



# DECLARATION OF PROTECTIVE COVENANTS FOR



THIS DECLARATION OF PROTECTIVE COVENANTS is made this 5th day of February, 2008, by LFRP, LTD., a Texas Limited Partnership (hereinafter referred to as "Declarant").

Declarant is the owner of the real property described as Lake Forest Addition, Phases 1 and 2 to the City of Woodway, McLennan County, Texas, the plats of which have been filed or will be filed in the Official Public Records of McLennan County, Texas. Lake Forest Addition Phase 1 is described in a plat duly recorded in Clerk's File No. 2008003825 of the Official Public Records of McLennan County, Texas. Lake Forest Addition Phase 2 is legally described in the attached Exhibit "A" which is incorporated herein for all purposes and which will be more particularly described in the Final Plat for Lake Forest Addition Phase 2 as hereinafter recorded in the Official Public Records of McLennan County, Texas. Declarant intends by this Declaration to impose upon the Properties (as defined herein) mutually beneficial restrictions under a general plan of improvement for the benefit of all owners of real property within the Properties. Declarant desires to provide a flexible and reasonable procedure for the overall development of the Properties, and to establish a method for the administration, maintenance, preservation, use and enjoyment of such Properties as are now or hereafter subjected to this Declaration.

Declarant hereby declares that all of Lake Forest Addition, Phases 1 and 2 to the City of Woodway, McLennan County, Texas, the plats of which have been filed or will be filed in the Official Public Records of McLennan County, Texas, and any additional property which is hereafter brought into the jurisdiction of this Declaration by Supplemental Declaration shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of and which shall run with the real property subjected to this Declaration and which shall be binding on all parties having any right title, or interest in the described Properties or any part thereof, their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each owner thereof.

## **Article I** **Definitions**

**Section 1.** "Area of Common Responsibility" shall mean and refer to the Common Area, together with those areas, if any, which by the terms of this Declaration or by contract or agreement with any Neighborhood becomes the responsibility of the Association. The office of any property manager employed by or contracting with the Association, if located on the Properties, or any public rights-of-way within or adjacent to the Properties, may be part of the Area of Common Responsibility.



**Section 2.** “Articles of Incorporation” or “Articles” shall mean and refer to the Certificate of Formation of Woodway Lake Forest Homeowners Association, as filed with the Secretary of State of the State of Texas.

**Section 3.** “Association” shall mean and refer to Woodway Lake Forest Homeowners Association, a Texas non-profit corporation, its successors or assigns. The “Board of Directors” or “Board” shall be the elected body having its normal meaning under Texas corporate law.

**Section 4.** “Assessment” shall mean and refer to assessments levied against all Units in the Properties to fund Common Expense.

**Section 5.** “By-Laws” shall mean and refer to the By-Laws of Woodway Lake Forest Homeowners Association, incorporated herein by reference, as they may be amended from time to time.

**Section 6.** “Class “B” Control Period” shall mean and refer to the period of time during which the Class “B” Member is entitled to appoint a majority of the members of the Board of Directors, as provided in Article III, Section 3, of the By-Laws.

**Section 7.** “Common Area” shall be an inclusive term referring to both General Common Area and Exclusive Common Area, as defined herein.

**Section 8.** “Common Expenses” shall mean and include the actual and estimated expenses incurred by the Association for the general benefit of all Unit Owners, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration, the By-Laws, and the Articles of Incorporation of the Association, but shall not include any expenses incurred during the Class “B” Control Period for initial development, original construction or installation of infrastructure, original capital improvements, or other original construction costs unless approved by Voting Members representing a majority of the total Class “A” vote of the Association.

**Section 9.** “Community-Wide Standard” shall mean the standard of conduct maintenance, or other activity generally prevailing throughout the Properties. The Board of Directors and the New Construction Committee may more specifically determine such standard.

**Section 10.** “Declarant” shall mean and refer to LFRP, Ltd., a Texas Limited Partnership, or its successors, successors-in-title or assigns who take title to any portion of the Properties, as defined herein, for the purpose of development and/or sale and are specifically designated as the Declarant in a recorded instrument filed with the McLennan County Clerk’s office.

**Section 11.** “Equivalent Units” shall mean that number assigned to each Unit, as provided in Article X, Section 1, of this Declaration, for purposes of allocating Base Assessments and Special Assessments among the Units subject to such assessments, as provided in Article X.

**Section 12.** “Exclusive Common Area” shall mean and refer to certain portions of the Common Area which are for the exclusive use and benefits of a designated Neighborhood as maybe defined by a Supplement Declaration or other recorded document as may be determined by the Declarant.

**Section 13.** “General Common Area” shall mean all real and personal property that the Association now or hereafter owns or otherwise holds for the common use and enjoyment of all Owners.

**Section 14. “General Land Use Plan”** shall mean and refer to the plan for the development of the Lake Forest community, as it may be amended from time to time, which plan includes Lake Forest Addition, Phases 1 and 2 to the City of Woodway, McLennan County, Texas, the plats of which have been filed or will be filed in the Official Public Records of McLennan County, Texas, and any other property which Declarant may from time to time anticipate subjecting to this Declaration.

**Section 15. “Member”** shall mean and refer to a Person entitled to membership in the Association, as provided herein.

**Section 16. “Mortgage”** shall mean and refer to a mortgage, a deed of trust, and a deed to secure debt or any other form of security deed.

**Section 17. “Mortgagee”** shall mean and refer to a beneficiary or holder of a Mortgage.

**Section 18. “Mortgagor”** shall mean and refer to any Person who gives a Mortgage.

**Section 19. “Neighborhood”** shall mean and refer to each separately developed residential area comprised of one (1) or more housing types subject to this Declaration, whether or not governed by an additional owners association, in which owners may have common interests other than those common to all Association Members, such as a common theme, entry feature, development name, and/or common areas and facilities which are not available for use by all Association Members. For example, and by way of illustration and not limitation, each condominium, town home development, cluster home development, and single-family detached housing development shall constitute a separate Neighborhood. In addition, each parcel of land intended for development as any of the above shall constitute a Neighborhood, subject to division into more than one (1) Neighborhood upon development.

Where the context permits or requires, the term Neighborhood shall also refer to the Neighborhood Committee (established in accordance with the Bylaws) or Neighborhood Association (as defined in Article III, Section 3) having jurisdiction over the property within the Neighborhood. It shall not be necessary for any Neighborhood to be governed by a Neighborhood Association except in the case of a condominium or otherwise as required by law. Neighborhoods may be divided or combined in accordance with Article III, Section 3, of this Declaration.

**Section 20. “Neighborhood Assessment”** shall mean assessments levied against the Units in a particular Neighborhood or Neighborhoods to fund Neighborhood Expenses, as more particularly described in Article X, Section 1, of this Declaration.

**Section 21. “Neighborhood Expenses”** shall mean and include the actual and estimated expenses incurred by the Association for the benefit of Owners of Units within a particular Neighborhood or Neighborhoods, which may include a reasonable reserve for capital repairs and replacements, all as may be specifically authorized from time to time by the Board of Directors and as more particularly authorized herein.

**Section 22. “Owner”** shall mean and refer to one (1) or more Persons who hold the record title to any Unit which is part of the Properties, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Unit is sold under a recorded contract of sale and the contract specifically so provides, then the purchaser (rather than the fee owner) will be considered the Owner. If a Unit is subject to a written lease with a term in excess of one (1) year and the lease specifically so provides, then upon filing a copy of the lease with the Board of Directors the lessee (rather

than the fee owner) will be considered the Owner for the purpose of exercising all privileges of membership in the Association.

**Section 23.** “Person” means a natural person, a corporation, a partnership, a trustee, or any other legal entity.

**Section 24.** “Properties” shall mean and refer to Lake Forest Addition, Phases 1 and 2 to the City of Woodway, McLennan County, Texas, the plats of which have been filed or will be filed in the Official Public Records of McLennan County, Texas, together with such additional property as is hereafter subjected to this Declaration by Supplemental Declaration.

**Section 25.** “Special Assessment” shall mean and refer to assessments levied in accordance with Article X, Section 4, of this Declaration.

**Section 26.** “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.

**Section 27.** “Unit” shall mean a portion of the Properties, whether developed or undeveloped, intended for development, use, and occupancy as an attached or detached residence for a single family, and shall, unless otherwise specified, include within its meaning (by way of illustration, but not limitation), patio or zero lot line homes, and single-family detached houses on separately platted lots, as well as vacant land intended for development as such, all as maybe developed, used, and defined as herein provided or as provided in Supplemental Declarations covering all or apart of the Properties. The term shall include “Lots” which means those tracts of land so designated upon any recorded subdivision of the Properties.

**Section 28.** “Voting Member” shall mean and refer to the representative selected by the Members of each Neighborhood to be responsible for casting all votes attributable to Units in the Neighborhood for election of directors, amending this Declaration or the By-Laws, and all other matters provided for in this Declaration and in the By-Laws. The Voting Member from each Neighborhood shall be the senior elected officer (e.g. Neighborhood Committee chairman or Neighborhood Association president) from that Neighborhood; the alternate Voting Member shall be the next most senior officer.

