements set forth in this *Section 3.16* when considering any such request.

3.16.4 Approval. Each Owner is advised that if the Xeriscaping Application is approved by the ACC, installation of the Xeriscaping shall: (i) strictly comply with the Xeriscaping Application; (ii) commence within thirty (30) days of approval; and (iii) be diligently prosecuted to completion. If the Owner fails to cause the Xeriscaping to be installed in accordance with the approved Xeriscaping Application, the ACC may require the Owner to: (a) modify the Xeriscaping Application to accurately reflect the Xeriscaping installed on the Property; or (b) remove the Xeriscaping and reinstall the Xeriscaping in accordance with the approved Xeriscaping Application. Failure to install Xeriscaping in accordance with the approved Xeriscaping Application or an Owner's failure to comply with the post-approval requirements constitutes a violation of this Declaration and may subject the Owner to fines and penalties. Any requirement imposed by the ACC to resubmit a Xeriscaping Application or remove and relocate Xeriscaping in accordance with the approved Xeriscaping Application shall be at the Owner's sole cost and expense.

3.17 Maintenance of Septic Systems and Other Sewage Treatment Facilities. In furtherance, and not in limitation, of the obligations of Owners as set forth in *Section 2.11*, each Owner shall be expressly obligated to maintain at all times in good condition and repair any septic system or other sewage treatment facilities (together with any related Improvements) located upon and exclusively serving such Owner's Lot. Any septic system or other sewage treatment facilities shall be installed in the rear yard the Lot, unless otherwise approved in writing by the ACC. The "rear yard" for the purposes of this *Section 3.17* means the yard area in the rear or posterior to the residence constructed on the Lot. In the event of any dispute regarding what portion of the Lot constitutes the "rear yard," the opinion of the ACC will be final, binding and conclusive.

3.18 Water Quality Facilities, Drainage Facilities and Drainage Ponds. The Property may include, now or in the future, one or more water quality facilities, sedimentation, drainage and detention facilities, or ponds which serve all or a portion of the Property and are inspected, maintained and administered by the Association in accordance with all Applicable Law. Access to these facilities and ponds is limited to persons engaged by the Association or its agents to periodically maintain such facilities. Each Owner is advised that the water quality

facilities, sedimentation, drainage and detention facilities and ponds are an active utility feature integral to the proper operation of the Property and may periodically hold standing water. Each Owner is advised that entry into the water quality facilities, sedimentation, drainage and detention facilities or ponds may result in injury and is a violation of the Rules and Regulations.

3.19 Utility Lines. Unless otherwise approved by the ACC, no sewer, drainage or utility lines or wires or other devices for the communication or transmission of electric current, power, or signals including telephone, television, microwave or radio signals, shall be constructed, placed or maintained anywhere in or upon any portion of the Property, other than within buildings or structures, unless the same shall be contained in conduits or cables constructed, placed or maintained underground or concealed in or under buildings or other structures.

3.20 Alteration or Removal of Improvements. Any construction, other than normal maintenance, which in any way alters the exterior appearance of any Improvement, or the removal of any Improvement shall be performed only with the prior written approval of the ACC.

**ARTICLE 4
THE CLIFFS AT LAKE BELTON RESIDENTIAL COMMUNITY**

4.1 Organization. The Association will be a nonprofit corporation created for the purposes, charged with the duties, and vested with the powers of a Texas non-profit corporation. Neither the Certificate nor Bylaws will for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

4.2 Membership.

4.2.1 Mandatory Membership. Any person or entity, upon becoming an Owner, will automatically become a Member of the Association. Membership will be appurtenant to and will run with the ownership of the Lot that qualifies the Owner thereof for membership, and membership may not be severed from the ownership of the Lot, or in any way transferred, pledged, mortgaged or alienated, except together with the title to such Lot. Within thirty (30) days after acquiring legal title to a Lot, if requested by the Board, an Owner shall provide the Association with: (i) a copy of the recorded deed by which the Owner has acquired title to the Lot; (ii) the Owner's address, email address, phone number, and driver's license number, if any; (iii) any Mortgagee's name and address; and (iv) the name, phone number, and email address of any Resident other than the Owner.

4.2.2 Easement of Enjoyment – Common Area. Every Member will have a right and easement of enjoyment in and to all of the Common Area and an access easement by and through any Common Area, which easements will be appurtenant to and will pass with the title to such Member's Lot, subject to the following restrictions and reservations: (i) the right of the Declarant, or the Declarant's designee, to cause such Improvements and features to be constructed upon the Common Area, as determined from time to time by the Declarant, in the

Declarant's sole and absolute discretion; (ii) the rights of the Declarant, during the Development Period, and the Board thereafter, to: (a) dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for any purpose; (b) grant easements or licenses over and across the Common Area; and (c) promulgate Rules and Regulations regarding the use of the Common Area and any Improvements thereon; and (iii) the right of the Association to contract for services with any third parties on such terms as the Board may determine, except that during the Development Period, all such contracts shall be approved in advance and in writing by the Declarant.

4.3 Governance. As more specifically described in the Bylaws, the Board will consist of at least three (3) persons elected at the annual meeting of the Association, or at a special meeting called for such purpose. **Notwithstanding the foregoing provision or any provision in this Declaration to the contrary, Declarant will have the sole right to appoint and remove all members of the Board until the 10th anniversary of the date this Declaration is Recorded. Not later than the 10th anniversary of the date this Declaration is Recorded, or sooner as determined by Declarant, the Board will call a meeting of Members of the Association for the purpose of electing one-third of the Board (the "Initial Member Election Meeting"), which Board member(s) shall be elected by Owners other than the Declarant. Declarant shall continue to have the sole right to appoint and remove two-thirds of the Board from and after the Initial Member Election Meeting until expiration or termination of the Development Period.**

4.4 Voting Rights. The right to cast votes and the number of votes which may be cast for election of members to the Board (except as provided by *Section 4.3*) and on all other matters to be voted on by the Members will be calculated as follows: (i) the Owner of each Lot will have one (1) vote for each Lot so owned; (ii) in addition to the votes to which Declarant is entitled by reason of *Section 4.4(i)*, for every one (1) vote outstanding in favor of any other person or entity, Declarant will have four (4) additional votes until the expiration or termination of the Development Period; and (iii) when more than one person or entity owns a portion of the fee simple interest in any Lot, all such persons or entities will be Members. In the event of the consolidation of two (2) or more Lots for purposes of construction of a single residence thereon, voting rights will continue to be determined according to the number of original Lots contained in such consolidated Lots. The vote or votes (or fraction thereof) for such Lot will be exercised by the person so designated in writing to the Secretary of the Association by the Owner of such Lot, and in no event will the vote for such Lot exceed the total votes to which such Lot is otherwise entitled under this *Section 4.4*.

4.5 Powers. The Association will have the powers of a Texas nonprofit corporation. It will further have the power to do and perform any and all acts that may be necessary or proper, for or incidental to, the exercise of any of the express powers granted to it by Applicable Law or this Declaration. Without in any way limiting the generality of the two preceding sentences, the Board, acting on behalf of the Association, will have the following powers at all times:

4.5.1 Rules and Regulations, Bylaws and Community Manual. To make, establish and promulgate, and in its discretion to amend from time to time, or repeal and re-enact, such rules, regulations, policies, Bylaws and Community Manual not in conflict with this Declaration, as it deems proper, covering any and all aspects of the Property or the Common Area (including the operation, maintenance and preservation thereof) or the Association. Any Rules and Regulations, policies, Bylaws and Community Manual and any modifications thereto proposed by the Board shall be approved in advance and in writing by the Declarant until expiration or termination of the Development Period.

4.5.2 Insurance. To obtain and maintain in effect, policies of insurance that, in the opinion of the Board, are reasonably necessary or appropriate to carry out the Association's functions.

4.5.3 Records. To keep books and records of the Association's affairs, and to make such books and records, together with current copies of the Restrictions available for inspection by the Owners, Mortgagees, and insurers or guarantors of any Mortgage upon request during normal business hours.

4.5.4 Assessments. To levy and collect assessments, as provided in *Article 6* below.

4.5.5 Right of Entry and Enforcement. To enter at any time without notice only in an emergency (or in the case of a non-emergency, after twenty-four (24) hours written notice), without being liable to any Owner or Resident, upon any Lot, but not into any Improvement thereon, for the purpose of enforcing the Restrictions or for the purpose of repairing any area, Improvement or other facility to conform to the Restrictions. The Association may enter an Improvement upon a Lot, without notice, only upon a good faith determination that an emergency situation exists that may endanger the health or safety of the Owner or Resident and/or the Improvement. The expense incurred by the Association in connection with the entry upon any Lot and the maintenance and repair work conducted thereon or therein will be a personal obligation of the Owner of the Lot so entered, will be deemed an Individual Assessment against such Lot, will be secured by a lien upon such Lot, and will be enforced in the same manner and to the same extent as provided in *Article 6* hereof for Assessments. **EACH SUCH OWNER AND RESIDENT WILL RELEASE AND HOLD HARMLESS THE ASSOCIATION, ITS OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS FROM ANY COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION INCURRED OR THAT MAY ARISE BY REASON OF THE ASSOCIATION'S ACTS OR ACTIVITIES UNDER THIS SECTION 4.5.5 (INCLUDING ANY COST, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING OUT OF THE ASSOCIATION'S NEGLIGENCE IN CONNECTION THEREWITH), EXCEPT FOR SUCH COST, LOSS, DAMAGE, EXPENSE, LIABILITY, CLAIM OR CAUSE OF ACTION ARISING BY REASON OF THE ASSOCIATION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. "GROSS NEGLIGENCE" DOES NOT INCLUDE SIMPLE NEGLIGENCE, CONTRIBUTORY NEGLIGENCE OR SIMILAR NEGLIGENCE SHORT OF ACTUAL GROSS NEGLIGENCE.**

4.5.6 Legal and Accounting Services. To retain and pay for legal and accounting services necessary or proper in the operation of the Association.

4.5.7 Conveyances. To grant and convey to any person or entity the real property and/or other interest, including fee title, leasehold estates, easements, rights-of-way or mortgages, out of, in, on, over, or under any Common Area for the purpose of constructing, erecting, operating or maintaining the following: (i) parks, parkways or other recreational facilities or structures; (ii) roads, streets, sidewalks, signs, street lights, walks, driveways, trails and paths; (iii) lines, cables, wires, conduits, pipelines or other devices for utility purposes; (iv) sewers, water systems, storm water drainage systems, sprinkler systems and pipelines; and/or (v) any similar Improvements or facilities. Nothing set forth above, however, will be construed to permit use or occupancy of any Improvement or other facility in a way that would violate applicable use and occupancy restrictions imposed by the Restrictions or by Applicable Law. In addition, until expiration or termination of the Development Period, any grant or conveyance under this *Section 4.5.7* shall be approved in advance and in writing by the Declarant.

4.5.8 Manager. To retain and pay for the services of a person or firm (the "**Manager**"), which may include Declarant or any affiliate of Declarant, to manage and operate the Association, including its property, to the extent deemed advisable by the Board. Personnel may be employed directly by the Association or may be furnished by the Manager. To the extent permitted by Applicable Law, the Board may delegate any other duties, powers and functions to the Manager. In addition, the Board may adopt transfer fees, resale certificate fees or any other fees associated with the provision of management services to the Association or its Members. **THE MEMBERS HEREBY RELEASE THE ASSOCIATION AND THE MEMBERS OF THE BOARD AND COMMITTEE MEMBERS FROM LIABILITY FOR ANY OMISSION OR IMPROPER EXERCISE BY THE MANAGER OF ANY SUCH DUTY, POWER OR FUNCTION SO DELEGATED.**

4.5.9 Property Services. To pay for water, sewer, garbage removal, street lights, landscaping, gardening and all other utilities, services, repair and maintenance for any portion of the Property, Common Area, private or public recreational facilities, easements, roads, roadways, rights-of-ways, signs, parks, parkways, median strips, sidewalks, paths, trails, ponds, and lakes.

4.5.10 Other Services and Properties. To obtain and pay for any other property and services, and to pay any other taxes or assessments that the Association or the Board is required or permitted to secure or to pay for pursuant to Applicable Law or under the terms of the Restrictions or as determined by the Board.

4.5.11 Construction on Common Area. To construct new Improvements or additions to any property owned, leased, or licensed by the Association, subject to the prior written approval of the Board and the Declarant until expiration or termination of the Development Period.

4.5.12 Contracts. To enter into Bulk Rate Contracts or other contracts or licenses with Declarant or any third party on such terms and provisions as the Board will determine, to operate and maintain any Common Area or other property, or to provide any service, including but not limited to cable, utility, or telecommunication services, or perform any function on behalf of Declarant, the Board, the Association, or the Members. During the Development Period, all Bulk Rate Contracts shall be approved in advance and in writing by the Declarant.

4.5.13 Property Ownership. To acquire, own and dispose of all manner of real and personal property, including habitat, whether by grant, lease, easement, gift or otherwise. During the Development Period, all acquisitions and dispositions of the Association hereunder shall be approved in advance and in writing by the Declarant.

4.5.14 Allocation of Votes. To determine votes when permitted pursuant to Section 4.4 above.

4.5.15 Membership Privileges. To establish Rules and Regulations governing and limiting the use of the Common Area and any Improvements thereon.

4.6 Conveyance of Common Area to the Association. The Association may acquire, hold, and dispose of any interest in tangible and intangible personal property and real property. Declarant, and its assignees, reserves the right, from time to time and at any time, to designate by written and Recorded instrument portions of the Property being held by the Declarant for the benefit of the Association. Upon the Recording of such designation, the portion of the Property identified therein will be considered Common Area for the purpose of this Declaration. Declarant and its assignees may also assign, transfer or convey to the Association interests in real or personal property within or for the benefit of the Property, for the Property and the general public, or otherwise, as determined in the sole and absolute discretion of the Declarant. All or any real or personal property assigned, transferred and/or conveyed by the Declarant to the Association shall be deemed accepted by the Association upon Recordation, and without further action by the Association, and shall be considered Common Area without regard to whether such real or personal property is designated by the Declarant as Common Area. If requested by the Declarant, the Association will execute a written instrument, in a form requested by the Declarant, evidencing acceptance of such real or personal property; provided, however, execution of a written consent by the Association shall in no event be a precondition to acceptance by the Association. The assignment, transfer, and/or conveyance of real or personal property to the Association may be by deed without warranty, may reserve easements in favor of the Declarant or a third party designated by Declarant over and across such property, and may include such other provisions, including restrictions on use, determined by the Declarant, in the Declarant's sole and absolute discretion. Property assigned, transferred, and/or conveyed to the Association may be improved or unimproved and may consist of fee simple title, easements, leases, licenses, or other real or personal property interests. Upon Declarant's written request, the Association will re-convey to Declarant any unimproved real property that Declarant originally conveyed to the Association for no payment.

4.7 Relationships with Other Properties and Entities. The Association may contract with the owner of any neighboring property and any entity that provides services to all or any portion of the Members for the purpose of sharing costs associated with: (a) maintenance and operation of mutually beneficial properties or facilities; and (b) provision of mutually beneficial services. Any such costs shall be a common expense to be included in the assessments levied by the Association and included as a line item in the Association's annual budget.

