## DECLARATION OF PROTECTIVE COVENANTS FOR VILLAGES OF TWIN RIVERS COMMUNITY ASSOCIATION, INC.

The following information is taken from Article XII—Use Restrictions

#### **Article XII**

#### **Use Restrictions**

The Properties shall be used only for residential, recreational, and related purposes (which may include, without limitation, offices for any property manager retained by the Association or business offices for the Declarant or the Association, as may more particularly be set forth in this Declaration and amendments hereto. Any Supplemental Declaration or additional covenants imposed on the property within any Neighborhood may impose stricter standards than those contained in this Article.

The Association, acting through its Board of Directors, shall have standing and the power to enforce such standards. The Association, acting through its Board of Directors, shall have authority to make and to enforce standards and restrictions governing the use of the Properties, in addition to those contained herein, and to impose reasonable user fees for use of Common Area facilities. Such regulations and use restrictions shall be binding upon all Owners, occupants, invitees and licensees, if any, until and unless overruled, canceled or modified in a regular or special meeting of the Association by the vote of Voting Members representing a majority of the total Class "A" votes in the Association and by the Class "B" Member, so long as such membership shall exist.

Section 1. Signs. A single "for sale" or "for lease" sign shall be permitted on any Unit being offered for sale or for lease, provided it does not exceed two (2) feet by three (3) feet in size and does not stand higher than five (5) feet from the ground. No other signs of any kind shall be erected within the Properties without the written consent of the Board of Directors, except entry and directional signs installed by Declarant. If permission is granted to any Person to erect a sign within the Properties, the Board reserves the right to restrict the size, color, lettering and placement of such sign. The Board of Directors and the Declarant shall have the right to erect signs as they, in their discretion, deem appropriate. Notwithstanding the above, no signs, banners or similar items advertising or providing directional information with respect to activities being conducted outside the Properties shall be permitted to be displayed or posted within the Properties. The Association, acting through the Board, shall be authorized to enter upon any Unit and remove any sign, advertisement, billboard or other structure displayed in violation hereof, and in doing so shall not be subject to any liability for trespass or other tort in connection with or arising from such entry and/or removal.

#### Section 2. Parking and Prohibited Vehicles.

(a) Parking. Vehicles shall be parked only in the garage or driveway serving the Unit, or in such other paved areas as have been approved by the Board of Directors for parking vehicles. A maximum of two (2) occupant vehicles may be parked outside of the garage,

if any, serving the Unit. For purposes of this provision, a vehicle shall be considered an "occupant vehicle" if it is parked on the Unit four (4) or more hours per day, four (4) or more days in any seven (7) day period. The Board of Directors may authorize on-street parking on a temporary basis for visitors and guests, subject to reasonable rules and regulations. No garage shall be enclosed, modified or otherwise used so as to reduce its capacity for parking vehicles below that originally approved by the NCC. Notwithstanding the foregoing, however, a builder may temporarily convert a garage into a sales or construction office, provided that such builder converts it back to a garage within thirty (30) days after cessation of construction and sale of new homes within the Properties. Garage doors visible from any street within the Properties shall remain closed except during ingress or egress or when the garage is actively being used by the Owner or occupant.