## **Article II** **Property Rights**

**Section 1.** General. Every Owner shall have a right and nonexclusive easement of use, access and enjoyment in and to the Common Area, subject to:

(a) this Declaration as it may be amended from time to time and to any restrictions or limitations contained in any deed conveying such property to the Association;

(b) the right of the Board to limit the number of guests who may use the Common Area, and to adopt other rules regulating the use and enjoyment of the Common Area;

(c) the right of the Board to suspend the right of an Owner to use recreational facilities within the Common Area (i) for any period during which any charge against such Owner's Unit remains delinquent, and (ii) for a period not to exceed thirty (30) days for a single violation or for a longer period in the case of any continuing violation, of the Declaration. By-Laws, or rules of the Association, after notice and a hearing pursuant to the Article III, Section 22, of the By-Laws;

(d) the right of the Association, acting through the Board, to dedicate or transfer all or any part of the Common Area pursuant to Article XIII, Section 5 hereto;

(e) the right of the Board to impose reasonable membership requirements and charge reasonable admission or other fees for the use of any recreational facility situated upon the Common Area;

(f) the right of the Board to permit nonmember use of any recreational facility situated on the Common Area upon payment of use fees established by the Board;

(g) the right of the Association, acting through the Board, to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to the approval requirements set forth in Article XIV, Section 2 hereof; and

(h) the rights of certain Owners to the exclusive use of portion of the Common Areas, designated Exclusive common Areas, as more particularly described in Section 2 below.

Any Owner may delegate his or her right of use and enjoyment to the members of his or her family, lessees and social invitees, as applicable, subject to reasonable regulation by the Board and in accordance with procedures it may adopt. An Owner who leases his or her Unit shall be deemed to have delegated all such rights to the Units lessee.

The initial Common Area shall be conveyed to the Association prior to the conveyance of a Unit to any Unit purchaser other than a builder or developer holding title for the purpose of development and resale.

**Section 2. Exclusive Common Area.** Certain portions of the Common Areas may be designated as Exclusive Common Areas and reserved for the exclusive use of Owners and occupants of Units within a particular Neighborhood or Neighborhoods. All costs associated with operation, maintenance, repair, replacement and insurance of Exclusive Common Areas shall be assessed as a Neighborhood Assessment, as defined herein, against the Owners of Units in only those Neighborhoods to which the Exclusive Common Areas are assigned. By way of illustration and not limitation, Exclusive Common Areas may include recreational facilities intended for the exclusive use of Owners within a particular Neighborhood or Neighborhoods and supported exclusively by Neighborhood Assessments.

Initially, any Exclusive Common Area shall be designated as such and the exclusive use thereof shall be assigned in the deed conveying the Common Area to the Association or on the recorded plat of survey relating to such Common Area a portion of the Common Area may be assigned as Exclusive Common Area of a particular Neighborhood or Neighborhoods and Exclusive Common Area may be reassigned upon the vote of a majority of the total Association vote, including a majority of the votes within the Neighborhood(s) to which the Exclusive Common Areas are assigned, if applicable, and the Neighborhood(s) to which the Exclusive Common Areas are to be assigned.

**Article III**  
**Membership and Voting Rights**

**Section 1. Membership.** Every Owner, as defined in Article I, shall be deemed to have a membership in the Association. No Owner, whether one (1) or more Persons, shall have more than one (1) membership per Unit owned. In the event the Owner of a Unit is more than one (1) Person, votes and rights of use and enjoyment shall be as provided herein. A Member or the Members spouse, subject to the provisions of this Declaration and the By-Laws may exercise the rights and privileges of membership. The membership rights of a Unit owned by a corporation or partnership shall be exercised by the individual designated from time to time by the Owner in a written instrument provided to the Secretary, subject to the provisions of this Declaration and the By-Laws.

**Section 2. Voting.** The Association shall have two (2) classes of membership, Class "A" and Class "B" as follows:

(a) Class "A". Class "A" members shall be all Owners with the exception of the Class "B" member, if any. '

Class "A" Members shall be entitled to one (1) equal vote for each Unit in which they hold the interest required for membership under Section 1 hereof; there shall be only one (1) vote per Unit. Unless otherwise specified in this Declaration or the By-Laws, the Voting Member, as defined in Article I, representing the Neighborhood of which the Unit is a part shall exercise the vote for each Unit.

In any situation where a Member is entitled personally to exercise the vote for his Unit and more than one (1) Person holds the interest in such Unit required for membership, the vote for such Unit shall be exercised as those Persons determine among themselves. The Association shall recognize any vote cast and presented to the Association for a Lot/Unit as the determination of the Owner(s). Conclusion of actions among Owners must be the responsibility of such Owners to administer such authority. The Units *vote* shall be suspended if more than one (1) Person seeks to exercise it.

(b) Class "B". The Class "B" Member shall be the Declarant. The rights of the Class "B" Member, including the right to approve actions taken under this Declaration and the By-Laws, are specified elsewhere in the Declaration and the By-Laws. The Class "B" Member shall be entitled to appoint a majority of the members of the Board of Directors during the Class "B" Control Period, as specified in Article I, Section 2, of the By-Laws. After termination of the Class "B" Control Period, the Class "B" Member shall have a right to disapprove actions of the Board of Directors and any committee as provided in Article I, Section 3, of the By-Laws. The Class "B" membership shall terminate and become converted to Class "A" membership upon the earlier of:

(i) two (2) years after expiration of the Class "B" Control Period pursuant to Article III of the By-Laws; or

(ii) when, in its discretion, the Declarant so determines.

**Section 3. Neighborhoods.** Every Unit shall be located within this Association to include those Lots/Units that may be part of a Neighborhood as defined in Article I. The Units within a particular Neighborhood shall be defined within the Supplemental Declaration recorded for each subdivision. A Neighborhood may have additional restrictions and/or a Neighborhood Fee Assessment which is designed for the expense and benefit of additional or exceptional services that is specifically designed for the designated Neighborhood. Each Neighborhood shall elect a Neighborhood Committee, as described in Article V, Section 3, of the By-Laws, to represent the interests of Owners of Units in such Neighborhood.

Each Neighborhood, upon the affirmative vote, written consent, or a combination thereof of a majority of Owners within the Neighborhood, may require that the Association provide a higher level of service or special services for the benefit of Units in such Neighborhood. In such event, the Association shall provide such services and the cost of such services shall be assessed against the Units within such Neighborhood as a Neighborhood Assessment pursuant to Article X hereof.

The senior elected member of each Neighborhood Committee shall serve as the Voting Member for such Neighborhood and shall cast all votes attributable to Units in the Neighborhood on all Association matters requiring membership vote, unless otherwise specified in this Declaration or the By-Laws. The next most senior member shall be the alternate Voting Member and may cast such votes in the absence of the Voting Member. The Voting Member may cast all such votes as it, in its discretion, deems appropriate. Notwithstanding the above, each Voting Member shall cast only one (1) equal vote for election of directors.

Initially, each portion of the Properties which is intended to be subdivided for development as two (2) or more Units at the time it is conveyed by the Declarant, or which is described on a single plat or series of plats by the same name, shall constitute a separate Neighborhood. The developer of any such Neighborhood may apply to the Board of Directors to divide the parcel constituting the Neighborhood into more than one (1) Neighborhood or to combine two (2) or more Neighborhoods into one (1) Neighborhood at any time. Upon a petition signed by a majority of the Unit Owners in the Neighborhood, any Neighborhood may also apply to the Board of Directors to divide the property comprising the Neighborhood into two (2) or more Neighborhoods or to combine two (2) Neighborhoods into one (1) Neighborhood. Any such application shall be in writing and shall include a plat or survey of the entire parcel that indicates the boundaries of the proposed Neighborhood(s) or otherwise identifies the Units included within the proposed Neighborhood(s). A Neighborhood consolidation shall automatically be deemed granted upon the applicant filing the required documents with the Board. A Neighborhood division requested by the Neighborhood or by the Neighborhood developer shall automatically be deemed granted unless the Board of Directors denies such application in writing within thirty (30) days of its receipt thereof. The Board may deny an application only upon determination that there is no reasonable basis for distinguishing between the areas proposed to be divided into separate Neighborhoods. All applications and copies of any denials shall be filed with the books and records of the Association and shall be maintained as long as this Declaration is in effect.

#### **Article IV** **Maintenance**

**Section 1. Association's Responsibility.** The Association shall maintain and keep in good repair the Area of Common Responsibility, such maintenance to be funded as hereinafter provided. This maintenance shall include, but need not be limited to, maintenance, repair, and replacement subject to any insurance then in effect, of all landscaping and other flora, structures, and improvements, including any private streets, situated upon the Common Areas, landscaped medians within public rights-of-way

throughout the Properties, landscaping and other flora on any public utility easement within the Properties (subject to the terms of any easement agreement relating thereto), and such portions of any additional property included within the Area of Common Responsibility as maybe dictated by this declaration, or by a contract or agreement for maintenance thereof by the Association. The Area of Common Responsibility shall also include, without obligation, all lakes and/or ponds located within the Properties which serve as part of the drainage and storm water retention system for the Properties, including any retaining walls, bulkheads or drains retaining water therein, and any fountains, lighting, pumps, conduits, and similar equipment installed therein or in connection therewith. There are hereby reserved to the Association easements over the Properties as necessary to enable the Association to fulfill such responsibilities. The Association shall maintain such facilities and equipment in continuous operation, except for reasonable periods as necessary to perform required maintenance or repairs, unless seventy-five (75%) percent of the Unit Owners agree in writing to discontinue such operation. The Association may maintain other property which it does not own, including, without limitation, property dedicated to the public, if the Board of Directors determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard.

