

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR PATTON'S MILL ADDITION
HOME OWNERS ASSOCIATION

THE STATE OF TEXAS

COUNTY OF HILL

§

KNOW ALL PERSONS BY THESE PRESENTS

THAT THIS IS THE SECOND AMENDED DECLARATION is made on the date hereinafter set forth by US Ultra Homes, LLC (hereinafter referred to as "Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of said certain real property, BEING AN AMENDING Plat of PATTON'S MILL ROAD ADDITION. An addition to the City of Hillsboro, being 31.74 acres situated in the Henry Ross Survey, Abstract No. 755, Hill County, TX. Lots 1-2, Blk 1. Lots 2-8, 10, 14, 15, Blk 2. Lots 1-23 Blk 3. Lots 1-28 Blk 4. Lots 1-14 Blk 5 as approved by the City Of Hillsboro and filed of record as instrument number 00115908 of the real property record of Hill County, Texas, with said subdivision referred to as "Development", and such plat, as may be amended or replated, being referred to as the "Plat" and all said real property being more specifically described on the Plat of Development which are incorporated Herein and made a part hereof for all the purposes (the "Property").

WHEREAS, Declarant desires to hold, sell and convey said Initial Property subject to the following covenants, conditions, restrictions, reservations and easements, which are for the purpose of establishing a uniform plan for the development, improvement and sale of the Initial Property, together with portions of the Annexable Land from time to time brought within the terms hereof pursuant hereto, and to insure the preservation of such uniform plan for the benefit of both present and future owners of the residential subdivision lots within said lands; and owners of the residential subdivision lots within said lands; and

WHEREAS, this Declaration grants Declarant the right and privilege with the consent of the owners of such property, to impose additional covenants, conditions and restrictions on particular portions of the real property subject to the Declaration and to designate certain portions of such property as a "Neighborhood" as defined herein; and

WHEREAS, the Declarant filed a DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AMENDED FOR PATTON'S MILL ADDITION on February 26, 2022 in Vol: 2095 Page 46 in the County Clerks office in Hill County, TX, and now wishes to amend and supersede such declaration by filing this FIRST AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR PATTON'S MILL ADDITION HOA, INC. prior to the sale of any lot or lots;

NOW, THEREFORE, Declarant hereby adopts the following covenants, conditions, restrictions, reservations and easements which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property (hereinafter defined) and which shall be applicable to all of the

Property (hereinafter defined) from time to time subject hereto, and shall run with the land and shall bind all parties having or acquiring any right, title, or interest therein or any part thereof, their heirs or successors in title and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

"Assessable Tract" shall mean and refer to any Lot or Building Plot from and after the date on which paved public street access, and water service have been extended thereto, and on which building permits may be obtained from the local municipality, if such permits are necessary.

"Assessment" shall mean and refer to any or all the Base Annual Assessments, Special Assessments (as defined below) referred to, contemplated, or authorized herein in the Declaration.

"Association" shall mean and refer to Patton's Mill Homeowners Association, Inc., a non-profit corporation incorporated under the laws of the State of Texas, its successors and assigns.

"Base Annual Assessments" shall mean and refer to the uniform assessment made against Assessable Tracts pursuant to Sections 3 and 5 of Article III hereof.

"Board of Directors" and "Board" shall mean and refer to the duly elected Board of Directors of the Association.

"Builder" shall mean and refer to any commercial homebuilding company which purchases any Lot for the purpose of constructing a single-family house or any homebuilding company retained by an Owner of any Lot for the purposes of constructing a Living Unit on such Lot.

"Common Properties" shall mean and refer to the easement containing the entry gateway, as well as the public roads and roadways contained within the Property, within the properties except the platted Lots shown thereon, together with such other land as the Association may, at any time or from time to time, acquire by purchase or otherwise, subject, however, to the easements, limitations, restrictions, dedications and reservations applicable thereto by virtue hereof and/or by virtue of the Plats, and/or by virtue of prior grants or dedications by Declarant or Declarant's predecessors in title. References herein to the "Plats" shall mean and refer to all subdivision Plats from time to time filed of record in Hill County Map Records with respect to Properties covered by The Declaration. The public roads shall only be considered as "Common Properties" until such time as they are dedicated to and accepted by the City of Hillsboro or Hill County, whichever the case may be.

"Conveyance" shall mean and refer to conveyance of a fee simple title to a Lot.

"Declarant" shall mean and refer to US Ultra Homes, LLC, the Declarant herein, and its successors and assigns if (i) such successors or assigns should acquire more than one Lot from US Ultra Homes, LLC; and (ii) such successors or assigns are designated in writing by US Ultra Homes, LLC., as a successor or assignee of all or part of the rights of US Ultra Homes, LLC, as Declarant hereunder.