4.8 Relationships with Quasi-Governmental Entities and Tax Exempt Organizations. The Association may create, enter into agreements or contracts with, or grant exclusive and/or non-exclusive easements over the Common Area to (i) a public improvement district created pursuant to Chapter 372, Subchapter B of the Texas Local Government Code; (ii) a municipal utility district created pursuant to Article XVI, Section 59 of the Constitution of Texas and Chapters 49 and 54, Texas Water Code; (iii) any other similarly constituted quasi-governmental entity created for the purpose of providing benefits or services to the Property or (iv) nonprofit, tax-exempt organizations, the operation of which confers some benefit upon the Property, the Association, its members, or residents. The Association may contribute money, real or personal property, or services to such entity. Any such contribution shall be a common expense to be included in the assessments levied by the Association and included as a line item in the Association's annual budget. For the purposes of this Section, a "tax-exempt organization" shall mean an entity which is exempt from federal income taxes under the Internal Revenue Code (the "Code"), such as, but not limited to, entities which are exempt from federal income taxes under Sections 501(c)(3) or 501(c)(4), as the Code may be amended from time to time. The Association may maintain multiple-use facilities within the Property and allow use by tax-exempt organizations. Such use may be on a scheduled or "first-come, first-served" basis. A reasonable maintenance and use fee may be charged for the use of such facilities.

4.9 Indemnification. To the fullest extent permitted by Applicable Law but without duplication (and subject to) any rights or benefits arising under the Certificate or Bylaws of the Association, the Association will indemnify any person who was, or is, a party, or is threatened to be made a party to any threatened pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that such person is, or was, a director, officer, committee member, employee, servant or agent of the Association against expenses, including attorneys' fees, reasonably incurred by such person in connection with such action, suit or proceeding if it is found and determined by the Board or a court of competent jurisdiction that he or she: (i) acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association; or (ii) with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by settlement, or upon a plea of *nolo contendere* or its equivalent, will not of itself create a presumption that the person did not act in good faith or in a manner which was reasonably believed to be in, or not opposed to, the best interests of the Association or, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

4.10 Insurance. The Board may purchase and cause to be maintained, at the expense of the Association, insurance on behalf of any person who is acting as a director, officer, committee member, employee, servant or agent of the Association against any liability asserted against or incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Association would have the power to indemnify such person against such liability or otherwise.

4.11 Bulk Rate Contracts. Without limitation on the generality of the Association powers set out in *Section 4.5* hereinabove (except that during the Development Period, all Bulk Rate Contracts shall be approved in advance and in writing by the Declarant), the Association will have the power to enter into Bulk Rate Contracts at any time and from time to time. The Association may enter into Bulk Rate Contracts with any service providers chosen by the Board (including Declarant, and/or any entities in which Declarant, or the owners or partners of Declarant are owners or participants, directly or indirectly). The Bulk Rate Contracts may be entered into on such terms and provisions as the Board may determine in its sole and absolute discretion. The Association may, at its option and election, add the charges payable by such Owner under such Bulk Rate Contract to the Assessments against such Owner's Lot. In this regard, it is agreed and understood that, if any Owner fails to pay any charges due by such Owner under the terms of any Bulk Rate Contract, then the Association will be entitled to collect such charges by exercising the same rights and remedies it would be entitled to exercise under this Declaration with respect to the failure by such Owner to pay Assessments, including without limitation the right to foreclose the lien against such Owner's Lot which is reserved under the terms and provisions of this Declaration. In addition, in the event of nonpayment by any Owner of any charges due under any Bulk Rate Contract and after the lapse of at least twelve (12) days since such charges were due, the Association may, upon five (5) days' prior written notice to such Owner (which may run concurrently with such 12 day period), in addition to all other rights and remedies available pursuant to Applicable Law, terminate, in such manner as the Board deems appropriate, any utility service or other service provided at the cost of the Association and not paid for by such Owner (or the Resident of such Owner's Lot) directly to the applicable service or utility provider. Such notice will consist of a separate mailing or hand delivery at least five (5) days prior to a stated date of termination, with the title "termination notice" or similar language prominently displayed on the notice. The notice will include the office or street address where the Owner (or the Resident of such Owner's Lot) can make arrangements for payment of the bill and for re-connection or re-institution of service. No utility or cable television service will be disconnected on a day, or immediately preceding a day, when personnel are not available for the purpose of collection and reconnecting such services.

4.12 Protection of Declarant's Interests. Despite any assumption of control of the Board by Owners other than Declarant, until the expiration or termination of the Development Period, the Board is prohibited from taking any action which would discriminate against Declarant, or which would be detrimental to the sale of Lots owned by Declarant. Declarant shall be entitled to determine, in its sole and absolute discretion, whether any such action discriminates or is detrimental to Declarant. The Board will be required to continue the same level and quality of maintenance, operations and services as that provided immediately prior to

assumption of control of the Board by Owners other than Declarant until the expiration or termination of the Development Period.

4.13 Administration of Common Area. The administration of the Common Area by the Association shall be in accordance with the provisions of Applicable Law and the Restrictions, and of any other agreements, documents, amendments or supplements to the foregoing which may be duly adopted or subsequently required by any institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans (including, for example, the Federal Home Loan Mortgage Corporation) designated by Declarant or by any governmental or quasi-governmental agency having regulatory jurisdiction over the Common Area or by any title insurance company selected by Declarant to insure title to any portion of the Common Area.

4.14 Right of Action by Association. The Association shall not have the power to institute, defend, intervene in, settle or compromise litigation or administrative proceedings: (i) in the name of or on behalf of any Lot Owner (whether one or more); or (ii) pertaining to a Claim, as defined in *Section 12.1* below, relating to the design or construction of Improvements on a Lot. This *Section 4.14* may not be amended or modified without Declarant's written and acknowledged consent and Members entitled to cast at least one hundred percent (100%) of the total number of votes of the Association, which shall be part of the Recorded amendment instrument.

**ARTICLE 5
INSURANCE**

5.1 Insurance. Each Owner will be required to purchase and maintain commercially standard insurance on the Improvements located upon such Owner's Lot. The Association will not be required to maintain insurance on the Improvements constructed upon any Lot.

5.2 Restoration. In the event of any fire or other casualty, unless otherwise approved by the ACC, the Owner will promptly repair, restore and replace any damaged or destroyed structures to their same exterior condition existing prior to the damage or destruction thereof. Such repair, restoration or replacement will be commenced within sixty (60) days after the occurrence of such damage or destruction and completed in a good and workmanlike manner using exterior materials substantially similar to those originally used in the structures damaged or destroyed.

**ARTICLE 6
COVENANT FOR ASSESSMENTS**

6.1 Assessments.

6.1.1 Established by the Board. Assessments established by the Board pursuant to the provisions of this *Article 6* will be levied against each Lot in amounts

determined pursuant to *Section 6.7* below. The total amount of Assessments will be determined by the Board pursuant to *Section 6.3, 6.4, 6.5, and/or 6.6.*

6.1.2 Personal Obligation; Lien. Each Assessment, together with such interest thereon and costs of collection as hereinafter provided, will be the personal obligation of the Owner of the Lot against which the Assessment is levied and will be secured by a lien hereby granted and conveyed by Declarant to the Association against each such Lot and all Improvements thereon. The Association may enforce payment of such Assessments in accordance with the provisions of this Article.

6.1.3 Declarant Subsidy. Declarant may, but is not obligated to, reduce Assessments which would otherwise be levied against Lots for any fiscal year by the payment of a subsidy to the Association. Any subsidy paid to the Association by Declarant may be treated as a contribution or a loan, in Declarant's sole and absolute discretion. Any subsidy and the characterization thereof may be disclosed as a line item in the annual budget prepared by the Board and attributable to such Assessments. The payment of a subsidy in any given year will not obligate Declarant to continue payment of a subsidy to the Association in future years.

6.2 Maintenance Fund. The Board will establish a maintenance fund into which will be deposited all monies paid to the Association and from which disbursements will be made in performing the functions of the Association under this Declaration. The funds of the Association may be used for any purpose authorized by the Restrictions and Applicable Law.

6.3 Regular Annual Assessments. Prior to the beginning of each fiscal year, the Board will prepare a budget for the purpose of determining amounts sufficient to pay the estimated net expenses of the Association (the "**Regular Assessments**") which sets forth: (i) an estimate of the expenses to be incurred by the Association during such year in performing its functions and exercising its powers under the Restrictions, including, but not limited to, the cost of all management, repair and maintenance, the cost of providing street and other lighting, the cost of administering and enforcing the Restrictions, and (ii) an estimate of the amount needed to maintain a reasonable provision for contingencies and an appropriate replacement reserve, and will give due consideration to any expected income and any surplus from the prior year's fund. Assessments sufficient to pay such estimated net expenses will then be levied at the level of Assessments set by the Board in its sole and absolute discretion, and the Board's determination will be final and binding so long as it is made in good faith. If the sums collected prove inadequate for any reason, including nonpayment of any Assessment, the Association may at any time, and from time to time, levy further Assessments in the same manner. All such Regular Assessments will be due and payable to the Association annually on or before the first day of the month at the beginning of the fiscal year, or in such other manner as the Board may designate in its sole and absolute discretion.

6.4 Working Capital Assessment. Each Owner will pay a one-time working capital assessment (the "**Working Capital Assessment**") to the Association in such amount, if any, as may be determined by the Board from time to time in its sole and absolute discretion. Such

Working Capital Assessment need not be uniform among all Lots, and the Board is expressly authorized to levy Working Capital Assessments of varying amounts depending on the size, use and general character of the Lots then being made subject to such levy. The Association may use the working capital to discharge operating expenses. The levy of any Working Capital Assessment will be effective only upon the Recordation of a written notice, signed by a duly authorized officer of the Association, setting forth the amount of the Working Capital Assessment.

Notwithstanding the foregoing provision, the following transfers will not be subject to the Working Capital Assessment: (i) foreclosure of a deed of trust lien, tax lien, or the Association's Assessment lien; (ii) transfer to, from, or by the Association; or (iii) voluntary transfer by an Owner to one or more co-owners, or to the Owner's spouse, child, or parent. Additionally, the Declarant and an Owner who is a Homebuilder will not be subject to the Working Capital Assessment; however, the Working Capital Assessment will be payable by any Owner who acquires a Lot from the Declarant or a Homebuilder for residential living purposes. In the event of any dispute regarding the application of the Working Capital Assessment to a particular Owner, the determination by the Declarant during the Development Period, and the Board thereafter, regarding application of the exemption will be binding and conclusive without regard to any contrary interpretation of this Section. The Working Capital Assessment will be in addition to, not in lieu of, any other Assessments levied in accordance with this *Article 6* and will not be considered an advance payment of such Assessments. The Working Capital Assessment hereunder will be due and payable to the Association immediately upon each transfer of title to the Lot, including upon transfer of title from one Owner of such Lot to any subsequent purchaser or transferee thereof. The Declarant during the Development Period, and thereafter the Board, will have the power to waive the payment of any Working Capital Assessment attributable to a Lot (or all Lots) by the Recordation of a waiver, which waiver may be temporary or permanent.

6.5 Special Assessments. In addition to the Regular Assessments provided for above, the Board may levy special assessments (the "**Special Assessments**") whenever in the Board's opinion such Special Assessments are necessary to enable the Board to carry out the functions of the Association under the Restrictions. The amount of any Special Assessments will be at the reasonable discretion of the Board. In addition to the Special Assessments authorized above, the Association may, in any fiscal year, levy a Special Assessment only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area. Any Special Assessment levied by the Association for the purpose of defraying, in whole or in part, costs of any construction, reconstruction, repair or replacement of capital improvement upon the Common Area will be levied against all Owners based on Assessment Units.

6.6 Individual Assessments. In addition to any other Assessments, the Board may levy an individual assessment (the "**Individual Assessment**") against an Owner and the Owner's Lot. Individual Assessments may include, but are not limited to: interest, late charges, and collection costs on delinquent Assessments; reimbursement for costs incurred in bringing

an Owner or the Owner's Lot into compliance with the Declaration; fines for violations of the Restrictions; transfer-related fees and resale certificate fees; fees for estoppel letters and project documents; insurance deductibles; reimbursement for damage or waste caused by willful or negligent acts of the Owner, the Owner's guests, invitees or Residents of the Owner's Lot; common expenses that benefit fewer than all of the Lots, which may be assessed according to benefit received; fees or charges levied against the Association on a per-Lot basis; and "pass through" expenses for services to Lots provided through the Association and which are equitability paid by each Lot according to the benefit received.

6.7 Amount of Assessment.

6.7.1 Assessments to be Levied. The Board shall levy Assessments against each "Assessment Unit" (as defined in Section 6.7.2 below). Unless otherwise provided in this Declaration, Assessments levied pursuant to Section 6.3 and Section 6.5 shall be levied uniformly against each Assessment Unit allocated to a Lot.

6.7.2 Assessment Unit. Each Lot shall constitute one "Assessment Unit" unless otherwise provided in Section 6.7.3 and 6.7.4.

6.7.3 Declarant Exemption. Notwithstanding anything in this Declaration to the contrary, no Assessments shall be levied upon Lots owned by Declarant.

6.7.4 Other Exemptions. Declarant may, in its sole discretion, elect to: (i) exempt any un-platted or unimproved portion of the Property or any Lot from any Assessments levied or charged pursuant to this Article 6; or (ii) delay the levy of Assessments against any un-platted, unimproved or improved portion of the Property. Declarant or the Board may also exempt any portion of the Property which is dedicated and accepted by public authority from Assessments.

6.8 Late Charges. If any Assessment is not paid by the due date applicable thereto, the Owner responsible for the payment may be required by the Board, at the Board's election at any time and from time to time, to pay a late charge in such amount as the Board may designate, and the late charge (and any reasonable handling costs) will be levied as an Individual Assessment against the Lot owned by such Owner, collectible in the manner as provided for collection of Assessments, including foreclosure of the lien against such Lot; provided, however, such charge will never exceed the maximum charge permitted under Applicable Law.

6.9 Owner's Personal Obligation; Interest. Assessments levied as provided for herein will be the personal and individual debt of the Owner of the Lot against which are levied such Assessments. No Owner may exempt himself from liability for such Assessments. In the event of default in the payment of any such Assessment, the Owner of the Lot will be obligated to pay interest on the amount of the Assessment at the highest rate allowed by applicable usury laws then in effect on the amount of the Assessment from the due date therefor (or if there is no such highest rate, then at the rate of one and one half percent (1-1/2%) per month), together with

all costs and expenses of collection, including reasonable attorney's fees. Such amounts will be levied as an Individual Assessment against the Lot owned by such Owner.