Except as otherwise specifically provided herein, all costs associated with maintenance, repair and replacement of the Area of Common Responsibility shall be a Common Expense to be allocated among all Units as part of the Base Assessment, notwithstanding that the Association may be entitled to reimbursement from the owner(s) of certain portions of the Area of Common Responsibility pursuant to this Declaration, other recorded covenants, or agreements with the owner(s) thereof. All costs associated with maintenance, repair and replacement of Exclusive Common Areas shall be a Neighborhood Expense assessed as a Neighborhood Assessment solely against the Units within the Neighborhood(s) to which the Exclusive Common Areas are assigned, notwithstanding that the Association may be responsible for performing such maintenance hereunder.

The Association shall also be responsible for maintenance, repair and replacement of any property within any Neighborhood to the extent designated in any Supplemental declaration affecting the Neighborhood. The Association may also assume maintenance responsibilities with respect to any Neighborhood in addition to those that may be designated by any Supplemental Declaration. This assumption of responsibility may take place either by agreement with the Neighborhood or because, in the opinion of the Board, the level and quality of service then being provided is not consistent with the Community-Wide Standard of the Properties. All costs of maintenance pursuant to this paragraph shall be assessed as a Neighborhood Assessment only against the Units within the Neighborhood to which the services are provided. The provision of services in accordance with this Section shall not constitute discrimination within a class.

**Section 2. Owner's Responsibility.** Each Owner shall maintain his or her Unit and structures, parking areas and other improvements comprising the Unit. Owners of Units which are adjacent to any portion of the Common Area on which walls, other than walls which form part of a building, have been constructed, shall maintain and irrigate that portion of the boundary. Owners of Units adjacent to any roadway within the Properties shall maintain driveways serving their respective Units, whether or not lying within the Unit boundaries, and shall maintain and irrigate landscaping on that portion of the Common Area, if any, or right-of-way between the Unit boundary and the back-of-curb of the adjacent street. Owners of Units abutting the water's edge, or a portion of the Common Area abutting the water's edge, of any lake or pond within the Properties shall maintain and irrigate all landscaping between the Unit boundary and such water's edge; provided there shall be no right to remove trees, shrubs or similar vegetation from this area without prior approval pursuant to Article XI hereof.



All maintenance required by this Section 2 shall be performed in a manner consistent with the Community-Wide Standard and all applicable covenants, unless such maintenance responsibility is otherwise assumed by or assigned to a Neighborhood pursuant to any additional declaration of covenants applicable to such Unit. In addition to any other enforcement rights available to the Association, if any Owner fails to properly perform his or her maintenance responsibility, the Association may perform it and assess all costs incurred by the Association against the Unit and the owner thereof in accordance with Article X, Section 4 of this Declaration; provided, however, except when entry is required due to an emergency situation, the Association shall afford the owner reasonable notice and an opportunity to cure the problem prior to entry.

**Section 3. Neighborhood's Responsibility.** Upon resolution of the Board of Directors, the Owners of Units within each Neighborhood shall be responsible for paying, through Neighborhood Assessments, costs of maintenance of certain portions of the Area of Common Responsibility within or adjacent to such Neighborhood, which may include, without limitation, the costs of maintenance of any right-of-way and greenspace between the Neighborhood and the adjacent public roads, private streets within the Neighborhood, regardless of ownership and regardless of the fact that such maintenance may be performed by the Association; provided, however, all Neighborhoods which are similarly situated shall be treated the same.

Any Neighborhood Association whose common property is adjacent to any portion of the Common Area upon which a fence is constructed shall maintain and irrigate that portion of the Common Area between the fence and the Neighborhood Association's property line. Any Neighborhood Association whose common property fronts on any roadway within the Properties shall maintain and irrigate the landscaping on that portion of the Common Area or right-of-way between the property line and the nearest curb of such roadway. Any Neighborhood Association whose common property abuts the water's edge, or a portion of the Common Area abutting the water's edge, of any lake or pond within the Properties shall maintain and irrigate all landscaping between the boundary of its common property and such water's edge; provided, there shall be no right to remove trees, shrubs or similar vegetation from this area without prior approval pursuant to Article XI hereof.

Any Neighborhood having responsibility for maintenance of all or a portion of the property within a particular Neighborhood pursuant to additional covenants affecting the Neighborhood shall perform such maintenance responsibility in a manner consistent with the Community-Wide Standard. If any such Neighborhood fails to perform its maintenance responsibility as required herein and in any additional covenants, the Association may perform it and assess the costs against all Units within such Neighborhood as provided in Article X, Section 4, of this Declaration.

**Section 4. Party Walls and Party Fences.**

(a) General Rules of Law to Apply. Each wall or fence built as a part of the original construction on the Units which shall serve and separate any two (2) adjoining Units shall constitute a party wall or fence and, to the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

(b) Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall or fence shall be shared by the Owners who make use of the wall or fence in equal proportions.

(c) Damage and Destruction. If a party wall or fence is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has used the wall or fence may restore it. If the other Owner or Owners thereafter make use of the wall or fence, they shall contribute to the cost of restoration thereof in equal proportions without prejudice; however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

(d) Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

(e) Arbitration. In the event of any dispute arising concerning a party wall or fence, or under the provisions of this Section, each party shall appoint one (1) arbitrator. Should any party refuse to appoint an arbitrator within ten (10) days after written request therefore by the Board of Directors, the Board shall appoint an arbitrator for the refusing party. The arbitrators thus appointed shall appoint one (1) additional arbitrator and the decision by a majority of all three (3) arbitrators shall be binding upon the parties and shall be a condition precedent to any right of legal action that either party may have against the other.

#### **Article V** **Insurance**

Insurance. The Association's Board of Directors, or its duly authorized agent, shall have the authority to obtain blanket "all-risk" property insurance, if reasonably available, for all insurable improvements on the common Area.

Such coverage may be in such form as the Board of Directors deems appropriate. The costs thereof shall be charged to the Owners of Units within the benefited Neighborhood as a Neighborhood Assessment, as defined in Article I hereof.

Premiums for all insurance on the Area of Common Responsibility shall be Common Expenses of the Association and shall be included in the Base Assessment as defined in Article I and as more particularly described in Article X, Section 1; provided, premiums to insure Exclusive Common Areas shall be included in the Neighborhood Assessment of the Neighborhood(s) benefited thereby unless the Board of Directors reasonably determines that other treatment of the premiums is more appropriate.

#### **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 VII**  
**Condemnation**

Whenever all or any part of the Common Area shall be taken (or conveyed in lieu of or under threat of condemnation by the Board acting on the written direction of Voting Members representing at least sixty-seven (67%) percent of the total Class "A" vote in the Association and of the Declarant, as long as the Declarant owns any of the Properties) by any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice thereof. The award made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as follows:

If the taking involves a portion of the Common Area on which improvements have been constructed, then, unless within sixty (60) days after such taking the Declarant, so long as the Declarant owns any of the Properties, and Voting Members representing at least seventy-five (75%) percent of the total Class "A" vote of the Association shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Area to the extent lands are available therefor, in accordance with plans approved by the Board of Directors of the Association. If such improvements are to be repaired or restored, the above provisions in Article V hereof regarding the disbursement of funds in respect to casualty damage or destruction that is to be repaired shall apply.

If the taking does not involve any improvements on the Common Area, or if there is a decision made not to repair or restore, or if there are not funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board of Directors of the Association shall determine.

**Article VIII**  
**Annexation of Additional Property**

**Section 1. Annexation Without Approval of Class "A" Membership.** Declarant shall have the unilateral right, privilege, and option, from time to time at any time until December 31, 2029, to subject to the provisions of this Declaration and the jurisdiction of the Association any real property of Declarant's choosing. Such annexation shall be accomplished by filing in the public records of McLennan County, Texas, a Supplemental Declaration annexing such property. Such Supplemental Declaration shall not require the consent of Voting Members, but shall require the consent of the owner of such property, if other than Declarant. Any such annexation shall be effective upon the filing for record of such Supplemental Declaration unless otherwise provided therein. Declarant shall have the unilateral right to transfer to any other Person the right, privilege and option to annex additional property which is herein reserved to Declarant, provided that such transferee or assignee shall be the developer of at least a portion of said real property and that such transfer is memorialized in a written, recorded instrument executed by the Declarant.