"Easements" shall mean and refer to the various utility or other easements of record, those shown on the map or Plats of the subdivisions within the Property and such other easements as are created or referred to in The Declaration or any supplements thereto.

"Living Unit" shall mean and refer to any improvements on a Lot which are designed and intended for occupancy and use as a residence by one person, by a single family, or by persons maintaining a common household, excluding mobile homes or other non-permanent structures.

"Lot" or "Building Plot" shall each mean and refer to each lot and shown upon the recorded subdivision Plats from time to time within the boundaries of the Property and designated by lot and block number and to the Living Unit and other improvements constructed or to be constructed thereon, but shall not mean or include any other portions of the Property.

"Member" shall mean and refer to every person or entity who holds membership in the Association.

"Modifications Committee" shall mean and refer to the committee created by the Board of Directors of the Association to exercise exclusive jurisdiction over the modifications, additions, or alterations made on or to existing Living Units or other improvements located on Lots as provided in Article IV hereof.

"New Construction Committee" shall mean and refer to the committee created by the Declarant to exercise exclusive jurisdiction over all original construction of Living Units upon the Lots within the Properties as provided herein.

"Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to the surface estate in any Lot or tract of land which is part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. "Occupant" shall mean any person legally entitled to occupy and use all or a portion of the Properties.

"Property" or the "Properties" shall mean and refer to the Initial Property described in the Recitals hereof, together with the Annexable Land (or other property) as may from time to time be made subject to this Declaration pursuant to the provisions hereof, but shall not include any part of the Annexable Land (or such other property) unless and until so annexed. All of the Property may sometimes be commonly known and referred to as Patton's Mill Addition HOA, Inc..

"Supermajority Vote" shall mean and refer to the casting of votes approving a measure by not less than two-thirds (2/3) of the votes eligible to be cast of a quorum of Voting Members, present in person or voting by proxy, at a meeting of Members duly called for the purpose (among others) of taking such vote, or as the Bylaws may otherwise authorize voting by Members.

"Supplemental Declaration" shall mean and refer to (i) any declaration of supplemental restrictions filed of record by Declarant, its successors or assigns, imposing more stringent or detailed restrictions or additional restrictions on or with respect to one or more Neighborhoods within the Property, (ii) any supplemental declaration of annexation executed and filed of record by Declarant, its successors or assigns, bringing additional property within the scheme of The Declaration under the authority provided in The Declaration, and (iii) any supplemental declaration executed and filed of record by Declarant, its successors or assigns, purporting to do both of the foregoing. References herein (whether specific or general) to provisions set forth in "all (any) Supplemental Declarations" shall be deemed to relate to the respective Properties covered by the relevant Supplemental Declaration.

"The Declaration" or the "Declaration" shall mean and refer collectively to the covenants, conditions, restrictions, supplemental restrictions, reservations, easements, liens and charges imposed by or expressed in this Declaration of Covenants, Conditions and Restrictions for Patton's Mill Addition HOA, Inc., as supplemented and/or amended, including any and all Supplemental Declarations.

"Vote" shall mean and refer to the casting of votes approving a measure by not less than fifty-one percent (51%) of the votes eligible to be cast of a quorum of Voting Members, present in person or voting by proxy, at a meeting of Members duly called for the purpose (among others) of taking such vote, or as the Bylaws may otherwise authorize voting by Members.

"Voting Members" shall mean and refer to Members of Class A and Class B of the Association entitled to cast votes under the Bylaws of the Association, and not otherwise disqualified from voting by the terms of The Declaration or otherwise.

ARTICLE II

PATTON'S MILL ADDITION HOMEOWNERS ASSOCIATION. INC.

Section 1. Duties and Powers. In addition to the duties and powers enumerated in its Articles of Incorporation and Bylaws, or elsewhere provided for in The Declaration, and without limiting the generality hereof, the Association shall also discharge those functions necessary to the general maintenance of the Common Properties. The Board of Directors of the Association shall be empowered to oversee the activities of the Association and may take whatever lawful action that the Board, in its sole discretion, deems necessary to provide for the upkeep, development and aesthetic appearance of the Common Properties and to enforce The Declaration for the common benefit of the Members of the Association. All rights of the Association herein and hereunder are vested in the Board of Directors unless specifically reserved to Declarant or a vote of the Members herein.

Section 2. Membership. Every person or entity who is a record owner of any of the Properties which are subject to assessment by the Association (including Declarant, whether or not it is obligated to pay a full share of Assessments) shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of the land which is subject to assessment by the Association.