6.10 Assessment Lien and Foreclosure. The payment of all sums assessed in the manner provided in this Article is, together with late charges as provided in *Section 6.8* and interest as provided in *Section 6.9* hereof and all costs of collection, including attorney's fees as herein provided, secured by the continuing Assessment lien granted to the Association pursuant to *Section 6.1.2* above, and will bind each Lot in the hands of the Owner thereof, and such Owner's heirs, devisees, personal representatives, successors or assigns. The aforesaid lien will be superior to all other liens and charges against such Lot, except only for: (i) tax and governmental assessment liens; (ii) all sums secured by a first mortgage lien or first deed of trust lien of record, to the extent such lien secures sums borrowed for the acquisition or improvement of the Lot in question and (iii) home equity loans or home equity lines of credit which are secured by a second mortgage lien or second deed of trust lien of record; provided that, in the case of subparagraphs (ii) and (iii) above, such Mortgage was Recorded before the delinquent Assessment was due. The Association will have the power to subordinate the aforesaid Assessment lien to any other lien. Such power will be entirely discretionary with the Board, and such subordination may be signed by an officer, agent or attorney of the Association. The Association may, at its option and without prejudice to the priority or enforceability of the Assessment lien granted hereunder, prepare a written notice of Assessment lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot covered by such lien and a description of the Lot. Such notice may be signed by one of the officers, agents, or attorneys of the Association and will be Recorded. Each Owner, by accepting a deed or ownership interest to a Lot subject to this Declaration, will be deemed conclusively to have granted a power of sale to the Association to secure and enforce the Assessment lien granted hereunder. The Assessment liens and rights to foreclosure thereof will be in addition to and not in substitution of any other rights and remedies the Association may have by law and under this Declaration, including the rights of the Association to institute suit against such Owner personally obligated to pay the Assessment and/or for foreclosure of the aforesaid lien. In any foreclosure proceeding, such Owner will be required to pay the costs, expenses and reasonable attorney's fees incurred. The Association will have the power to bid (in cash or by credit against the amount secured by the lien) on the property at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. Upon the written request of any Mortgagee, the Association will report to said Mortgagee any unpaid Assessments remaining unpaid for longer than sixty (60) days after the same are due. The lien hereunder will not be affected by the sale or transfer of any Lot; except, however, that in the event of foreclosure of any lien superior to the Assessment lien, the lien for any Assessments that were due and payable before the foreclosure sale will be extinguished, provided that past-due Assessments will be paid out of the proceeds of such foreclosure sale only to the extent that funds are available after the satisfaction of the indebtedness secured by the Mortgage. The provisions of the preceding sentence will not, however, relieve any subsequent Owner (including any Mortgagee or other purchaser at a foreclosure sale) from paying Assessments becoming due and payable after the foreclosure sale. Upon payment of all

sums secured by a lien of the type described in this *Section 6.10*, the Association will upon the request of the Owner, and at such Owner's cost, execute a release of lien relating to any lien for which written notice has been Recorded as provided above, except in circumstances in which the Association has already foreclosed such lien. Such release will be signed by an officer, agent, or attorney of the Association. In addition to the lien hereby retained, in the event of nonpayment by any Owner of any Assessment and after the lapse of at least thirty (30) days since such payment was due, the Association may, upon ten (10) days' prior written notice (which may run concurrently with such thirty (30) day period) to such Owner, in addition to all other rights and remedies available pursuant to Applicable Law, terminate, in such manner as the Board deems appropriate, any utility or cable service provided through the Association and not paid for directly by an Owner or Resident to the utility or service provider. Such notice will consist of a separate mailing or hand delivery at least ten (10) days prior to a stated date of disconnection, with the title "termination notice" or similar language prominently displayed on the notice. The notice will include the office or street address where the Owner or the Owner's tenant can make arrangements for payment of the bill and for reconnection of service. Utility or cable service will not be disconnected on a day, or immediately preceding a day, when personnel are not available for the purpose of collection and reconnecting such services. Except as otherwise provided by Applicable Law, the sale or transfer of a Lot will not relieve the Owner of such Lot or such Owner's transferee from liability for any Assessments thereafter becoming due or from the lien associated therewith. If an Owner conveys its Lot and on the date of such conveyance Assessments against the Lot remain unpaid, or said Owner owes other sums or fees under this Declaration to the Association, the Owner will pay such amounts to the Association out of the sales price of the Lot, and such sums will be paid in preference to any other charges against the Lot other than liens superior to the Assessment lien and charges in favor of the State of Texas or a political subdivision thereof for taxes on the Lot which are due and unpaid. The Owner conveying such Lot will remain personally liable for all such sums until the same are fully paid, regardless of whether the transferee of the Lot also assumes the obligation to pay such amounts. The Board may adopt an administrative transfer fee to cover the expenses associated with updating the Association's records upon the transfer of a Lot to a third party; provided, however, that no transfer fee will be due upon the transfer of a Lot from Declarant to a third party.

6.11 Exempt Property. The following areas within the Property will be exempt from the Assessments provided for in this Article: (i) all area dedicated and accepted by a public authority; (ii) the Common Area; and (iii) any portion of the Property owned by Declarant.

6.12 Fines and Damages Assessment.

6.12.1 **Board Assessment.** The Board may assess fines against an Owner for violations of the Restrictions which have been committed by an Owner, a Resident, or the Owner or Residents guests, agents or invitees. Any fine and/or charge for damage levied in accordance with this *Section 6.12* will be considered an Individual Assessment pursuant to this Declaration. Each day of violation may be considered a separate violation if the violation continues after written notice to the Owner. The Board may assess damage charges against an

Owner for pecuniary loss to the Association from property damage or destruction of Common Area or any facilities caused by the Owner, Resident, or their guests, agents, or invitees. The Manager will have authority to send notices to alleged violators, informing them of their violations and asking them to comply with the Rules and Regulations and/or informing them of potential or probable fines or damage assessments. The Board may from time to time adopt a schedule of fines.

6.12.2 Lien Created. The payment of each fine and/or damage charge levied by the Board against the Owner of a Lot is, together with interest as provided in *Section 6.9* hereof and all costs of collection, including attorney's fees as herein provided, secured by the lien granted to the Association pursuant to *Section 6.1.2* of this Declaration. Unless otherwise provided in this *Section 6.12*, the fine and/or damage charge will be considered an Assessment for the purpose of this Article and will be enforced in accordance with the terms and provisions governing the enforcement of assessments pursuant to this *Article 6*.

ARTICLE 7 ARCHITECTURAL CONTROL COMMITTEE

Declarant has a substantial interest in ensuring that Improvements within the Property maintain and enhance Declarant's reputation as a community developer and do not impair Declarant's ability to market and sell all or any portion of the Property. Until Declarant has delegated its right to appoint and remove all members of the ACC to the Board as provided in *Section 7.2.1* below, the ACC will be acting solely in Declarant's interest and will owe no duty to any other Owner or the Association. Notwithstanding any provision in this Declaration to the contrary, Declarant may appoint a single person to exercise the rights of the ACC.

7.1 Construction of Improvements. No Improvement may be erected, placed or constructed, or the exterior of such Improvement painted, altered, modified or remodeled, on any Lot, and no Lot may be re-subdivided or consolidated with other Lots or Property, by anyone other than Declarant, without the prior written approval of the ACC.

7.2 Architectural Control Committee.

7.2.1 Composition. The ACC will be composed of not more than three (3) persons (who need not be Members or Owners) appointed as provided below, who will review Improvements proposed to be made by any Owner other than Declarant. Declarant will have the right to appoint and remove (with or without cause) all members of the ACC. Declarant may assign its right to appoint all members of the ACC to the Association by Recorded written instrument, and thereafter, the Board will have the right to appoint and remove (with or without cause) all members of the ACC. Any assignment by Declarant of the right to appoint and remove all members of the ACC may be withdrawn until expiration of twenty-four (24) months after the expiration of the Development Period. If Declarant withdraws its assignment of the right to appoint and remove all members of the ACC, then on the date of such withdrawal, Declarant will have the right to appoint and remove (with or without cause) all

members of the ACC. Declarant's right to appoint all members of the ACC will automatically be assigned to the Association upon the expiration of twenty-four (24) months after the expiration of the Development Period. Declarant, at its option, may create and assign specific duties and responsibilities to one or more sub-committees consisting of members and/or nonmembers of the ACC. In the event responsibilities and duties are assigned to a sub-committee, those responsibilities and duties will no longer be discharged by the ACC unless the sub-committee exercising such duties and responsibilities is dissolved by Declarant. The right to create, dissolve, and appoint members of such sub-committees will reside exclusively with Declarant until such time as Declarant has assigned its right to appoint members of the ACC to the Association. The ACC will have the right to employ consultants and advisors as it deems necessary or appropriate.

7.2.2 Submission and Approval of Plans and Specifications. Construction plans and specifications or, when an Owner desires solely to re-subdivide or consolidate Lots, a proposal for such re-subdivision or consolidation, will be submitted in accordance with the Design Review Process set forth on Exhibit A attached hereto, the Design Guidelines, if any, or any additional rules adopted by the ACC together with any review fee which is imposed by the ACC in accordance with *Section 7.2.3* and set forth in the Design Review Process. Contact information for the ACC is set forth in the Design Review Process. No re-subdivision or consolidation will be made, nor any Improvement placed or allowed on any Lot, until the plans and specifications and the builder which the Owner intends to use to construct the proposed structure or Improvement have been approved in writing by a Majority of the members of the ACC. The ACC may, in reviewing such plans and specifications consider any information that it deems proper; including, without limitation, any permits, environmental impact statements or percolation tests that may be required by the ACC or any other entity; and harmony of external design and location in relation to surrounding structures, topography, vegetation, and finished grade elevation. The ACC may postpone its review of any plans and specifications submitted for approval pending receipt of any information or material which the ACC, in its sole discretion, may require. Site plans shall be approved by the ACC prior to the clearing of any Lot, or the construction of any Improvements. The ACC may refuse to approve plans and specifications for proposed Improvements, or for the re-subdivision or consolidation of any Lot on any grounds that, in the sole and absolute discretion of the ACC, are deemed sufficient, including, but not limited to, purely aesthetic grounds.

7.2.3 Design Guidelines. Declarant shall have the right, but shall have no obligation, to adopt Design Guidelines and, during the Development Period, will have the power from time to time, to adopt (unless previously adopted by Declarant), amend, modify, or supplement the Design Guidelines, if any. Upon expiration or termination of the Development Period, the ACC, or any sub-committee thereof created pursuant to *Section 7.2.1*, will have the power from time to time, to adopt (if not previously adopted by Declarant), to amend, modify, or supplement the Design Guidelines, if any; provided, however, that any amendment to the Design Guidelines made by a sub-committee will only apply to the Improvements under the jurisdiction of such sub-committee, and during the Development Period, any such amendment, modification or supplement shall be approved in advance and in writing by the Declarant. In

the event of any conflict between the terms and provisions of the Design Guidelines, if any, and the terms and provisions of this Declaration, the terms and provisions of this Declaration will control. In addition, the ACC will have the power and authority to impose a fee for the review of plans, specifications and other documents and information submitted to it pursuant to the terms of this Declaration. Such charges will be held by the ACC and used to defray the administrative expenses incurred by the ACC in performing its duties hereunder; provided, however, that any excess funds held by the ACC will be distributed to the Association at the end of each calendar year. The ACC will not be required to review any plans until a complete submittal package, as required by this Declaration and the Design Guidelines, is assembled and submitted to the ACC. The ACC will have the authority to adopt such additional procedural and substantive rules and guidelines (including, without limitation, the imposition of any requirements for a compliance deposit, certificates of compliance or completion relating to any Improvement and the right to approve in advance any contractor selected for the construction of Improvements), not in conflict with this Declaration, as it may deem necessary or appropriate in connection with the performance of its duties hereunder.

7.2.4 Actions of the Architectural Control Committee. The ACC may, by resolution unanimously adopted in writing, designate one or more of its members, or an agent acting on its behalf, to take any action or perform any duties for and on behalf of the ACC, except the granting of variances. In the absence of such designation, the vote of a Majority of all of the members of the ACC taken at a duly constituted meeting will constitute an act of the ACC.

7.2.5 Failure to Act. In the event that any plans and specifications are submitted to the ACC as provided herein, and the ACC fails either to approve or reject such plans and specifications within the applicable time period set forth in the Design Review Process, rejection of such plans and specifications by the ACC will be presumed. In furtherance, and not in limitation, of the foregoing, any failure of the ACC to act upon a request for a variance will not be deemed a consent to such variance, and the ACC's written approval of all requests for variances will be expressly required.

7.2.6 Variances. The ACC may grant variances, in its sole and absolute discretion, from compliance with any of the provisions of the Design Guidelines, if any, or this Declaration. All variances shall be evidenced in writing and shall be signed by at least a Majority of the members of the ACC. Each variance may, but need not be Recorded. The failure to record a variance will not affect the validity thereof or give rise to any claim or cause of action against the ACC, including the Declarant or its designee, the Association, or the Board. If a variance is granted, no violation of the covenants, conditions, or restrictions contained in this Declaration or the Design Guidelines, if any, will be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such variance will not operate to waive or amend any of the terms and provisions of this Declaration or the Design Guidelines, if any, for any purpose except as to the particular property and in the particular instance covered by the variance, and such variance will not be considered to establish a

precedent for any future waiver, modification, or amendment of the terms and provisions of this Declaration or the Design Guidelines, if any.

7.2.7 Duration of Approval. The approval of the ACC of any final plans and specifications, and any variances granted by the ACC, will be valid for the time period set forth in the Design Review Process. If construction in accordance with such plans and specifications or variance is not commenced within such time period and diligently prosecuted to completion thereafter, the Owner will be required to resubmit such final plans and specifications or request for a variance to the ACC, and the ACC will have the authority to re-evaluate such plans and specifications in accordance with this Section 7.2.7 and may, in addition, consider any change in circumstances which may have occurred since the time of the original approval.

7.2.8 No Waiver of Future Approvals. The approval of the ACC to any plans or specifications for any work done or proposed in connection with any matter requiring the approval or consent of the ACC will not be deemed to constitute a waiver of any right to withhold approval or consent as to any plans and specifications on any other matter, subsequently or additionally submitted for approval by the same or a different person, nor will such approval or consent be deemed to establish a precedent for future approvals by the ACC.

7.2.9 Non-Liability of Committee Members. NEITHER DECLARANT, THE BOARD, THE ARCHITECTURAL CONTROL COMMITTEE, NOR ANY MEMBER WILL BE LIABLE TO ANY OWNER OR TO ANY OTHER PERSON FOR ANY LOSS, DAMAGE OR INJURY ARISING OUT OF THE PERFORMANCE OF THE ARCHITECTURAL CONTROL COMMITTEE'S DUTIES UNDER THIS DECLARATION.

**ARTICLE 8
MORTGAGE PROVISIONS**

The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Lots within the Property. The provisions of this Article apply to the Declaration and the Bylaws of the Association.

8.1 Notice of Action. An institutional holder, insurer, or guarantor of a first Mortgage which provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Lot to which its Mortgage relates (thereby becoming an "**Eligible Mortgage Holder**"), will be entitled to timely written notice of: (i) any condemnation loss or any casualty loss which affects a material portion of the Property or which affects any Lot on which there is an eligible Mortgage held, insured, or guaranteed by such Eligible Mortgage Holder; or (ii) any delinquency in the payment of assessments or charges owed for a Lot subject to the Mortgage of such Eligible Mortgage Holder, where such delinquency has continued for a period of sixty (60) days, or any other violation of the Restrictions relating to such Lot or the Owner or Resident which is not cured within sixty (60) days; or (iii) any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

8.2 **Examination of Books.** The Association will permit Mortgagees to examine the books and records of the Association during normal business hours.

8.3 **Taxes, Assessments and Charges.** All taxes, assessments and charges that may become liens prior to first lien mortgages under Applicable Law will relate only to the individual Lots and not to any other portion of the Property.