**Section 2. Annexation With Approval of Class "A" Membership.** Subject to the consent of the owner thereof, the Association may annex real property to the provisions of this Declaration and the jurisdiction of the Association. Such annexation shall require the affirmative vote of Voting Members or alternates representing a majority of the Class "A" votes of the Association (other than those held by Declarant) present at a meeting duly called for such purpose and of the Declarant, so long as Declarant owns property subject to this Declaration or which may become subject hereto in accordance with Section 1 of this Article.

Annexation shall be accomplished by filing of record in the public records of McLennan County, Texas, a Supplemental Declaration describing the property being annexed. Any such Supplemental Declaration shall be signed by the President and the Secretary of the Association, and by the owner of the property being annexed, and any such annexation shall be effective upon filing unless otherwise provided therein. The relevant provisions of the By-Laws dealing with regular or special meetings, as the case may be, shall apply to determine the time required for and the proper form of notice of any meeting called for the purpose of considering annexation of property pursuant to this Section 2 and to ascertain the presence of a quorum at such meeting.

**Section 3. Acquisition of Additional Common Area.** Declarant may convey to the Association additional real estate, improved or unimproved, which upon conveyance or dedication to the Association shall be accepted by the Association and thereafter shall be maintained by the Association at its expenses for the benefit of all its Members.

**Section 4. Withdrawal of Property.** Declarant reserves the right to amend this Declaration unilaterally at anytime so long as it holds an unexpired option to expand the community pursuant to this Article VIII, without prior notice and without the consent of any Person, for the purpose of removing certain portions of the Properties then owned by the Declarant or its affiliates or the Association from the provisions of this Declaration to the extent originally included in error or as a result of any changes whatsoever in the plans for the Properties desired to be effected by the Declarant, provided such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for the Properties.

**Section 5. Amendment.** This Article shall not be amended without the prior written consent of Declarant.

## **Article IX** **Rights and Obligations of the Association**

**Section 1. Common Area.** The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area and all improvements thereon (including without limitation, furnishings and equipment related thereto and common landscaped areas), and shall keep it in good, clean, attractive, and sanitary condition, order, and repair, pursuant to the terms and conditions hereof and consistent with the Community-Wide Standard.

**Section 2. Personal Property and Real Property for Common Use.** The Association, through action of its Board of Directors, may acquire, hold and dispose of tangible and intangible personal property and real property. The Board, acting on behalf of the Association, shall accept any real or personal property, leasehold, or other property interests within the Properties conveyed to it by the Declarant.

**Section 3. Rules and Regulations.** The Association, through its Board of Directors, may make and enforce reasonable rules and regulations governing the use of the Properties, which rules and regulations shall be consistent with the rights and duties established by this Declaration. Sanctions for violations of this Declaration, the By-Laws, or such rules and regulations may include reasonable monetary fines and suspension of the right to vote and right to use any recreational facilities on the Common Area. In addition, the Association shall have the right to exercise self-help to cure violations, and shall be entitled to suspend any services provided by the Association to any Owner or such Owner's Unit in the event that such Owner is more than thirty (30) days delinquent in paying any assessment or other charge due to the

Association. The Board shall also have the power to seek relief in any court for violations or to abate nuisances. Imposition of sanctions shall be as provided in the By-Laws of the Association or under other such provisions of the laws of the State of Texas.

The Association, through the Board, by contract or other agreement, shall have the right to enforce these restrictions, rules and regulations or request the enforcement of ordinances of the City of Woodway, Texas, if applicable, and to permit McLennan County and the City of Woodway, Texas to enforce ordinances on the Properties for the benefit of the Association and its Members.

**Section 4. Implied Rights.** The Association may exercise any other right or privilege given to it expressly by this Declaration or the By-Laws, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

**Section 5. Governmental Interests.** For so long as the Declarant owns any of the Properties, the Association shall permit the Declarant authority to designate sites within the Properties, which may include Common Area owned by the Association, for fire, police, water, and sewer facilities, public schools and parks, and other public facilities.

**Section 6. Power of the Association with Respect to Neighborhoods.** The Association shall have the power to veto any action taken or contemplated to be taken by any Neighborhood Association or Neighborhood Committee which the Board reasonably determines to be adverse to the interests of the Association or its Members or inconsistent with the Community-Wide Standard. The Association shall also have the power to require specific action to be taken by any Neighborhood Association or Neighborhood Committee in connection with its obligations and responsibilities hereunder or under any other covenants affecting the Properties. Without limiting the generality of the foregoing, the Association may require specific maintenance or repairs or aesthetic changes to be effectuated by the Neighborhood, may require that a proposed budget include certain items and that expenditures be made therefor, and may veto or cancel any contract providing for maintenance, repair, or replacement of the property governed by such Neighborhood.

Any action required by the Association in a written notice pursuant to the foregoing paragraph to be taken by a Neighborhood shall be taken within the time frame set by the Association in such written notice, which time frame shall be reasonable. If the Neighborhood fails to comply with the requirements set forth in such written notice, the Association shall have the right to effect such action on behalf of the Neighborhood. To cover the Association's administrative expenses in connection with the foregoing and to discourage failure to comply with the requirements of the Association, the Association shall assess the Units in such Neighborhood for their pro rata share of any expenses incurred by the Association in taking such action in the manner provided in Article X, Section 4. Such assessments maybe collected as a Special Assessment hereunder and shall be subject to all lien rights provided for herein.

## **Article X** **Assessments**

**Section 1. Creation of Assessments.** There are hereby created assessments for Association expenses as may from time to time specifically be authorized by the Board of Directors, to be commenced at the time and in the manner set forth in Section 7 of this Article. There shall be three (3) types of assessments: (a) Base Assessments to fund Common Expenses for the benefit of all Members of the Association; (b) Neighborhood Assessments for Neighborhood Expenses benefiting only Units within a

particular Neighborhood or Neighborhoods; and (c) Special Assessments as described in Section 4 below. Each Owner, by acceptance of a deed or recorded contract of sale for any portion of the Properties, is deemed covenant and agrees to pay these assessments.

Base Assessments shall be levied on each Unit on the basis of Equivalent Units, as provided in Section 2 below. Neighborhood Assessments shall be levied equally against all Units in the Neighborhood benefiting from the services supported thereby, provided, in the event of assessments for exterior maintenance of structures, or insurance on structures, or replacement reserves which pertain to particular structures, such assessments for the use and benefit of particular Units shall be levied on each of the benefited Units in proportion to the benefit received, if so directed by the Neighborhood in writing to the Board of Directors. Special Assessments shall be levied as provided in Section 4 below.

All assessments, together with interest (at the rate of eighteen (18) percent per annum (or a rate not to exceed the highest rate allowed by Texas law) as computed from the date the delinquency first occurs, late charges, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Unit against which each assessment is made until paid. Each such assessment together with interest, late charges, costs, and reasonable attorneys fees, shall also be the personal obligation of the Person who was the Owner of such Unit at the time the assessment arose, and, in the event of a transfer of title, his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance, except no first Mortgagee who obtains title to a Unit pursuant to the remedies provided in the Mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title.

The Association shall, upon demand at anytime, furnish to any Owner liable for any type of assessment a certificate in writing signed by an officer of the Association setting forth whether such assessment has been paid as to any particular Unit. Such certificate shall be conclusive evidence of payment to the Association of any assessments therein stated to have been paid. The Association may require the advance payment of a reasonable processing fee for the issuance of such certificate.

Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors and, if the Board so elects, assessments may be paid in two (2) or more installments. Unless the Board otherwise provides, the Base Assessment and any Neighborhood Assessment shall be due and payable in advance on the first day of each fiscal year. If any Owner is delinquent in paying any assessments or other charges levied on his Unit, the Board may require any unpaid installments of the annual assessment and/or any other assessments to be paid in full immediately.

No Owner may waive or otherwise exempt himself from liability for the assessments provided for herein, including, by way of illustration and not limitation, by non-use of Common Areas or abandonment of the Unit. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the By-Laws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

So long as the Declarant has an option unilaterally to subject additional property to this Declaration, the Declarant may annually elect either to pay regular assessments on its unsold Units or to pay to the Association the difference between the amount of assessments collected on all other units

subject to assessment and the amount of actual expenditures required to operate the Association during the fiscal year. Unless the Declarant otherwise notifies the Board of Directors in writing at least sixty (60) days before the beginning of each fiscal year, the Declarant shall be deemed to have elected to continue paying on the same basis as during the immediately preceding fiscal year. The Declarant's obligations hereunder maybe satisfied in the form of a cash subsidy or by "in kind" contributions of services or materials, or a combination of these.

The Association is specifically authorized to enter into subsidy contracts or contracts for "in kind" contribution of services or materials or a combination of services and materials with Declarant or other entities for the payment of some portion of the Common Expenses.

**Section 2. Computation of Base Assessment.** The Base Annual Assessment will be determined each year by dividing the total operating expenses by the number of Units/Lots subject to the jurisdiction of this Association. The Board of Directors has the unilateral right to increase the Assessment up to twenty-five (25%) percent over the preceding year without a vote of the Members. Any increase greater than twenty-five (25%) percent will require the approval of the majority of the eligible Members in attendance of a meeting duly called for such purpose.