Other lands may hereafter be annexed into the jurisdiction of the Association in the manner herein described. If annexed, the owners of the Lots in each future section so annexed, as well as all Owners subject to the jurisdiction of the Association, shall be entitled to use and benefit of all Common Properties that may become subject to the jurisdiction of the Association as a result of such annexation, and shall be entitled to the use and benefit of the maintenance fund hereinafter set forth, provided that each future section must be impressed with and subject to the Assessments imposed hereby and further, such sections shall be made by recorded Supplemental Declaration subject to all of the terms of this initial Declaration (as then amended and/or modified as herein permitted) and to the jurisdiction of the Association. Such additional stages of development may be annexed in accordance with the provisions of Article IX, Section I, herein below. Upon a merger or consolidation of the Association with another association, the properties, rights and obligations of the other association may be added to the properties, right and obligations the Association as a surviving corporation pursuant to a merger. The surviving or consolidated Association shall administer the covenants and restrictions established by The Declaration, together with the covenants and restrictions applicable to the properties of the other merged association, as one scheme. No such merger or consolidation, however, shall affect any revocation, change or addition to the covenants and restrictions established by The Declaration.

Section 3. Classes of Membership. The Association shall have two classes of voting membership:

Class A. Class A Members shall be all Owners of Assessable Tracts with the exception of the Declarant (unless and until its Class B Membership converts to Class A Membership as contemplated below), and each such Class A Member shall be entitled to one vote for each Lot owned by such person or entity. When more than one person holds an interest in a single Lot, all such persons shall be Members. The vote of such Lot shall be exercised as such co-owners among themselves determine, but in no event shall more than one vote be cast with respect to any one Lot. If the co-owners of a single Lot do not vote unanimously and in unison, no vote for that Lot shall be counted.

Class B. Class B Members shall be the Declarant herein, as such term is defined in Article 1, Section 13, who shall be entitled to nine (9) votes in the Association for each Lot owned by it. Class B Membership shall cease and be converted to Class A Membership (and Declarant may thereafter cast one Class A vote for each Lot owned by it, on the happening of the earliest to occur of the following three events (A, B, or C):

- (A) When the Declarant owns less than ten percent (10%) of the Lots (such percentage being measured by number of Lots and not acreage);
- (B) The twentieth anniversary date of the recordation of this Initial Declaration; or
- (C) When the Declarant terminates Class B votes by an instrument filed in the Official Public Records of Real Property of Hill County, Texas.

Section 4. Non-Profit Corporation. Patton's Mill Addition Homeowners Association, Inc., a non-profit corporation, has been, or will be organized, and all duties, obligations, benefits, liens and rights hereunder in favor of the Association shall vest in said corporation. Declarant will convey the Common Properties, if any, to the Association at Declarant's discretion, but in no event later than the time when Class B Membership is converted to Class A Membership under Article II of The Declaration.

Section 5. Bylaws. The Association may make whatever rules or bylaws it may choose to govern the organization, provided that same are not in direct conflict with the terms and provisions hereof.

Section 6. Members' Easements of Enjoyment. Subject to the provisions of Section 7 below, every Member shall have a non-exclusive common right and easement of enjoyment in the Common Properties and such right and easement shall be appurtenant to and shall pass with the title to every Assessable Tract.

Section 7. Extent of Members' Easements. The rights and easements of enjoyment created hereby in favor of the Members shall be subject to the rights and easements now existing or hereafter created in favor of Declarant or others as referred to or provided for in The Declaration.

Section 8. Enforcement of Declaration. The Association shall have the power and authority to enforce the terms and provisions of The Declaration by legal action or other means provided for herein. The Association shall have the right to suspend any Owner's rights and powers under The Declaration who is in default in payment of any Assessment or otherwise in breach of any term, covenant, or condition in The Declaration. Suspension shall take effect upon notice by the Association

or its duly authorized officer or agent to the defaulting Owner.

ARTICLE III

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Building Plot owned within the Properties, hereby covenants, and each Owner of any Building Plot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree, to pay to the Association: (1) Base Annual Assessments or charges, and (2) Special Assessments for capital replacements and improvements, such Assessments to be established and collected as hereinafter provided. The Base Annual, and Special Assessments, together with interest, collection costs and reasonable attorney's fees, shall be a charge on the Lot and shall be secured by a continuing Vendor's Lien herein reserved and retained in favor of the Association upon the Lot against which each such Assessment is made. Each such Assessment, together with interest, collection costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the Assessment fell due. The personal obligation for delinquent Assessments shall not pass to an Owner's successors in title unless expressly assumed by them, but shall be secured by the above-referenced continuing lien on the Lot so transferred as security for the delinquent obligation of the prior Owner, and may be enforced against such Lot notwithstanding any such Conveyance.