- (b) Prohibited Vehicles. Commercial vehicles, vehicles with commercial writing on their exteriors, vehicles primarily used or designed for commercial purposes, tractors, mobile homes, recreational vehicles, trailers (either with or without wheels), campers, camper trailers, boats and other watercraft, and boat trailers shall be parked only in enclosed garages or areas, if any, designated by the Board or by the Neighborhood Association, if any, having jurisdiction over parking areas within a particular Neighborhood. Stored vehicles and vehicles which are either obviously inoperable or do not have current operating licenses shall not be permitted on the Properties except within enclosed garages. Notwithstanding the foregoing, vehicles that become inoperable while on the Properties must be removed within seventy-two (72) hours thereof. For purposes of this Section, a vehicle shall be considered "stored" if it is put up on blocks or covered with a tarpaulin and remains on blocks or so covered for fourteen (14) consecutive days without the prior approval of the Board. Notwithstanding the foregoing, service and delivery vehicles may be parked in the Properties during the daylight hours for such period of time as is reasonably necessary to provide service or to make a delivery to a Unit or the Common Areas.. Any vehicle parked in violation of this Section or parking rules promulgated by the Board may be towed in accordance with Article III, Section 22 of the By-Laws.
- Section 3. Occupants Bound. All provisions of the Declaration, By-Laws and of any rules and regulations or use restrictions promulgated pursuant thereto which govern the conduct of Owners shall also apply to all occupants, guests and invitees of any Unit. Every Owner shall cause all occupants of his or her Unit to comply with the Declaration, By-Laws, and the rules and regulations adopted pursuant thereto, and shall be responsible for all violations and losses to the Common Areas caused by such occupants, notwithstanding the fact that such occupants of a Unit are fully liable and may be sanctioned for any violation of the Declaration, By-Laws, and rules and regulations adopted pursuant thereto.
- **Section 4. Animals and Pets.** No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any portion of the Properties, except that dogs, cats, or other usual and common household pets, not to exceed a total of two (2) pets, may be permitted in a Unit. The foregoing limitation on number of pets shall not apply to hamsters, small birds,

fish or other constantly caged animals, nor shall it apply to require the removal of any litter born to a permitted pet prior to the time that the animals in such litter are three (3) months old. However, those pets which are permitted to roam free, or, in the sole discretion of the Association, endanger the health, make objectionable noise, or constitute a nuisance or inconvenience to the Owners of other Units or the Owner of any portion of the Properties shall be removed upon the request of the Board; if the Owner fails to honor such request, the pet may be removed by the Board. No pets shall be kept, bred, or maintained for any commercial purpose. Dogs shall at all times whenever they are outside a Unit be confined on a leash held by a responsible person.

Section 5. Quiet Enjoyment. No portion of the Properties shall be used, in whole or in part, for the storage of any property or thing that will cause it to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any structure, thing, or material be kept upon any portion of the Properties that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property.

No noxious, illegal, or offensive activity shall be permitted on upon any portion of the Properties, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to any person using any portion of the Properties. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Properties. No outside burning of wood, leaves, trash, garbage or household refuse shall be permitted within the Properties. No speaker, horn, whistle, bell or other sound device, except alarm devices used exclusively for security purposes, shall be installed or operated on any Unit. The use and discharge of firecrackers and other fireworks is prohibited with the Properties.

Section 6. Unsightly or Unkempt Conditions. It shall be the responsibility of each Owner to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on his or her Unit. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Properties. Notwithstanding the above, the disassembly and assembly of motor vehicles to perform repair work shall be permitted provided such activities are not conducted on a regular or frequent basis, and are either conducted entirely within an enclosed garage or, if conducted outside, are begun and completed within twelve (12) hours.

Section 7. Antennas. No exterior antennas, aerials, satellite dishes, or other apparatus for the transmission of television, radio, satellite or other signals of any kind shall be placed, allowed, or maintained upon any portion of the Properties, including any Unit, without the prior written consent of the Board or its designee, unless completely contained within the dwelling on the Unit so as not to be visible from outside the dwelling. Any such apparatus permitted by the Board or its designee must be screened from view of adjacent

Units by an approved fence or other approved structure no more than six (6) feet in height. The Declarant and/or the Association shall have the right, without obligation, to erect or install an aerial, satellite dish, master antenna, cable system, or other apparatus for the transmission of television, radio, satellite or other signals for the benefit of all or a portion of the Properties.

Section 8. Clotheslines, Garbage Cans, Tanks, Etc. No clotheslines shall be erected or installed on the exterior portion of any Unit and no clothing, linens or other material shall be aired or dried on the exterior portion of any Unit. All garbage cans, above-ground storage tanks, mechanical equipment, woodpiles, yard equipment and other similar items on Units shall be located or screened so as to be concealed from view of neighboring Units, streets, and property located adjacent to the Unit. All rubbish, trash, and garbage shall be stored in appropriate containers approved pursuant to Article XI hereof and shall regularly be removed from the Properties and shall not be allowed to accumulate thereon.

