

1.03. Assessment. "Assessment" or "Assessments" means any assessment levied by the Association under the terms and provisions of this Declaration or the governing documents of the Association.

1.04. Association. "Association" means the Tanglewood Estates Property Owners Association, Inc., a Texas nonprofit corporation, and its successors and assigns. The Association is a "property owners association" as such term is defined in Section 202.001(2) of the Texas Property Code, as amended.

1.05. Association Rules. "Association Rules" means the rules, regulations, policies and guidelines adopted by the Board, as amended from time to time.

1.06. Board. "Board" means to the governing body of the Association elected or appointed pursuant to the Bylaws of the Association and specifically, the Board of Directors of the Association.

1.07. Builder. "Builder" means any professional home builder approved by the Architectural Committee that purchases one or more Lots within the Subdivision solely for the purpose of constructing residential homes on the Lots for sale to third-party homebuyers. The Architectural Committee shall have broad discretion in the approval or disapproval of any Builder who must apply through the Architectural Committee to build in the Subdivision, including, but not limited to, the following criteria: Builder's demonstrable, successful experience building homes with construction costs exceeding \$100.00 per square foot (excluding lot cost) in neighborhoods where new homes were sold for in excess of \$300,000.00.

1.08. Bylaws. "Bylaws" means the Bylaws of the Association adopted by the Board, as amended from time to time.

1.09. Certificate of Formation. "Certificate of Formation" means the Certificate of Formation of the Association filed in the office of the Secretary of State of the State of Texas, as amended from time to time.

1.10. Conventional Lot. "Conventional Lot" means (a) Lot 29, Block A, (b) Lots 22 through 25, Block C, (c) Lot 1, Block D, and (d) Lots 3 through 10, Block F of the Property.

1.11. City. "City" means the City of Woodway, Texas.

1.12. Common Area and Facilities. "Common Area and Facilities" means any Lots and other properties designated by Declarant and conveyed to the Association, along with any exclusive easements and other areas granted to Declarant or the Association and maintained for the common benefit of the Owners. Common Area and Facilities may be designated by Declarant and dedicated or otherwise conveyed to the Association, the Owners, or to any public agency, authority, or utility from time to time and at any time. If and at the time Declarant annexes additional real property to the Property in accordance with Section 2.02 hereof, additional Common Area and Facilities may be designated. Lots 9 and 43, Block A, Lot 11, Block D, Block H, Block K, Block MD2 and Block RB2 of the Property are designated as part of the Common Area and Facilities of the Subdivision; and as such will be maintained by the Association for the benefit of all of the Lots in the Subdivision, and not developed for residential use. Additional property may be added to the Common Area and Facilities hereunder only upon the approval of the affirmative vote of a majority [greater than fifty percent (50%)] of the votes represented at a meeting of the Members of the Association duly called for that purpose at which a quorum is present in person or by proxy; provided, however, at any time during the Development Period and without obtaining

the consent of the Members of the Association, (a) Declarant may add property to the Common Area and Facilities, as well as improvements constructed or to be constructed thereon, (i) if such additional property is depicted on any recorded plat of all or any part of the Property as Common Area and Facilities, or (ii) if such additional property is intended or devoted to the common use, enjoyment or benefit of the Members of the Association or the Subdivision, and (b) Declarant may remove property from being part of the Common Area and Facilities.

1.13. Declarant. "Declarant" means WDA Development, LLC, a Texas limited liability company, its duly authorized representatives or their successors or assigns. Any assignment of the rights of Declarant must be expressly set forth in writing and the mere conveyance of a portion of the Property without written assignment of the rights of Declarant will not be sufficient to constitute an assignment of the rights of Declarant under this Declaration.

1.14. Declaration. "Declaration" means this instrument, as amended from time to time.

1.15. Estate Lot. "Estate Lot" means Lots 30 through 42, Block A of the Property.

1.16. Garden Lot. "Garden Lot" means (a) Lots 1 through 8, Block A, (b) Lots 10 through 28, Block A, (c) Lots 1 through 11, Block B, and (c) Lots 1 through 21, Block C of the Property.

1.17. Improvement. "Improvement" means every structure and all appurtenances to structures of every type and kind, including but not limited to buildings, outbuildings, storage sheds, patios, tennis courts, swimming pools, garages, storage buildings, fences, screening walls, retaining walls, stairs, decks, landscaping, poles, signs, exterior air conditioning, water-softener fixtures or equipment, and poles, pumps, wells, tanks, reservoirs, pipes, lines, meters, antennas, towers, and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or other utilities.

1.18. Living Unit. "Living Unit" means and refers to a single-family residence intended for occupancy and use as a residence by one person, by a single family, or by persons living together as a single housekeeping unit.

1.19. Lot. "Lot" or "Lots" means any parcel or parcels of land within the Property shown as a subdivided lot on any Plat of the Subdivision, together with all improvements located on the parcel or parcels. "Corner Lot" means and refers to a Lot that abuts on more than one street. A Corner Lot is deemed to front on the street designated by the Architectural Committee. "Cul-de-sac Lot" means and refers to a Lot facing the rounded turn portion of a dead-end street.

1.20. Masonry. "Masonry" means stucco, stone (natural, precast, or manufactured), and brick, but excluding fiber-cement siding, stone veneer, or other siding materials.

1.21. Member. "Member" or "Members" means any Person or Persons holding membership rights in the Association.

1.22. Mortgage. "Mortgage" means any first-lien mortgage or first-lien deed of trust encumbering one or more Lots given to secure the payment of a debt the proceeds of which were used to purchase or make improvements to a Lot, but specifically excluding a first-lien mortgage or a first-lien deed of trust securing payment of a home equity loan in accordance with Section 50(a)(6) of Article XVI of the Texas Constitution.

1.23. Mortgagee. "Mortgagee" or "Mortgagees" means the holder or holders of any Mortgage

or Mortgages. The term "Mortgagee" specifically excludes a person or entity which has loaned or advanced money to an Owner pursuant to Section 50(a)(6) of Article XVI of the Texas Constitution.

1.24. Noise, Dust and Vibration Easement. "Noise, Dust and Vibration Easement" means the easement excepted and reserved by Lehigh Cement Company LLC in the Special Warranty Deed recorded as Document No. 2018044087 of the Official Public Records of McLennan County, Texas.

1.25. Owner. "Owner" or "Owners" means the Person or Persons, including Declarant, holding a fee- simple interest in any portion of the Property, but does not include the Mortgagee of a Mortgage.

1.26. Person. "Person" or "Persons" means any individual or individuals or entity or entities having the legal right to hold title to real property.

1.27. Plans and Specifications. "Plans and Specifications" means any and all documents designed to guide or control the construction or erection of any Improvement, including but not limited to those indicating location, size, shape, configuration, materials, exterior color specifications, site plans, excavation and grading plans, foundation plans, drainage plans, driveway plans, landscaping and fencing plans, elevation drawings, floor plans, specifications on all building products and construction techniques, samples of exterior colors, plans for utility services, and all other documentation or information relevant to such Improvement, including fences and sidewalks.

1.28. Plat. "Plat" or "Plats" means the subdivision plats of Tanglewood Estates Addition, an addition to the City of Woodway, McLennan County, Texas, including the Plat of Tanglewood Estates Addition, Phase 1A, recorded on March 1, 2021, as McLennan County Clerk's Document No. 2021007211 in the Official Public Records of McLennan County, Texas.

1.29. Property. "Property" means all of the real property now or later constituting any portion, phase, or section of the Subdivision. The Property specifically includes all those certain tracts, lots or parcels of land known as Lots 1 through 43, Block A, Lots 1 through 11, Block B, Lots 1 through 25, Block C, Lots 1 and 11, Block D, Lots 3 through 10, Block F, Lot 1, Block H, Block MD2 and Block RB2 of Tanglewood Estates Addition, Phase 1A, an Addition to the City of Woodway, McLennan County, Texas, according to the Map or Plat thereof recorded on March 1, 2021, as McLennan County Clerk's Document No. 2021007211 in the Official Public Records of McLennan County, Texas. Upon the addition of any other land to the scheme of restrictions imposed hereby in accordance with Article 2 hereof, such other land shall be deemed to be included within the term "Property" for purposes of this Declaration, subject, however, to any modifications or amendments set forth in any Supplemental Declaration of Protective Covenants contemplated by Article 2 hereof.

1.30. Restrictions. "Restrictions" means this Declaration, as amended from time to time, together with the Architectural Committee Rules, the Association Rules, the Certificate of Formation, and Bylaws.

1.31. Subdivision. "Subdivision" means the Tanglewood Estates Addition, Phase 1A, a subdivision in the City of Woodway, McLennan, Texas, together with any additional property added to the Property in accordance with Article 2 of this Declaration.

1.32. Temporary Office. "Temporary Office" means any temporary construction or marketing trailer, office, or building installed or constructed by Declarant or any Builder on any Lot owned by Declarant or the Builder, respectively, that is used for the storage of equipment or for office,

administrative, sales, or marketing purposes during the construction and sale of Lots and Improvements within the Subdivision.

1.33. Declarant Control Period. "Declarant Control Period" means the period of time described below in this Section 1.33 during which Declarant controls the operation and management of the Association by appointing at least a majority of the Board of the Association pursuant to the rights and reservations contained in this Declaration or the governing documents of the Association to the fullest extent and for the maximum duration permitted by applicable law. The Declarant Control Period shall commence on the date of the recording of this Declaration in the Official Public Records of McLennan County, Texas, and shall continue thereafter until the tenth (10th) anniversary of the date of the recording of this Declaration in the Official Public Records of McLennan County, Texas. No act, statement or omission by the Association may effect termination of the Declarant Control Period. Declarant, however, may terminate the Declarant Control Period at any earlier time by recording a notice of termination in the Official Public Records of McLennan County, Texas, signed and notarized by Declarant, specifying the end of the Declarant Control Period at an earlier date, in Declarant's sole and absolute discretion. The Declarant Control Period is for a term of years and does not require that Declarant own a Lot or any other land within the Property.

1.34. Development Period. "Development Period" means the period during which Declarant reserves the right to facilitate the development, construction and marketing of the Property and the right to direct the size, shape and composition of the Property, pursuant to the rights and reservations contained in this Declaration, to the fullest extent permitted by applicable law. The Development Period shall run continuously commencing on the date this Declaration is recorded in the Official Public Records of McLennan County, Texas, and continuing until the later of the following events: (a) the tenth (10th) anniversary of the recording of this Declaration in the Official Public Records of McLennan County, Texas, and (b) the date on which every Lot within the Property or any additional land added to the scheme of restrictions imposed hereby in accordance with Article 2 hereof is improved with a completed Living Unit. Declarant may add additional land to the scheme of restrictions imposed hereby in accordance with Article 2 hereof, from time to time, in Declarant's sole and absolute discretion. No act, statement or omission by the Association may effect termination of the Development Period earlier than the term stated in this Section 1.34. Declarant, however, may terminate the Development Period at any earlier time by recording a notice of termination in the Official Public Records of McLennan County, Texas, signed and notarized by Declarant, specifying the end of the Development Period at an earlier date, in Declarant's sole and absolute discretion. The Development Period is for a term of years and does not require that Declarant own a Lot or any other land within the Property.

ARTICLE 2 DEVELOPMENT OF THE PROPERTY

2.01. Development by Declarant. Declarant may divide or subdivide the Property into several areas and develop some of the Property.