Section 2. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to improve, beautify, maintain, manage and operate the Common Properties, and to pay taxes and insurance premiums thereon, and to promote the health, safety, convenience and welfare of the Members enforcing the provisions contained in The Declaration; employing at the request of the Modifications Committee and/or New Construction Committee, one or more architects, engineers, attorneys, or other consultants, for the purpose of advising such Committees in carrying out their duties and authority as set forth herein or, at the option of the Board of Directors of the Association for the maintenance and/or improvement of the Common Properties or for the benefit of the Members. The foregoing uses and purposes are permissive and not mandatory, and the decisions of the Board of Directors of the Association shall be final as long as made in good faith and in accordance with the Bylaws of the Association and any applicable governmental laws, rules and regulations.

Section 3. Maximum Base Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Building Plot to an Owner, the Board of Directors shall levy on each Assessable Tract and collect from the Owner thereof a Base Annual Assessment. The maximum initial Base Annual Assessment shall be One Hundred Twenty Dollars (\$120.00) for each Building Plot. Anything contained herein to the contrary or seemingly to the contrary notwithstanding, the Base Annual Assessments provided for herein shall be payable by the Owners of each of the Building Plots comprising Assessable Tracts within the boundaries of the Properties, in the manner hereinafter set forth.

- (a) From and after January 1 of the year immediately following the conveyance of the first Building Plot to an Owner, the maximum Base Annual Assessment may be increased each year by not more than fifteen percent (15%) of the maximum Base Annual Assessment in effect for the prior year (such percentage to be cumulative from year to year) by the Board of Directors without a Vote.

- (b) From and after January 1 of the year immediately following the conveyance of the first Building Plot to an Owner, the maximum Base Annual Assessment may be increased by an amount in excess of fifteen percent (15%) in a given year (over the maximum Base Annual Assessment permitted in the prior year) by a Vote.
- (c) The Board of Directors shall from time to time set, fix and levy the Base Annual Assessment at an amount not in excess of the maximum permitted herein.

Section 4. Special Assessments for Capital Improvements. In addition to the Base Annual Assessment authorized by Section 3 hereinabove, the Members shall have the right to approve the Association's levy against the Assessable Tracts, in any calendar year, of one or more "Special Assessments" applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, purchase, acquisition, repair, or replacement of the gateway or for repair of the roads of Estates at Yarbrough Farms HOA, Inc. Association, or for funding litigation brought on behalf of the Association for enforcement of the covenants and restrictions set for herein, but any such Special Assessment must be approved by a Supermajority Vote of the Members. The Special Assessment against every Assessable Tract shall be the same as the Special Assessment against every other Assessable Tract.

Section 5. Uniform Rate of Assessments. The Association, by action of its Board of Directors, shall levy Base Annual Assessments against the Assessable Tracts to obtain funds reasonably anticipated to be needed for purposes stated in Section 2 of this Article III, including reasonable reserves for contingencies and for capital improvements, replacements, and repairs; provided, the Base Annual Assessment shall be levied on a uniform basis.

Section 6. Commencement of Base Annual Assessments: Due Dates. Subject to the provisions of this Article, the Base Annual Assessments provided for herein shall commence on each Assessable Tract on January 1, 2004; provided, however, that the Base Annual Assessments shall not commence with respect to any Lot or Building Plot until such Lot or Building Plot becomes an Assessable Tract as defined herein. The Base Annual Assessment on each Assessable Tract for the first year of such Assessment shall be due and payable on the day a Lot or Building becomes an Assessable Tract, and shall be pro rated for that year. After the first year, the Base Annual Assessment on such Assessable Tract for each such subsequent calendar year shall be due and payable on the first day of January in said year, or on such other date as the Board of Directors may determine.

Section 7. Commencement of Special Assessments. The due date of any Special Assessment under this Article shall be fixed in the resolution authorizing or approving such Special Assessment.

Section 8. Common Properties Exempt. All Common Properties as defined in Article I, and all portions of the Property owned or otherwise dedicated to any political subdivision or municipal utility district (excluding portions of public or private utility easements located upon or within the boundaries of Lots, which shall not be exempt), shall be exempt from the Assessments and liens created, reserved and/or contemplated herein.

Section 9. Duties of the Board of Directors. The Board of Directors of the Association shall determine the amount to be levied as the Base Annual Assessment against each Assessable Tract for each calendar year, subject to the criteria and limitations set out in this Article. The Board of Directors

of "The Association shall cause to need prepared a roster of the Assessable facts showing the amount of each Assessment. The Association shall upon demand at any time furnish to any Owner a certificate in writing signed by an officer or agent of the Association setting forth whether or not there are any unpaid Assessments against said Owner's Lot or Lots. Such certificates shall be conclusive evidence of payment of any Assessment therein stated to have been paid, as to any third party who in good faith relies thereon to his economic detriment.