**Section 9. Subdivision of Unit and Time Sharing.** No Unit shall be subdivided or its boundary lines changed except with the prior written approval of the Board of Directors of the Association. Declarant, however, hereby expressly reserves the right to replat any Unit or Units owned by Declarant. Any such division, boundary line change, or replatting shall not be in violation of the applicable subdivision and zoning regulations.

No Unit shall be made subject to any type of timesharing, fraction-sharing or similar program whereby the right to exclusive use of the Unit rotates among members of the program on a fixed or floating time schedule over a period of years, except that the Declarant hereby reserves the right for itself and its assigns to operate such a program with respect to Units which it owns.

**Section 10. Firearms.** The discharge of firearms within the Properties is prohibited. The term "firearms" included [sic] "B-B" guns, pellet guns, and other firearms of all types, regardless of size. Notwithstanding anything to the contrary contained herein or in the By-Laws, the Association shall not be obligated to take action to enforce this Section.

**Section 11. Pools.** No above-ground swimming pools shall be erected, constructed or installed on any Unit.

Section 12. Irrigation. No sprinkler or irrigation systems of any type which draw upon water from creeks, streams, rivers, lakes, ponds, canals or other ground or surface waters within the Properties shall be installed, constructed or operated within the Properties, except that the Association, and the Golf Club shall have the right to draw water from such sources for the purpose of irrigating the Common Areas and Golf Club property. All sprinkler and irrigation systems serving Units shall draw upon public water supplies only and shall be subject to approval in accordance with Article XI of this Declaration. Private irrigation wells are prohibited on the Properties. This Section 12 shall not apply to the Declarant, and it may not be amended without Declarant's written consent so long as Declarant has the right to add property in accordance with Article VIII, Section 1.

Section 13. Tents, Mobile Homes and Temporary Structures. Except as may be permitted by the Declarant or the NCC during initial construction within the Properties, no tent, shack, mobile home, or other structure of a temporary nature shall be placed upon a Unit or any part of the Properties. The foregoing prohibition shall not apply to restrict the construction or installation of a single utility or similar outbuilding to be permanently located on a Unit, provided it receives the prior approval of the NCC or MC, as appropriate, in accordance with Article XI hereof. In addition, party tents or similar temporary structures may be erected for a limited period of time for special events with prior written approval of the Board.

Section 14. Drainage and Septic Systems. Catch basins and drainage areas are for the purposes of natural flow of water only. No obstructions or debris shall be placed in these areas. No Person other than Declarant may obstruct or rechannel the drainage flows after location and installation of drainage swales, storm sewers, or storm drains. Declarant hereby reserves for itself and the Association a perpetual easement across the Properties for the purpose of altering drainage and water flow. Septic tanks and drain fields, other than those installed by or with the consent of the Declarant, are prohibited within the Properties. No Owner or occupant shall dump grass clippings, leaves or other debris, petroleum products, fertilizers or other potentially hazardous or toxic substances, in any drainage ditch, stream, pond or lake within the Properties.

Section 15. Tree Removal. No trees shall be removed, except for diseased or dead trees and trees needing to be removed to promote the growth of other trees or for safety reasons, unless approved in accordance with Article XI of this Declaration. In the event of an intentional or unintentional violation of this Section, the violator may be required, by the committee having jurisdiction, to replace the removed tree with one (1) or more comparable trees of such size and number, and in such locations, as such committee may determine necessary, in its sole discretion, to mitigate the damage.

Section 16. Sight Distance at Intersections. All property located at street intersections shall be landscaped so as to permit safe sight across the street corners. No fence, wall, hedge, or shrub planting shall be placed or permitted to remain where it would create a traffic or sight problem.

**Section 17. Air Conditioning Units.** Any air conditioning unit installed in a Unit shall be located or screened so as not to be visible from any street within the Properties.

**Section 18. Lighting.** Except for traditional holiday decorative lights, which may be displayed for two (2) months prior to and one (1) month after any commonly recognized holiday for which such lights are traditionally displayed, all exterior lights must be approved in accordance with Article XI of this Declaration.