2.02. Addition of Land. Declarant or the then current owner of any such additional property shall have the right to bring within the Property and this Declaration, any additional property now or hereafter owned by either of them which is adjacent to or in reasonable proximity with the Property or any property subject to a Supplemental Declaration of Protective Covenants (herein so called) upon the written approval of Declarant in Declarant's sole and absolute discretion. Any additions of property authorized under this Article 2 shall be made by filing of record in the Official Public Records of McLennan

County, Texas, a Supplemental Declaration of Protective Covenants executed by Declarant and, if applicable, the then current owner of such additional property, with respect to the additional property, which shall extend this Declaration (except as modified or amended in such Supplemental Declaration of Protective Covenants) to such additional property. Each such Supplemental Declaration of Protective Covenants shall impose an annual maintenance charge and other Assessments on the property covered thereby, and may contain such additions to or modifications of this Declaration (applying to the specific property covered thereby only) as may be designated in such Supplemental Declaration of Protective Covenants. The services provided by the Association which relate to the Property and to all or portions of such additional lands may vary in value or in kind. Each Supplemental Declaration of Protective Covenants may provide for maintenance charges and other Assessments on such additional lands which differ in amount, basis or method of computation from those provided for in this Declaration. Each Supplemental Declaration of Protective Covenants may contain such terms and provisions as are acceptable to Declarant and the owner of such additional property which is the subject of such Supplemental Declaration of Protective Covenants in their sole discretion. In the event of a conflict between the terms and provisions of this Declaration and the terms and provisions of a Supplemental Declaration of Protective Covenants, the terms and provisions of such Supplemental Declaration of Protective Covenants shall control with respect to the property added to this Declaration pursuant to such Supplemental Declaration of Protective Covenants.

2.03. Declarant Control Period.

(a) Declarant hereby reserves for Declarant, a Declarant Control Period (as defined in Section 1.33 hereof) with each and every right, reservation, privilege and exception available or permissible under applicable law for declarants and developers of residential subdivisions, if and to the full extent that such right, reservation, privilege or exception is beneficial to or protective of Declarant.

(b) Notwithstanding applicable laws that link a Declarant's control of real property development with Declarant's control of the governing body, Declarant and this Declaration recognize the independence of those realms and functions. Declarant may terminate its reserved right to appoint officers and directors of the Association without affecting any of Declarant's other rights and reservations under this Declaration or applicable law.

2.04. Development Period.

(a) Declarant hereby reserves the right to facilitate the development, construction and marketing of the Property, together with any other land added to the scheme of restrictions imposed hereby in accordance with this Article 2, and the right to direct the size, shape and composition of the Property, together with any other land added to the scheme of restrictions imposed hereby in accordance with this Article 2, pursuant to the rights and reservations contained in this Declaration, to the fullest extent permitted by applicable law during the term of the Development Period described in Section 1.34 hereof. Without limiting the foregoing, Declarant hereby reserves for Declarant each and every right, reservation, privilege and exception available or permissible under applicable law for declarants and developers of residential subdivisions, if and to the fullest extent that such right, privilege or exception is beneficial or protective of Declarant. If the benefit or protection of applicable law is predicated on an express provision contained within this Declaration or any other governing document of the Association, such provision is hereby incorporated by reference unless Declarant executes an instrument to disavow such benefit or protection.

(b) This Declaration creates a number of periods of time for the exercise by Declarant

of certain reserved rights, such as the Declarant Control Period and Development Period. Each reservation period is independent of the others. Each reservation period is for a term of years and does not require that the Declarant own a Lot or any other land within the Property or any other property added to the scheme of restrictions imposed hereby in accordance with this Article 2 hereof. No act, statement or omission by the Association or any other party may effect a change or termination of any reservation period. Declarant, however, may unilaterally change any reservation period by amending this Declaration. To document the end of a reservation period, Declarant may, but is not required to, execute and publically record a notice of termination or modification of such reservation period in the Official Public Records of McLennan County, Texas.

ARTICLE 3 GENERAL RESTRICTIONS

All of the Property and each Lot will be owned, held, encumbered, leased, used, occupied, and enjoyed subject to the following limitations and restrictions contained in this Article 3. Each Owner, occupant or other user of any portion of the Property, shall at all times comply with this Declaration and with any and all laws, ordinances, policies, rules, regulations and orders of all federal, state, county and municipal governments or their agencies having jurisdictional control over the Property, specifically including, but not limited to, applicable zoning restrictions placed upon the Property as they exist from time to time.

3.01. Subdividing. No Lot will be further divided or subdivided, nor may any easements on or other interests relating to a Lot less than the whole be conveyed by the Owner of the Lot without the prior written approval of the Architectural Committee; however, when Declarant is the Owner, (a) Declarant may further divide and subdivide any Lot and convey any easements or other interests less than the whole, all without the approval of the Architectural Committee, and (b) Declarant may combine any Lots owned by Declarant, without the approval of the Architectural Committee.

3.02. Hazardous Activities. No activities will be conducted on the Property and no Improvements constructed on the Property that are or might be unsafe or hazardous to any Person or property. Without limiting the generality of the foregoing, no firearms or fireworks will be discharged on the Property, and no wood burning fire pits or open fires will be permitted other than within safe and well-designed interior or exterior gas fireplaces or in contained barbecue units while attended and in use for cooking purposes.

3.03. Insurance Rates. Nothing will be done or kept on the Property that would increase the rate of insurance or cause the cancellation of insurance on any Lot or any of the Improvements located on any Lot.

3.04. Mining and Drilling. No portion of the Property will be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel, aggregate, or earth.

3.05. Noise and Nuisances. No exterior speakers, horns, whistles, bells, or other sound devices (other than security devices used exclusively for security purposes) will be located, used, or placed on any of the Property. No noise or other nuisance will be permitted to exist or operate on any portion of the Property so as to be offensive or detrimental to any other portion of the Property or to its occupants. No exterior lighting of any sort will be installed or maintained on a Lot where the light source is offensive or

a nuisance to neighboring property (except reasonable security or landscape lighting that has the approval of the Architectural Committee).

3.06. Electric Panel. The main electric service panel box shall be located in the garage of each Living Unit.

3.07. Solar Panels. Solar panels or solar heating or electric generating systems or similar apparatus may be placed in or upon any Lot only with the written approval of the Architectural Committee. No Owner may erect or maintain solar panels or solar heating or electric generating systems or similar apparatus upon any Lot, unless such solar panels or solar heating or electric generating systems or similar apparatus comply with the rules, policies and regulations adopted by the Board of the Association, including, not being visible from a public street or an adjacent Lot and the Owner of such Lot obtains the prior written approval of the Architectural Committee to such solar panels or solar heating or electric generating systems or similar apparatus.

3.08. Animals; Household Pets. No animals, including pigs, hogs, swine, poultry, fowl, wild animals, horses, cattle, sheep, goats, or any other type of animal not considered to be a domestic household pet within the ordinary meaning and interpretation of these words may be kept, maintained, or cared for on the Property. Any dog that has been determined to be "dangerous" by the City or any other political subdivision, animal-control authority, or governmental agency, will never be maintained, kept, or cared for on the Property. No Owner may keep on the Owner's Lot more than four (4) cats and dogs, in the aggregate, not more than two (2) of which may be dogs. No animal will be allowed to make an unreasonable amount of noise, or to become a nuisance, and no domestic pets will be allowed on the Property other than on the Lot of its Owner unless confined to a leash. No animal may be stabled, maintained, kept, cared for, or boarded for hire or remuneration on the Property, and no kennels or breeding operation will be allowed. No animal will be allowed to run at large, and all animals must be kept within enclosed areas that must be clean, sanitary, and reasonably free of refuse, insects, and waste at all times. An enclosed area must be constructed in accordance with plans approved by the Architectural Committee, must be of reasonable design and construction to adequately contain animals in accordance with the provisions of this Declaration, and must be screened so as not to be visible from any other portion of the Property.

3.09. Rubbish and Debris. No rubbish or debris of any kind will be placed or permitted to accumulate on the Property, and no odors will be permitted to arise from it so as to make the Property or any portion of it unsanitary, unsightly, offensive, or detrimental to any other property or to its occupants. Refuse, garbage, and trash must be kept at all times in covered containers, and the containers must be kept within enclosed structures of appropriately screened from view. Each Owner must contract with an independent disposal service to collect all garbage or other wastes if collection service is not provided by a governmental entity.

3.10. Maintenance; Mowing. Each Owner must keep all shrubs, trees, grass, and plantings of every kind on the Owner's Lot cultivated, pruned, free of trash, and other unsightly material. All Improvements on any Lot must at all times be kept in good condition and repair and adequately painted or otherwise maintained by the Owner of the Lot. Declarant, the Association, and the Architectural Committee have the right at any reasonable time to enter on any Lot to replace, maintain, and cultivate shrubs, trees, grass, or other plantings as deemed necessary, to paint, repair, or otherwise maintain any Improvements in need of maintenance, and to charge the cost to the Owner of the Lot in the same manner

as provided for the Association in Section 6.04.

3.11. Irrigation Systems. Each Lot shall include an underground automatic irrigation system for all lawns and landscaping. All irrigation systems must be installed and maintained pursuant to any state or local water requirements, including any applicable Texas Commission on Environmental Quality (TCEQ) regulations.

3.12. Roofing. The pitch, color and composition of all roofing materials must be acceptable to and approved by the Architectural Committee. Dark grey or dark brown tones are preferred. Light brown, light grey, blue, green, red and white colors are not permitted. All homes must have wood shingle roofs, simulated wood shingle roofs, tile roofs, simulated tile roofs or composition shingles (of random tab style and with at least a 30-year (240 lb.) minimum rating), unless express approval to use other material is obtained from the Architectural Committee. Metal roofs are allowed subject to approval of the color and design by the Architectural Committee. Likewise, copper flashing or other metal material the color and design for which has been approved by the Architectural Committee is permitted over bay windows, turrets and cupolas. **Wood shingle roofs must be fireproofed.** In the case wood shingles are utilized, a certificate from the manufacturer and/or supplier of the material stating the warranty of the fireproofing, shall be presented to the Architectural Committee, the Association or any neighbor upon request. Roof vents and other penetrations shall be as unobtrusive as possible, must not be visible from the street on which the front of the Living Unit faces and must match the principal color of the roof, unless approved in advance by the Architectural Committee. The front elevation roof pitch of any structure shall be a minimum of eight feet (8') by twelve feet (12') (8:12), and the side or rear elevation roof pitch of any structure shall be a minimum of six feet (6') by twelve feet (12') (6:12), unless otherwise approved in writing the Architectural Committee.

3.13. Chimneys. The style and material of any chimney must be appropriate for the style of the Living Unit, and must be acceptable to and approved by the Architectural Committee. Prefabricated metal fireplaces and metal flues may be used with the prior approval of the Architectural Committee, but the chimney flues must be masonry clad to appear as traditional masonry chimneys (provided, however, fiber cement siding may be used as cladding in the interior of the Living Unit). Chimney caps are required on all chimneys. Any other type of chimney shall be permitted only with the advance written approval of the Architectural Committee.

3.14. Mailboxes. Each Lot shall have a mailbox, which shall include a dusk to dawn photocell light, and all mailboxes shall be subject to the approval of the Architectural Committee as to location and design and such design shall be consistent throughout.

3.15. Guttering. Each Living Unit shall include rain gutters and drains that are integrated with the architectural house design in color, size, shape and location. Drainage from downspouts and splash pads shall be configured to minimize drainage onto adjacent properties and shall be consistent with and not adversely impact Declarant's drainage plan for each Lot and the Subdivision. All Lots shall be graded so that storm water drainage does not flow onto other Lots unless a drainage easement exists on such other Lots. Any grading shall not adversely impact Declarant's grading plan for the Lot and the Subdivision.

3.16. Gas Appliances. Each Living Unit shall include a gas-burning water heater, at least one (1) non-seasonal gas appliance and at least one (1) gas stub-out, all metered to the Living Unit.

3.17. Window Treatment. No aluminum foil, reflective film or similar treatment of any kind,

including screens, shall be placed on or in any windows or glass doors. No metal exterior blinds, no security bars and no awnings shall be allowed except as approved by the Architectural Committee prior to installation. Window treatments shall be installed within ninety (90) days after completion of construction of the Living Unit on a Lot or the Owner's occupancy thereof, whichever is later.