So long as the Declarant has the right unilaterally to annex additional property pursuant to Article VIII hereof, the Declarant may elect on an annual basis, but shall not be obligated, to subsidize the Base Assessments for any fiscal year by payment of a subsidy (in addition to any amounts paid by Declarant under Section 1 above); provided, any such subsidy shall be conspicuously disclosed as a line item in the income portion of the Common Expense budget and shall be made known to the membership. The payment of such subsidy in any year shall under no circumstances obligate the Declarant to continue payment of such subsidy in future years.

The Board shall cause a notice of the amount of the Base Assessment to be levied against each Unit for the following year to be delivered to each Owner at least thirty (30) days prior to the beginning of the fiscal year. Such budget and assessment shall become effective unless disapproved at a meeting of the Voting Members or their alternates representing at least a majority of the total eligible votes of the Association. There shall be no obligation to call a meeting for the purpose of considering the budget except on petition of the Voting Members as provided for special meetings which petition must be presented to the Board within ten (10) days of delivery of the notice of assessments.

Notwithstanding the foregoing; however, in the event the proposed budget is disapproved or the Board fails for any reason so to determine the budget for any year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the immediately preceding year shall continue for the current year.

**Section 3. Computation of Neighborhood Assessments.** It shall be the duty of the Board, at least sixty (60) days before the beginning of each fiscal year, to prepare a separate budget covering the estimated Neighborhood Expenses to be incurred by the Association for each Neighborhood on whose behalf Neighborhood Expenses are expected to be incurred during the coming year. The Board shall be entitled to set such budget only to the extent that this Declaration or the By-Laws specifically authorizes the Board to assess certain costs, such as the cost of maintaining Exclusive Common Areas, as a Neighborhood Assessment. Any Neighborhood may require that additional services or a higher level of services be provided by the Association, and in such case, any additional costs shall be added to such budget. Such budget may include a capital contribution establishing a reserve fund for repair and replacement of capital items within the Neighborhood, as appropriate. Neighborhood Expenses shall be

allocated equally among all Units within the Neighborhood benefitted thereby and levied as a Neighborhood Assessment.

The Board shall cause a copy of such budget and notice of the amount of the Neighborhood Assessment to be levied on each Unit in the Neighborhood for the coming year to be delivered to each Owner of a Unit in the Neighborhood at least thirty (30) days prior to the beginning of the fiscal year. Such budget and assessment shall become effective unless disapproved by a majority of the Owners of Units in the Neighborhood which the Neighborhood Assessment applies; provided, there shall be no obligation to call a meeting for the purpose of considering the budget except on petition of Owners of at least ten (10) percent of the Units in such Neighborhood; and provided, further, the right to disapprove shall only apply to those line items in the Neighborhood budget which are attributable to services requested by the Neighborhood.

In the event the proposed budget for any Neighborhood is disapproved or the Board fails for any reason so to determine the budget for any year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the immediately preceding year shall continue for the current year.

#### **Section 4. Special Assessments.**

(a) Entire Membership. The Association may levy Special Assessments from time to time provided such assessment receives the affirmative vote or written consent of Voting Members or their alternates representing the majority of the total Class "A" votes in the Association and the affirmative votes or written consent of the Class "B" Members, if such then exists. Special Assessments levied against the entire membership shall be allocated to the Units in proportion to their Equivalent Units unless the Board determines that another method is more equitable. Special Assessments pursuant to this paragraph shall be payable in such manner and at such times as determined by the Board, and may be payable in installment extending beyond the fiscal year in which the Special Assessment is approved, if the Board so determines.

(b) Less Than All Members. The Association may levy a Special Assessment against any Member individually and against such Member's Unit to reimburse the Association for costs incurred in bringing a Member and his Unit into compliance with the provisions of the Declaration, any amendments thereto, the Articles, the By-Laws, or the Association rules, which Special Assessments maybe levied upon the vote of the Board after notice to the Member and an opportunity for a hearing. The Association may also levy a Special Assessment equally against the Units in any Neighborhood to reimburse the Association for costs incurred in bringing the Neighborhood into compliance with the provisions of the Declaration, any amendments thereto, the Articles, the By-Laws, and the Association rules and regulations, which Special Assessment maybe levied upon the vote of the Board after notice to the senior officer of the Neighborhood and an opportunity for a hearing.

**Section 5. Lien for Assessments.** Upon recording of a notice of lien on any unit, there shall exist a perfected lien for unpaid assessments prior and superior to all other liens, except (1) all taxes, bonds, assessments, and other levies which by law would be superior thereto, and (2) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value. Such lien, when delinquent, may be enforced by suit, judgment, and judicial or non-judicial foreclosure in accordance with Tex. Prop. Code Ann. Section 51.002 (Vernon 1983), as it may be amended.



The Association, acting on behalf of the Owners, shall have the power to bid for the Unit at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period in which a Unit is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be levied on it; and (c) each other Unit shall be charged, in addition to its usual assessment, its equal pro rata share of the assessment that would have been charged such Unit had it not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid Common Expenses and attorney's fees shall be maintainable without foreclosing or waiving the lien securing the same.

**Section 6. Reserve Budget and Capital Contribution.** The Board of Directors shall annually prepare a reserve budget to take into account the number and nature of replaceable assets, the expected life of such asset and the expected repair or replacement cost. The Board shall set the required capital contribution in an amount sufficient to permit meeting the projected needs of the Association, as shown on the budget, with respect both to amount and timing by annual Base Assessments over the period of the budget. The capital contribution required, if any, shall be fixed by the Board and included within and distributed with the applicable budget and notice of assessments, as provided in Sections 2 and 3 of this Article.

**Section 7. Date of Commencement of Assessments.** The obligation to pay the assessments provided for herein shall commence as to each Unit on the first day of the month following: (a) the month in which the Unit is made subject to this Declaration; or (b) the month in which a subdivision plat is recorded covering the property comprising the Unit, whichever is later. Assessments shall be due and payable in a manner and on a schedule as the Board of Directors may provide. The first annual Base Assessment levied on a Unit shall be adjusted according to the number of months remaining in the fiscal year at the time assessments commence on the Unit.

Notwithstanding the above provision for commencement of assessments, the assessments on vacant lots owned by Declarant, Developer or Builders shall be due and payable in a manner and on a schedule as unilaterally determined by the Declarant during the Class "B" Control Period and thereafter by the Board of Directors.

**Section 8. Subordination of the Lien to First Mortgages.** The lien of assessments, including interest, late charges (subject to the limitations of Texas law), and costs (including attorneys fees) provided for herein, shall be subordinate to the lien of any first Mortgage upon any Unit. The sale or transfer of any Unit shall not affect the assessment lien. However, the sale or transfer of any Unit pursuant to judicial or non-judicial foreclosure of a first Mortgage shall extinguish the lien of such assessments as to payments that became due prior to such sale or transfer. No sale or transfer shall relieve such Unit from lien rights for any assessments thereafter becoming due. Where the Mortgagee holding a first Mortgage of record of other purchaser of a Unit obtains title pursuant to judicial or non-judicial foreclosure of the Mortgage, it shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Unit which became due prior to such acquisition of title. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Owners of all the Units, including such acquirer, its successors and assigns.

**Section 9. Exempt Property.** Notwithstanding anything to the contrary herein, the following property shall be exempt from payment of Base Assessments, Neighborhood Assessments, and Special Assessments:

- (a) all Common Area and

(b) all property dedicated to and accepted by any governmental authority or public utility, including, without limitation, public schools, public streets, and public parks, if any.

## **Article XI** **Architectural Standards**

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.

All dwellings constructed on any portion of the Properties shall be designed by and built in accordance with the plans and specifications of a licensed architect or architectural design professional, unless that provision is waived by the ACC, defined below.

This Article shall not apply to the activities of the Declarant, nor to construction or improvements or modifications to the Common Area by or on behalf of the Association.

The Board of Directors shall have the authority and standing, on behalf of the Association, to enforce in courts of competent jurisdiction decisions of the committee(s) established in Sections 1 and 2 of this Article XI. This Article may not be amended without the Declarant's written consent so long as the Declarant owns any land subject to this Declaration or subject to annexation to this Declaration.

**Section 1. Architectural Construction Committee (ACC).** Until one hundred (100%) percent of the Properties have been developed and conveyed to purchasers in the normal course of development and sale, the Declarant retains the right to appoint all members of the ACC, who shall serve at the discretion of the Declarant. There shall be no surrender of this right prior to that time except in a written instrument in a recordable form executed by Declarant. Upon the expiration of such right, the Board of Directors shall appoint the members of the ACC, who shall serve and may be removed at the discretion of the Board of Directors. The members of the ACC may include architects, engineers and/or other persons who are not Members of the Association.

The ACC shall prepare and, on behalf of the Board of Directors, shall promulgate design and development guidelines governing construction within the Properties, which shall include application and review procedures to be followed in submitting an application for approval hereunder ("Design Guidelines"). The Design Guidelines shall be those of the Association, and the ACC shall have sole and full authority to modify and to amend them from time to time without the consent of any Owner. The ACC shall make the Design Guidelines available to Owners, builders, and developers who seek to engage in development of or construction upon all or any portion of the Properties and such Owners, builders and developers shall conduct their operations strictly in accordance therewith. In the event that the ACC fails to approve or disapprove plans submitted to it, or to request additional information reasonably required, within forty-five (45) days after submission thereof, the plans shall be deemed approved.