Section 19. Artificial Vegetation, Exterior Sculpture, and Similar Items. No artificial vegetation or permanent flagpoles shall be permitted on the exterior of any portion of the Properties. No exterior sculpture, fountains, flags and temporary flagpoles, birdhouses,

birdbaths, other decorative embellishments or similar items shall be permitted unless approved in accordance with Article XI of this Declaration.

**Section 20. Energy Conservation Equipment.** No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed on any Unit unless it is an integral and harmonious part of the architectural design of a structure, as determined in the sole discretion of the appropriate committee pursuant to Article XI hereof. No windmills, wind generators or other apparatus for generating power from the wind shall be erected or installed on any Unit.

Section 21. Lakes, Ponds and Other Water Bodies. No use of the lakes, ponds, streams or other bodies of water within the Area of Common Responsibility, if any, including, without limitation, fishing, swimming, boating, playing, or use of personal flotation devices, shall be permitted without the prior approval of the Board of Directors; provided, if any such use is permitted, it shall be subject to the Declarant's and the Association's superior use rights as provided below and to all rules and regulations that may be promulgated by the Board of Directors. No internal combustion engines shall be operated on any lakes, ponds, or streams within the Area of Common Responsibility except by the Association, the Golf Club, and the Declarant (for so long as it owns property that is or may be subjected to the Declaration), for purposes of maintenance and irrigation. Notwithstanding the above, model boats with internal combustion engines may be operated during special events with prior approval of the Board of Directors. This Section shall not apply to prohibit use by the Golf Club of lakes, ponds, or streams within the Golf Club for irrigation of the property comprising the Golf Club or other purposes in connection with golf course play. The Association shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of rivers, lakes, ponds, streams or other bodies of water within or adjacent to the Properties. No docks, piers, or other structures shall be constructed on or over any body of water within the Properties, except such as may be constructed by the Declarant, the Golf Club or the Association.

Notwithstanding the foregoing, the Association, and the Declarant (for so long as the Declarant owns property that is or may be subjected to this Declaration), may use and regulate the use of any lakes, ponds, streams or other bodies of water within the Area of Common Responsibility for the retrieving of golf balls therefrom, for the irrigation of the Golf Club property and/or the Common Areas, or for any other purpose deemed appropriate by the Board or the Declarant, subject to the terms of any easement agreement affecting such use. The Declarant's rights under this Section shall be superior to any rights of the Association.

Section 22. Playground. No jungle gyms, swing sets or similar playground equipment shall be erected or installed on any Unit without prior written approval of the Modifications Committee in accordance with Article XI hereof. Any playground or other play areas or equipment furnished by the Association or erected within the Properties shall be used at the risk of the user, and the Association shall not be held liable to any Person for any claim, damage, or injury occurring thereon or related to use thereof.

**Section 23. Fences.** No hedges, walls, dog runs, animal pens or fences of any kind shall be permitted on any Unit except as approved in accordance with Article XI of this Declaration.

Section 24. Business Use. No garage sales, moving sale, rummage sale or similar activity and no trade or business may be conducted in or from any Unit, except that an Owner or occupant residing in a Unit may conduct business activities within the Unit so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Unit; (b) the business activity conforms to all zoning requirements for the Properties; (c) the business activity does not involve persons coming onto the Properties who do not reside in the Properties or door-to-door solicitation of residents of the Properties; and (d) the business activity is consistent with the residential character of the Properties and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Properties, as may be determined in the sole discretion of the Board.

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: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefor. Notwithstanding the above, the leasing of a Unit shall not be considered a trade or business within the meaning of this Section. This Section shall not apply to any activity conducted by the Declarant or conducted by a builder with approval of the Declarant, with respect to its development and sale of the Properties or its use of any Units which it owns within the Properties, including the operation of a timeshare or similar program.

Section 25. On-Site Fuel Storage. No on-site storage of gasoline, heating or other fuels shall be permitted on any part of the Properties except that up to five (5) gallons of fuel may be stored on each Unit for emergency purposes and operation of lawn mowers and similar tools of equipment, and the Association shall be permitted to store fuel for operation of maintenance vehicles, generators and similar equipment.

**Section 26. Golf Carts.** No gasoline-powered golf carts shall be operated within the Properties, except those owned or leased by the Golf Club. All other golf carts shall be powered by electricity or by similar noncombustion means.