3.18. Antennas. No exterior radio or television antenna or aerial or satellite dish receiver that is visible from any street within the Subdivision will be erected or maintained on any Lot without obtaining the Architectural Committee's written consent. Unless permitted by the Architectural Committee in the manner described in Article VII below, all antennas, discs and other electronic or satellite communication equipment, including, any type of parabolic reflector or other high gain antenna system or structure, must be located within the attic of the Living Unit on the Lot.

3.19. Flag Poles. No flag poles shall be permitted except (a) in compliance with the rules, policies and regulations adopted by the Board of the Association, and (b) as allowed under applicable law.

3.20. Swimming Pools. The water's edge of any swimming pool shall not be closer than fifteen feet (15') to any Lot boundary line and must be located in the rear yard of the Living Unit located on the Lot. No above-ground pools are permitted within the Subdivision. All pool service equipment shall be either screened with shrubbery or fenced, and the pool and pool area shall be enclosed in a "child proof" fence that conforms to the requirements of any and all codes, ordinances and regulations of the City. In addition to the requirements of this Declaration, all swimming pools located in the Subdivision shall comply with the codes, ordinances and regulations of the City, including those relating to location, decking, equipment, screening and construction. All pools must meet and be maintained in accordance with all applicable federal, state, and local laws and codes.

3.21. Basketball Goals – Permanent and Portable. Permanent basketball goals are allowed but the location and design must be approved by the Architectural Committee prior to installation. The metal pole must be permanently installed in the ground at least twenty-five (25) feet back from the curb of the street on which the Living Unit faces. The permanent basketball goal must be properly maintained and painted, with nets kept in good repair. Portable goals may be used, but they must be stored in an enclosed structure or screened from view at all times when not in use.

3.22. Batting Cages. No batting cage shall be erected, constructed, or installed on any Lot, other than on an Estate Lot. The design and plans for any such batting cage shall be subject to the approval of the Architectural Committee.

3.23. Tennis Courts; Sport Courts. No tennis court or sport court shall be erected, constructed, or installed on any Lot, other than on an Estate Lot. The design and plans for any such tennis court or sports court shall be subject to the approval of the Architectural Committee.

3.24. Signs. No sign of any kind will be displayed to the public view on any Lot without the prior written approval of the Architectural Committee, except for (a) signs that are part of Declarant's overall marketing or construction plans or activities for the Property, (b) one (1) sign no more than five (5) square feet advertising any Lot within the Subdivision for sale or rent, and (c) signs advertising a political candidate or ballot item for an election, so long as (i) the signs are ground-mounted and no more than five (5) square feet, (ii) the signs are displayed no earlier than ninety (90) days before the date of the election to which the signs relate and no later than nine (9) days after that election date, and (iii) no more

than one (1) sign is displayed for each political candidate or ballot item. All merchandising, advertising, and sales programming is subject to the approval of the Architectural Committee. No sign of any kind (including any signs in the nature of a "protest" or complaint by any Owner against Declarant, a Builder or any other party or that describe, malign or refer to the reputation, character or building practices of Declarant, a Builder or any other party, or discourage or otherwise negatively impact or attempt to impact anyone's decision to acquire a Lot or Living Unit in the Subdivision) shall be displayed to the public view on any Lot.

3.25. Water and Other Tanks. The Architectural Committee has the right to approve the location of any tank used or proposed in connection with a single-family residential structure, including tanks for the storage of fuel, water, or oil, and including swimming-pool filter tanks. No elevated tanks of any kind will be erected, placed, or permitted on any Lot. All tanks must be screened so as not to be visible from any other part of the Property. No individual water-supply systems will be permitted on any Lot, including but not limited to water wells, cesspools, or water-collection tanks; however, rain barrels and rain harvesting devices will be permitted subject to the right of the Architectural Committee to approve the location, size, type, and shielding of, and the materials used in the construction of, any such rain barrels, rain harvesting devices, and related appurtenances. No butane or propane tanks shall be allowed on any Lot, other than for temporary, intermittent operation of a gas grill or outdoor heater.

3.26. Temporary Structures. No tent, shack, or other temporary building, improvement, or structure will be placed on the Property without the prior written approval of the Architectural Committee; however, Temporary Offices and temporary structures necessary for the storage of tools and equipment or for office space for architects, Builders, and foremen during actual construction of a Living Unit may be maintained with Declarant's approval, approval to include the nature, size, duration, and location of the Temporary Office or structure. Despite any provision in this Declaration to the contrary, an Owner of an Estate Lot will be permitted, with Architectural Committee approval, to erect one (1) outbuilding on the Owner's Lot if (a) the surface area of the pad on which the outbuilding is placed is less than or equal to twenty-five percent (25%) of the first floor area of the Living Unit, (b) the height of the outbuilding shall not exceed the height of the roof peak of the Living Unit, (c) the outbuilding is constructed within an area completely enclosed by a privacy fence of at least six (6) feet in height, (d) the exterior of the outbuilding is constructed of the same or substantially similar materials as the exterior of the Living Unit, and (e) the outbuilding is constructed within building setback lines, in accordance with applicable building codes of the governmental entity having jurisdiction over the Property, and with all required governmental permits. The Architectural Committee is entitled to determine, in its sole and absolute discretion, whether an outbuilding constructed on any Lot complies with the foregoing requirements relating to size, height, fence enclosure, and construction materials.

3.27. Unsightly Articles; Vehicles. No article deemed to be unsightly by the Architectural Committee will be permitted to remain on any Lot so as to be visible from an adjoining property or from public or private thoroughfares. Without limiting the generality of the foregoing, trailers, graders, trucks other than pickups, boats, tractors, campers, wagons, buses, motorcycles, all-terrain vehicles, motor scooters, sports equipment (such as volleyball nets, soccer goals or portable basketball goals), and garden-maintenance equipment must be kept at all times, except when in use, in enclosed structures or screened from view, and no repair or maintenance work may be done on any of the foregoing or on any automobile (other than minor emergency repairs) except in enclosed garages or other structures. Each single-family residential structure constructed within the Property must have sufficient garage space, as approved by the Architectural Committee, to house all vehicles to be kept on the Lot. Lot Owners may not keep more

than two (2) automobiles so that they are visible from any other portion of the Property for any period in excess of twenty-four (24) hours. No automobiles or other above-mentioned articles or vehicles may be parked overnight on any roadway within the Property. Service areas, storage areas, compost piles, and facilities for hanging, drying, or airing clothing or household fabrics must be appropriately screened from view, and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials, scrap, refuse, or trash will be kept, stored, or allowed to accumulate on any portion of the Property unless it is within an enclosed structure or is appropriately screened from view. No (a) racing vehicles or (b) other vehicles (including but not limited to motorcycles or motor scooters) that are inoperable or do not have a current license tag are permitted to remain visible on any Lot or to be parked on any roadway within the Subdivision. No commercial vehicles larger than a standard one (1) ton pickup truck or standard two-axle passenger van are permitted to remain on any Lot or to be parked on any roadway within the Subdivision.

3.28. Mobile Homes, Travel Trailers, and Recreational Vehicles. No mobile homes may be parked or placed on any Lot or used as a residence, either temporary or permanent, at any time, and no motor homes, travel trailers, or recreational vehicles may be parked on or near any Lot so as to be visible from adjoining property or from public or private thoroughfares at any time.

3.29. Utility; HVAC. No air-conditioning apparatus shall be installed on the ground in front of a Living Unit. No air-conditioning apparatus shall be attached to any front wall or window of a Living Unit. No evaporative cooler shall be installed on the front wall or window of a Living Unit. All utility meters, equipment, air-conditioning compressors, air-conditioning and heating units, tank-less hot water heaters and similar items (including any propane tanks) placed on any Lot must be screened so that they are not visible from any residential street or adjoining Lots and shall be located behind the setback requirements for fences in side yards and fully screened. Without limiting the foregoing, no such items shall be located in front yards or in unfenced portions of side yards facing streets.

3.30. Business Prohibition. No Lot or improvement thereon shall be used for business, professional, commercial or manufacturing purposes of any kind. No activity, whether for profit or not for profit, shall be conducted which is not related to single-family residential purposes on the Lot. No noxious or offensive activity shall be undertaken within the Subdivision, nor shall anything be done which is or may become an annoyance or nuisance to the neighborhood. Nothing in this subparagraph shall prohibit a builder's temporary use of a Living Unit as a sales office until such builder's last Living Unit in the Subdivision is sold. Nothing in this subparagraph shall prohibit an Owner's use of a residence for quiet, inoffensive activities such as tutoring or art lessons so long as such activities are in compliance with all applicable governmental laws and zoning requirements and do not materially increase the number of cars parked on the street or interfere with adjoining homeowners' use and enjoyment of their residences and their Lots.

3.31. Prefabricated Improvements. Except for children's playhouses, dog houses, greenhouses and gazebos, no building constructed elsewhere than on the Lot, including used houses, shall be moved onto any Lot; it being the intention that only new construction shall be placed and erected thereon. Any children's playhouse, dog house, greenhouse or gazebo constructed elsewhere than on the Lot that exceeds one hundred (100) square feet in area must have the prior written approval from the Architectural Committee prior to its installation on any Lot and if approved by the Architectural Committee, shall be located on the Lot in area not visible from any street or Common.

3.32. Drying Facilities. The drying of clothes in public view from any Lot is prohibited. The

Owners and occupants of Lots at the intersections of streets or adjacent to parks, playgrounds or other facilities where the rear yard is visible to full public view shall construct a drying yard or other suitable enclosure to screen from public view the equipment which is incident to normal residences, such as clothes drying equipment, yard equipment and storage piles.

3.33. Burning. Except (i) within fireplaces in the main Living Unit, (ii) within outdoor fireplaces or fire pits in rear yards, and (iii) for usual and customary outdoor cooking utilizing grills, no burning of anything shall be permitted anywhere within the Subdivision or on any Lot. No fireworks or other similar incendiary devices shall be lit or otherwise ignited within the Subdivision.

3.34. Improvement Location. Each Living Unit shall be placed on any interior Lot so as to face the street on which the Lot faces. The placement and location of improvements on the Lots shall be subject to the approval of the Architectural Committee.

3.35. Driveways. Driveways shall be completed at the time of construction of the Living Unit and shall be made of concrete, brick, pavers or a similar substance that is approved by the Architectural Committee. A driveway shall not be used (i) for storage purposes, including, storage of boats, marine craft, hovercraft, aircraft, recreational vehicles, pickup campers, trail trailers, motor homes, golf carts, camper bodies or similar vehicles or equipment, or (ii) for the maintenance, repair or restoration of any such vehicles or equipment.

3.36. Security Cameras. Any security camera or similar device on a Lot shall be of a style which is harmonious with the architecture of the Living Unit located on such Lot. Any such security camera or similar device shall only view and provide visual images of the Owner's Lot and shall not permit or enable views beyond the perimeter of such Owner's Lot.

3.37. Exterior Lighting. Exterior light sources on a Lot shall be unobtrusive, shielded to prevent glare, directed away from neighboring Lots and yards, with no spillover light on neighboring Lots. All visible exterior light fixtures on a Lot shall be consistent in style and finish with the architecture of the Living Unit on such Lot.

3.38. Garage Sales. Garage sales by an Owner shall only be permitted no more frequently than once per calendar year and shall only be conducted between Friday at 8:00 a.m. and Sunday at 5:00 p.m. during the hours of 8:00 a.m. through 5:00 p.m. each day. No garage sale shall be permitted unless the Owner obtains all required permits from the City.