**ARTICLE 9
GENERAL PROVISIONS**

9.1 **Term.** The terms, covenants, conditions, restrictions, easements, charges, and liens set out in this Declaration will run with and bind the Property, and will inure to the benefit of and be enforceable by the Association, and every Owner, including Declarant, and their respective legal representatives, heirs, successors, and assigns, for a term beginning on the date this Declaration is Recorded, and continuing through and including January 1, 2067, after which time this Declaration will be automatically extended for successive periods of ten (10) years unless a change (the word "change" meaning a termination, or change of term or renewal term) is approved in a resolution adopted by Members entitled to cast at least sixty-seven percent (67%) of the total number of votes of the Association, voting in person or by proxy at a meeting duly called for such purpose, written notice of which will be given to all Members at least thirty (30) days in advance and will set forth the purpose of such meeting; provided, however, that such change will be effective only upon the Recording of a certified copy of such resolution. The foregoing sentence shall in no way be interpreted to mean sixty-seven percent (67%) of a quorum as established pursuant to the Bylaws. Notwithstanding any provision in this Section 9.1 to the contrary, if any provision of this Declaration would be unlawful, void, or voidable by reason of any Applicable Law restricting the period of time that covenants on land may be enforced, such provision will expire (twenty one) 21 years after the death of the last survivor of the now living, as of the date of the Recording of this document, descendants of Elizabeth II, Queen of England.

9.2 **Eminent Domain.** In the event it becomes necessary for any public authority to acquire all or any part of the Common Area for any public purpose during the period this Declaration is in effect, the Board is hereby authorized to negotiate with such public authority for such acquisition and to execute instruments necessary for that purpose. Should acquisitions by eminent domain become necessary, only the Board need be made a party, and in any event the proceeds received will be held by the Association for the benefit of the Owners. In the event any proceeds attributable to acquisition of Common Area are paid to Owners, such payments will be allocated on the basis of Assessment Units and paid jointly to the Owners and the holders of Mortgages or deeds of trust on the respective Lot.

9.3 **Amendment.** This Declaration may be amended or terminated by the Recording of an instrument executed and acknowledged by: (i) Declarant acting alone; or (ii) by the president and secretary of the Association setting forth the amendment and certifying that such amendment has been approved by Declarant (until expiration or termination of the

Development Period) and Members entitled to cast at least sixty-seven percent (67%) of the total number of votes entitled to be cast by members of the Association. The foregoing sentence shall in no way be interpreted to mean sixty-seven percent (67%) of a quorum as established pursuant to the Bylaws. No amendment will be effective without the written consent of Declarant, its successors or assigns, during the Development Period.

9.4 Roadway and Utility Easements. Declarant reserves the right to create, locate, relocate, construct, erect, and maintain or cause to be created, located, relocated, constructed, erected, and maintained in and on any portion of the Property then owned by Declarant or any streets maintained by the Association, or areas conveyed to the Association, or areas reserved or held as Common Area, roadways, sewer lines, water lines, electrical lines and conduits, and other pipelines, conduits, wires, and any public utility function beneath or above the surface of the ground with the right of access to the same at any time for the purposes of repair and maintenance.

9.5 No Warranty of Enforceability. Declarant makes no warranty or representation as to the present or future validity or enforceability of the Restrictions. Any Owner acquiring a Lot in reliance on one or more of the Restrictions shall assume all risks of the validity and enforceability thereof and, by acquiring the Lot, agrees to hold Declarant harmless therefrom.

9.6 Enforcement. The Association and the Declarant will have the right to enforce, by a proceeding at law or in equity, the Restrictions. The Association and/or the Declarant may initiate, defend, or intervene in any action brought to enforce any provision of the Restrictions. Such right of enforcement will include both damages for and injunctive relief against the breach of any provision hereof. Every act or omission whereby any provision of the Restrictions is violated, in whole or in part, is hereby declared to be a nuisance and may be enjoined or abated by any Owner of a Lot (at such Owner's own expense), Declarant or the Association. Any violation of any Applicable Law pertaining to the ownership, occupancy, or use of any portion of the Property is hereby declared to be a violation of this Declaration and subject to all of the enforcement procedures set forth herein. Failure to enforce any right, provision, covenant, or condition set forth in the Restrictions will not constitute a waiver of the right to enforce such right, provision, covenants or condition in the future. Failure of the Declarant or the Association to enforce the terms and provisions of the Restrictions shall in no event give rise to any claim or liability against the Declarant, the Association, or any of their partners, directors, officers, or agents.

9.7 Higher Authority. The terms and provisions of this Declaration are subordinate to Applicable Law. Generally, the terms and provisions of this Declaration are enforceable to the extent they do not violate or conflict with Applicable Law.

9.8 Severability. If any provision of this Declaration is held to be invalid by any court of competent jurisdiction, such invalidity will not affect the validity of any other provision of this Declaration, or, to the extent permitted by Applicable Law, the validity of such provision as applied to any other person or entity.

9.9 **Conflicts.** If there is any conflict between the provisions of this Declaration, the Certificate, the Bylaws, or any Rules and Regulations adopted pursuant to the terms of such documents, the provisions of this Declaration, the Certificate, the Bylaws, and the Rules and Regulations, in such order, will govern.

9.10 **Gender.** Whenever the context so requires, all words herein in the male gender will be deemed to include the female or neuter gender, all singular words will include the plural, and all plural words will include the singular.

9.11 **Acceptance by Owners.** Each Owner of a Lot or other real property interest in the Property, by the acceptance of a deed of conveyance, or each subsequent purchaser, accepts the same subject to all terms, restrictions, conditions, covenants, reservations, easements, liens and charges, and the jurisdiction rights and powers created or reserved by this Declaration or to whom this Declaration is subject, and all rights, benefits and privileges of every character hereby granted, created, reserved or declared. Furthermore, each Owner agrees that no assignee or successor to Declarant hereunder will have any liability for any act or omission of Declarant which occurred prior to the effective date of any such succession or assignment. All impositions and obligations hereby imposed will constitute covenants running with the land within the Property, and will bind any person having at any time any interest or estate in the Property, and will inure to the benefit of each Owner in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance.

9.12 **Damage and Destruction.** The Association shall undertake the following actions subsequent to damage or destruction to all or any part of the Common Area covered by insurance:

9.12.1 **Claims.** Promptly after damage or destruction by fire or other casualty to all or any part of the Common Area covered by insurance, the Board, or its duly authorized agent, will proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair of the damage. Repair, as used in this Section 9.11.1, means repairing or restoring the Common Area to substantially the same condition as existed prior to the fire or other casualty.

9.12.2 **Repair Obligations.** Any damage to or destruction of the Common Area will be repaired unless a Majority of the Board decides within sixty (60) days after the casualty not to repair. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair, or both, are not made available to the Association within said period, then the period will be extended until such information will be made available.

9.12.3 **Restoration.** In the event that it should be determined by the Board that the damage or destruction of the Common Area will not be repaired and no alternative Improvements are authorized, then the affected portion of the Common Area will be restored to

its natural state and maintained as an undeveloped portion of the Common Area by the Association in a neat and attractive condition.

9.12.4 Special Assessment. If insurance proceeds are paid to restore or repair any damaged or destroyed Common Area, and such proceeds are not sufficient to defray the cost of such repair or restoration, the Board will levy a Special Assessment, as provided in *Article 6*, against all Owners. Additional Assessments may be made in like manner at any time during or following the completion of any repair.

9.12.5 Proceeds Payable to Owners. In the event that any proceeds of insurance policies are paid to Owners as a result of any damage or destruction to any Common Area, such payments will be allocated based on Assessment Units and paid jointly to the Owners and the holders of Mortgages or deeds of trust on their Lots.

9.13 No Partition. Except as may be permitted in this Declaration or amendments thereto, no physical partition of the Common Area or any part thereof will be permitted, nor will any person acquiring any interest in the Property or any part thereof seek any such judicial partition unless the portion of the Property or Common Area in question has been removed from the provisions of this Declaration pursuant to *Section 11.4* below. This *Section 9.13* will not be construed to prohibit the Board from acquiring and disposing of tangible personal property or from acquiring title to real property that may or may not be subject to this Declaration.

9.14 Notices. Any notice permitted or required to be given to any person by this Declaration will be in writing and may be delivered either personally or by mail, or as otherwise required by Applicable Law. If delivery is made by mail, it will be deemed to have been delivered on the third (3rd) day (other than a Sunday or legal holiday) after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to the person at the address given by such person to the Association for the purpose of service of notices. Such address may be changed from time to time by notice in writing given by such person to the Association.

9.15 View Impairment. Notwithstanding any provision of this Declaration to the contrary, neither the Declarant, the ACC, nor the Association guarantee or represent that any view over and across the Lots, or any open space or Common Area within the Property will be preserved without impairment. Neither the Declarant, the ACC, nor the Association shall have any obligation to relocate, prune, thin trees or perform other landscaping. The Association (with respect to any Common Area) will have the right to add trees and other landscaping from time to time, subject to Applicable Law. There shall be no express or implied easements for view purposes or for the passage of light and air.

9.16 Safety and Security. Each Owner and Resident of a Lot, and their respective guests and invitees, shall be responsible for their own personal safety and the security of their property within the Property and the Common Area. The Association may, but shall not be obligated to, maintain or support certain activities within the Property and the Common Area

designed to promote or enhance the level of safety or security which each person provides for himself or herself and his or her property. However, neither the Association nor Declarant shall in any way be considered insurers or guarantors of safety or security within the Property or the Common Area, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. No representation or warranty is made that any systems or measures, including security monitoring systems or any mechanism or system for limiting access to the Property or the Common Area, cannot be compromised or circumvented; or that any such system or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges, understands, and shall be responsible for informing any Residents of such Owner's Lot that the Association, its Board and committees, and the Declarant are not insurers or guarantors of security or safety and that each person within the Property assumes all risks of personal injury and loss or damage to the property, including any residences or Improvements constructed upon any Lot and the contents thereof, resulting from acts of third parties.

ARTICLE 10 EASEMENTS

10.1 Right of Ingress and Egress. Declarant, its agents, employees, designees, successors and assigns will have a right of ingress and egress over and the right of access to the Common Area to the extent necessary to use the Common Area and the right to such other temporary uses of the Common Area as may be required or reasonably desirable (as determined by Declarant in its sole discretion) in connection with the construction and development of the Property. The Property shall be subject to a perpetual non-exclusive easement for the installation and maintenance of, including the right to read meters, service or repair lines and equipment, and to do everything and anything necessary to properly maintain and furnish the Community Systems and the facilities pertinent and necessary to the same, which easement shall run in favor of Declarant. Declarant shall have the right, but not the obligation, to install and provide the Community Systems and to provide the services available through the Community Systems to any and all Lots within the Property. Neither the Association nor any Owner shall have any interest therein. Any or all of such services may be provided either directly through the Association and paid for as part of the Assessments or directly to Declarant, any affiliate of Declarant, or a third party, by the Owner who receives the services. The Community Systems shall be the property of Declarant unless transferred by Declarant, whereupon any proceeds of such transfer shall belong to Declarant. Declarant shall have the right but not the obligation to convey, transfer, sell or assign all or any portion of the Community Systems or all or any portion of the rights, duties or obligations with respect thereto, to the Association or to any person or entity. The rights of Declarant with respect to the Community Systems installed by Declarant and the services provided through such Community Systems are exclusive, and no other person or entity may provide such services through the Community Systems installed by Declarant without the prior written consent of Declarant. In recognition of the fact that interruptions in cable television and other Community Systems services will occur from time to time, no person or entity described above shall in any

manner be liable, and no user of any Community System shall be entitled to any refund, rebate, discount or offset in applicable fees, for any interruption in Community Systems services, regardless of whether or not same is caused by reasons within the control of the then-provider of such services.

10.2 Reserved Easements. All dedications, limitations, restrictions and reservations shown on any Plat and all grants and dedications of easements, rights-of-way, restrictions and related rights made by Declarant or any third party prior to the Property becoming subject to this Declaration are incorporated herein by reference and made a part of this Declaration for all purposes as if fully set forth herein, and will be construed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant. Declarant reserves the right to relocate, make changes in, and additions to said easements, rights-of-way, dedications, limitations, reservations and grants for the purpose of most efficiently and economically developing the Property.

10.3 Utility Easements. Declarant, during the Development Period, and the Board thereafter, may grant easements over and across the Lots and Common Areas to the extent necessary or required to provide utilities to the Lots, Common Area and any other property owned by the Declarant; provided, however, that such easements do not unreasonably interfere with the use of any residence for residential purposes. A company or entity, public or private, furnishing utility service to the Property, is granted an easement over the Property, for ingress, egress, meter reading, installation, maintenance, repair, or replacement of utility lines and equipment, and to do anything else necessary to properly maintain and furnish utility service to the Property. Utilities may include, but are not limited to, water, sewer, trash removal, electricity, gas, telephone, electronic communications and internet, master or cable television and security.

10.4 Subdivision Entry and Fencing Easement. Declarant reserves for itself and the Association, an easement over and across the Property and any Common Area for the installation, maintenance, repair or replacement of certain subdivision entry facilities, walls, and/or fencing which serves the Property, the Common Area or any other property owned by the Declarant. Declarant will have the right, from time to time, to Record a written notice which identifies the subdivision entry facilities fencing to which the easement reserved hereunder applies. Declarant may designate all or any portion of the subdivision entry facilities as Common Area by Recorded written notice. The exercise of the easements reserved hereunder will not extend to permitting entry into any residence, nor will it unreasonably interfere with the use of any Lot or residence or Improvement constructed thereon.

10.5 Landscape and Monument Sign Easement. Declarant hereby reserves for itself and the Association, an easement over and across the Property and the Common Area for the installation, maintenance, repair or replacement of signs, landscaping, and/or monument signs which serve the Property, the Common Area or any other property owned by the Declarant. Declarant will have the right, from time to time, to Record a written notice, which identifies those portions of the Property, Common Area or property owned by the Declarant to which the

easement reserved hereunder applies. Declarant may designate all or any portion of the easement areas reserved hereunder as Common Area. The exercise of the easements reserved hereunder will not extend to permitting entry into any residence, nor will it unreasonably interfere with the use of any Lot or residence or Improvement constructed thereon.

ARTICLE 11 DEVELOPMENT RIGHTS

11.1 Development by Declarant. It is contemplated that the Property will be developed pursuant to a plan, which may, from time to time, be amended or modified. Declarant reserves the right, but will not be obligated, to pursue the development, construction and marketing of the Property, the right to direct the size, shape, and composition of the Property, the right to create and/or designate Lots and Common Areas and to subdivide all or any portion of the Property pursuant to the terms of this *Section 11.1*, subject to any limitations imposed on portions of the Property by any applicable Plat. These rights may be exercised with respect to any portions of the Property and the Common Area. As each area is developed or dedicated, Declarant may designate the use, classification and such additional covenants, conditions and restrictions as Declarant may deem appropriate for that area.

11.2 Special Declarant Rights. Notwithstanding any provision of this Declaration to the contrary, at all times, Declarant will have the right and privilege: (i) to erect and maintain advertising signs (illuminated or non-illuminated), sales flags, other sales devices and banners for the purpose of aiding the sale of Lots in the Property; (ii) to maintain Improvements upon Lots as sales, model, management, business and construction offices; and (iii) to maintain and locate construction trailers and construction tools and equipment within the Property and the Common Area. The construction, placement or maintenance of Improvements by Declarant will not be considered a nuisance, and Declarant hereby reserves the right and privilege for itself to conduct the activities enumerated in this *Section 11.2* until twenty-four (24) months after expiration or termination of the Development Period.