#### Section 27. Leasing of Units.

(a) Definition. "Leasing", for purposes of this Declaration, is defined as regular, exclusive occupancy of a Unit by any person or persons other than the Owner for which the Owner received any consideration or benefit, including, but not limited to a fee, service, gratuity, or emolument.

#### (b) Leasing Provisions.

- (i) General. Units may be rented only in their entirety; no fraction or portion may be rented. All leases shall be in writing and shall be for an initial term of no less than thirty (30) days, except with the prior written consent of the Board of Directors. The Unit Owner shall give notice of any lease, together with such additional information as may be required by the Board, to the Board within ten (10) days of execution of the lease. The Owner must make available to the lessee copies of the Declaration, By-Laws, and the rules and regulations. The Board may adopt reasonable rules regulating leasing and subleasing.
- (ii) Compliance with Declaration, By-Laws and Rules and Regulations. Every Owner shall cause all occupants of his or her Unit to comply with the Declaration, By-Laws, and the rules and regulations adopted pursuant thereto, and shall be responsible for all violations and losses to the Common Areas caused by such occupants, notwithstanding the fact that such occupants of a Unit are fully liable and may be sanctioned for any violation of the Declaration, By-Laws, and rules and regulations adopted pursuant thereto.
- **Section 28. Laws and Ordinances.** Every Owner and occupant of any Unit, their guests and invitees, shall comply with all laws, statutes, ordinances and rules of federal, state and municipal governments applicable to the Properties and any violation thereof may be considered a violation of this Declaration; provided, the Board shall have no obligation to take action to enforce such laws, statutes, ordinances and rules.
- **Section 29. Single Family Occupancy.** No Unit shall be occupied by more than a single family. For purposes of this restriction, a single family shall be defined as any number of persons related by blood, adoption or marriage living with not more than one (1) person who is not so related as a single household unit, or no more than two (2) persons who are not so related living together as a single household unit, and the household employees of either such household unit.
- Section 30. Water and Mineral Operations. No oil or water drilling, oil or water development operations, oil refining, quarrying or mining operations of any kind shall be permitted on any Unit. No derrick or other structure designed for use in boring for water, oil, natural gas, or other minerals shall be erected and maintained or permitted on any Unit.

#### Section 31. Minimum Square Footage for Dwellings.

- (a) The living area of any dwelling constructed in WINDSTONE COURT exclusive of all porches, garages, terraces, breeze ways and unfinished rooms shall contain a minimum of 1,800 square feet.
- (b) The living area of any dwelling constructed in CAMDEN COURT exclusive of all porches, garages, terraces, breeze ways and unfinished rooms shall contain a minimum of 2,000 square feet. No dwelling shall contain less than 2,000 square feet unless the plans

for a dwelling with less than 2,000 square feet are approved in writing by the New Construction Committee and in no event shall any dwelling contain less than 1,800 square feet.

- (c) The living area of any dwelling constructed in RIVER LAKE EAST exclusive of all porches, garages, terraces, breeze ways and unfinished rooms shall contain a minimum of 2,400 square feet. No dwelling shall contain less than 2,400 square feet unless the plans for a dwelling with less than 2,400 square feet are approved in writing by the New Construction Committee and in no event shall any dwelling contain less than 2,200 square feet.
- (d) The living area of any dwelling constructed in CASTLE BLUFF COURT exclusive of all porches, garages, terraces, breeze ways and unfinished rooms shall contain a minimum of 3,000 square feet. No dwelling shall contain less than 3,000 square feet unless the plans for a dwelling with less than 3,000 square feet are approved in writing by the New Construction Committee and in no event shall any dwelling contain less than 2,700 square feet.

#### **Article XI--Architectural Standards (excerpt)**

No structure shall be placed, erected or installed upon any Unit, no construction (which term shall include within its definition staking, clearing, excavation, grading, and other site work), no exterior alteration or modification of existing improvements, and no plantings or removal of plants, trees, or shrubs shall take place except in strict compliance with this Article, until the requirements below have been fully met, and until the approval of the appropriate committee has been obtained pursuant to Sections 1 and 2 below. The Board of Directors may establish reasonable fees to be charged by the committee(s) on behalf of the Association for review of applications hereunder and may require such fees to be paid in full prior to review of any application.