3.39. Compliance with the Restrictions. Each Owner must comply strictly with the provisions of the Restrictions as amended from time to time. Failure to comply with any of the Restrictions constitutes a violation of this Declaration and gives rise to a cause of action to recover amounts due for damages or injunctive relief or both, maintainable by the Declarant, the Architectural Committee, the Board on behalf of the Association, an aggrieved Owner, or, if applicable, any Municipal Utility District having jurisdiction over the Property.

3.40. Liability of Owners for Damage to Common Area and Facilities. No Owner will in any way alter, modify, add to, or otherwise perform any work on the Common Area and Facilities without the prior written approval of the Board. Each Owner is liable to the Declarant, the Association, the Owners, or any public agency, authority, or utility if the Common Area and Facilities have been dedicated or otherwise

conveyed to any of these parties, for any and all damages to (a) the Common Area and Facilities or (b) any Improvements constructed on any Lot, the maintenance of which has been assumed by any of these parties, which damages were caused by the neglect, misuse, or negligence of an Owner or the Owner's family, or by any tenant or other occupant of the Owner's Lot, or any guest or invitee of the Owner. The full cost of all repairs of the damage will be an Assessment against the Owner's Lot, secured by a lien against the Owner's Lot and collectable in the same manner as provided for in Section 8.07, including but not limited to foreclosure of the lien.

3.41. No Warranty of Enforceability. While Declarant has no reason to believe that any of the restrictive covenants or other terms and provisions contained in this Article or elsewhere in this Declaration are or may be invalid or unenforceable for any reason or to any extent, Declarant makes no warranty or representation as to the present or future validity or enforceability of any restrictive covenants, terms, or provisions. Any Owner acquiring a Lot in reliance on one or more of the restrictive covenants, terms, or provisions assumes all risks of their validity and enforceability and, by acquiring the Lot, agrees to hold Declarant harmless if they are held to be invalid or unenforceable.

ARTICLE 4 USE AND CONSTRUCTION RESTRICTIONS

4.01. Approval for Construction. Any term or provision of this Declaration to the contrary notwithstanding, no Improvements may be constructed on any Lot without the prior written approval of the Architectural Committee. All construction must comply with the terms and provisions of this Declaration and all applicable ordinances, planned development requirements, and other rules and regulations of local, state, and federal governmental authorities.

4.02. Use. All Lots, unless dedicated to the Association as Common Area and Facilities, will be improved and used solely for single-family residential use, inclusive of an attached private garage for at least two (2) standard-sized automobiles, fencing, and other Improvements as are necessary or customary incident to residential use. No carport shall be permitted on any Lot. All Lots will be used solely for detached single-family Living Units. Declarant may utilize one (1) Living Unit within the Subdivision for commercial purposes until the Lot and the Living Unit on it has been conveyed. After the conveyance occurs, the Living Unit will be used for residential purposes as outlined in this Declaration. Despite any provision of this Declaration to the contrary, a Builder may use one Lot owned by the Builder for Temporary Offices within the Subdivision. The garage shall conform in design and materials with the Living Unit. Without the prior approval of the Architectural Committee, the original garage area of a Lot may not be enclosed or used for any purpose which prevents the parking of no less than two (2) standard-size operable vehicles therein.

4.03. Rentals. In the event an Owner chooses to lease or rent Owner's Living Unit or any other dwelling located on Owner's Lot, (a) such lease, occupancy or rental agreement shall require a minimum term of no less than three hundred sixty-five (365) consecutive days with the same occupant, (b) such lease, occupancy or rental agreement shall be subject to and any such tenant or occupant shall agree to comply with the terms and provisions of this Declaration and any rules, regulations or policies of the Association, (c) such lease, occupancy or rental agreement shall include a provision which causes such occupant to be in default in and under such lease, occupancy or rental agreement in the event such occupant violates the terms and provisions of this Declaration or any rule, regulation or policy of the Association and which entitles the Association to exercise remedies available to Owner under such lease, occupancy or rental agreement in the event of any such default by such occupant thereunder, and (d)

Owner shall provide a copy of the lease, occupancy or rental agreement to the Board for approval prior to the commencement of any such lease or rental agreement by a non-owner occupant. Owners are hereby expressly prohibited from entering into any lease, occupancy or rental agreement for temporary travel, vacation or room rental, including, through Airbnb, Home Away or similar peer-to-peer online rental market places which enable individuals or companies to rent short-term lodging in residential properties. No "For Rent" signs or similar displays may be placed on a Lot with regard to the lease or rental of a Living Unit. Without limiting the foregoing, no Living Unit shall be used as a lodging house, hotel, bed and breakfast or similar arrangement.

4.04. Dwelling Height. No single-family dwelling greater than two (2) stories in height may be constructed on any Lot without the prior written approval of the Architectural Committee.

4.05. Fences; Sight-Line Obstruction. Unless otherwise approved by the Architectural Committee, all fences on Lots must be six (6) feet in height and must be constructed with wooden pickets and with treated wooden railings and posts. The fence posts and bracing boards on such front, side and rear fences shall face the interior of the fenced yard. Fencing items and specifics are subject to the Architectural Committee review and approval. The Architectural Committee has the right to approve deviations from these requirements relating to the height, style and materials to be used based on the location of the Lot on the Property. It is the intent to maintain visual continuity, especially along streets. In no event will any fence or wall be erected, placed, or altered on a Lot nearer to the front street than the front wall of the Living Unit that is located on the Lot, and no hedge may be installed or maintained more than three (3) feet in front of the wall of the Living Unit that is located on the Lot and closest to the front property line of the Lot. No fence, wall, hedge, or shrub planting that obstructs sight lines will be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street lines or in the case of a rounded property corner, from the intersection of the street line extended. The same sight-line limits will apply on any Lot within ten (10) feet from the intersection of street property lines with the edge of a driveway or alley pavement. No tree will be permitted to remain within such distance of these intersections, unless the foliage is maintained at sufficient height to prevent obstruction of the sight lines.

4.06. Certain Fences – Special Requirements. Any fences facing Old McGregor Road, Ritchie Road, an adjoining street, any Common Area and Facilities, open space, park or other recreational area adjoining a Lot must be constructed with 1" by 6" by 6' dog-eared, western red cedar wooden fence pickets stained with PPG Proluxe Cetol SRD color 009 Dark Oak and shall have a horizontal board on the top outer edge to give a flat top or capped appearance. The portion of all fences which face Old McGregor Road, Ritchie Road, an adjoining street, any Common Area and Facilities, open space, park or other recreational area adjoining a Lot shall have the smooth surface of the fence materials facing Old McGregor Road, Ritchie Road, the adjoining street, Common Area and Facilities, open space, park or other recreational area adjoining a Lot.

4.07. Sidewalks. The Owner of each Lot must construct, at its sole cost and expense and before occupying any improvement located on the Lot, a sidewalk, located and designed in conformance with or as contemplated by the Plat, the requirements of the Architectural Committee or the requirements of the City. The Plans and Specifications for the Living Unit and any other Improvements submitted to the Architectural Committee in accordance with Article 7 hereof shall include the plans for and layout of the sidewalks on such Lot to be constructed by Owner.

4.08. Dwelling Size. The Living Unit on any Garden Lot must contain at least 1,700 square feet

of enclosed air-conditioned living space, exclusive of porches (open or covered), decks and garages. The Living Unit on any Conventional Lot must contain at least 2,100 square feet of enclosed air-conditioned living space, exclusive of porches (open and covered), decks and garages. The Living Unit on any Estate Lot must contain at least 2,500 square feet of enclosed air-conditioned living space, exclusive of porches (open and covered), decks and garages. In addition, the Living Unit and related appurtenances shall comply with the minimum floor area requirements of applicable ordinances of the City, if greater.

4.09. Building Materials; Masonry. (a) All building materials must be approved by the Architectural Committee, and only new building materials (except for used brick) will be used for constructing any Improvements. Exposed metal roof decks that reflect light in a glaring manner, such as galvanized-steel sheets, are specifically prohibited. Other roofing materials may be used with the Architectural Committee's written consent, which may specify a minimum quality or grade of materials. All projections from a dwelling or other structure, including but not limited to chimney flues, vents, gutters, downspouts, utility boxes, porches, railings, and exterior stairways must match the color of the surface from which they project, or must be of a color approved by the Architectural Committee. No highly reflective finishes (other than glass, which may not be mirrored) will be used on exterior surfaces (other than surfaces of hardware fixtures), including but not limited to the exterior surfaces of any Improvements.

(b) The exterior walls of each Living Unit or other garage or outbuilding Improvement constructed or placed on a Lot shall be covered by no less than eighty-five percent (85%) Masonry or other material approved by the Declarant or the Architectural Committee; provided, however, such Masonry coverage requirement shall be greater if a higher percentage is required by the City. The exterior wall area of the right, left and rear elevation of any Living Unit or other garage or outbuilding Improvement shall be no less than eighty-five percent (85%) Masonry on the first floor level plate with fiber-cement siding, stone veneer, or other siding materials approved by the Declarant or the Architectural Committee allowed over the roof area on the second floor. All of the front elevation of the Living Unit shall be Masonry. Windows, doors, eaves, soffits, trim and gables are excluded from the calculation of exterior wall area and the Masonry requirement.

(c) As a condition to consideration of the approval of Plans and Specifications, the Owner of the Lot and proposed Living Unit or other Improvement shall deliver a sample panel (no less than 4' by 4') of the proposed Masonry to be used for the Living Unit or other Improvement, along with a sample panel (no less than 4' by 4') of any non-Masonry siding to be used for the Living Unit or other Improvement, to the Architectural Committee.

(d) Notwithstanding the foregoing Masonry requirements, with the prior written approval of the Architectural Committee and, during the Development Period, the Declarant, a Living Unit or other garage or outbuilding Improvements of the American Craftsman architectural style or the Southern Living architectural style may be constructed on a Lot by the Owner of the Lot.

4.10. Alteration or Removal of Improvements. Any construction, other than normal maintenance, that in any way alters the exterior appearance of any Improvement or the removal of any Improvement, will be performed only with the prior written approval of the Architectural Committee.

4.11. Garbage Containers. All garbage containers shall be kept out of sight from the street view except on trash-collection days. The Architectural Committee has the right to specify a specific location on each Owner's Lot in which garbage containers must be placed for trash-collection service.

4.12. Drainage. There will be no interference with the established drainage patterns over any of the Property, except by Declarant, unless adequate provision is made for proper drainage in strict compliance with the grading drainage plan for the Property and the Architectural Committee approves the provision.

4.13. Construction Activities. Each Owner of a Lot, other than Declarant or a Builder, must begin active construction of a Living Unit or other physical preparation of the site on which the Living Unit is to be located no later than eighteen (18) months after the date the Owner acquires ownership of the Lot. All construction of the Living Unit on a Garden Lot or Conventional Lot must be completed within twelve (12) months after foundation placement, with no lapses in construction throughout the twelve month duration, except for acts of God or labor shortages. All construction of the Living Unit on an Estate Lot be completed within twenty-four (24) months after foundation placement, with no lapses in construction throughout the twenty-four month duration, except for acts of God or labor shortages. This Declaration will not be construed so as to unreasonably interfere with or prevent normal construction activities during the construction of Improvements by an Owner (including Declarant) on any Lot within the Property. Specifically, no construction activities will be deemed to constitute a nuisance or a violation of this Declaration by reason of noise, dust, presence of vehicles or construction machinery, posting of signs, or similar activities, provided that the construction is pursued to completion with reasonable diligence and conforms to usual construction practices in the area. If construction on any Lot does not conform to usual practices in the area as determined by the Architectural Committee in its sole good-faith judgment, the Architectural Committee will have the authority to seek an injunction to stop the construction. In addition, if during the course of construction on any Lot there is excessive accumulation of debris of any kind that would make the Lot or any portion of it unsanitary, unsightly, offensive, or detrimental to it or any other portion of the Property, then the Architectural Committee may contract for or cause such debris to be removed, and the Owner of the Lot will be liable for all expenses incurred in connection with removal.