11.3 Addition of Land. Declarant may, at any time and from time to time, add additional lands to the Property. Upon the Recording of a notice of addition of land, such land will be considered part of the Property for purposes of this Declaration, and such added lands will be considered part of the Property subject to this Declaration and the terms, covenants, conditions, restrictions and obligations set forth in this Declaration, and the rights, privileges, duties and liabilities of the persons subject to this Declaration will be the same with respect to such added land as with respect to the lands originally covered by this Declaration. To add lands to the Property, Declarant will be required only to Record a notice of addition of land containing the following provisions: (i) a reference to this Declaration, which reference will state the document number or volume and initial page number where this Declaration is Recorded; (ii) a statement that such land will be considered Property for purposes of this Declaration, and that all of the terms, covenants, conditions, restrictions and obligations of this Declaration will apply to the added land; and (iii) a legal description of the added land.

11.4 Withdrawal of Land. Declarant may, at any time and from time to time, reduce or withdraw from the Property, and remove and exclude from the burden of this Declaration and the jurisdiction of the Association any portion of the Property. Upon any such withdrawal and removal, this Declaration and the covenants conditions, restrictions and obligations set forth herein will no longer apply to the portion of the Property withdrawn. To withdraw lands from the Property hereunder, Declarant will be required only to Record a notice of withdrawal of land containing the following provisions: (i) a reference to this Declaration, which reference will state the document number or volume and initial page number where this Declaration is recorded; (ii) a statement that the provisions of this Declaration will no longer apply to the withdrawn land; and (iii) a legal description of the withdrawn land.

11.5 Assignment of Declarant's Rights. Notwithstanding any provision in this Declaration to the contrary, Declarant may, by written instrument, assign, in whole or in part, any of its privileges, exemptions, rights and duties under this Declaration to any person or entity and may permit the participation, in whole, in part, exclusively, or non-exclusively, by any other person or entity in any of its privileges, exemptions, rights and duties hereunder.

ARTICLE 12 DISPUTE RESOLUTION

12.1 Introduction and Definitions. The Association, the Owners, Declarant, all persons subject to this Declaration, and any person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, the "**Parties**") agree to encourage the amicable resolution of disputes involving the Property and to avoid the emotional and financial costs of litigation and arbitration if at all possible. Accordingly, each Party hereby covenants and agrees that this Article applies to all Claims as hereafter defined. This *Article 12* may only be amended with the prior written approval of the Declarant, the Association (acting through a Majority of the Board), and Owners holding 100% of the votes in the Association. As used in this Article only, the following words, when capitalized, have the following specified meanings: (i) "**Claim**" means: (a) claims relating to the rights and/or duties of Declarant, the Association, or an Owner, under the Restrictions, (b) claims relating to the acts or omissions of the Declarant or the Association during control and administration of the Association, any claim asserted against the ACC, and any claims asserted against the Board or a person serving as a Board member or officer of the Association, or the ACC, and (c) claims relating to the design or construction of Improvements on the Common Areas or Lots located within the Property; (ii) "**Claimant**" means any Party having a Claim against any other Party; and (iii) "**Respondent**" means any Party against which a Claim has been asserted by a Claimant.

12.2 Mandatory Procedures. Claimant may not initiate any proceeding before any administrative tribunal seeking redress of resolution of its Claim until Claimant has complied with the procedures of this Article. As provided in *Section 12.8* below, a Claim will be resolved by binding arbitration.

12.3 Claim Affecting Common Areas. In accordance with *Section 4.12* of this Declaration, the Association does not have the power or right to institute, defend, intervene in, settle, or compromise litigation or administrative proceedings: (i) in the name of or on behalf of any Lot Owner (whether one or more); or (ii) pertaining to a Claim, as defined in *Section 12.1* above, relating to the design or construction of Improvements on a Lot (whether one or more). In the event the Association or a Lot Owner asserts a Claim related to the Common Areas, as a precondition to providing the Notice defined in *Section 12.4*, initiating the mandatory dispute resolution procedures set forth in this *Article 12*, or taking any other action to prosecute a Claim related to the Common Areas, the Association or a Lot Owner, as applicable, shall:

12.3.1 Independent Report on the Condition of the Common Areas. Obtain an independent third-party report (the "**Common Area Report**") from a licensed professional engineer which: (i) identifies the Common Areas subject to the Claim including the present physical condition of the Common Areas; (ii) describes any modification, maintenance, or repairs to the Common Areas performed by the Lot Owner(s) and/or the Association; and (iii) provides specific and detailed recommendations regarding remediation and/or repair of the Common Areas subject to the Claim. For the purposes of this Section, an independent third-party report is a report obtained directly by the Association or a Lot Owner and paid for by the Association or a Lot Owner, as applicable, and not prepared by a person employed by or otherwise affiliated with the attorney or law firm that represents or will represent the Association or a Lot Owner in the Claim. As a precondition to providing the Notice described in *Section 12.4*, the Association or Lot Owner shall provide at least ten (10) days prior written notice of the inspection to each party subject to a Claim which notice shall identify the independent third-party engaged to prepare the Common Area Report, the specific Common Areas to be inspected, and the date and time the inspection will occur. Each party subject to a Claim may attend the inspection, personally or through an agent. Upon completion, the Common Area Report shall be provided to each party subject to a Claim. In addition, before providing the Notice described in *Section 12.4*, the Association or the Lot Owner, as applicable, shall have permitted each party subject to a Claim the right, for a period of ninety (90) days, to inspect and correct, any condition identified in the Common Area Report.

12.3.2 Claim by the Association - Owner Meeting and Approval. If the Claim is prosecuted by the Association, obtain approval from Members holding sixty-seven percent (67%) of the votes in the Association to provide the Notice described in *Section 12.4*, initiate the mandatory dispute resolution procedures set forth in this *Article 12*, or take any other action to prosecute a Claim, which approval from Members shall be obtained at a special meeting of Members called in accordance with the Bylaws. The notice of meeting required hereunder will be provided pursuant to the Bylaws but the notice shall also include: (i) the nature of the Claim, the relief sought, the anticipated duration of prosecuting the Claim, and the likelihood of success; (ii) a copy of the Common Area Report; (iii) a copy of any proposed engagement letter, with the terms of such engagement between the Association and an attorney to be engaged by the Association to assert or provide assistance with the claim (the "**Engagement Letter**"); (iv) a description of the attorney fees, consultant fees, expert witness fees, and court costs, whether incurred by the Association directly or for which it may be liable if it is not the prevailing party

or that the Association will be required, pursuant to the Engagement Letter or otherwise, to pay if the Association elects to not proceed with the Claim; (v) a summary of the steps previously taken, and proposed to be taken, to resolve the Claim; (vi) an estimate of the impact on the value of each Lot if the Claim is prosecuted and an estimate of the impact on the value of each Lot after resolution of the Claim; (vii) an estimate of the impact on the marketability of each Lot if the Claim is prosecuted and during prosecution of the Claim, and an estimate of the impact on the value of each Lot during and after resolution of the Claim; (viii) the manner in which the Association proposes to fund the cost of prosecuting the Claim; and (ix) the impact on the finances of the Association, including the impact on present and projected reserves, in the event the Association is not the prevailing party. The notice required by this paragraph shall be prepared and signed by a person other than, and not employed by or otherwise affiliated with, the attorney or law firm that represents or will represent the Association or Lot Owner, as applicable, in the Claim. In the event Members approve providing the Notice described in *Section 12.4*, or taking any other action to prosecute a Claim, the Members holding a Majority of the votes in the Association, at a special meeting called in accordance with the Bylaws, may elect to discontinue prosecution or pursuit of the Claim.

12.4 Notice. Claimant shall notify Respondent in writing of the Claim (the "Notice"), stating plainly and concisely: (i) the nature of the Claim, including date, time, location, persons involved, and Respondent's role in the Claim; (ii) the basis of the Claim (i.e., the provision of the Restrictions or other authority out of which the Claim arises); (iii) what Claimant wants Respondent to do or not do to resolve the Claim; and (iv) that the Notice is given pursuant to this Section. For Claims governed by Chapter 27 of the Texas Property Code, the time period for negotiation in *Section 12.5* below, is equivalent to the sixty (60) day period under Section 27.004 of the Texas Property Code. If a Claim is subject to Chapter 27 of the Texas Property Code, the Claimant and Respondent are advised, in addition to compliance with *Section 12.5*, to comply with the terms and provisions of Section 27.004 during such sixty (60) day period. *Section 12.5* does not modify or extend the time period set forth in Section 27.004 of the Texas Property Code. Failure to comply with the time periods or actions specified in Section 27.004 could affect a Claim if the Claim is subject to Chapter 27 of the Texas Property Code. The one hundred and twenty (120) day period for mediation set forth in *Section 12.6* below, is intended to provide the Claimant and Respondent with sufficient time to resolve the Claim in the event resolution is not accomplished during negotiation. If the Claim is not resolved during negotiation, mediation pursuant to *Section 12.6* is required without regard to the monetary amount of the Claim.

If the Claimant is the Association, the Notice will also include: (a) a true and correct copy of the Common Area Report; (b) a copy of the Engagement Letter; (c) copies of all reports, studies, analyses, and recommendations obtained by the Association related to the Common Area which forms the basis of the Claim; (d) a true and correct copy of the special meeting notice provided to Members in accordance with *Section 12.3.2* above; and (e) reasonable and credible evidence confirming that Members holding sixty-seven percent (67%) of the votes in the Association approved providing the Notice. If the Claimant is not the Association and

pertains to the Common Areas, the Notice will also include a true and correct copy of the Common Area Report.

12.5 Negotiation. Claimant and Respondent will make every reasonable effort to meet in person to resolve the Claim by good faith negotiation. Within sixty (60) days after Respondent's receipt of the Notice, Respondent and Claimant will meet at a mutually acceptable place and time to discuss the Claim. If the Claim involves all or any portion of the Property, then at such meeting or at some other mutually-agreeable time, Respondent and Respondent's representatives will have full access to the Property that is subject to the Claim for the purposes of inspecting the Property. If Respondent elects to take corrective action, Claimant will provide Respondent and Respondent's representatives and agents with full access to the Property to take and complete corrective action.

12.6 Mediation. If the parties negotiate, but do not resolve the Claim through negotiation within one-hundred twenty (120) days from the date of the Notice (or within such other period as may be agreed on by the parties), Claimant will have thirty (30) additional days within which to submit the Claim to mediation under the auspices of a mediation center or individual mediator on which the parties mutually agree. The mediator shall have at least five (5) years of experience serving as a mediator and shall have technical knowledge or expertise appropriate to the subject matter of the Claim. If Claimant does not submit the Claim to mediation within the 30-day period, Respondent will submit the Claim to mediation in accordance with this *Section 12.6*.

12.7 Termination Of Mediation. If the Parties do not settle the Claim within thirty (30) days after submission to mediation, or within a time deemed reasonable by the mediator, the mediator will issue a notice of termination of the mediation proceedings indicating that the Parties are at an impasse and the date that mediation was terminated. Thereafter, Claimant may file suit or initiate arbitration proceedings on the Claim, as appropriate and permitted by this Article.

12.8 Binding Arbitration-Claims. All Claims shall be settled by binding arbitration. Claimant or Respondent may, by summary proceedings (e.g., a plea in abatement or motion to stay further proceedings), bring an action in court to compel arbitration of any Claim not referred to arbitration as required by this *Section 12.8*.

12.8.1 Governing Rules. If a Claim has not been resolved after mediation as required by *Section 12.6*, the Claim will be resolved by binding arbitration in accordance with the terms of this *Section 12.8* and the rules and procedures of the American Arbitration Association ("AAA") or, if the AAA is unable or unwilling to act as the arbitrator, then the arbitration shall be conducted by another neutral reputable arbitration service selected by Respondent in Bell or Travis Counties, Texas. Regardless of what entity or person is acting as the arbitrator, the arbitration shall be conducted in accordance with the AAA's "Construction Industry Dispute Resolution Procedures" and, if they apply to the disagreement, the rules contained in the Supplementary Procedures for Consumer-Related Disputes. If such Rules have

changed or been renamed by the time a disagreement arises, then the successor rules will apply. Also, despite the choice of rules governing the arbitration of any Claim, if the AAA has, by the time of Claim, identified different rules that would specifically apply to the Claim, then those rules will apply instead of the rules identified above. In the event of any inconsistency between any such applicable rules and this *Section 12.8*, this *Section 12.8* will control. Judgment upon the award rendered by the arbitrator shall be binding and not subject to appeal, but may be reduced to judgment in any court having jurisdiction. Notwithstanding any provision to the contrary or any applicable rules for arbitration, any arbitration with respect to Claims arising hereunder shall be conducted by a panel of three (3) arbitrators, to be chosen as follows: (i) one arbitrator shall be selected by Respondent, in its sole and absolute discretion; (ii) one arbitrator shall be selected by the Claimant, in its sole and absolute discretion; and (iii) one arbitrator shall be selected by mutual agreement of the arbitrators having been selected by Respondent and the Claimant, in their sole and absolute discretion.

12.8.2 Exceptions to Arbitration; Preservation of Remedies. No provision of, nor the exercise of any rights under, this *Section 12.8* will limit the right of Claimant or Respondent, and Claimant and the Respondent will have the right during any Claim, to seek, use, and employ ancillary or preliminary remedies, judicial or otherwise, for the purposes of realizing upon, preserving, or protecting upon any property, real or personal, that is involved in a Claim, including, without limitation, rights and remedies relating to: (i) exercising self-help remedies (including set-off rights); or (ii) obtaining provisions or ancillary remedies such as injunctive relief, sequestration, attachment, garnishment, or the appointment of a receiver from a court having jurisdiction before, during, or after the pendency of any arbitration. The institution and maintenance of an action for judicial relief or pursuit of provisional or ancillary remedies or exercise of self-help remedies shall not constitute a waiver of the right of any party to submit the Claim to arbitration nor render inapplicable the compulsory arbitration provisions hereof.

12.8.3 Statute of Limitations. All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding under this *Section 12.8*.

12.8.4 Scope of Award; Modification or Vacation of Award. The arbitrator shall resolve all Claims in accordance with the applicable substantive law. The arbitrator may grant any remedy or relief that the arbitrator deems just and equitable and within the scope of this *Section 12.8* and subject to *Section 12.9* below (attorney's fees and costs may not be awarded by the arbitrator); provided, however, that for a Claim, or any portion of a Claim governed by Chapter 27 of the Texas Property Code, or any successor statute, in no event shall the arbitrator award damages which exceed the damages a Claimant would be entitled to under Chapter 27 of the Texas Property Code. In all arbitration proceedings the arbitrator shall make specific, written findings of fact and conclusions of law. In all arbitration proceedings the parties shall have the right to seek vacation or modification of any award that is based in whole, or in part, on (i) factual findings that have no legally or factually sufficient evidence, as those terms are defined in Texas law; (ii) conclusions of law that are erroneous; (iii) an error of federal or state law; or (iv) a cause of action or remedy not expressly provided under existing state or federal

law. In no event may an arbitrator award speculative, consequential, or punitive damages for any Claim.