**Section 2. Architectural Modification Committee (AMC).** The Board of Directors may establish an Architectural Modifications Committee to consist of at least three (3) and no more than five (5) persons, all of whom shall be appointed by, and shall serve at the discretion of, the Board of Directors. Members of the AMC may include architects or similar professionals who are not Members of the Association. The AMC, if established, shall have exclusive jurisdiction over modifications, additions, or alterations made on or to existing Units or structures containing Units and the open space, if any, appurtenant thereto; provided, however, the AMC may delegate this authority to the appropriate board or committee of any Neighborhood Association subsequently created or subsequently subjected to this Declaration so long as the AMC has determined that such board or committee has in force review and enforcement practices, procedures, and appropriate standards at least equal to those of the AMC. Such delegation may be revoked and jurisdiction reassumed at any time by written notice. Notwithstanding the above, the ACC shall have the right to veto any action taken by the AMC which the ACC determines, in its sole discretion, to be inconsistent with the guidelines promulgated by the ACC.

The AMC shall promulgate detailed standards and procedures governing its areas of responsibility and practice, consistent with those of the ACC. In addition thereto, the following shall apply. Plans and specifications showing the nature, kind, shape, color, size, materials, and location of such modifications, additions, or alterations, shall be submitted to the AMC for approval as to quality of workmanship and design and as to harmony of external design with existing structures, location in relation to surrounding structures, topography, and finish grade elevation. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his Unit, or to paint the interior of his Unit any color desired; provided, modifications or alterations to the interior of screened porches, patios and similar portions of a Unit visible from outside the Unit shall be subject to approval hereunder. In the event that the AMC fails to approve or disapprove such plans or to request additional information reasonably required within forty-five (45) days after submission, the plans shall be deemed approved.

**Section 3. No Waiver of Future Approvals.** The approval of either the ACC or AMC of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of either the ACC or AMC shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

**Section 4. Variance.** The ACC may authorize variances from compliance with any of its guidelines and procedures when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, but only in accordance with duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing, (b) be contrary to the restrictions set forth in the body of this Declaration, or (c) estop the Committee from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall be considered a hardship warranting a variance.

**Section 5. Compliance with Guidelines.** Any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of the guidelines and procedures promulgated by the ACC or AMC may be excluded by the Board from the Properties without liability to any person, subject to the notice and hearing procedures contained in Article III, Section 22, of the By-Laws.

**Section 6. No Liability.** Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only and neither the ACC nor the AMC shall bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes and other governmental requirements. Neither the Declarant, the Association, the Board of Directors, any committee, nor member of any of the foregoing shall be held liable for any injury, damages or loss arising out of the manner or quality of approved construction on or modifications to any Unit.

**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 three (3) 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 for eight (8) 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 ACC. 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 four (4) pets, may be permitted in a Unit. The foregoing limitation on number of pets shall not apply to hamsters, small birds, fish & 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, except for an outside fireplace. 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 within 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. 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" includes "B-B" guns, pellet guns, paint ball 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 shall have the right to draw water from such sources for the purpose of irrigating the Common Areas. 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 ACC 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 ACC or AMC, 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, unless approved by the ACC.

**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 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. 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 dock, 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 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 irrigation of the Common Areas, or for any other purpose deemed appropriate by the Board or the Declarant, subject to the terms of any easement agreement affecting such use. The Declarant's rights under this Section 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 ACC or the AMC. 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 underground storage tanks for propane to be used in the residence and 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 or equipment or cooking grills. The Association shall be permitted to store fuel for operation of maintenance vehicles, generators and similar equipment.

**Section 26. 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 and 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 27. 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 28. 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 29. 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. This shall not prohibit temporary drilling operations for the production of water, oil, gas or other minerals in any Common Area or land owned by the Declarant.

**Section 30. Height Limits.** No dwelling may exceed 2 stories in height from the ground level, not including a basement, unless approved by the ACC.

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

(a) The living area of any dwelling constructed in Lake Forest Addition, Phase 1 (STONEWOOD VILLAGE) exclusive of all porches, garages, terraces, breeze ways and unfinished rooms shall contain a minimum of 1,700 square feet. No dwelling shall contain less than 1,700 square feet unless the plans for a dwelling with less than 1,700 square feet are approved in writing by the ACC and in no event shall any dwelling contain less than 1,550 square feet.

(b) The living area of any dwelling constructed on Lots 1-3, Block 7, Lots 1-5, Block 2, Lots 23-25, Block 4, Lots 1-15, Block 3, all in Lake Forest Addition, Phase 2, exclusive of all porches, garages, terraces, breezeways 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. The first floor of any dwelling must be at least 1600 square feet, unless the plans for a dwelling with less than 1600 square feet in the first floor are approved in writing by the ACC.

(c) The living area of any dwelling constructed on Lots 1-9, Block 5, Lots 1-6, Block 6, Lots 1-4, 18-22, Block 4, all in Lake Forest Addition, Phase 2, exclusive of all porches, garages, terraces, breezeways and unfinished rooms shall contain a *minimum* of 2,500 square feet. No dwelling shall contain less than 2,500 square feet unless the plans for a dwelling with less than 2,500 square feet are approved in writing by the ACC and in no event shall any dwelling contain less than 2,300 square feet. The first floor of any dwelling must be at least 2,000 square feet, unless the plans for a dwelling with less than 2,000 square feet in the first floor are approved in writing by the ACC.

(d) The living area of any dwelling constructed on Lots 15-17, Block 4, all in Lake Forest Addition, Phase 2, exclusive of all porches, garages, terraces, breeze ways and unfinished rooms shall contain a *minimum* of 3,500 square feet. No dwelling shall contain less than 3,500 square feet unless the plans for a dwelling with less than 3,500 square feet are approved in writing by the ACC and in no event shall any dwelling contain less than 3,200 square feet. The first floor of any dwelling must be at least 2,800 square feet, unless the plans for a dwelling with less than 2,800 square feet in the first floor are approved in writing by the ACC.

### **Article XIII** **General Provisions**

**Section 1. Term.** The covenants and restrictions of this Declaration shall run with and bind the Properties, and shall inure to the benefit of and shall be enforceable by the Association or the Owner of any property subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of forty (40) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by a majority of the then Owners, has been recorded within the year preceding the beginning of each successive period of ten (10) years, agreeing to change said covenants and restrictions, in whole or in part, or to terminate the same, in which case this Declaration shall be modified or terminated as specified therein.

**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 provisions 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 any 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 County, 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 these Restrictions shall control.

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 3. Indemnification.** The Association shall indemnify every officer, director, and committee member against any and all expenses, including counsel fees, reasonably incurred by or imposed upon such officer, director, or committee member in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director, or committee member. The officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be Members of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director, or committee member, or former officer, director, or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

**Section 4. Easements for Utilities. Etc.** There is hereby reserved unto Declarant, so long as the Declarant owns any of the Properties, the Association, and the designees of each (which may include, without limitation, City of Woodway, Texas, and any utility), blanket easements upon, across, over, and under all of the Properties for ingress, egress, installation, replacing, repairing, and maintaining cable television systems, master television antenna systems, security, and similar systems, roads, walkways, bicycle pathways, lakes, ponds, wetlands, drainage systems, street lights, signage, and all utilities, including, but not limited to, water, sewers, meter boxes, telephones, gas, and electricity; provided, the exercise of this easement shall not unreasonably interfere with the use of any Unit and, except in an emergency, entry onto any Unit shall be made only after reasonable notice to the Owner or occupant thereof.

Without limiting the generality of the foregoing, there are hereby reserved for the local water supplier, electric company, and natural gas supplier, easements across all Units and the Common Areas for ingress, egress, installation, reading, replacing, repairing, and maintaining utility meters and boxes. Notwithstanding anything to the contrary contained in this Section, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on the Properties, except as may be approved by the Association's Board of Directors or as provided by Declarant.

Should any entity furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, the Board of Directors shall have the right to grant such easement over the Properties without conflicting with the terms hereof. The easements provided for in this Article shall in no way adversely affect any other recorded easement on the Properties.

The Association shall have the authority, by a two-thirds (2/3) vote of its Members, to dedicate portions of the Common Area to McLennan County, the City of Woodway, Texas, or to any other like entity, local, state, or federal governmental entity, subject to such approval requirements as may be contained in Article XIV, Section 2 of this Declaration.