4.14. Setback Lines. No dwelling or outbuilding shall be closer than:

(a) **Garden Lots.** Twenty (20) feet to the front Lot line, fifteen (15) feet to the rear Lot line, and five (5) feet to a side Lot line; provided corner lots shall have a ten (10) feet side Lot line setback on the street side.

(b) **Conventional Lots.** Twenty-five (25) feet to the front Lot line, twenty-five (25) feet to the rear Lot line, and five (5) feet to a side Lot line.

(c) **Estate Lots.** Twenty-five (25) feet to the front Lot line, twenty-five (25) feet to the rear Lot line, and five (5) feet to a side Lot line.

4.15. Garages. The garage attached to each Living Unit shall be:

(a) **Garden Lots.** Front entry and located on the right side of the front of the Living Unit.

(b) **Conventional Lots.** Side entry and located on the right side of the Living Unit (except for any Lot subject to Subsection (d) below).

(c) **Estate Lots.** Side entry and located on either side of the Living Unit (except for any Lot subject to Subsection (d) below).

(d) **Corner Lots.** Rear entry for any Conventional Lot or Estate Lot abutting the intersection of any of the following streets: Kings Canyon, Denali Drive, Sequoia Lane, and Rainier Drive; provided, however, side entry will be permitted so long as the garage does not face the foregoing streets.

4.16. **Driveways.** The design, location, and material of all driveways must be approved by the Architectural Committee. All driveways must connect to the paved road with a concrete apron.

4.17. **Landscaping.** The front and side yards of all Lots, from the front wall of the house, will be fully sodded with St. Augustine or common Bermuda grass. At least two (2) hardwood trees must be planted in the front yard of each Conventional Lot and Estate Lot (non-uniform planting of trees is encouraged), and at least one (1) hardwood tree must be planted in the front yard of each Garden Lot, before the occupancy of the Living Unit constructed on such Lot. Each tree must have at least a three (3) inch caliper when measured six (6) inches above grade with a minimum height of ten (10) feet. **EACH OWNER IS ADVISED THAT THERE ARE NO EXPRESS OR IMPLIED WARRANTIES AS TO THE LIFE EXPECTANCY, VITALITY, OR FITNESS FOR INTENDED PURPOSES OF ANY TREES OR SHRUBS LOCATED ON A LOT.**

ARTICLE 5 COMMON AREA AND FACILITIES

5.01. **Common Area and Facilities.** No land within any Common Area and Facilities will be improved, used, or occupied, except in the manner approved by Declarant, in its sole and absolute discretion. This required approval will extend to the nature and type of use, occupancy, and improvement. Declarant may, by written instrument, delegate its right to grant this approval to the Board. Access to any Common Area and Facilities may be limited to Persons currently paying Assessments, fees, and other charges, or otherwise conditioned or restricted, or made available to non-Owners, all on the terms and conditions determined by Declarant in its sole and absolute discretion.

5.02. **Maintenance.** Maintenance of any Common Area and Facilities will be the obligation of the Association and will be governed by Section 6.05, and Assessments may be levied on the Owners under Article 8. Under no circumstances will Declarant be liable to the Owners, the Association, or any other Person for maintaining or failing to maintain the Common Area and Facilities.

5.03. **Condemnation.** If all or any part of the Common Area and Facilities is taken or threatened to be taken by eminent domain or by power in the nature of eminent domain (whether permanent or temporary), Declarant, or the Association, if applicable, will be entitled to participate in the proceedings incident to the taking or threatened taking. The expense of participation in the proceedings by the Association will be a common expense to be paid out of Assessments. The Association is specifically authorized to obtain and to pay for such assistance from attorneys, appraisers, architects, engineers, expert witnesses, and other Persons as the Association, in its discretion, deems necessary or advisable to aid it in any matters relating to the proceedings. All damages or awards for any taking will be the property of Declarant, or, if applicable, deposited with the Association. The Association, if applicable, in addition to the general powers set forth in this Declaration, will have the sole authority to determine whether to contest or defend any proceedings, to make any settlement with respect to any proceedings, or to convey the property to the condemning authority in lieu of condemnation.

**ARTICLE 6
THE ASSOCIATION**

6.01. Organization. The Association is a nonprofit corporation created for the purposes, charged with the duties, and vested with the powers prescribed by law or set forth in its Certificate of Formation and Bylaws or in this Declaration. Neither the Certificate of Formation nor Bylaws will for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration. The Association will not be dissolved without the written consent of a least seventy-five percent (75%) of the Members entitled to vote.

6.02. Membership. Any Person who is or who becomes an Owner will automatically become a Member of the Association. Membership will be appurtenant to and will run with the ownership of the Lot that qualifies the Owner for membership, and membership may not be severed from, or in any way transferred, pledged, mortgaged, or alienated except together with the title to the Lot.

6.03. Voting Rights. There are two (2) classes of membership entitled to voting rights in the Association as follows:

- (a) **Class A.** All Members in the Association, other than Declarant, are considered Class A Members, and for each Lot owned are entitled to one (1) vote on each matter coming before the Members at any meeting or otherwise. When a Lot is owned by more than one Class A Member, all the individuals or entities holding an ownership interest in that Lot are considered Class A Members; however, for such Lot they are entitled to a total of no more than one (1) vote on each matter coming before the Members at any meeting or otherwise. The vote for such Lot is to be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to such Lot.
- (b) **Class B.** Class B Members are those individuals or entities who are herein defined as Declarant and for each Lot owned they are entitled to forty (40) votes on each matter coming before the Members at any meeting or otherwise. When a Lot is owned by more than one Class B Member, all such individuals or entities holding an ownership interest in that Lot will be Class B Members; however, for each such Lot they are entitled to a total of no more than forty (40) votes on each matter coming before the Members at any meeting or otherwise. The forty (40) votes for such Lot are to be exercised as they among themselves determine, but in no event shall more than forty (40) votes be cast with respect to each such Lot. In the event a Lot owned by a Class B Member is sold to an Owner who would be classified as a Class A Member, the Class B membership ceases as to such Lot, and the Owner automatically is entitled to one (1) vote for such Lot as a Class A Member. All Class B memberships cease and automatically convert into Class A memberships on the happening of either of the following events, whichever occurs earlier:
 - (i) Ten (10) years after the date this Declaration is filed with the County Clerk of McLennan County, Texas, for recordation in the Official Public Records of McLennan County, Texas.
 - (ii) The date on which Declarant records a notice of termination of the Class B membership rights in the Official Public Records of McLennan County, Texas.

6.04. Powers and Authority of the Association. The affairs of the Association shall be conducted by the members of the Board of the Association which shall be appointed or selected in accordance with the Certificate of Formation and Bylaws of the Association. The Association will have the powers of a Texas nonprofit corporation, subject only to the limitations expressly set forth in this Declaration. It will further have the power to do and perform any and all acts that may be necessary or proper for or incidental to the exercise of any of the express powers granted to it by the laws of Texas or by this Declaration. Without in any way limiting the generality of the two preceding sentences, the Association and the Board, acting on behalf of the Association, will have the following powers and authority:

(a) Rules and Bylaws. To make, establish, promulgate, amend, repeal, and reenact the Association Rules and Bylaws. The content of the Association Rules and Bylaws may be established by the Board, provided that they do not conflict with this Declaration.

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

(c) Records. To keep books and records, including financial records, of the Association's affairs.

(d) Assessments. To levy Assessments as provided in Article 8. An Assessment is defined as the amount that must be levied in the manner and against the property set forth in Article 8 in order to raise the total amount for which the levy in question is being made.

(e) Right of Entry and Enforcement. To enter at any time in an emergency, or in a nonemergency after twenty-four (24) hours' written notice, without being liable to any Owner, on any Lot and into any Improvement on a Lot, for the purpose of enforcing the Restrictions or for the purpose of maintaining or repairing any area, Improvement, or other facility to conform to the Restrictions, and the expense incurred by the Association in connection with the entry on any Lot and the maintenance and repair work conducted on it will be a personal obligation of the Owner of the Lot entered on, will be a lien on the Lot entered on and the Improvements on the Lot, and will be enforced in the same manner and to the same extent as provided in Article 8 for regular Assessments. The Association will have the power and authority from time to time, in its own name and on its own behalf, or in the name of and on behalf of any Owner who consents to it, to commence and maintain actions and suits to enforce, by mandatory injunction or otherwise, or to restrain and enjoin, any breach or threatened breach of the Restrictions. The Association is also authorized to settle claims, enforce liens, and take all action as it may deem necessary or expedient to enforce the Restrictions; however, the Board will never be authorized to expend any Association funds for the purpose of bringing suit against Declarant, any Builder, and any of their respective successors and assigns.

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

(g) Maintenance Contracts. The Board, on behalf of the Association, shall have full power and authority to contract with any Owner for the performance by the Association of services which the Board is not otherwise required to perform pursuant to the terms hereof, such

contracts to be upon such terms and conditions and for such consideration as the may deem proper, advisable and in the best interest of the Association.

(h) Liability Limitations. Neither any Member nor any members of the Board of the Association nor the officers of the Association shall be personally liable for debts contracted for or otherwise incurred by the Association or for a tort of another Member, whether such other Member was acting on behalf of the Association or otherwise. Neither the Association nor its directors, officers, agents or employees shall be liable for any incidental or consequential damages for failure to inspect any premises, improvements or portions thereof or for failure to repair or maintain the same. The Association or any other person, firm or corporation liable to make such repairs or maintenance shall not be liable for any personal injury or other incidental or consequential damages occasioned by any act or omission in the repair or maintenance of any premises, improvements or portions thereof.

(i) Reserve Fund. The Board may establish reserve funds for such purposes as may be determined by the Board, which may be maintained and accounted for separately from other funds maintained for annual operating expenses and may establish separate, irrevocable trust accounts in order to better demonstrate that the amounts deposited therein are capital contributions and are not net income to the Association. Expenditures from any such fund will be made at the direction of the Board. The reserve fund provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners and occupants of the properties, and maintaining the Common Area and Facilities and improvements therein, all as may be more specifically authorized from time to time by the Board of the Association. Capital expenditures from this fund may include by way of example, but not be limited to, repair of major damage to the Common Area and Facilities not covered by insurance.

(j) Authority - Rules, Regulations and Policies. The Board has authority, without the obligation, to promulgate, amend, cancel, limit, create exceptions to, and enforce reasonable rules, regulations and policies, including, but not limited to, rules, regulations and policies concerning the administration of the Subdivision, the enforcement of the dedicatory instruments of the Association and the Subdivision, including, this Declaration, the use and enjoyment of the Subdivision, limitations on the use of the Common Area and Facilities, establishing and setting the amount of fines for violations of the dedicatory instruments of the Association or the Subdivision, including, this Declaration, and all fees and costs generated in the enforcement of the dedicatory instruments of the Association and the Subdivision, including, this Declaration. Such rules, regulations and policies shall be binding upon all Owners and any occupants of any of the Lots within the Subdivision. The rights and remedies contained in this Section 6.04 are cumulative and supplement all other rights of enforcement under applicable law and the dedicatory instruments of the Association and the Subdivision, including, this Declaration.

(k) Disclaimer. THE DECLARANT AND THE ASSOCIATION SHALL NOT BE CONSIDERED TO HAVE A DUTY TO INSURE OR GUARANTEE THE SAFETY OF THE OWNERS IN THE SUBDIVISION OR TO BE THE PROVIDER OF SECURITY SERVICES. WHETHER OR NOT SUCH SERVICES ARE PROVIDED BY THE ASSOCIATION, THE ASSOCIATION SHALL NOT BE HELD LIABLE FOR ANY LOSS, DAMAGE OR INJURY BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES AND SERVICES TAKEN OR PROVIDED. EACH OWNER, TENANT, GUEST OR INVITEE ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION

AND ITS OFFICERS, DIRECTORS AND COMMITTEE MEMBERS ARE NOT SECURITY SERVICES PROVIDERS AND ACKNOWLEDGES THAT THE ASSOCIATION, ITS OFFICERS, DIRECTORS AND COMMITTEE MEMBERS HAVE NOT MADE ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, RELATIVE TO ANY SECURITY MEASURES UNDERTAKEN WITHIN THE SUBDIVISION.