# First Amendment to the Declaration of Protective Covenants And Residential Builders Guidelines

### For Villages at Twin Rivers

WHEREAS in 2001, Bosque Riverchase, Ltd., a Texas Limited Partnership (hereinafter "Declarant") executed and acknowledged that certain Declaration of Protective Covenants for Villages at Twin Rivers, a subdivision (hereinafter "Original Declaration") which was subsequently filed in the Deed Records of McLennan County, Texas at MCC 2002003513; and

WHEREAS, Declarant desires to modify the Declaration pursuant to Article XIII, Section 2; and

WHEREAS, Declarant may unilaterally amend the Declaration pursuant to Article XIII, Section 2 as Declarant currently owns property in the properties listed in Exhibits "A" and "B" of the Declaration; and

WHEREAS, Declarant hereby unilaterally amends the Declaration to remove the restriction requiring air conditioning units to be screened as found in Section 17 on page 30 of the Declaration; and

WHEREAS, this removal of Section 17 will require an amendment to the Residential Builder Guidelines in Article V and Article VI; and

WHEREAS, this amendment shall be retroactive to the original Declaration date, and

WHEREAS, this amendment will not have a material adverse effect upon any right of any owner,

NOW, THEREFORE, undersigned do hereby submit this Amendment to the Declaration of Protective Covenants of the Villages at Twin Rivers as follows:

- 1. Declaration of Protective Covenants: The following modification is hereby made to the Declaration, retroactively effective to the date of original filing of the Covenants:
  - a. Article XII, Use Restrictions, Item 17, Air Conditioner Units shall be deleted in its entirety.
- 2. Residential Builder Guidelines: The following modifications are hereby made to the Residential Builder Guidelines in order to put them in harmony with this Amendment to the Declaration of Protective Covenants:
  - a. RESOLVED that Article V, Lot Elements, subsection Screening shall be amended to read as follows:

"Mechanical and electrical devices, garbage containers and other similar objects, with the exception of air conditioner compressor units, visible from a public street, golf course or common area, or located on the property boundaries, must be screened from view by either fences, walls, plantings, or a combination thereof.

Amendment to the Declaration of Protective Covenants and Residential Building Guidelines for Villages at Twin Rivers Screening with plants is to be accomplished with initial installation, not assumed growth at maturity."

b. RESOLVED that Article VI, Housing, subsection Mechanical Equipment shall be amended to read as follows:

"Power and meter boxes and pool equipment shall be completely screened from public view. Screening may consist of architectural or planting elements as approved by the NCC. This subsection shall not apply to air conditioning compressor units."

3. Conflict: Except as amended hereby, the Declaration and Residential Builders
Guidelines shall remain in full force and effect. In the event of any conflict or
inconsistency between the Declaration and this Amendment, this Amendment shall
control.

IN WITNESS WHEREOF, the undersigned Declarant has caused to be signed as of the 23 day of August 2006.

Bosque River Chase, Ltd. A Texas Limited Partnership

Fred Dewald

President and as Declarant

B.R. Chase, Inc., General Partner

Systal K. Benhove

Bosque River Chase, Ltd.

STATE OF TEXAS

COUNTY OF MCLENNAN

This instrument was acknowledged before me on which 33, 300 by Fred Dewald, as declarant and as President, B.R. Chase, Inc., general partner, on behalf of Bosque River Chase, Ltd., a Texas limited partnership, for purposes expressed herein.

CRYSTAL K. BASHORE
Notary Public, State of Texas
My Commission Expires
July 26, 2008

After Recording, Please return to: Fred Dewald PO BOX 1328

HEWITT, TX 76643-1328

Amendment to the Declaration of Protective Covenants and Residential Building Guidelines for Villages at Twin Rivers

# AMENDMENTS PROVISIONS OF DECLARATION AND BYLAWS

#### **DECLARATION**

#### Article I Definitions

Section 27. "Supplemental Declaration" shall mean an amendment or supplement to this Declaration executed by or consented to by Declarant which subjects additional property to this Declaration and/or imposes, expressly or by reference, additional restrictions and obligations on the land described therein. The term shall also refer to the instrument recorded by the Association pursuant to Article VIII, Section 2, of this Declaration to subject additional property to this Declaration.