12.8.5 Other Matters. To the maximum extent practicable, an arbitration proceeding hereunder shall be concluded within one hundred and eighty (180) days of the filing of the Claim for arbitration by notice from either party to the other. Arbitration proceedings hereunder shall be conducted in Bell County, Texas. The arbitrator shall be empowered to impose sanctions and to take such other actions as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the Texas Rules of Civil Procedure and Applicable Law. Each party agrees to keep all Claims and arbitration proceedings strictly confidential, except for disclosures of information required in the ordinary course of business of the parties or by Applicable Law or regulation. In no event shall any party discuss with the news media or grant any interviews with the news media regarding a Claim or issue any press release regarding any Claim without the written consent of the other parties to the Claim.

12.9 Allocation Of Costs. Notwithstanding any provision in this Declaration to the contrary, each party bears all of its own costs incurred prior to and during the proceedings described in the Notice, Negotiation, Mediation, and Arbitration sections above, including its attorney's fees. Respondent and Claimant will equally divide all expenses and fees charged by the mediator and arbitrator.

12.10 General Provisions. A release or discharge of Respondent from liability to Claimant on account of the Claim does not release Respondent from liability to persons who are not party to Claimant's Claim.

12.11 Period of Limitation.

12.11.1 For Actions by an Owner. The exclusive period of limitation for any of the Parties to bring any Claim, including, but not limited to, a Claim of construction defect or defective design of Improvements on the Common Areas or Lots, shall be the earliest of: (i) for Claims alleging construction defect or defective design, two (2) years and one (1) day from the date that the Owner discovered or reasonably should have discovered evidence of the Claim; (ii) for Claims other than those alleging construction defect or defective design, four (4) years and one (1) day from the date that the Owner discovered or reasonably should have discovered evidence of the Claim.

12.11.2 For Actions by the Association. The exclusive period of limitation for the Association to bring any Claim, including, but not limited to, a Claim of construction defect or defective design of the Common Areas, shall be the earliest of: (i) for Claims alleging construction defect or defective design, two (2) years and one (1) day from the date that the Association or its agents discovered or reasonably should have discovered evidence of the Claim; (ii) for Claims other than those alleging construction defect or defective design of the

Common Areas, four (4) years and one (1) day from the date that the Association discovered or reasonably should have discovered evidence of the Claim.

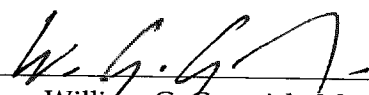
12.12 Funding Arbitration and Litigation. The Association shall levy a Special Assessment to fund the estimated costs of arbitration, including estimated attorney’s fees, conducted pursuant to this *Article 12* or any judicial action initiated by the Association. The Association may not use its annual operating income or reserve funds or savings to fund arbitration or litigation, unless the Association’s annual budget or a savings account was established and funded from its inception as an arbitration and litigation reserve fund.

[SIGNATURE PAGE FOLLOWS]

EXECUTED to be effective on the date this instrument is Recorded.

DECLARANT:

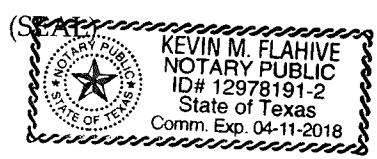
KACHINA DEVELOPMENT, LLC,
a Texas limited liability company

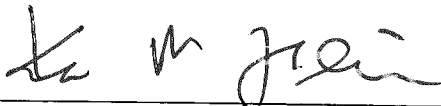
By: 
William G. Gurasich, Manager

THE STATE OF TEXAS §

COUNTY OF TRAVIS §

This instrument was acknowledged before me this 6th day of November, 2017 by William G. Gurasich, Manager of Kachina Development, LLC, a Texas limited liability company, on behalf of said limited liability company.




Notary Public Signature

LIENHOLDER CONSENT

The undersigned holds a promissory note signed by Declarant. The promissory note is secured by a vendor's lien and a deed of trust lien against the Property. The liens benefitting the undersigned are contained in: (i) the Special Warranty Deed With Vendor's Lien dated August 19, 2017, recorded under Document No. 2017-34792, Official Public Records of Bell County, Texas (the "Vendor's Lien"); and (ii) the Deed of Trust dated August 17, 2017, recorded under Document No. 2017-34794, Official Public Records of Bell County, Texas (as modified, renewed and extended, the "Deed of Trust").

By signing this instrument, the undersigned consents to the recording of this Declaration, which will not be extinguished by foreclosure of the Vendor's Lien or the Deed of Trust or any other lien assigned to or for the benefit of the undersigned, or its affiliates, successors, or assigns.

SIGNED on the 17th day of November, 2017.

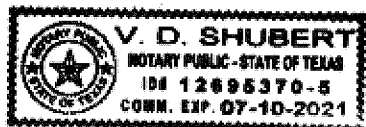
GIRL SCOUTS OF CENTRAL TEXAS, INC.,
a Texas non-profit corporation, successor-in-
interest to Bluebonnet Girl Scout Council, Inc.

By: Lynelle McKay
Lynelle McKay, CEO

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me this 17th day of November, 2017 by Lynelle McKay, CEO of Girl Scouts of Central Texas, Inc., a Texas non-profit corporation, successor-in-interest to Bluebonnet Girl Scout Council, Inc., on behalf of said non-profit corporation.

V. D. Shubert
Notary Public, State of Texas



(seal)

EXHIBIT A

DESIGN REVIEW PROCESS

Improvement plans will be carefully reviewed by ACC, c/o Colby Property Management, 1 Bending Branch Road, Belton, Texas 76513, to ensure that the proposed design is compatible with the design intent at The Cliffs at Lake Belton. This design review process must be followed for any of the following Improvements:

- Construction of all new buildings;
- The renovation, expansion or refinishing of the exterior of an existing building;
- Major site and/or landscape Improvements (including pools, driveways and/or culverts); and
- Construction of, or additions to, fences or enclosure structures.

ACC evaluates all development proposals on the basis of the provisions of this Declaration and, if adopted, the Design Guidelines. Some of the provisions of this Declaration and, if adopted, the Design Guidelines, are written as broad standards and the interpretation of these standards is left up to the sole discretion of ACC. Other provisions of this Declaration and, if adopted, the Design Guidelines, such as building height or setbacks, are more definitive, or absolute design parameters and in many cases parallel applicable building code requirements or project approval documents. It is the intention of this Design Review Process that all Improvements comply with these absolute standards. In the event of a conflict between the provisions of this Declaration or, if adopted, the Design Guidelines, and any local, state or federal building or zoning code or project approval documents, the local, state, or federal building or zoning code or project approval documents shall govern.

The Cliffs at Lake Belton' Design Review Process takes place in four steps:

1. **Pre-Design Conference & Concept Design**
2. **Preliminary Design Review**
3. **Final Design Review**
4. **Construction Monitoring**

Any Improvement will require and be preceded by the submission of plans and specifications describing the proposed Improvement accompanied by an application fee.

The Owner shall retain competent assistance from a licensed architect, civil engineer or surveyor, landscape professional, and a licensed and bonded contractor (the "**Consultants**"), as appropriate. The Owner and Consultants shall carefully review this Declaration and, if adopted, the Design Guidelines, prior to commencing with the design review process.

Having secured Preliminary Design approval from ACC, the Owner is also required to meet any applicable submittal and approval requirements of applicable governmental entities necessary to obtain design approvals or any other discretionary permits and a building permit.

The Owner is to commence construction within one (1) year of the Final Design approval.

Pre-Design Conference & Concept Design

Pre-Design Conference

Prior to the preparation of any materials for formal review by the ACC, the Owner and the Consultants may meet with representatives of the ACC for a Pre-Design Conference. The purpose of this meeting would be for the ACC to answer any questions the Owners and/or Consultant(s) may have and to offer guidance on the following subjects:

- The particular characteristics and restrictions on the Owner's Lot, to be provided by the ACC;
- Optimal orientation of buildings and outdoor spaces;
- Additional survey information requirements;
- Preliminary building and site development program ideas and requirements;
- Clarification and review of this Declaration and, if adopted, the Design Guidelines;
- The requirements, fees, and schedule of the Design Review Process.

Concept Design

After the Pre-Design Conference, if any, the Owner shall submit to the Manager (who will, in turn, deliver to the ACC) a written application, and appropriate fee for Concept Design Review together with the Concept Design Review submission materials as described below:

1. Concept Design Review Application Form (Sample in Appendix).
2. Design Review Application Fee.
3. Schematic Site Plan: (1"=20', 16' or 8') indicating property lines and Lot diagram areas, building location/footprint, driveways, existing trees to be retained and/or removed, pools, water features and other major hardscape elements and basic grading concepts.
4. Schematic Floor Plan: (1"=20', 16', or 8') showing general room layout and circulation. This may be combined with the Schematic Site Plan.
5. Schematic Elevations: (1"=16' or 8') of the street side of the building showing general massing, roof forms, building height and materials.

The purpose of this submittal is to confirm that the design professionals are headed in the right direction, are correctly interpreting this Declaration and, if adopted, the Design Guidelines, and that the Owner's program can be accommodated on the Lot. This submittal may be combined with the Pre-Design Conference.

6. Appropriate historic photo/imagery of major architectural building elements. These shall include roof eaves and rakes, gable end vents, recesses, windows and doors with trim and surrounds, garage doors, shutters, chimney caps, balconies and railings, columns and significant other design elements. Images shall be on 8-1/2" x 11" size sheets. These images shall be identified and keyed to building elevations. Indicate the source (*e.g.*, title of book or magazine) and a description of each photo/image.

Preliminary Design Review

After the Pre-Design Conference, if any, and Concept Design, the Owner shall submit to the Manager (who will, in turn, deliver to the ACC) a written application for Preliminary Design Review, together with Preliminary Design Review submission materials described below.

Preliminary Design Review Submission Materials

Within this step, the Owner shall prepare and submit for review and approval a Preliminary Design Review package which shall adequately convey existing site conditions, constraints, building orientation and design, vehicular and pedestrian access, the proposed use of exterior materials and colors and conceptual landscape design. All architectural plans are to be prepared by a licensed architect. All landscape plans are to be prepared by a landscape professional. The package shall include two full-size sets and one PDF set of the following drawings and/or materials:

1. Preliminary Design Review Application Form (Sample in Appendix).
2. Location Map - indicating location of Lot within The Cliffs at Lake Belton.
3. Site Plan - 1"=20' minimum, showing existing topography and proposed grading and drainage, (1-foot contour interval), existing off-site elements (buildings, walls, etc.) within 20-feet of the property boundary, building footprint with finished floor grades, setbacks, building envelope, existing trees to be retained and/or removed, driveway, parking area, turnarounds, drainage, fences/walls, roofs, patios, decks, pools, and any other site amenities.
4. Preliminary Floor and Roof Plans - minimum 1/8" = 1'-0", including all proposed uses, proposed walls, door and window locations and location of mechanical and electrical systems.
5. Preliminary Elevations - minimum 1/8" = 1'-0", including roof heights, existing and finish grades, building heights and notation of exterior materials. Two sets of elevations, one set shall be rendered in color.
6. Site Sections - minimum scale 1" = 20', showing proposed buildings, building heights, elevations and existing and finished grades in relation to surrounding site, including adjacent residences and roads as may be required by the ACC.
7. Conceptual Landscape Plan - a conceptual plan at 1" = 20' minimum, showing irrigated areas, areas of planting, turf areas, preliminary plant list, building envelope and other zones as indicated on the lot diagram, existing trees to be retained and/or removed, water features, pools, patios, decks, and any other significant design elements. This may be combined with the Site Plan.
8. Grading, Drainage and Erosion Control Plans - 1" = 20' minimum. Indicate location of silt fencing and driveway base rock. Site plan shall include twenty feet beyond Owner's property line in order to depict relationship to adjacent Lots and Community Facilities.
9. Each application shall include a tree protection and removal plan to be implemented during construction. The plan should assess impacts to trees, recommend mitigation to reduce impacts to a less than significant level and identify construction guidelines to be followed through all phases of a construction project.

Tree Protection and Removal Plan Requirements:

- Minimum scale of 1/8" = 1'-0".

- Species identification.
 - Trunk center point for each tree over 6" when measured forty-eight inches above the natural grade.
 - Trunk diameter measured forty-eight inches above the natural grade.
 - Outline of drip lines (the outer reach of branches) for each tree over 6" when measured forty-eight inches above the natural grade.
 - Existing and known proposed utilities.
 - Retaining walls and grade changes; barriers of either a temporary or permanent nature.
 - Surface and subsurface drainage systems.
 - Access points for construction traffic
 - Proposed locations of tree protection fencing.
 - Identification of trees proposed for removal.
11. Color Rendering or Computer Model - minimum scale 1" = 20', illustrating the relationship between proposed building forms and topography, tree heights and prevailing site conditions. This need not be an expensively detailed model, but simply adequate to communicate basic three-dimensional massing concepts.
12. Material Samples - on 8-1/2" x 11" or 11" x 17" boards showing:
- Roof material and color;
 - Wall material and color;
 - Exterior trim material and color;
 - Stone/rock materials;
 - Window/door materials and color;
 - Fence/wall materials and color;
 - Paving materials and color.

Staking

The Owner may be required to stake the location of corners of the proposed buildings and all other major Improvements upon submittal of Preliminary Design Review documents. In some instances, the ACC may require that ridgeline flagging be erected to indicate proposed building heights.

Preliminary Design Review Meeting

Upon receipt of the required documents and staking of the property (if required), the ACC will notify the Owner of the scheduled meeting date to review the Preliminary Design documents. ACC will review and comment on the application at the meeting, allow time for discussion with the Owner and/or Consultant(s) (if present) and subsequently provide the Owner with the conclusions of the meeting in writing. The ACC has thirty (30) days to approve or respond in writing regarding any issues needing resolution by the Owner.

The comments of the ACC on the Preliminary Design submittal shall be advisory only, and shall not be binding upon either the Owner or the ACC. A second review meeting may be necessary to review corrected and/or new materials. Corrected materials will be provided to the ACC a minimum of five (5) working days prior to the next regularly scheduled meeting.

Final Design Review

Within one (1) year of Preliminary Design Review approval, the Owner shall initiate Final Design Review by submitting to the Manager (who will, in turn, deliver to the ACC) the required Final Design documents. Required Final Design documents and procedures are described below.