6.05. Common Area and Facilities. Subject to and in accordance with this Declaration, the Association, acting through the Board, will have the following duties:

(a) To accept, own, operate, and maintain all Common Area and Facilities that may be conveyed to it by Declarant, together with all Improvements of any kind and for any purpose that may be located in those areas, and to accept, own, operate, and maintain all other property, real or personal, conveyed or leased to the Association by Declarant and to maintain in good repair and condition all lands, improvements, and other Association property owned by or leased to the Association. Such maintenance will include, but will not be limited to, painting, mowing, and removing rubbish or debris of any kind.

(b) To pay all real property taxes, personal-property taxes, and other taxes and Assessments levied on or with respect to Common Area and Facilities or any other property owned by or leased to the Association to the extent that the taxes and Assessments are not levied directly on the Members of the Association. The Association will have all rights granted by law to contest the legality of the amount of the taxes and Assessments.

(c) To take out and maintain current a policy of liability-insurance coverage to cover accidental bodily injury or death caused by the use and enjoyment of the Common Area and Facilities. This insurance will be in an amount as the Board deems appropriate.

ARTICLE 7 ARCHITECTURAL COMMITTEE

7.01. Membership of Architectural Committee. The Architectural Committee will consist of not more than three (3) voting Members ("Voting Members") and any additional nonvoting Members serving in an advisory capacity ("Advisory Members") that the Voting Members deem appropriate. The following Persons are designated as the initial Voting Members of the Architectural Committee: David Mercer, Aaron McMillan and Weldon Ratliff.

7.02. Action by Architectural Committee. Items presented to the Architectural Committee will be decided by a majority vote of the Voting Members.

7.03. Advisory Members. The Voting Members may from time to time designate Advisory Members.

7.04. Term. Each Voting Member of the Architectural Committee will hold office until such time as such Voting Member has resigned or has been removed or such Voting Member's successor has been appointed, as provided in this Declaration. If any Voting Member dies or resigns, the remaining Voting Member or Voting Members will have full authority to act until a replacement Voting Member or Voting Members have been designated.

7.05. Declarant's Rights of Appointment. Declarant and its successors or assigns will have the right to appoint and remove all Voting Members of the Architectural Committee during the Development Period. During the Development Period, Declarant reserves the right and power to designate, appoint and replace the Voting Members of the Architectural Committee at any time and from time to time. After the expiration of the Development Period, the Board shall appoint and select the Voting Members of the Architectural Committee and from time to time, may replace, remove or change the Voting Members of the Architectural Committee or withdraw from or restore to the Architectural Committee any powers and duties. No Voting Member of the Architectural Committee shall be entitled to any compensation for services performed hereunder. Any term or provision of this Article 7 to the contrary notwithstanding, during the Development Period, no approval from the Architectural Committee shall be required for any Improvements constructed, directed, altered, added on to or repaired by Declarant.

7.06. Adoption of Rules. The Architectural Committee may adopt any procedural and substantive rules, not in conflict with this Declaration, that it deems necessary or proper for the performance of its duties, including but not limited to a building code, a fire code, a housing code, and other similar codes as it may deem necessary and desirable.

7.07. Review of Proposed Construction; Builders. Whenever in this Declaration the approval of the Architectural Committee is required, it will have the right to consider all of the Plans and Specifications for the Improvement or proposal in question and all other facts that, in its sole discretion, are relevant. Except as otherwise specifically provided in this Declaration, before the commencement of any construction of any Improvement on the Property or any portion of it, the Plans and Specifications must be submitted to the Architectural Committee, together with the Masonry panel contemplated by Section 4.09 hereof, and construction may not commence unless and until the Architectural Committee has approved the Plans and Specifications in writing. The Architectural Committee will consider and act on any and all of the Plans and Specifications, , together with the Masonry panel contemplated by Section 4.09 hereof, submitted for its approval under this Declaration and perform the other duties assigned to it by this Declaration or as from time to time assigned to it by the Board. The Architectural Committee may also inspect any construction in progress to ensure its conformance with the Plans and Specifications approved by the Architectural Committee. The Architectural Committee may review Plans and Specifications submitted for its review and any other information it deems proper, including the Masonry panel contemplated by Section 4.09 hereof. Until the Architectural Committee receives any information or documents it deems necessary, it may postpone review of any Plans and Specifications submitted for approval. No Improvement will be allowed on any Lot that is of such size or architectural design or involves the use of such landscaping, color schemes, exterior finishes, and materials and similar features as to be incompatible with development within the Property and the surrounding area. The Architectural Committee will have the authority to disapprove any proposed Improvement based on the restrictions set forth in the preceding sentence and the decision of the Architectural Committee will be final and binding if it is made in good faith. The Architectural Committee will not be responsible for reviewing any proposed Improvement, nor will its approval of any Plans or Specifications or inspection of any construction in progress be deemed approval from the standpoint of structural safety, engineering soundness, or conformance with building or other codes. Any Person that intends to be a Builder within the Subdivision shall be subject to the prior written approval of the Architectural Committee, notwithstanding such Person is an Owner. Any such Person wishing to be a Builder in the Subdivision shall submit to the Architectural Committee such documents as the Architectural Committee may request to verify the qualifications and experience of such Person in the construction of single-family homes, including the criteria set forth in Section 1.07 hereof.

7.08. Variance. The Architectural Committee may grant variances from compliance with any of the provisions of this Declaration when, in the opinion of the Architectural Committee, in its sole and absolute discretion, the variance will not impair or detract from the high-quality development of the Property and the variance is justified due to unusual or aesthetic considerations or unusual circumstances. Despite anything to the contrary in this Declaration, the Architectural Committee is authorized, at its sole discretion, to waive any requirements relating to garages (including size), dwelling size, Masonry requirements, fences, and setbacks, and the decision will be binding on all Owners of Property encumbered by this Declaration. All variances must be evidenced by written instrument in recordable form, and must be signed by at least two (2) of the Voting Members of the Architectural Committee. The granting of a variance will not operate to waive or amend any of the terms or provisions of the covenants and restrictions applicable to the Lots for any purpose except as to the particular property and the particular instance covered by the variance, and a variance will not be considered to establish a precedent or future waiver, modification, or amendment of the terms and provisions of this Declaration.

7.09. Actions of the Architectural Committee. The Architectural Committee may, by a resolution unanimously adopted in writing, designate one (1) or two (2) of its members or an agent acting on its behalf to take any action or perform any duties for and on behalf of the Architectural Committee. In the absence of a designation, the vote of the majority of all of the members of the Architectural Committee taken without a meeting will constitute an act of the Architectural Committee. Despite anything to the contrary, if the Architectural Committee fails to respond to a request for approval of Plans and Specifications within thirty (30) days of receiving all required information, the Architectural Committee will be deemed to have approved the Plans and Specifications.

7.10. No Waiver of Future Approvals. The approval or consent of the Architectural Committee to any Plans or Specifications for any work done or proposed or in connection with any other matter requiring the approval or consent of the Architectural Committee will not be deemed to constitute a waiver of any right to withhold approval or consent as to any Plans and Specifications or any other matter subsequently or additionally submitted for approval or consent by the same or a different Person.

7.11. Work in Progress. The Architectural Committee, at its option, may inspect all work in progress to ensure compliance with approved Plans and Specifications.

7.12. Address. Plans and Specifications will be submitted to the Architectural Committee at sales@tanglewoodwoodway.com or at any other address as may be designated from time to time.

7.13. Fees. The Architectural Committee will have the right to require a reasonable submission fee for each set of Plans and Specifications submitted for its review.

7.14. Non-Liability of Architectural Committee Members. Neither the Architectural Committee, nor any member thereof, nor the Board nor any member thereof, shall be liable to the Association or to any Owner or to any other person for any loss, damage or injury arising out of their being in any way connected with the performance of the Architectural Committee's or the Board of Director's respective duties under this Declaration unless due to the willful misconduct or bad faith of the Architectural Committee or its members thereof shall be liable to any Owner due to the construction of any Improvement within the Property or the creation thereby of an obstruction to the view from such Owner's Lot or Lots. The Architectural Committee does not warrant that any improvements conform to the submitted plans and specifications therefor or that the improvements are safe or habitable. No Owner may rely on Architectural Committee inspections with respect to the quality or condition of any

improvements constructed within the Subdivision. Approval of plans by the Architectural Committee does not constitute any warranty or representation of any kind or character that such plans comply with governmental requirements or good and prudent design, engineering or construction practices. It is the sole and exclusive responsibility of the Owner and its builder to determine and see that such Owner's plans and specifications comply with all such governmental and other requirements and practices.

ARTICLE 8 FUNDS AND ASSESSMENTS

8.01. Assessments. The Declarant, for each Lot within the Subdivision which is or hereafter becomes subject to the Assessments hereinafter provided for, hereby covenants, and each Owner of any Lot which is or hereafter becomes assessable, by acceptance of a deed thereto, whether or not it is expressed in the deed or other evidence or the conveyance, is deemed to covenant and agree to pay the Association the following:

- (a) Annual Assessments or charges;
- (b) Special Assessments for capital improvements; and
- (c) Any other sums to the extent they are specifically provided for elsewhere in this Declaration.

Such Assessments or charges are to be fixed, established and collected as hereinafter provided. These charges, Assessments and sums, together with such interest thereon and cost of collection thereof, as hereinafter provided, constitute a charge on the Lot and are secured by a continuing contractual lien upon the Lot against which such Assessments or charges are made. Each such Assessment or charge, together with such interest, costs and reasonable attorney's fees are and remain the personal obligation of the individual or individuals who owned the particular Lot at the time the Assessment or charge fell due notwithstanding any subsequent transfer of title to such Lot.

8.02. Purpose of Assessments. The Assessments levied by the Association are to be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents of the Subdivision. Without limiting the foregoing, the total Assessments accumulated by the Association, insofar as the same may be sufficient, will be applied toward the payment of all taxes, insurance premiums, repair, maintenance and acquisition expenses incurred by the Association, and at the option of the Board of the Association, for any or all of the following purposes: lighting, improving and maintaining paths, parkways and esplanades in the Subdivision; collecting and disposing of garbage, ashes, rubbish and materials of a similar nature; payment of legal and all other expenses incurred in connection with the collection, enforcement and administration of all Assessments and charges and in connection with enforcement of this Declaration; employing watchmen and/or a patrol/monitoring service; fogging and furnishing other general insecticide services; acquiring and maintaining any amenities or recreational facilities that may be operated in whole or in part for the benefit of the Owners; repayment of debt (principal and interest) incurred by the Association to acquire, repair, maintain or improve the Common Area or facilities situated thereon; and doing any other thing necessary or desirable in the opinion of the Board of the Association to keep and maintain the property in the Subdivision in neat and good order, or which it considers of general benefit to the Owners or occupants of the Subdivision, including the establishment and maintenance of a reserve for repair, maintenance, taxes, insurance and other charges as specified herein.

Such funds may also be used to repair, maintain and restore abandoned or neglected residences, ancillary appurtenances, and Lots as hereinafter provided. It is understood that the judgment of the Board of the Association in establishing annual Assessments, special Assessments and other charges and in the expenditure of said funds is final and conclusive so long as said judgment is reasonable and exercised in good faith.