Section 10. Effect of Non-Payment of Assessments; Remedies of the Association; Liens Securing Assessments. Any Assessment not paid within thirty (30) days after the due date shall bear interest at the maximum per annum ceiling rate allowed by applicable usury laws from the due date until paid. The Board of Directors, or a duly authorized officer or agent of the Association, may elect (but shall not be required) to prepare a written notice (a "Notice of Assessment") which sets forth the amount of the unpaid assessments, interests, and other charges; the name of the owner, and a legally sufficient description of the Building Plot. Such Notice of Assessment shall be signed by a Member of the Board, or by a duly authorized officer or agent of the Association, and may be recorded in the Real Property Records of Hill County, Texas. The lien for delinquent assessment shall attach from the date on which such assessments become past due. Notwithstanding the foregoing, no such Notice of Assessment shall be so recorded until the Association, or the person designated by the Association, has first mailed to the Owner and any mortgagee of the Building Plot against which such assessment has been assessed that has delivered notice to the Association of their mailing address, a Notice of Default (herein so called), together with demand upon such Owner to pay such delinquent assessments and any interest charges applicable thereto. **If** the Association has not received full payment of all such delinquent assessments and any interest charges applicable thereto within fifteen (15) days from the mailing of such Notice of Default, the Association may then cause the Notice of Assessment to be recorded in the Real Property Records of Hill County, Texas. After the recording of a Notice of Assessment, the lien may be enforced by the Association by foreclosure of the Building Plot(s) owned by the defaulting Owner in the same manner as a mortgage of real property, as hereinafter provided.

The Association may bring an action at law against the Owner personally obligated to pay the same, foreclose the lien against the Building Plot, or pursue both such remedies to the extent not mutually exclusive. Interest, court and other collection costs and reasonable attorney's fees incurred by the Association in collecting past due assessments shall be added to the amount of such Assessment or charge, regardless of whether or not legal action is filed. Each such Owner, by his acceptance of a deed to a Building Plot, hereby expressly vests in the Association, or its agents, the right and power (1) to bring all actions against such Owner personally for the collection of such charges as a debt, and (ii) to enforce the aforesaid lien by all methods available for enforcement of such liens, including non-judicial foreclosure pursuant to Section 51.002 of the Texas Property Code (as amended), and such Owner hereby expressly grants to the Association a private power of sale in connection with said lien, which the Association shall be entitled to execute and enforce at such time as the Association complies with each requirement set forth in Section 51.002 of the Texas Property Code (as amended), which requirements are incorporated in this Declaration, as rights and/or obligations of the Association, by this reference, as if fully set forth herein. The lien provided for in this Declaration shall be in favor of the Association and shall be for the benefit of all Building Plot Owners. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Properties or abandonment of his Building Plot.

Section 11. Subordination of the Lien to Mortgages. The lien securing any Assessment provided for herein shall be subordinate to the lien of any mortgage(s) now or hereafter placed upon the Building Plot subject to the Assessment for the purpose of securing indebtedness incurred to purchase or improve such Building Plot; provided, however, that such subordination shall apply only to the Assessments which have become due and payable prior to a sale or transfer of such Building Plot pursuant to a decree of foreclosure or a foreclosure by trustee's sale under a deed of trust. Such sale or transfer shall not relieve such Building Plot from liability for any Assessment thereafter becoming due, nor from the lien securing any such subsequent Assessment. In addition to the automatic subordination provided for above, the Association, in the discretion of its Board of Directors, may voluntarily 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. No such voluntary subordination shall be effective unless given in writing by the Association upon a vote of the Board of Directors.

Section 12. Exempt Property. The Assessments and liens created in this Article III shall apply only to Assessable Tracts. The remainder of the Properties shall not be subject thereto nor shall the Owners thereof (except Declarant) be entitled to the rights granted to Members in the Association.

ARTICLE IV

NEW CONSTRUCTION COMMITTEE AND MODIFICATIONS COMMITTEE

Section 1. New Construction Committee: Tenure. The Declarant shall initially appoint a New Construction Committee, consisting of not less than three (3) members, who need not be Members of the Association. The persons serving on the New Construction Committee, or their successors, shall serve until such time as all Lots subject to the jurisdiction of the Association shall have completed Living Units constructed thereon, at which time the New Construction Committee shall cease to exist and thereafter its duties shall be fulfilled and its powers exercised by the Board of Directors of the Association. In the event undeveloped land is annexed into the Association after resignation of the original New Construction Committee, the Board of Directors may appoint a replacement New Construction Committee to act with the authority and purpose of the original New Construction Committee with respect to new construction, for such a term as the Board may designate, and subject to the Board's continuing right to remove Members thereof and fill vacancies in such Committee. In the event of death or resignation of any person serving on the New Construction Committee, the remaining person(s) serving on the Committee shall designate a successor, or successors (unless same occurs during the Declarant control period specified in Section 2 hereof, in which event Declarant shall make such appointment), who shall have all of the authority and power of his or their predecessor(s). A majority of the New Construction Committee may from time to time designate someone serving on the Committee to act for it as the Designated Representative. No person serving on the Committee shall be entitled to compensation for services performed pursuant to this Article IV. However, the Committee may employ one or more architects, engineers, attorneys, or other consultants to assist the Committee in carrying out its duties hereunder, and the Association shall pay such consultants for such services as they render to such Committee.