**Section 5. Easements for Waterway Maintenance and Flood Water.** Declarant reserves for itself and its successors, assigns and designees the non-exclusive right and easement, but not the obligation, to enter upon the lakes, ponds and streams located within the Area of Common Responsibility (a) to install, keep, maintain and replace pumps thereon in order to provide water therefrom for the irrigation of any of the Area of Common Responsibility, (b) to construct, maintain and repair any wall, dam, or other structure retaining water therein, and (c) to remove trash and other debris therefrom and fulfill their maintenance responsibility as provided in this Declaration. Declarant's rights and easements provided in this Section shall be transferred to the Association at such time as Declarant shall cease to own property subject to the Declaration, or such earlier time as Declarant may decide, in its sole discretion, and transfer such rights by a written instrument. The Declarant and the Association shall have an easement over and across any of the Properties abutting or containing any portion of any of the lakes, ponds or streams for the purpose of allowing the Declarant to exercise its rights and responsibilities as herein and otherwise set forth; provided, however, the Declarant, its designees, and the Association shall use reasonable care in the exercise of such easement and shall repair any damage caused in the exercise of such easement. There is further reserved herein and hereby, for the benefit of Declarant and the Association, a perpetual, non-exclusive right and easement of access and encroachment over Common Areas and Units (but not the dwellings thereon) adjacent to or within one hundred (100) feet of lakes, ponds and streams within the Properties, in order: (a) to temporarily flood and back water upon and maintain water over such portions of the Properties; (b) to fill, drain, dredge, deepen, clean, fertilize, dye and generally maintain the lakes, ponds and streams within the Area of Common Responsibility (c) to maintain and landscape the slopes and banks pertaining to such lakes, ponds and streams; and (d) to enter upon and across such portions of the Properties for the purpose of exercising its or their rights under this Section.

**Section 6. Easements to Serve Additional Property.** The Declarant and its duly authorized agents, representatives, and employees, as well as its successors, assigns, licensees and mortgagees, shall have and there is hereby reserved an easement over the Common Areas for the purpose of enjoyment, use, access and development of additional properties of Declarant's choosing, whether or not such additional property is made subject to this Declaration. This easement includes, but is not limited to, a right of ingress and egress over the Common Areas for construction of roads and for tying in and installation of utilities on the Additional Property. Declarant agrees that it, its successors or assigns, shall be responsible for any damage caused to the Common Areas as a result of vehicular traffic connected with development of the Additional Property. Declarant further agrees that if the easement is exercised for permanent access to the Additional Property and such Additional Property or any portion thereof is not made subject to this Declaration, the Declarant, its successors, or assigns shall enter into a reasonable agreement with the Association to share the cost of maintenance of any access roadway serving the Additional Property. Such agreement shall provide for a sharing of costs based on the ratio which the number of residential dwellings on that portion of the Additional Property which is served by the easement and is not made subject to this Declaration bears to the total number of residential dwellings within the Properties and on such portion of the Additional Property.

**Section 7. Severability.** Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

**Section 8. Right of Entry.** The Association shall have the right, but not the obligation, to enter into any Unit for emergency, security, and safety reasons, to perform maintenance pursuant to Article IV hereof, and to inspect for the purpose of ensuring compliance with this Declaration, the By-Laws, and the Association rules, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter a Unit to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition within a reasonable time after request by the Board.

**Section 9. 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 (4) 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.

**Section 10. Cumulative Effect Conflict.** The covenants, restrictions, and provisions of this Declaration shall be cumulative with those of any Neighborhood and the Association may, but shall not be required to, enforce the latter; provided, however, in the event of conflict between or among such covenants and restrictions, and provisions of any articles of incorporation, by-laws, rules and regulations, policies, or practices adopted or carried out pursuant thereto, those of any Neighborhood shall be subject and subordinate to those of the Association. The foregoing priorities shall apply, but not be limited to, the liens for assessments created in favor of the Association.

**Section 11. Compliance.** Every Owner and occupant of any Unit shall comply with all lawful provisions of this Declaration, the By-Laws and rules and regulations of the Association. Failure to comply shall be grounds for an action to recover sums due, for damages or injunctive relief; or for any other remedy available at law or in equity; maintainable by the Association or, in a proper case, by an aggrieved Unit Owner or Owners. In addition, the Association may avail itself of any and all remedies provided in this Declaration or the By-Laws.

**Section 12. Security.** The Association may, but shall not be obligated to, maintain or support certain activities within the Properties designed to make the Properties safer than they otherwise might be. NEITHER THE ASSOCIATION, THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE PROPERTIES; HOWEVER, AND NEITHER THE ASSOCIATION, THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL BE HELD LIABLE FOR SECURITY OR

INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. ALL OWNERS AND OCCUPANTS OF ANY UNIT, TENANTS, GUESTS AND INVITEES OF ANY OWNER, AS APPLICABLE, ACKNOWLEDGE THAT THE ASSOCIATION AND ITS BOARD OF DIRECTORS, DECLARANT, OR ANY SUCCESSOR DECLARANT AND THE ARCHECTURAL CONSTRUCTION AND ARCHITECTURAL MODIFICATIONS COMMITTEES DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM DESIGNATED BY OR INSTALLED ACCORDING TO GUIDELINES ESTABLISHED BY THE DECLARANT OR THE ARCHECTURAL CONSTRUCTION OR ARCHECTURAL MODIFICATIONS COMMITTEES MAY NOT BE COMPROMISED OR CIRCUMVENTED, THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER AND OCCUPANT OF ANY UNIT, AND EACH TENANT, GUEST AND INVITEE OF AN OWNER, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, ITS BOARD OF DIRECTORS AND COMMITTEES, DECLARANT, OR ANY SUCCESSOR DECLARANT ARE NOT INSURERS AND THAT EACH OWNER AND OCCUPANT OF ANY UNIT AND EACH TENANT, GUEST AND INVITEE OF ANY OWNER ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO UNITS AND TO THE CONTENTS OF UNITS AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, ITS BOARD OF DIRECTORS AND COMMITTEES, DECLARANT, OR ANY SUCCESSOR DECLARANT HAVE MADE NO REPRESENTATIONS OR WARRANTIES NOR HAS ANY OWNER, OCCUPANT, TENANT, GUEST OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE PROPERTIES.

**Section 13. Notice of Sale or Transfer of Title.** In the event that any Owner desires to sell or otherwise transfer title to his or her Unit, such Owner shall give the Board of Directors at least seven (7) days prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board of Directors may reasonably require. Until such written notice is received by the Board of Directors, the transferor shall continue to be jointly and severally responsible for all obligations of the Owner of the Unit hereunder, including payment of assessments, notwithstanding the transfer of title to the Unit.

**Article XIV**  
**Mortgagee Provisions**

The following provisions are for the benefit of holders of first Mortgages on Units in the Properties. The provisions of this Article apply to both this Declaration and to the By-Laws, notwithstanding any other provisions contained therein.

**Section 1. Notices of Action.** An institutional holder, insurer, or guarantor of a first Mortgage who provides 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 Unit to which its Mortgage relates, therefore becoming an "Eligible Holder"), will be entitled to timely written notice of:

(a) any condemnation loss or any casualty loss which affects a material portion of the Properties or which affects any Unit on which there is a first Mortgage held, insured, or guaranteed by such Eligible Holder;

(b) any delinquency in the payment of assessments or charges owed on a Unit subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of sixty (60) days, or any other violation of the Declaration or By-Laws relating to such Unit or the Owner or occupant thereof which is not cured within sixty (60) days;

(c) any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or

(d) any proposed action which would require the consent of a specified percentage of Eligible Holders.

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

(a) Any restoration or repair of the Properties after a partial condemnation or damage to an insurable hazard shall be substantially in accordance with this Declaration and the original plans and specifications unless the approval is obtained of the Eligible Holders of the first Mortgages on Units to which at least fifty-one (51%) percent of the votes of Units subject to Mortgages held by such Eligible Holders are allocated.

(b) Any election to terminate the Association after substantial destruction or a substantial taking in condemnation shall require the approval of Voting Members representing sixty-seven (67%) percent of the total Association vote and the approval of the Eligible Holders of first Mortgages on Units to which at least fifty-one (51%) percent of the votes of Units subject to Mortgages held by such Eligible Holders are allocated.

(c) Any election to terminate the Association under circumstances other than substantial destruction or a substantial taking in condemnation shall require the consent of Voting Members representing at least sixty-seven (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 the Eligible Holders of first Mortgages on Units to which at least sixty-seven (67%) percent of the votes of Units subject to a Mortgage are allocated.

(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 (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:

(a) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer all or any portion of the real property compromising the Common Area which the Association owns, directly or indirectly (the granting of easements for public utilities or other similar purposes consistent with the intended use of the Common Area shall not be deemed a transfer within the meaning of this subsection);

(b) change the method of determining the obligations, assessments, dues, or other charges which may be levied against an Owner of a Unit (A decision, including contracts, by the Board or provisions of any declaration subsequently recorded on any portion of the Properties regarding assessments for Neighborhoods or other similar areas shall not be subject to this provision where such decision or subsequent declaration is otherwise authorized by this Declaration.);

(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.);

(d) fail to maintain insurance, as required by this Declaration; or

(e) use hazard insurance proceeds for any Common Area losses for other than the repair, replacement, or reconstruction of such property.

First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Area and may pay overdue premiums on casualty insurance policies or secure new casualty insurance coverage upon the lapse of an Association policy, and first Mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

**Section 4. No Priority.** No provision of this Declaration or the By-Laws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

**Section 5. Notice to Association.** Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Unit.

**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 7. Applicability of Article XIV.** Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Declaration, By-Laws, or Texas law for any of the acts set out in this Article.