8.03. Annual Assessments. Annual Assessments are due and payable in advance on January 1 of each year as provided herein. The initial annual Assessment is \$660.00 per Lot. Annual Assessments for subsequent years will be set by the Board on or before December 1 of each year (beginning in 2022). Unpaid Assessments will become delinquent on February 1 of the year for which assessed. The annual Assessment with respect to each Lot commences upon the first sale of the Lot by Declarant. If the sale occurs effective other than January 1, the purchaser of the Lot must pay to the Association at closing the pro rata Assessment from the date of purchase to December 31 of the following year. Ownership of multiple Lots shall require payment of multiple annual Assessments, as well as special and other Assessments contemplated by this Declaration, based upon the number of individual Lots owned regardless of whether a Living Unit has been or will be constructed on one or more of such Lots. In the event an Owner desires to combine one or more Lots into a single Lot pursuant to a replat thereof to be approved by applicable local governmental authorities, Owner shall obtain the prior written approval of the Board of the Association which approval shall be in the sole and arbitrary discretion of the Board. In the event the Board approves the proposed replat of one or more Lots into a single Lot and such replat is approved by all applicable local governmental authorities, the Owner shall continue to pay multiple Assessments, annual, special or otherwise, based upon the number of Lots originally configured by the Declaration or any Supplemental Declaration of Protective Covenants and owned by Owner and not based upon the number of Lots reflected by any such replat described above (unless such replat increases the number of Lots owned by Owner). The foregoing requirements apply to all Assessments contemplated by this Declaration, whether annual, special or otherwise. Nothing contained in this Section 8.03 shall authorize a subdivision or replat of a Lot or Lots to the extent otherwise prohibited by this Declaration or any Supplemental Declaration of Protective Covenants.

8.04. Special Assessments. In addition to the annual Assessment authorized above, the Association may levy a special Assessment for the purpose of defraying, in whole or in part, the cost of (a) any construction, reconstruction or unexpected repair or replacement of a particular capital improvement located upon Common Area, including the necessary fixtures and personal property related thereto, (b) maintenance and improvements of the Common Area, or (c) covering common expenses not anticipated by the annual budget or reserve funds. The Board of the Association must call a meeting of the Members for the purpose of voting on such special Assessment. The amount and time and manner of payment of such Assessment shall be established by a vote of the Members entitled to cast at least fifty percent (50%) of the votes represented at a meeting of the Members at which a quorum is present, in person or by proxy. Notice of the special Assessment must be mailed to each Owner at the address shown in the records of the Association. Member approval shall not be required in the event of an emergency as determined by the Board of the Association in its sole discretion.

8.05. Notice of Quorum for Any Action Authorized under Section 8.04. Written notice of any meeting of the Members of the Association called for the purpose of taking any action authorized under Section 8.04 of this Article 8 must be sent to all Members not less than ten (10) days nor more than sixty (60) days in advance of the meeting. The presence of Members, in person or by proxy, holding at least ten percent (10%) of all of the votes of the Members of the Association shall constitute a quorum. In lieu of

such a meeting and notice, action under Section 8.04 hereof may be taken without a meeting if a consent in writing, approving the action to be taken, shall be signed by Members holding more than fifty percent (50%) of the outstanding votes of the Members of the Association.

8.06. Owner's Personal Obligation for Payment of Assessments. The Assessments provided for in this Declaration will be the personal and individual debt of the Owner of the Lot covered by the Assessments. No Owner may exempt itself from liability for the Assessments. For any default in the payment of any Assessment, the Owner of the Lot will be obligated to pay an annual interest rate of ten percent (10%) on the amount of the Assessment from the Assessment's due date, together with all costs and expenses of collection, including reasonable attorney fees.

8.07. Assessment Lien and Foreclosure. All amounts assessed in the manner provided in this Article but unpaid will, together with interest as provided in Section 8.06 and the cost of collection, including attorney fees as provided in this Declaration, become a continuing lien and charge on the Lot covered by the Assessment that will bind the Lot in the hands of the Owner and the Owner's heirs, devisees, personal representatives, successors, or assigns. This lien will be superior to all other liens and charges against the Lot, except for tax liens and all amounts unpaid on a Mortgage lien of record of first or second priority granted to an institutional lender, securing in either instance amounts borrowed for the purchase or improvement of the Lot in question. The Association will have the power to subordinate the Assessment lien to any other lien. This power will be entirely discretionary with the Board and the subordination must be signed by a duly authorized officer of the Association. To evidence the Assessment lien, the Association may prepare a written notice of Assessment lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot covered by the lien and a description of the Lot. This notice will be signed by one of the officers of the Association and will be recorded in the office of the County Clerk of McLennan County, Texas. The lien payment of Assessments will attach with the priority above set forth from the date that the payment becomes delinquent. The Association may direct its legal counsel to initiate legal proceedings in a court of competent jurisdiction seeking one or both of the following remedies:

(a) Foreclosure of the Assessment lien under the rules adopted by the Texas Supreme Court for expedited foreclosure proceedings. However, the Association may not file an application for an expedited court order authorizing foreclosure of the Association's Assessment lien or a petition for judicial foreclosure of the Association's Assessment lien until the Association has (i) provided written notice of the total amount of the delinquency giving rise to the foreclosure to all lienholders of record (evidenced by a deed of trust) whose liens are inferior or subordinate to the Association's Assessment lien, and (ii) provided each such lienholder an opportunity to cure the delinquency before the sixty-first (61st) day after the date the Association mails the notice. The notice to lienholders must be sent by certified mail to the address for the lienholder shown in the deed of trust burdening the Lots(s) subject to the Association's Assessment lien.

(b) Recovery of a personal judgment against the current Owner and, where different, from the delinquent Owner or from the current Owner only, for all amounts owing arising from the unpaid Assessments and their collection, including all attorney fees and costs.

The Association will have the power to bid on the property at a foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with it. On the written request of any Mortgagee, the Association may report to the Mortgagee any unpaid Assessments remaining unpaid for longer than thirty (30) days after they are due.

8.09 Subordination of Lien to Mortgages. As herein provided, the title to each Lot is subject to the lien securing the payment of all Assessments and charges due the Association, but this lien is subordinate to any bona fide purchase money lien or mortgage created for improvements covering a Lot. Sale or transfer of any Lot does not affect this lien. Provided, however, a sale pursuant to a foreclosure of a valid purchase money or improvement mortgage extinguishes the liens securing any unpaid Assessments to the date of such sale, and the purchaser at such sale is thereafter the Owner liable for all Assessments from and after the date of such foreclosure sale. No extinguishment of the Assessment liens relieves the defaulting Owner from personal liability for payment of such Assessments. In addition to the automatic subordination provided hereinabove, the Association, in the discretion of its Board, may subordinate the lien securing any Assessment provided for herein to any other mortgage, lien or encumbrance, subject to such limitations, if any, as such Board may determine, in its absolute discretion.

8.10 Exempt Property. Notwithstanding the foregoing provisions of this Article 8, all Lots dedicated to and accepted by a local public authority or the City and all Lots owned by Declarant or the Association are exempt from the Assessments and charges created or contemplated hereby. Lots owned by any individual partners of Declarant are subject to the same Assessments and charges as Lots owned by other Owners.

8.11 Additional Assessments; Fees. The Association or any management company under contract with the Association may charge resale certificate fees, transfer fees, initiation fees and other fees which fees shall be set, from time to time, either (a) by the Board of the Association, or (b) during the Development Period, by Declarant. The Board of the Association or the Declarant, as the case may be, shall use good faith efforts to set such fees at rates comparable to similar subdivisions as the Subdivision. The Association or any management company under contract with the Association may charge a fee in the amount of \$250.00 ("Resale Certificate Fee") per resale of any Lot to cover administrative expenses incurred in the preparation of any Resale Certificate requested by an Owner, the Owner's title company or escrow agent, a buyer of a Lot from an Owner or any interested person or entity authorized to obtain same. In addition, the Association or any management company under contract with the Association may charge a fee ("Dues Status Letter Fee") in the amount of \$75.00 for a dues status letter per Lot and per request to cover administrative expenses incurred in the preparation of a letter concerning the status of any dues or Assessments affecting or pertaining to any Lot requested by an Owner, the Owner's title company or escrow agent, a buyer of a Lot from an Owner or any other interested person or entity authorized to obtain same. At each and every closing of the purchase and sale of a Lot (other than a sale by Declarant to a Builder), the buyer of a Lot shall pay (a) directly to the Association the sum of \$300.00 (the "Initiation Fee") as an initiation fee which Initiation Fee shall be used by the Association for such purposes as the Association shall determine, (b) to the Association or any management company under contract with the Association, a transfer administration fee ("Transfer Administration Fee") in the amount of \$150.00, and (c) any additional fees and costs incurred by the Association or any management company under contract with the Association through the closing of the purchase and sale of such Lot as invoiced by the Association or any management company under contract with the Association for closing related costs and expenses. The Resale Certificate Fee and the Dues Status Letter Fee shall be due and payable by the Owner prior to the date of issuance of any Resale Certificate or Due Status Letter to the Owner, the Owner's title company or escrow agent, the buyer of the Owner's Lot or any other person or entity authorized to obtain same. The amount of the Resale Certificate Fee, the Dues Status Letter Fee and the Initiation Fee may be adjusted, from time to time, either (a) by the Board of the Association, or (b) during the Development Period, by the Declarant.

**ARTICLE 9
EASEMENTS**

9.01. Reserved Easements. All dedications, limitations, restrictions, and reservations shown on the Plat and all grants and dedications of easements, rights-of-way, restrictions, and related rights made before the Property became subject to this Declaration (including, without limitation, the Noise, Dust and Vibration Easement) are incorporated by reference and made a part of this Declaration for all purposes as if fully set forth in this Declaration and will be construed as being adopted in each and every contract, deed, or conveyance executed or to be executed by or on behalf of Declarant conveying any part of the Property. Declarant reserves the right to make changes in and additions to the easements for the purpose of most efficiently and economically developing the Property. Further, Declarant reserves the right, without the necessity of the joinder of any Owner or other Person, to grant, dedicate, reserve, or otherwise create, at any time or from time to time, easements for public-utility purposes (including but not limited to gas, water, electricity, telephone, and drainage) in favor of any Person along any front, rear, or side boundary line of any Lot, which easements will have maximum width of ten (10) feet (however, easements alongside yard lot lines will straddle the lot lines with five (5) feet on each of the adjoining Owner's Lots).

9.02. Installation and Maintenance. There is by this Declaration created, for the benefit of the City and other governmental entities and public utilities with jurisdiction over or providing utility services to the Subdivision, an easement on, across, over, and under all of the Property for ingress and egress in connection with installing, replacing, repairing, and maintaining all utilities (including but not limited to water, wastewater, gas, telephones, electricity lines, and related appurtenances) and for conducting authorized official governmental business. By virtue of this easement, it will be expressly permissible for the utility companies and other entities supplying utility service to install and maintain pipes, wires, conduits, service line, or other utility facilities or appurtenances on, above, across, and under the Property, within the public-utility easements from time to time existing and from service lines situated within the easements to the point of service on or in any Improvement. Despite any provision contained in this Section 9.02, no electrical lines, water lines, or other utilities or appurtenances may be relocated on the Property until approved by Declarant or the Architectural Committee. The utility companies furnishing services to the Subdivision and governmental entities conducting authorized official governmental business within the Property will have the right to remove all trees and other obstructions situated within the utility easements shown on the Plat that are obstructing or otherwise precluding accomplishment of the authorized official governmental business, and to trim overhanging trees and shrubs located on portions of the Property abutting the easements. If the City is required to remove any trees or other obstructions in order to accomplish any authorized governmental business within the Property, then the City may assess the reasonable costs and expenses required for the removal to the Association, and the Association will be reimbursed, on written demand, for all costs and expenses from the Owner of the Lots(s) on which the obstructions were located. Any reimbursement required to be paid by any Owner under this Declaration will be deemed a regular Assessment of the Owner and will be paid in accordance with, and secured by the lien described in, Article 8.