Section 2. Rights of the New Construction Committee. The Declarant reserves the right to control and direct the New Construction Committee (including the making of all appointments thereto

and removing any Member thereof) for a period of fifteen (15) years from the date other recording of this initial Declaration.

Should Declarant decide to relinquish control of the New Construction Committee prior to the expiration of the control period stated above, it may do so by causing all its Members to resign with a minimum of thirty (30) days prior written notice to the Board of Directors of the Association.

The New Construction Committee shall reserve the right to develop, adopt and from time to time revise Architectural Control Guidelines for use in the review and approval of construction and improvement projects.

Section 3. Modifications Committee. The Board of Directors is authorized to establish a Modifications Committee whose responsibility it will be to set standards, review and act upon all proposed modifications or improvements to those Lots where the Living Units have been constructed and sold and are owned by someone other than the Declarant, its successors or assigns, or a Builder. This Committee will be comprised of no less than three (3) Members with at least two (2) Members required to be Members of the Association. The Modifications Committee will be governed by the Board of Directors and shall adhere to all the provisions set forth in this Declaration.

If an Owner is required by this Declaration to obtain the approval of the Modifications Committee for a proposed modification or improvements to this Lot, the following requirements shall be adhered to. Plans and specifications showing the nature, kind, shape, color, size, materials and location of such modifications, additions or alterations, shall be submitted to the Modifications Committee for approval as to conformance with the terms of the Declaration; conformance with any standard applicable to the proposed modification, if such modification were new construction subject to the jurisdiction of the New Construction Committee; quality, workmanship, and design; harmony of external design with existing structures; and as to location in relation to surrounding structures, topography and finish grade elevation. Nothing contained herein shall be construed to limit the right of the Owner to remodel the interior of a Living Unit or to paint the interior of a Living Unit any color desired unless such interior area will be visible from public street.

Section 4. General. All Property which is now or may hereafter be subjected to The Declaration is subject to architectural and environmental review. No Living Units or other improvements (including, without limitation, garages, swimming pools, streets, driveways, sidewalks, drainage facilities, landscaping, fences, walks, fountains, statuary and flagpoles, but excluding improvements interior to a Living Unit) shall be constructed nor shall any such Living Unit or other improvements be modified or altered, without the prior written approval of the New Construction Committee or Modifications Committee as appropriate. This review shall be in accordance with this initial Declaration (as amended), any relevant Supplemental Declaration(s) (as amended), and such standards as may be promulgated by the Board, the New Construction Committee, or the Modifications Committee (subject to review by the Board), and such review and standards shall or may include, without limitation: general aesthetic character of improvements to be constructed; placement, orientation and location of improvements on a Lot; architectural style; elevations; grading plan; color, quality, style and composition of exterior materials, including (without limitation) roofs, walls, patios, sidewalks and driveways; location, style, composition and extent of fencing; roof line and orientation; and appropriateness of permitting any proposed structures or improvements other than a Living Unit and garage, such as retaining walls, neither Committee being obligated under any circumstances to approve

any such other improvements if they determine that same would detract from the overall aesthetic quality of the area. Any obligation of Declarant to enforce provisions relating to historic preservation shall become the responsibility of the Association and the Committees created in this Article shall ensure compliance therewith. The Board of Directors shall have the right and power on behalf of the Association to enforce in courts of competent jurisdiction decisions of either Committee. Any permission granted or variance allowed by the New Construction Committee or Modification Committee is subject to repeal or revision by such Committee at any time.

Section 5. Submissions to New Construction Committee. To secure the approval (the "Final Approval") of the New Construction Committee, an Owner shall deliver to the Committee in form and substance reasonably satisfactory to the Committee the number of complete sets hereinafter set forth of:

- (a) The Design Development Plan which shall include:
 - (i) a site plan showing the location, dimensions, orientation to boundary lines and the set-back lines, of proposed buildings, garages, other structures, driveways, sidewalks, fencing and all other improvements;
 - (ii) proposed finish grading and drainage plan.
 - (iii) design elevation of, and a core plan for, and description of the foundation, height and size of each structure including the living area square footage of each structure; and
 - (iv) a description and sample of the exterior materials concept for each structure.
- (b) Drawings and details of all exterior surfaces, including the roof, showing elevations, and including the color, quality and type of exterior construction materials (collectively, the "Exterior Plan");
- (c) All such other information as may be reasonably required which will enable the New Construction Committee to determine the location, scale, design, character, style and appearance of such Owner's intended improvements.