Final Design Review Submission Materials

The Owner shall provide all information necessary to reflect the design of the proposed building(s), landscape or other features requiring the approval of the ACC. Final Design documents shall generally conform to the approved Preliminary Design Review documents. All architectural plans are to be prepared by a licensed architect. All landscape plans are to be prepared by a landscape professional. The Final Design Review Documents shall be Construction Document level drawings. Submit two sets full size and four sets of 11"x17" reductions of final plans that include the following:

1. Final Design Review Application Form.
2. Site Plan - 1" = 20' minimum, showing existing topography and proposed grading (1-foot contour interval), building footprint with finished floor grades, building envelope and existing trees to be retained and/or removed, driveway, parking area, turnarounds, fences/walls, patios, decks, utility connections and pad locations, pools and any other site amenities. Site plan shall include twenty feet beyond Owner's property line in order to depict relationship to adjacent Lots and Community Facilities.
3. Grading, Drainage and Erosion Control Plans - 1" = 20' minimum, showing existing and proposed grading (1-foot contour interval), drainage elements and erosion control methods. Site plan shall include twenty feet beyond Owner's property line in order to depict relationship to adjacent Lots and Community Facilities.
4. Floor and Roof Plans - 1/4"= 1'-0", indicate all room dimensions, door and window locations and sizes, location of mechanical and electrical systems and fire sprinkler and monitoring systems. Indicate the location and type of all exterior lighting fixtures, proposed fireplaces, and kitchen appliances. Provide floor plans of all accessory buildings.
5. Elevations - 1/4"=1'-0", illustrate the exterior appearance of all views labeled in accordance with the site plan. Indicate the highest ridge of the roof, the elevation of each floor, and existing and finished grades for each elevation. Describe all exterior materials, colors, and finishes (walls, roofs, trim, vents, windows, doors, exterior hardware schedule, etc.) and locate all exterior lighting fixtures, and provide an exterior lighting schedule with cut sheets. Indicate proposed building height. Provide one (1) set of colored elevations.
6. Sections - 1" = 20' minimum, indicate building walls, floors, interior relationships, finished exterior grades and any other information to clearly describe the interior/exterior relationships of the building, the exterior details of the house, and the building's relationship to the site.
7. Landscape Plans - 1/8"=1'-0" minimum, including a planting plan, existing trees to be retained and/or removed, layout plan, irrigation plan, lighting plan, lighting schedule and cut sheets,

and any site details including retaining walls, landscape structures, pools, patios, fences and or gates. Call out all hardscape materials.

8. Materials Description:

- Roof material and color.
- Wall materials and colors.
- Exterior trim material and color.
- Window material and color.
- Exterior door material and color. Stone/rock materials.
- Fence/wall materials.
- Exterior rails and paving materials.

ACC will review and comment on the materials description at the Final Design Review. Final approval may be contingent upon field mock-ups of all colors and materials at the appropriate time in the construction process and in sizes/context that will allow a clear understanding of the final product. Regardless of previous approvals, the ACC reserves the right to require changes to the field mock-ups if they do not meet the objectives of this Declaration or, if adopted, the Design Guidelines.

9. Construction Schedule - include start and completion dates for both building and landscape construction. All construction shall be started within one year of Final Design approval and shall be completed within eighteen (18) months from start of construction.

Final Design Review Meeting

Upon receipt of the required documents, the ACC will notify the Owner of the scheduled meeting date to review the Final Design documents. In some instances, the ACC may request a final staking of the location of all corners of proposed buildings if the Final Design documents vary substantially from approved Preliminary Design documents.

Attendance at the meeting by the Owner and/or Consultant(s) is not mandatory. The ACC will review and comment on the application at the meeting, allow time for discussion with the Owner and/or Consultant(s) (if present), and subsequently provide the Owner with an approval or conclusive recommendations in writing for refinements to the design. A second review meeting may be necessary to review refinements, revisions and/or new materials. These materials will be provided to the ACC a minimum of five (5) working days prior to the next regularly scheduled meeting.

Final Design Approval

ACC will issue Final Design approval in writing within seven (7) working days of approval at a Final Design Review meeting. If the decision of the ACC is to disapprove the proposal, the ACC shall provide the Owner with a written statement of the basis for such disapproval to assist the Owner in redesigning the project so as to obtain the approval of the ACC.

Resubmittal of Plans

In the event that final submittals are not approved by the ACC, the Owner will follow the same procedures for a resubmission as for original submittals. An additional design review fee must accompany each resubmission as required by the ACC.

Subsequent Changes

Subsequent construction, landscaping or other changes in the intended Improvements that differ from approved Final Design documents must be submitted in writing to the Manager (who will, in turn, deliver to the ACC) for review and approval prior to making changes.

Notice of Completion

The Owner will provide to the Manager (who will, in turn, deliver to the ACC) a request for a Notice of Completion of any Improvement(s) given Final Design approval by the ACC. The ACC will make a final inspection of the property within seven (7) working days of receipt of the request. The ACC will issue in writing a Notice of Completion within seven (7) working days of observation. If it is found that the work was not done in compliance with the approved Final Design documents, the ACC will issue a notice to comply within three (3) working days of observation.

Variances

The ACC recognizes that each Lot has its own characteristics and that each Owner has their own individual needs and desires. For this reason, the ACC has the authority to approve variances from any of the provisions of this Declaration or, if adopted, the Design Guidelines. It should be understood, however, that any request for a variance will be evaluated at the sole discretion of the ACC, and that the approval of variances will be limited to only the most creative design solutions to unique situations. Prior to the ACC approving any variance, it must be demonstrated that the proposal is consistent with the overall objectives of this Declaration and, if adopted, the Design Guidelines, and that the variance will not adversely affect adjoining Lots or The Cliffs at Lake Belton community as a whole. Approval of any variance shall not set a precedent for other Owners to seek a similar variance.

The ACC also reserves the right to waive any of the procedural steps outlined in the Design Review Process, provided that the Owner demonstrates there is good cause.

Non-Liability

Neither the ACC nor any member, employee, agent or consultant will be liable to any party for any action, or failure to act with respect to any matter if such action or failure to act was in good faith and without malice.

Design Review Schedule

The ACC will make every reasonable effort to comply with the time schedule for design review. However, the ACC will not be liable for delays that are caused by circumstances beyond their control. The ACC will provide design review according to the following schedule:

1. Pre-Design Conference & Concept Design Review
 - Meeting to be scheduled within fourteen (14) working days of receipt of Pre-Design Conference request form.
2. Preliminary Design Review
 - Application documents to be submitted fourteen (14) working days prior to the next scheduled meeting of ACC.
 - Written comments from ACC meeting provided to Owner within fourteen (14) working days.
 - A second review meeting may be necessary to review corrected and/or new materials. Corrected materials will be provided to ACC a minimum of five working days prior to the next regularly scheduled meeting.
3. Final Design Review
 - Application documents to be submitted fourteen (14) working days prior to the next scheduled meeting of the ACC, and within one (1) year of Preliminary Design approval.
 - Written comments from the ACC meeting and/or written notice of Final Design approval provided to Owner within seven (7) working days.
 - A second review meeting may be necessary to review refinements, revisions and/or new materials. These materials will be provided to the ACC a minimum of five (5) working days prior to the next regularly scheduled meeting.
4. Building Permits
 - Owner applies to the applicable governmental authorities for all applicable building and use permits.
5. Notice of Completion issued within seven working days of observation.

Design Review Fees

Schedule of Design Review Fees for New Construction

❖ Compliance Deposit	Amount equal to \$1.00/square foot of proposed residence and accessory buildings, if any, payable to the Association (Refundable, as set forth in the Compliance Deposit Agreement)	
❖ Design Review Fee	\$2,000.00	Payable to the Association (Non-refundable)

Application Format

Each submission must be accompanied by the required information, as specified in this Design Review Process, in order to be scheduled for review. Incomplete submissions will not be reviewed and may be returned to the Owner for resubmission.

Attachments:

- Attachment 1** Design Review Checklist
- Attachment 2** Compliance Deposit Agreement
- Attachment 3** Architectural Approval Form
- Attachment 4** Pre-Design Conference and Concept Design Request Form
- Attachment 5** Preliminary Design Review Application Form
- Attachment 6** Preliminary Design Review Application Package Checklist
- Attachment 7** Final Design Review Application Form
- Attachment 8** Final Design Review Checklist

ATTACHMENT 1
DESIGN REVIEW CHECKLIST

DESIGN REVIEW CHECKLIST

- Lot number and Owner's name
- Property boundaries with all dimensions and benchmarks, including curb, right of way and north arrow
- Utilities locations including gas, water, electric transformer and meter, cable TV, telephone, sanitary sewer and manholes
- Building setbacks- front, rear and both sides
- Easements- utility and/or drainage
- Topography at 1 foot contours- existing
- Topography at 1 foot contours- proposed
- Existing or adjacent fencing, walls or other structures
- Proposed building footprints with roof plan (roof plan may be separate)
- Driveways, parking areas, walkways, decks and swimming pools
- Air conditioner and/or pool equipment structural screen walls
- Drainage mitigation
- Tree survey showing all trees and other distinguishable vegetation
- Culverts (if applicable)
- Utility trenching
- Septic holding tank locations and septic field (and any proposed water well location)
- Unique site features, i.e., rock outcroppings and slopes, cliff ledges
- Tree legend indicating size and species
- Trees to remain
- Trees to be removed

- Proposed plant list, sod or turf type
- Methods for re-vegetation of disturbed areas
- Extent of irrigation
- Swimming pool and/or water features
- Fencing - landscape walls

ARCHITECTURAL PLANS

- Dimensioned floor plans with rooms identified
- Adjacent stoops, decks and walks
- Exterior electric meter, service box and other utility connections
- Second floor area of any residence as a % of the first floor enclosed conditioned area.
- Include double story spaces as second floor area when calculating total second floor area.

SQUARE FOOTAGE ANALYSIS:

Lower Level HVAC Area	_____SF
First Floor HVAC Area	_____SF
Second Floor HVAC Area	_____SF
Other HVAC Area	_____SF
Total HVAC Area	_____SF
Lower Level Covered Area	_____SF
First Floor Covered Area	_____SF
Garage	_____SF
Second Floor Covered Area	_____SF
Other Covered Area	_____SF
Total Covered Area	_____SF
Gross Square Footage	_____SF
Driveway	_____SF
Motorcourt	_____SF
Septic Field	_____SF
Terraces and Walks	_____SF
Pool	_____SF

ELEVATIONS

- Existing grades and proposed grades
- Masonry lugs to drop with grade
- Overhangs of 18 inches minimum
- Building height
- 100% masonry construction
- 35 year or better architectural grade composite shingle, clay tile, concrete tile, slate, synthetic slate, or non-reflective standing seam metal roof materials

BUILDING SECTION

- A representative section through the building
- Existing grades
- Proposed grades

FOUNDATION PLAN

- Sections
- Masonry lugs
- Finished floor elevation
- Existing grades
- Proposed grades

CONSTRUCTION PLAN

- Septic plan with layout and location of tanks (and any proposed water wells)
- Utility trenching routes
- Site fencing, safety and perimeter fencing per County and tree protection fencing
- Location of dumpster, materials stockpile, portable toilet and field office
- Site access point, curb protection measures
- Limit of construction area
- Schedule

MATERIALS DESCRIPTION

- Masonry or stone size, pattern and color, mortar color
- Exterior trim and window color
- 35 year or better architectural grade composite shingle, clay tile, concrete tile, slate, synthetic slate, or non-reflective standing seam metal sample
- Driveway material

ATTACHMENT 2
COMPLIANCE DEPOSIT AGREEMENT

This Compliance Deposit Agreement (the "**Agreement**") is entered into by and between TCLB Residential Community, Inc., a Texas corporation, doing business as The Cliffs at Lake Belton Residential Community (the "**Association**"), and _____ ("**Owner**") and is as follows:

1. Owner agrees: (i) to repair any damage to any property or improvements which may be caused by the Owner or by any contractors, subcontractors, materialmen or invitees, or the subcontractors, suppliers, materialmen or invitees of Owner (collectively, the "**Owner Parties**"), and in connection with Owner's construction of improvements within The Cliffs at Lake Belton, and to pay the full cost of repairing and restoring any streets, curbs, utilities, trees or other subdivision improvements or landscaping of any kind or nature which may be damaged by any one or more of the Owner Parties; and (ii) to pay all penalties which may be imposed on one or more of the Owner Parties for any violation of the any applicable restrictions and/or rules administered by the Association and/or the ACC (collectively, the "**Restrictions**"). The agreements and obligations of Owner under this paragraph are referred to herein collectively as the "**Obligations**."

2. In order to secure the Owner's performance of the Obligations, and in addition to any design review fees under the Restrictions, Owner has deposited with the Association the sum of \$_____.00, which amount is equal to \$1.00/square foot of proposed residence and accessory buildings, if any (the "**Deposit**"). The Association shall have the right to make disbursements out of the Deposit to cover any costs or expenses incurred in connection with any failure by the Owner Parties to comply with the Obligations. Without limitation on the foregoing, The Association may use all or any portion of the Deposit to repair any damage caused by any of the Owner Parties and/or to pay any penalties which may be imposed under the Restrictions.

3. The Association shall give the Owner written notice of any payments made out of the Deposit. The amount deposited by the Owner under this Agreement shall not limit the liability of the Owner for the damages or other sums payable by the Owner Parties in the event such funds are not sufficient to cover any damage or penalties which may be imposed under the Restrictions. Within ten (10) days after the Owner has been notified that a draw from the Deposit has been made, Owner shall pay to the Association both: (i) such sums as may be required to restore the Deposit to a balance in the amount provided in Section 2 above; and (ii) such additional sums, if any, as the Owner or the Owner Parties may owe in excess of those already drawn from the Deposit. If both such sums are not paid within such ten (10) day period, then all unpaid sums will bear interest at the rate of eighteen percent (18%) per annum from and after the expiration of such ten-day period until the date upon which payment is received by the Association. The Deposit will be returned to the Owner within thirty (30) days after the Owner completes construction of all Improvements and installation of all landscaping on the Owner's Lot, as determined by the ACC, but not later than six (6) months after the date on which the ACC issues a Notice of Completion for such Improvements.

4. The Association may perform periodic inspections during construction to ensure that the improvements being constructed on the Property are built in accordance with the specifications and plans which have been approved by the ACC, as well as to identify non-complying activities. If items identified as non-complying are not remedied by the close of the

second business day after notification thereof has been delivered, fines will be levied and deducted from the Deposit. In the event that fines exceed the amount of the Deposit, and/or fines remain unpaid by the Owner, the Association, pursuant to the Restrictions has reserved the right to file a lien against the Property. A non-exhaustive Schedule of Fines for certain violations is set forth below.

SCHEDULE OF FINES

Premature Clearing	\$500
Construction Without ACC Approval	\$500
Inadequate Construction Entry	\$250
Inadequate/Removed Silt Fence	\$250
Excessive Mud/Debris on Street	\$250 plus \$50/day
Excessive Construction Debris	\$250 plus \$50/day
No Dumpster Provided	\$150 plus \$50/day
No Chemical Toilet Provided	\$150 plus \$25/day
Encroachment on Adjacent Properties	\$500 plus cost of repair
Damage to Streets, Curbs, Infrastructure	\$500 minimum
Failure to Obtain Notice of Completion from the ACC	\$500 minimum
Miscellaneous Violation of Construction Rules	To be determined

IN WITNESS WHEREOF, this Agreement has been duly executed by the undersigned effective as of _____, 20__.