9.03. Drainage Easements. Each Owner covenants to provide easements for drainage and water flow, as contours of land and the arrangement of Improvements approved by the Architectural Committee require. Each Owner further covenants not to disturb or displace any trees or other vegetation within the drainage easements as defined in this Declaration and shown on the Plat. There will be no construction of Improvements, temporary or permanent, in any drainage easement, except as approved in writing by the Architectural Committee.

9.04. Surface Areas. The surface of easement areas for underground utility services may be used for planting of shrubbery, trees, lawns, or flowers. However, neither the Declarant nor any supplier of any utility service using any easement area will be liable to any Owner or to the Association for any damage done by them or either of them, or their respective agents, employees, servants, or assigns, to any of this vegetation as a result of any activity relating to the construction, maintenance, operation, or repair of any facility in any of these easement areas.

9.05. Common Area and Facilities. Each Owner will have a nonexclusive easement for use and enjoyment in and to all Common Area and Facilities, which will be appurtenant to and will pass with title to each Owner's Lot, subject to the following rights:

(a) The right of the Association, after notice and hearing if required by law, to suspend the Owner's right to use the Common Area and Facilities for any period during which an Assessment against the Owner's Lot remains unpaid, and for any period during which the Owner is in violation of the rules and regulations of the Association.

(b) The right of Declarant or the Association, as applicable, to dedicate or transfer all or any part of the Common Area and Facilities to any public agency, authority, or utility for any purposes and subject to any conditions as may be deemed reasonable by Declarant, in its sole discretion, or, in the case of the Association, approved by a two-thirds (2/3) vote of the Members who are voting in person or by proxy at a meeting duly called for this purpose, with the same quorum as required for Special Assessments.

(c) The right of the Association to borrow money for the purpose of improving the Common Area and Facilities and, in furtherance of this purpose, to mortgage the Common Area and Facilities, all in accordance with the Certificate of Formation and Bylaws.

(d) The right of Declarant or the Association, as applicable, to promulgate reasonable rules and regulations regarding use of the Common Area and Facilities.

(e) The right of Declarant or the Association, as applicable, to contract for services with third parties on any terms as Declarant or the Association may determine.

9.06. Self-Help Easement. Each Owner grants to the Association an easement on, over, and across its Lot for purposes of curing any violation of the restrictions, covenants, and obligations set forth in this Declaration.

ARTICLE 10 MISCELLANEOUS

10.01. Term. The covenants, conditions, restrictions and other provisions of this Declaration shall run with the land and are binding on all parties and all persons claiming under them for a period of twenty-five (25) years from the date this Declaration is recorded in the Official Public Records of McLennan County, Texas, after which time said covenants, conditions, restrictions and other provisions of this Declaration shall be automatically extended for successive periods of ten (10) years unless an instrument is signed by the Owners of fifty-one percent (51%) of the Lots and recorded in the Official Public Records of McLennan County, Texas, which instrument terminates this Declaration; provided, however, that (a) no such agreement to terminate this Declaration shall be effective unless made and recorded at least one (1)

year in advance of the effective date of such termination, (b) so long as Declarant owns a Lot within the Subdivision, including any land added to the scheme of the restrictions created by this Declaration in accordance with Article 2 hereof, no such termination shall be effective without the prior written approval of Declarant, and (c) no such agreement to terminate this Declaration shall be effective unless and until the City has agreed to accept responsibility for and has assume all obligations with respect to the repair and maintenance of the Common Area.

10.02. Amendment; Extinguishment. During the Development Period, the covenants, conditions, restrictions and other provisions of this Declaration may be unilaterally modified or amended by Declarant in Declarant's sole and absolute discretion and without a vote or the consent or joinder of any Owner or any other person or entity. After the expiration of the Development Period, this Declaration or any provision hereof or any covenant, condition or restriction contained herein may be modified or amended with the written consent of the Owners of sixty-seven percent (67%) of the Lots; provided, however, that so long as the Declarant or the owner who adds any land to the scheme of restrictions imposed hereby in accordance with Article 2 hereof owns a Lot within the Subdivision, no such amendment or modification shall be effective without the prior written approval of Declarant. No such modification or amendment shall be effective until a proper instrument in writing has been executed and acknowledged and filed for record in the Official Public Records of McLennan County, Texas.

10.03. Notices. Any notice permitted or required to be given by this Declaration must be in writing. Unless otherwise required by law, the notice must be delivered to the Person to whom the notice is directed (1) in person, with written receipt received, (2) by U.S. mail, registered or certified, (3) by a nationally recognized overnight delivery service, (4) by e-mail, or (5) by any other method required or permitted under the Declaration, Certificate of Formation, or Bylaws. If delivery is by U.S. mail, the notice will be deemed to have been given when deposited, properly addressed and with proper postage, with the U.S. Postal Service. If delivery is by e-mail, the notice will be deemed to have been given when the message is transmitted to the proper e-mail address. The address or e-mail address at which a Person is given notice may be changed from time to time by notice in writing given by the Person to the Association.

10.04. Governing Law. The provisions of this Declaration will be liberally construed to effectuate the purposes of creating a uniform plan for the development and operation of the Property and of promoting and effectuating the fundamental concepts of the Property set forth in this Declaration. This Declaration will be governed by and interpreted under the laws of the State of Texas.

10.05. Exemption of Declarant. Despite any provision in this Declaration to the contrary, neither Declarant nor any of Declarant's activities will in any way be subject to the control of or under the jurisdiction of the Architectural Committee. Without in any way limiting the generality of the preceding sentence, this Declaration will not prevent or limit the right of Declarant to excavate and grade, to construct and alter drainage patterns and facilities, to construct any and all other types of improvements, sales and leasing offices, and similar facilities, and to post signs incidental to construction, sales, and leasing anywhere within the Property.

10.06. Nonliability of Architectural Committee and Board Members. The Architectural Committee, the Board, and their members will not be liable to the Association or to any Owner or to any other Person for any loss, damage, or injury arising from their being in any way connected with the performance of the Architectural Committee's or the Board's duties under this Declaration unless due to the willful misconduct or bad faith of the Architectural Committee, the Board, or their members, as the case may be.

10.07. Assignment of Declarant. Declarant may assign, in whole or in part, its rights as Declarant by executing and recording in the Official Public Records of McLennan County, Texas, a document assigning such rights. There may be more than one Declarant if Declarant makes a partial assignment of Declarant status. Upon Declarant's assignment of any or all of its rights as Declarant under this Declaration, the assigning Declarant shall automatically, without further acknowledgment or consent of any other party, be fully released and discharged from any obligations accruing under this Declaration after the date of such assignment.

10.08. Reservation of Rights. Declarant hereby reserves for Declarant each and every right, reservation, privilege and exception available or permissible under applicable law for declarants and developers of residential subdivisions, if and to the full extent that such right, privilege or exception is beneficial to or protective of Declarant. If the benefit or protection of applicable law is predicated on an express provision being contained within this Declaration or any governing document of the Association, such provision is hereby incorporated by reference unless Declarant executes an instrument to disavow such benefit or protection.

10.09. Enforcement; Nonwaiver. Except as otherwise provided in this Declaration, any Owner at its own expense, Declarant, the Association, and the Board will have the right to enforce any and all provisions of the Restrictions. This right of enforcement will include both damages for, and injunctive relief against, the breach of any provision. The failure to enforce any provision at any time will not constitute a waiver of the right to enforce the provision or any other provision in the future. Also, the violation of any of the Restrictions by an Owner or the Owner's family, guests, tenants, lessees, or licensees will authorize the Board, acting on behalf of the Association, to avail itself of any one or more of the following remedies in addition to any other available remedies:

(a) The imposition of a special charge not to exceed \$50.00 per violation during the first year after this Declaration is filed of record in the Official Public Records of McLennan County, Texas.

(b) The suspension of the Owner's rights to use any Common Area and Facilities or other Association property so long as a violation exists.

(c) The right to cure or abate the violation and to charge any related expenses to the Owner.

(d) The right to seek injunctive and any other relief provided or allowed by law against the violation and to recover from the Owner all of the Association's related expenses and costs, including but not limited to attorney fees and court costs. Before the Board may invoke the remedies provided above, it must give notice of the alleged violation to the Owner in the manner specified in Section 10.03 and must give the Owner an opportunity to request a hearing. If, after the hearing, or if no hearing is requested, after the deadline for requesting a hearing has passed, the Board determines that a violation exists, the Board's right to proceed with the listed remedies will become absolute. Each day a violation continues will be deemed a separate violation. All unpaid special charges imposed under this Section 10.09 for violation of the Restrictions will be the personal obligation of the Owner of the Lot for which the special charge was imposed and will become a lien against the Lot and all Improvements on it. The liens will be prior to any declaration of homestead and the Association may enforce payment of the special charges in the same

manner as provided in Article 8. Despite any provision in this Section 10.09 to the contrary, the Board will not be required to afford an Owner a hearing before the filing of a lawsuit to collect past-due Assessments.


10.10. Repurchase Option. If any Owner fails to timely comply with Section 4.13 (Construction Activities), Declarant, or its assigns, shall have the option to repurchase such Owner's Lot on thirty (30) days' written notice to such Owner, for an amount equal to the purchase price of the Lot paid by Owner, without interest or reimbursement for taxes or insurance paid. This option to repurchase may be exercised by Declarant, or its assigns, in Declarant's sole discretion, for a period of twelve (12) months following the expiration of the Construction Period. On the exercise of this option, Owner shall execute and deliver to Declarant, or its assigns, an executed real estate sales contract that conforms to the requirements of this Section 10.10 within five (5) days of receipt thereof.

10.11. Construction. The provisions of the Restrictions will be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion of a provision will not affect the validity or enforceability of any other provision or portion of a provision. Unless the context requires a contrary construction, the singular includes the plural and the plural the singular, and the masculine, feminine, or neuter each includes the masculine, feminine, and neuter. All headings and titles used in this Declaration are intended solely for convenience of reference and will not enlarge, limit, or otherwise affect that which is set forth in any of the paragraphs, sections, or articles in this Declaration.

EXECUTED to be effective as of, although not necessarily on, March 3, 2021.

DECLARANT:

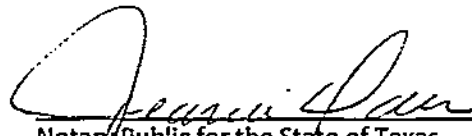
WDA DEVELOPMENT, LLC,
a Texas limited liability company

By: 

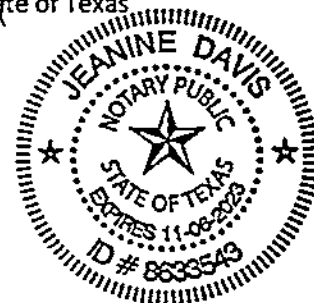
David Mercer,
a Manager

STATE OF TEXAS §
MCLENNAN COUNTY §

This instrument was acknowledged before on the 3rd day of March, 2021 by David Mercer, a Manager of WDA Development, LLC, a Texas limited liability company, on behalf thereof and in the capacity herein stated.



Notary Public for the State of Texas



AFTER RECORDING, RETURN TO:

David Mercer

WDA Development, LLC

1927 S. Columbus Avenue

Waco, Texas 76701

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FILED AND RECORDED

Instrument Number: 2021008795

Filing and Recording Date: 03/11/2021 12:16:47 PM Pages: 35 Recording Fee:

I hereby certify that this instrument was FILED on the date and time stamped hereon and RECORDED in the OFFICIAL PUBLIC RECORDS of McLennan County, Texas.



J. A. "Andy" Harwell, County Clerk
McLennan County, Texas

jonesp