**Section 8. Failure of Mortgagee to Respond.** Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within thirty (30) days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

#### **Article XV** **Declarant's Rights**

Any or all of the special rights and obligations of the Declarant set forth in this Declaration or the By-Laws may be transferred to other Persons, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained herein or in the By-Laws, as applicable, and provided further, no such transfer shall be effective unless it is in a written instrument signed by the Declarant and duly recorded in the public records of McLennan County, Texas.

Notwithstanding any provisions contained in the Declaration to the contrary, so long as construction and initial sale of Units shall continue, it shall be expressly permissible for Declarant and any builder designated by Declarant to maintain and carry on upon portions of the Common Area such

facilities and activities as, in the sole opinion of Declarant, may be reasonably required, convenient, or incidental to the construction or sale of such Units, including, but not limited to, business offices, signs, models units, and sales offices, and the Declarant and such designated builder(s) shall have easements for access to and use of such facilities. The right to maintain and carry on such facilities and activities shall include specifically, without limitation, the right to use Units owned by the Declarant and any clubhouse or community center which may be owned by the Association, as models and sales offices, respectively.

So long as Declarant continues to have rights under this paragraph, no Person shall record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument affecting any portion of the Properties without Declarant's review and written consent thereto, and any attempted recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument being void and of no force and effect unless subsequently approved by recorded consent signed by the Declarant.

This Article may not be amended without the express written consent of the Declarant; provided, however, the rights contained in this Article shall terminate upon the earlier of (a) forty (40) years from the date of this Declaration is recorded, or (b) upon recording by Declarant of a written statement that all sales activity has ceased.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration this 5<sup>th</sup> day of February, 2008.

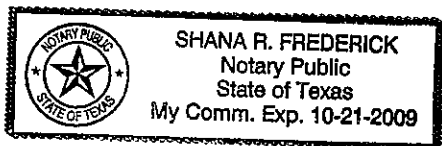
**LFRP, LTD., a Texas Limited Partnership**  
**By: Doce Grande GP, LLC, a Texas LLC,**  
**General Partner**

By: Gary D. Tully  
GARY D. TULLY, President

THE STATE OF TEXAS     §  
COUNTY OF McLENNAN   §

This instrument was acknowledged before me on this 5<sup>th</sup> day of February, 2008, by GARY D. TULLY, President of Doce Grande GP, LLC, a Texas LLC, General Partner of LFRP, Ltd., a Texas Limited Partnership on behalf of said companies.

Shana R. Frederick  
NOTARY PUBLIC, STATE OF TEXAS



## Exhibit "A"

Field notes for a **53.93- acre tract** of land out of the P. J. Menard Survey Abstract No. 612, J. Gross Survey, Abstract No. 368, and J. Shafer Survey, Abstract No. 810 in the City of Woodway, McLennan County, Texas and being all that called 9.3 acre Parcel I and a portion of that called 41.927 acre Parcel II described in a deed to **LFRP LTD. a Texas Limited Partnership**, of record as Instrument 2006037604 and a portion of that called 38.53 acre Tract One and 2.79 acre Tract Three described in a deed to the said LFRP LTD. of record as Instrument 2006037607 in the Official Public Records of McLennan County, Texas.

**Beginning** at a ½ inch iron rod found set in concrete at the northeast corner of the said 9.3 acres Parcel I,

**Thence S 36degrees 03minutes 29seconds E 1532.18 feet** along the east line of the said Parcel I and an east line of the said Parcel II to a ½ inch iron rod placed at a point in the said east line of Parcel II and being the northeast corner of Lot 5, Block 3 of the Villages of Lakeside, Part 1 according to the plat of record in Volume 1624, Page 297 of the Deed Records of McLennan County, Texas,

**Thence** with the north line of the said addition **S 53degrees 54minutes 39seconds W 137.94 feet** to a ½ inch iron rod placed at the northwest corner of the said Lot 4 in the east line of Wandering Trail,

**Thence S 48degrees 47minutes 48seconds W 74.96 feet** crossing Wandering Trail to a ½ inch iron rod placed for corner,

**Thence S 53degrees 55minutes 30seconds W 95.00 feet** to a ½ inch iron rod found at the northwest corner of Lot 3, Block 8 of the said Villages of Lakeside, Part 1,

**Thence** with the boundary of the said subdivision the following three courses and distances,

- 1.) **S 40degrees 41minutes 34seconds E 130.60 feet** to a found 5/8 inch iron rod,
- 2.) **S 53degrees 07minutes 35seconds E 320.50 feet** to a found 5/8 inch iron rod at the southwest corner of Lot 1, Block 8 of the addition,
- 3.) **347.48 feet** along a curve to the right having a **Radius of 2278.50 feet** and Chord Bearing **N 75degrees 26minutes 54seconds E 347.14 feet** to a 5/8 inch iron rod found at an end of radius on the right-of-way on Covington Drive according to the said plat of the Villages of Lakeside addition,

**Thence S 10degrees 10minutes 58seconds E 0.35 feet** to point in the north line of Lake Forest Parkway as dedicated in Lake Forest Addition, Phase One,

**Thence 61.96 feet** along the north line of Lake Forest Parkway a curve to the left having a **Radius of 2280.00 feet** and Chord Bearing **S 78degrees 55minutes 10seconds W 61.96 feet** to a ½ inch iron rod placed for corner,

**Thence S 09degrees 45minutes 21seconds E 71.05 feet** with the west line of the said Phase One across the end of Lake Forest Parkway to a ½ inch iron rod placed for corner,

**Thence 629.58 feet** along a curve to the left having a **Radius of 2209.00 feet** and Chord Bearing **S 69degrees 54minutes 30seconds W 627.45 feet** to a ½ inch iron rod placed for corner,

**Thence N 28degrees 15minutes 23seconds W 71.00 feet** to a ½ inch iron rod placed for corner,

**Thence N 40degrees 31minutes 45seconds W 370.37 feet** to a ½ inch iron rod placed for corner,

**Thence N 21degrees 08minutes 05seconds W 50.00 feet** to a ½ inch iron rod placed for corner,

Thence 68.70 feet along a curve to the left having a Radius of 305.17 feet and Chord Bearing N 61degrees 44minutes 40seconds E 68.56 feet to a ½ inch iron rod placed at the end of the said curve to the left and at the beginning of a curve to the right,

Thence 8.33 feet along the curve to the right having a Radius of 155.41 feet and Chord Bearing N 56degrees 49minutes 26seconds E 8.33 feet to a ½ inch iron rod placed for corner,

Thence N 33degrees 22minutes 26seconds W 175.10 feet to a ½ inch iron rod placed for corner,

Thence N 54degrees 17minutes 26seconds W 212.69 feet to a ½ inch iron rod placed for corner,

Thence S 69degrees 18minutes 21seconds W 212.36 feet to a ½ inch iron rod placed for corner,

Thence S 41degrees 25minutes 22seconds W 421.67 feet to a ½ inch iron rod placed for corner,

Thence S 63degrees 08minutes 13seconds W 297.84 feet to a Spindle found in the east line of the U.S.A. tract in Volume 933, Page 552 of the Deed Records of McLennan County and being the northwest corner of the above referenced Parcel II,

Thence along the western and northern boundaries of the above referenced 38.53 acre Tract One, its common boundary with the U.S.A. Lake Waco property, the following eight (8) courses and distances,

- 1) N 32degrees 02minutes 32seconds W 228.17 feet to a Corps of Engineers boundary monument,
- 2) N 53degrees 33minutes 32seconds W 326.26 feet to a Corps of Engineers boundary monument,
- 3) N 32degrees 14minutes 46seconds W 373.60 feet to a Corps of Engineers boundary monument,
- 4) N 40degrees 23minutes 09seconds W 368.74 feet to a Corps of Engineers boundary monument at the northwest corner of the 38.53 acres,
- 5) N 47degrees 05minutes 42seconds E 234.81 feet to a Corps of Engineers boundary monument,
- 6) N 69degrees 58minutes 44seconds E 300.19 feet to a Corps of Engineers boundary monument,
- 7) N 38degrees 02minutes 49seconds E 599.88 feet to a Corps of Engineers boundary monument, and
- 8) N 28degrees 45minutes 37seconds E 157.72 feet to a Corps of Engineers boundary monument at the northeast corner of the said 38.53 acres,

Thence S 62degrees 38minutes 39seconds E 70.21 feet to a Corps of Engineers boundary monument,

Thence S 64degrees 29minutes 02seconds E 358.80 feet with an east line of the 38.53 acres and west line of the William L. Clifton, Jr. 10.0 acres of record in Instrument 2006001775 of the said public records to a 3/8 inch iron rod found in concrete at its southwest corner,

Thence N 42degrees 12minutes 19seconds E 113.86 feet along the north line of the said 9.3 acres Parcel I to the Point of Beginning.

## FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

*J. A. Andy Harwell*

May 05, 2009 10:58:20 AM

2009013105

FEE: \$155.00

J.A. "Andy" Harwell County Clerk

McLennan County TEXAS