ASSOCIATION:

TCLB RESIDENTIAL COMMUNITY, INC., a Texas corporation, doing business as The Cliffs at Lake Belton Residential Community

By: _____
Printed Name: _____
Title: _____

OWNER:

By: _____
Printed Name: _____
Title: _____

ATTACHMENT 3
THE CLIFFS AT LAKE BELTON
Architectural Approval Form

Name of Owner(s): _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Telephone: () _____ Fax: () _____ E-mail: _____

Name of Architect: _____ Firm: _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Telephone: () _____ Fax: () _____ E-mail: _____

License No.: _____

Name of Builder: _____ Firm: _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Telephone: () _____ Fax: () _____ E-mail: _____

License No.: _____

Lot Number: _____

Lot Type: _____

	Minimum	Maximum	Actual	Approved	Denied
Front Lot Setback	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rear Lot Setback	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Side Setback	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Side Street Setback	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Total HVAC Square Feet of Home	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Roof Pitch	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Roofing Material	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Height from highest point of 1 st floor slab	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Height from lowest point of 1 st floor slab	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Masonry Percentage	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Masonry Type	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Garages - Total Number Cars	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Architectural Modifications Required	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Landscape Plan Attached?	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Compliance Deposit Attached?	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
\$2,000.00 Architectural Review Fee Attached?	_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Approved / Denied this the _____ day of _____, 20____.

_____ - Architectural Consultant _____

_____ - ACC _____

ATTACHMENT 4
THE CLIFFS AT LAKE BELTON
Pre-Design Conference and Concept Design Request Form

Date of Request _____

Date of Pre-Design Conference (for ACC use only) _____

Date of Design Guidelines Edition _____

1. A Pre-Design Conference will be scheduled fourteen (14) working days following the receipt of a completed Pre-Design Conference and Concept Design Request Form.
2. The \$2,000.00 design review fee must be submitted at the time of the request. Please make check out to TCLB Residential Community, Inc.
3. Please contact the ACC with any questions.

Project Information

A. Lot Number(s): _____

B. Location of Lot(s): _____

Assessor's Parcel No.(s): _____

Street Address: _____

C. Name of Owner(s): _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Telephone: () _____ Fax: () _____ E-mail: _____

D. Name of Architect: _____ **Firm:** _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Telephone: () _____ Fax: () _____ E-mail: _____

License Number: _____

E. Name of Landscape Professional: _____ **Firm:** _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Telephone: () _____ Fax: () _____ E-mail: _____

License Number: _____

The Owner and their design team shall review the Declaration and, if adopted, the Design Guidelines, for The Cliffs at Lake Belton community prior to the Pre-Design Conference. These materials will be reviewed at the meeting. The purpose of the meeting will be for the ACC to answer any questions the Owners and their design team may have and to offer guidance on the following subjects:

- The particular characteristics and restrictions;
- Optimal locations for building and site improvements;
- Preliminary building and site development program ideas and requirements;
- The requirements, fees, and schedule of the Design Review Process.

ATTACHMENT 5
THE CLIFFS AT LAKE BELTON
Preliminary Design Review Application Form

Application Date: _____

Concept Design Conference Date: _____

Date of ACC Meeting: (for ACC use only)

Type of Review Requested: Preliminary Design Modification Miscellaneous

1. Application will be accepted after all information as noted in the Design Review Process has been provided. A meeting will be scheduled within 14 to 28 working days from the receipt of a complete submission.
2. Please contact the ACC regarding application questions.

Section 1 – Project Information

A. Lot Number(s): _____

B. Location of Lot(s): _____

Assessor's Parcel No.(s): _____

Street Address(es): _____

C. Name of Owner(s): _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Telephone: () _____ Fax: () _____ E-mail: _____

D. Name of Architect: _____ Firm: _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Telephone: () _____ Fax: () _____ E-mail: _____

License Number: _____

E. Name of Landscape Professional: _____ Firm: _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Telephone: () _____ Fax: () _____ E-mail: _____

License Number: _____

I have read and will comply with the Declaration and, if adopted, the Design Guidelines, for The Cliffs at Lake Belton.

Signature and Printed Name of Signatory _____ Date _____

THE CLIFFS AT LAKE BELTON

Preliminary Design Review Application Form

Section II – Project Data

- A. Lot Acreage: _____ Homesite Acreage: _____
- B. Roof Pitch: _____
- C. Lot Type: _____
- D. Proposed Square Footage Calculation: _____

Please note that all measurements are to be taken from the outside of all exterior walls.

- 1) Main Floor _____ sq. ft.
- 2) Secondary Floor _____ sq. ft.
- 3) Miscellaneous _____ sq. ft. (please describe _____)
- 4) Total Residence _____ sq. ft. (add lines 1, 2 and 3)
- 5) Accessory buildings _____ sq. ft.
- 6) Garages _____ sq. ft.

TOTAL _____ sq. ft. (add lines 4 – 6)

- E. Number of Bedrooms (total) _____
- F. Number of Enclosed Parking Spaces _____
 Number of Guest Parking Spaces _____
 Total Parking Spaces _____
- G. Number of Bathrooms _____
 Number of Fireplaces _____
- H. Maximum Slope of Driveway _____ %
- I. Height of Tallest Proposed Building _____
 (Please note on Building Elevations) _____
- J. Building Coverage _____ % (meaning the total area of a Lot covered by building(s) measured from outside of all exterior walls at ground level and includes all exterior stairways, covered parking and outdoor rooms but does not include uncovered walkways, terrace or pool areas or above-grade decks)
- K. Amount of Proposed Irrigated Area _____

APPLICATION CONTINUES ON FOLLOWING PAGE

THE CLIFFS AT LAKE BELTON

Preliminary Design Review Application Form

Section III – List of Materials

The following information must be completed for all applications.

A materials description must be prepared for each building type for the Final Design Review Submission.

Building Materials	Type of Material	Specification, Product Color, Material, etc.
Main Roof Pitch	_____	_____
Secondary Roof Pitch	_____	_____
Primary Wall Material	_____	_____
Retaining Wall Material	_____	_____
Other Wall Materials	_____	_____
Fascia	_____	_____
Gutters and Downspouts	_____	_____
Windows	_____	_____
Window Trim	_____	_____
Exterior Doors	_____	_____
Garage Doors	_____	_____
Door Trim	_____	_____
Hand or Deck Rails	_____	_____

Section IV – Landscape Plan *(Preliminary Proposed Plant List with Botanical and Common Names must be included in Landscape Plan).*

A. Please describe your Preliminary Planting Concept. *(Add additional pages, if necessary)*

APPLICATION CONTINUES ON FOLLOWING PAGE

THE CLIFFS AT LAKE BELTON

Preliminary Design Review Application Form

B. Other Landscape Features

Please specify height, materials, and colors. Include additional pages if necessary.

Gates: _____

Fences: _____

Swimming Pool / Ponds / Water Features: _____

Other: _____

C. Retaining Walls

Please specify height, materials and general design (batter, pattern of stone, etc.).

Include a Retaining Wall detail at Final Design Review.

D. Paving Materials

Driveway: _____

Walkways: _____

Patios: _____

E. Cut & Fill Quantities

Cubic Yards of Cut: _____

Cubic Yards of Fill: _____

ATTACHMENT 6
PRELIMINARY DESIGN REVIEW APPLICATION PACKAGE CHECKLIST

Applicant Name: _____ Date Submitted: _____

Lot Number: _____

- Submittal Complete, Accepted For Review Date: _____
- Submittal Incomplete, Returned For Correction Date: _____
- 2 sets full size and 1 PDF of Plans

Submitted Complete Incomplete

1. DESIGN REVIEW APPLICATION FORM

2. LOCATION MAP

Show location of Lot within The Cliffs at Lake Belton.

3. PRELIMINARY SITE PLAN (*Scale 1"= 20', minimum*)

Show existing topography and proposed grading and drainage (1-foot contour interval), existing off-site elements (buildings, walls, etc.) within 20 feet of the property boundary, building footprint with finished floor grades, setbacks, building, existing trees to be retained and/or removed, driveway, parking area, turnarounds, drainage, fences/walls, roofs, patios, decks, pools, and any other site amenities.

4. PRELIMINARY FLOOR AND ROOF PLANS

(*Scale 1/8"= 1' 0", minimum*)

Show all proposed uses, proposed walls, door and window locations and location of mechanical and electrical systems.

5. PRELIMINARY ELEVATIONS (*Scale 1/8"= 1' 0", minimum*)

Show roof heights, existing and finish grades, building heights and notation of exterior materials. Two sets of elevations, one set shall be rendered in color.

Submitted Complete Incomplete

6. **SITE SELECTIONS** (Scale: 1"= 20', minimum)

Show proposed buildings, building heights, elevations and existing and finished grades in relation to surrounding site, including adjacent residences and roads as may be required by the ACC.

7. **CONCEPTUAL LANDSCAPE PLAN** (Scale: 1"= 20', minimum)

Show irrigated areas, areas of planting, turf areas, preliminary plant list, building envelope and other zones as indicated on the lot diagram, existing trees to be retained and/or removed, water features, pools, patios, decks, and any other significant design elements. This may be combined with the Site Plan.

8. **GRADING, DRAINAGE AND EROSION CONTROL PLANS** (Scale: 1" = 20', minimum)

Show existing and proposed grading at 1 foot contour intervals, drainage elements and erosion control methods including silt fencing and driveway base rock. Include twenty feet beyond Owner's property line.

9. **TREE PROTECTION AND REMOVAL PLAN**

(Scale: 1" = 20, minimum)

Show species identification, trunk center point for each tree over 6" when measured forty-eight inches above the natural grade, trunk diameter measured forty-eight inches above the natural grade, the outline of driplines for each tree over 6" when measured forty-eight inches above the natural grade, existing and known proposed utilities, retaining walls and grade changes, barriers of either a temporary or permanent nature, surface and subsurface drainage systems, access points for construction traffic, proposed locations of tree protection fencing, and identification of trees proposed for removal.

10. **STUDY MODEL or COLOR RENDERING**

(Scale 1" = 20', minimum)

Illustrate the relationship between proposed building forms and topography, tree heights and prevailing site conditions. This need not be an expensively detailed model, but simply adequate to communicate basic three-dimensional massing concepts.

11. **MATERIAL SAMPLES** 8 ½ x 11 or 11 x 17 board showing:

- Roof material and color
- Wall and exterior trim materials and colors
- Stone/rock materials
- Window/door materials and color
- Fence/wall materials and color
- Paving materials and color

Comments: _____

Reviewed By: _____ Date: _____

ATTACHMENT 7
FINAL DESIGN REVIEW APPLICATION FORM

Application Date: _____

Concept Design Conference Date: _____

Date of ACC Meeting: _____

Type of Review Requested: Preliminary Design Modification Miscellaneous

1. Application will be accepted after all information as noted the Design Review Process has been provided. A meeting will be scheduled within 14 to 28 working days from the receipt of a complete submission.
2. Please contact the ACC regarding application questions.

Section I – Project Information

A. Lot Number(s): _____

B. Location of Lot(s): _____

Assessor's Parcel No.(s): _____

Street Address(es): _____

C. Name of Owner(s): _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Telephone: () _____ Fax: () _____ E-mail: _____

D. Name of Architect: _____ Firm: _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Telephone: () _____ Fax: () _____ E-mail: _____

License No# _____

E. Name of Landscape Professional: _____ Firm: _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Telephone: () _____ Fax: () _____ E-mail: _____

License No# _____

I have read and will comply with the Declaration and, if adopted, the Design Guidelines, for The Cliffs at Lake Belton.

Signature and Printed Name of Signatory _____ Date _____

Section II – Project Data

A. Lot Acreage: _____ Homesite Acreage: _____

B. Roof Pitch: _____

C. Lot Type: _____

D. Proposed Square Footage Calculation: _____

Please note that all measurements are to be taken from the outside of all exterior walls.

1) Main Floor _____ sq. ft.

2) Secondary Floor _____ sq. ft.

3) Miscellaneous _____ sq. ft. (please describe) _____

4) Total Residence _____ sq. ft. (add lines 1, 2 and 3)

5) Accessory buildings _____ sq. ft.

6) Garages _____ sq. ft.

TOTAL _____ sq. ft. (add lines 4-6)

E. Number of Bedrooms, (total): _____

F. Number of Enclosed Parking Spaces _____

Number of Guest Parking Spaces _____

Total Parking Spaces _____

G. Number of Bathrooms _____

Number of Fireplaces _____

H. Maximum Slope of Driveway _____ %

I. Height of tallest Proposed Building _____

(Please note on Building Elevations) _____

J. Building Coverage _____ % (meaning the total area of a Lot covered by building(s) measured from outside of all exterior walls at ground level and includes all exterior stairways, covered parking and outdoor rooms but does not include uncovered walkways, terrace or pool areas or above-grade decks)

K. Amount of Proposed Irrigated Area _____

Section III – List of Materials

The following information must be completed for all applications.

A materials description must be prepared for each building type for the Final Design Review Submission.

Building Materials	Type of Material	Specification, Product Color, Material, etc.
Main Roof	_____	_____
Secondary Roof	_____	_____
Primary Wall Material	_____	_____
Retaining Wall Material	_____	_____
Other Wall Materials	_____	_____
Fascia	_____	_____
Gutters and Downspouts	_____	_____
Windows	_____	_____
Window Trim	_____	_____
Exterior Doors	_____	_____
Garage Doors	_____	_____
Door Trim	_____	_____
Hand or Deck Rails	_____	_____
Vents and Flues	_____	_____
Flashings	_____	_____
Chimney Enclosures	_____	_____
Trash Enclosures	_____	_____
Skylights	_____	_____

Section IV – Landscape Plan

A. Please describe your Preliminary Planting Concept. *(Add additional pages, if necessary)*

Botanical Name Common Name Quantity Size

B. Proposed Trees

_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

C. Proposed Shrubs

_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

D. Proposed Groundcovers

_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

	Botanical Name	Common Name	Quantity	Size
E. Sod	_____	_____	_____	_____
	_____	_____	_____	_____
F. Seed	_____	_____	_____	_____
	_____	_____	_____	_____
G. Types of Edging	_____	_____	_____	_____
	_____	_____	_____	_____

H. Irrigation
 Amount of Irrigated Area: _____
 Type of Irrigation: _____

I. Type or Method of Erosion Control _____

J. Other Landscape Features
 Please specify height, materials, and colors. Include additional pages if necessary.
 Gates: _____
 Fences: _____
 Swimming Pool/Ponds/Water Features: _____

 Other: _____

K: Retaining walls. (Preliminary & Final Design Review)
 Please specify height, materials, and general design (batter, pattern of stone, etc.).
 Include a retaining wall detail at Final Design Review.

L. Paving Materials (Preliminary & Final Design Review)

Driveway: _____

Walkways: _____

Patios: _____

M. Cut & Fill Quantities

Cubic Yards of Cut: _____

Cubic Yards of Fill: _____

N. Exterior Signage

Submit details and/or specification sheets if applicable.

O. Site Lighting

Note lighting locations on lighting plan and submit specification sheets.

ATTACHMENT 8
FINAL DESIGN REVIEW CHECKLIST

Comments: _____

Reviewed By: _____ Date: _____

**** Electronically Filed Document ****

**Bell County, Tx
Shelley Coston
County Clerk**

Document Number: 2017-48429

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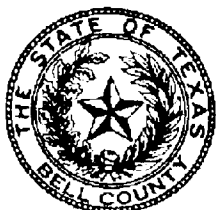
Direct- KACHINA DEVELOPMENT LLC
Indirect- EX PARTE

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Processed By: Jessica Bench

(Parties listed above are for Clerks reference only)

***** THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.



I hereby certify that this instrument was filed on the date and time stamped hereon and was duly recorded in the Real Property Records in Bell County, Texas

**Shelley Coston
Bell County Clerk**

A handwritten signature in cursive script that reads "Shelley Coston".