All the foregoing (collectively, as originally submitted and as revised and resubmitted, the "Plan") shall conform to the applicable provisions of The Declaration. The Owner shall supply as many sets, not to exceed three (3), as deemed appropriate by the Committee.

Where an Owner has neglected to submit with his plans any item required herein for approval, failure of the New Construction Committee to exercise the powers granted by this Article IV shall never be deemed a waiver of the right to do so either before or after a building or other improvement in the Properties, or any exterior addition to or alteration therein, has been completed.

Where not otherwise specified in The Declaration, the New Construction Committee also shall have the right to specify requirements for each Building Plot as follows: minimum setbacks; driveway access to adjacent street; the location, height and extent of fences, walls or other screening devices; garage access; and the orientation and placement of structures with respect to streets, walks and structures on adjacent property. There shall be no chain link fencing except as may be utilized by Builders with the approval of the New Construction Committee for temporary storage of building materials and supplied during the construction phase. No roofing materials shall be allowed other than

those which meet standards prescribed by the New Construction Committee and/or the Modifications Committee, as the case may be. The New Construction Committee shall have full power and authority to reject any plans and specifications that do not comply with the restrictions herein imposed (or imposed in any applicable Supplemental Declaration) or meet its minimum construction requirements or architectural design requirements or that might not be compatible, in its judgment, which the overall character and aesthetics of the Properties.

Section 6. Time for Review of Plans. Upon submission by the Owner to the New Construction Committee or the Modifications Committee of a written request for Final Approval and the submission to the New Construction Committee of the Design Development Plan or the Plans (as applicable, and in either case, the "Submitted Plans"), or other plans to the Modifications Committee, each Committee shall endeavor to review same within thirty (30) days from receipt of plans and notify Owner in writing whether the Submitted Plans are approved or disapproved. Committees, as required, shall approve the Plans if such Plans do not violate The Declaration (including the requirements of any application Supplemental Declaration, if any), the Committee's interpretation of the standards set forth in The Declaration, or other guidelines and criteria from time to time existing and established by the Committees, and are consistent with their judgment on aesthetic compatibility of the proposed improvements with other portions of the Properties and/or improvements thereon. The approval or disapproval of the Committee in question shall be made in writing, by letter of approval or disapproval. Any failure by the New Construction Committee to approve or disapprove the Submitted Plans in writing within such thirty (30) day period shall not constitute a waiver of the requirements of The Declaration. No construction of the improvements provided for in the Submitted Plans (including those resubmitted under Section 7 of this Article) shall be commenced until the receipt of the Committee's written approval of the Plans for such improvements. However, in the event the Modifications Committee fails to either (i) approve or disapprove Plans submitted to it, or (ii) request additional information, within thirty (30) days after submission, the Plans for modifications shall be deemed approved to the same extent as if the Modifications Committee had issued a letter of approval.

Section 7. Review of Revised Plans. If the New Construction Committee shall disapprove any part of the Submitted Plans, the Owner may revise the Submitted Plans to incorporate such change requested by the New Construction Committee and may deliver the required number of complete sets of revised Submitted Plans to the New Construction Committee and the New Construction Committee shall endeavor to review such revised Submitted Plans within thirty (30) days to determine Owner's compliance with the New Construction Committee's requested changes.

Section 8. Changes in Approved Plans. An Owner shall secure the written approval of the New Construction Committee to any material change or revisions in approved Plans in the manner provided in this Article for the approval of Plans.

Section 9. Variances. The New Construction Committee may authorize variances from compliance with any architectural provisions of The Declaration, including restrictions upon height, size, placement of structures, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic, or environmental considerations may, in the Committee's judgment and discretion, require. The Committee's decision on a requested variance shall be final, conclusive and binding. Such variances must be evidenced in writing, must be signed by at least a majority of the New Construction Committee, and shall become effective upon their execution. If such variances are granted

no violation of the covenants, conditions and restrictions contained in 1...; Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of The Declaration for any purpose except as to the particular provision hereof covered by the variance, and only for the particular Lot in question, nor shall it affect in any way the Owner's obligation to comply with all governmental laws and regulations.

Upon the recommendation of the Modifications Committee, the Board of Directors may authorize variances, as stated above. Such Modifications Committee's variances must be evidenced by a written instrument signed by a majority of the Board of Directors and a majority of the Modifications Committee.