#### Article VI No Partition

Except as is permitted in the Declaration or amendments thereto, there shall be no judicial partition of the Common Area or any part thereof, nor shall any Person acquiring any interest in the Properties or any part thereof seek any judicial partition unless the Properties have been removed from the provisions of this Declaration. This Article shall not be construed to prohibit the Board of Directors from acquiring and disposing of tangible personal property nor from acquiring title to real property that may or may not be subject to this Declaration.

# Article VIII Annexation of Additional Property

**Section 5.** Amendment. This Article shall not be amended without the prior written consent of Declarant, so long as the Declarant owns any property described in Exhibits "A" or "B" hereof.

#### Article XIII General Provisions

Section 2. Amendment. Prior to the conveyance of the first Unit, Declarant may unilaterally amend this Declaration. After such conveyance, the Declarant may unilaterally amend this Declaration at any time and from time to time if such amendment is (a) necessary to bring provision hereof into compliance with any applicable governmental statutes, rule or regulation, or judicial determination; (b) necessary to enable any reputable title insurance company to issue title insurance coverage on the Units; (c) required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Units; or (d) necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the Units; provided, however, any such amendment shall not adversely affect the title to any Unit unless the Owner shall consent thereto in writing. So long as it still owns property described in

villages @ twin rivers\ AMENDMENTS PROVISION IN DECL & BYLAWS.doc1

Exhibits "A" or "B" for development as part of the Properties, the Declarant may unilaterally amend this Declaration for any other purpose, provided the amendment has no material adverse effect upon any right of any Owner.

Thereafter and otherwise, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Voting Members representing seventy-five (75%) percent of the Class "A" votes in the Association, including seventy-five (75%) of the Class "A" votes held by Members other than the Declarant, and the consent of the Class "B" Member, so long as such membership exists. In addition, the approval requirements set forth in Article XIV hereof shall be met, if applicable. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. Any amendment to be effective must be recorded in the public records of McLennan, Texas.

If an Owner consents to any amendment to this Declaration or the By-Laws, it will be conclusively presumed that such Owner has the authority so to consent and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

No amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant or the assignee of such right or privilege.

Section 11. Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote of seventy-five (75%) percent of the Voting Members. In the case of such a vote, and notwithstanding anything contained in this Declaration or the Articles of Incorporation or By-Laws of the Association to the contrary, a Voting Member shall not vote in favor of bringing or prosecuting any such proceeding unless authorized to do so by a vote of seventy-five (75%) percent of all Members of the Neighborhood represented by the Voting Member. This Section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (b) the imposition and collection of assessments as provided in Article X hereof, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the Association in proceedings instituted against it. This Section shall not be amended unless such amendment is made by the Declarant or is approved by the percentage votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

### Article XIV Mortgagee Provisions

Section 2. Actions Requiring Approval of Eligible Mortgage Holders. To the extent possible under Texas law:

(d) Any material amendment to the Declaration, By-Laws, or Articles of Incorporation of the Association shall require the consent of Voting Members representing at least sixty-seven

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(67%) percent of the Class "A" votes and of the Declarant, so long as it owns any land subject to this Declaration, and the approval of Eligible Holders of first Mortgages on Units to which at least fifty-one (51%) percent of the votes of Units subject to a Mortgage held by an Eligible Holder are allocated. An amendment which changes the provisions for any of the following shall be considered material:

- (i) voting rights;
- (ii) Assessments, assessment liens, or subordination of such liens;
- (iii) reserves for maintenance, repair, and replacement of the Common Area;
- (iv) responsibility for maintenance and repair of the Properties;
- (v) rights to use the Common Area;
- (vi) boundaries of any Unit;
- (vii) expansion or contraction of the Properties or the addition, annexation, or withdrawal of Properties to or from the Association;
- (viii) insurance or fidelity bonds;
- (ix) leasing of Units;
- (x) imposition of any right of first refusal or similar restriction of the right of any Owner to sell, transfer, or otherwise convey his or her Unit'
- (xi) establishment of self-management by the Association where professional management has been required by an Eligible Holder; or
- (xii) any provisions included in the Declaration, By-Laws, or Articles of Incorporation which are for the express benefit of holders, guarantors, or insurers of first Mortgages on Units.

Section 3. Additional Requirements. So long as required by the Federal Home Loan Mortgage Corporation, the following provisions apply in addition to and not in lieu of the foregoing. Unless at least sixty-seven (67%) percent of the first Mortgagees or Voting Members representing at least sixty-seven 67%) percent of the total Association vote entitled to cast thereon consent, the Association shall not:

(c) by act or omission change, waive, or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance and maintenance of Units and of the Common Area (The issuance and amendment of architectural standards, procedures, rules and regulations, or use restrictions shall not constitute a change, waiver, or abandonment within the meaning of this provision.);

**Section 6.** Amendment by Board. Should the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation subsequently delete any of their respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

Section 9. FHA/VA Approval. As long as there is a Class "B" membership, the following actions shall require the prior approval of the Federal Housing Administration or the Veterans Administration, if either such agency is insuring or guaranteeing the mortgage on any Unit: annexation of additional property other than that described on Exhibit "B", dedication of Common Area, mortgaging of Common Area, or material amendment of this Declaration.

#### Article XVI Golf Club

Section 2. Conveyance of Golf Club. All Persons, including all Owners, are hereby advised that no representations or warranties have been or are made by the Declarant or any other Person with regard to the continuing ownership or operation of the Golf Club as depicted upon the General Land Use Plan, and no purported representation or warranty in such regard, either written or oral, shall ever be effective without an amendment hereto executed or joined into by the Declarant. Further, the ownership or operational duties of and as to the Golf Club may change at any time and from time to time by virtue of, but without limitation, (a) the sale or assumption of operations of the Golf Club by/to an independent Person, (b) the conversion of the Golf Club membership structure to an "equity" club or similar arrangement whereby the members of the Golf Club or an entity owned or controlled thereby become the owner(s) and/or operator(s) of the Golf Club, or (c) the conveyance, pursuant to contract, option, or otherwise, of the Golf Club to one or more affiliates, shareholders, employees, or independent contractors of Declarant. As to any of the foregoing or any other alternative, no consent of the Association, any Neighborhood, or any Owner shall be required to effectuate such transfer. Notwithstanding the above, under no circumstances shall any Golf Club be conveyed to the Association and no Owner shall have any right or interest in the Golf Club by virtue of ownership or occupancy of a Unit.

Section 6. Limitations on Amendments. In recognition of the fact that the provisions of this Article are for the benefit of the Golf Club, no amendment to this Article, and no amendment in derogation hereof to any other provisions of this Declaration, may be made without the written approval thereof by the owner(s) of the Golf Club. The foregoing shall not apply, however, to amendments made by the Declarant.

#### **BYLAWS**

#### Miscellaneous

#### D. Books and Records.

Section 1. Inspection by Members and Mortgagees. The Declaration, By-Laws, and Articles of Incorporation, any amendments to the foregoing, the rules and regulations of the Association, the membership register, books of account, and the minutes of meetings of the Members, the Board, and committees shall be made available for inspection and copying by any holder, insurer or guarantor of a first mortgage on a Lot, Member of the Association, or by the duly appointed representative of any of the foregoing at any reasonable time during normal business hours at the office of the Association or at such other place as the Board shall prescribe.

**F. Amendment.** During the existence of the Class "B" Control Period, the Declarant may unilaterally amend these By-Laws at any time and from time to time if such amendment is (a) necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (b) necessary to enable any reputable title

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insurance company to issue title insurance coverage on the Lots; (c) required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Lots; (d) necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the Lots, or (e) to correct any clerical errors or omissions; provided, however, any such amendment shall not adversely affect the title to any Lot unless the owner shall consent thereto in writing.

These By-Laws may be amended at any time by majority vote at a meeting of the Directors; provided, however, no amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant or the assignee of such right or privilege.