Section 10. No Liability. Neither Declarant, the Association, Board of Directors, the New Construction Committee or Modifications Committee or the Members thereof shall be liable at law or in equity to anyone submitting plans or specifications to them for approval, or to any Owner of a Building Plot affected by these restrictions by reason of any action by such body or person taken in good faith in any capacity or by reason of any provision of The Declaration, including (without implied limitation) the granting of a variance, or a mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications, including specifically, but without limitation, consequences of any defect in any plans or specifications. Every person who submits plans or specifications to the New Construction Committee or Modifications Committee for approval agrees, that submission of such plans and specifications, and every Owner agrees, that he will not bring action or suit of any kind against Declarant, the Association, the Board of Directors, the Committees, or any of the Members thereof, notwithstanding any term or provision hereof to the contrary .

Section 11. Rules and Regulations. The New Construction Committee and Modifications Committee may from time to time, in its sole discretion, adopt, amend and repeal rules, regulations, standards, and procedures interpreting and implementing the provisions hereof, and governing the operations and procedures of such Committee, to the extent not inconsistent with The Declaration.

ARTICLE V

EASEMENTS

Section 1. General. The rights and duties of the Owners of Lots within the Property with respect to sanitary sewer, water, electricity, gas, telephone, and cable television lines and drainage facilities shall be governed by the following:

- (a) Wherever sanitary sewer and/or water house connections or electricity, gas or telephone and cable television lines or drainage facilities are installed with the Property, which connection lines or facilities or any portion thereof, lie in or upon Lots owned by any party other than the Owner of a Lot served by said connections, lines or facilities, such Owners of Lots served shall have the right, and are hereby granted an easement to the full extent necessary therefor, to enter upon the Lots within the Property in or upon which said connections, lines or facilities, or any portion thereof, lie, to repair, replace and generally maintain said connections as and when the same may be necessary as set forth below.

- (b) Wherever sanitary sewer and/or water house connections, electricity, gas, telephone or cable television lines or drainage facilities are installed within the Property, which connections serve more than one Lot, the Owner of each Lot served by said connections shall be entitled to the full use and enjoyment of such portions of said connections which service his Lot.

Section 2. Reservation of Easements. Easements over the Lots and Common Properties for the installation and maintenance of electric, telephone, cable television, water, gas and sanitary sewer lines and drainage facilities, as shown on the recorded Plat (s) of the subdivision, or as filed by separate instrument, are hereby reserved by Declarant, together with the right to grant and transfer same.

Section 3. Surface Areas of Utility Easements. Easements for installation and maintenance of utilities are reserved as shown and provided for on the recorded Plat(s). Easements for the underground service may be crossed by driveways, walkways, patios, brick walls and fences, provided the Owner or the home builder makes any required or necessary arrangements with the utility companies furnishing electric, gas and telephone service and provides and installs any necessary conduit of approved type and size under such driveways, walkways, patios, brick walls or fences prior to construction thereof. Such easements for the underground service shall be kept clear of all other improvements, and neither the grantor of the easements nor any utility company using the easements shall be liable for any damage done by either of them or their assigns, their agents, employees or servants, to shrubbery, trees, flowers or other improvements (other than crossing driveways, walkways, patios, brick walls or fences, providing conduit has been installed as outlined above) of the Owner located on the land covered by said easements.

Section 4. Public Streets. All Lots within the Property shall abut and have access to a public street. Public street rights-of-way are or shall be shown on the Plat(s).

Section 5. Emergency and Service Vehicles. All easement is hereby granted to all police, fire protection, ambulance and other emergency vehicles and other service vehicles to enter upon the Common Properties, including, but not limited to, private streets, in the performance of their duties and further, an easement is hereby granted to the Association, its officers, agents, employees and management personnel to enter the Common Properties to render any service or perform any function contemplated herein.

ARTICLE VI

UTILITY BILLS. TAXES AND INSURANCE

Section 1. Obligation of the Owners. Owners' utility bills, taxes and insurance shall be governed by the following:

- (a) Each Owner shall have his separate electric, gas (unless total electric dwelling) and water meter and shall directly pay at his own cost and expense for all electricity, gas, water, telephone service, and other utilities used or consumed by him on his Lot.
- (b) Each Owner shall directly render for taxation his own Lot and improvements thereon, and shall at his own cost and expense directly pay all taxes levied or assessed against or upon his Lot and his improvements and property thereon.

- (c) Each Owner shall be responsible at his own cost and expense for his own property insurance on the building and contents of his own Living Unit and his additions and improvements thereto, including decoration, furnishing, and personal property therein; and also for his personal liability not covered by liability insurance for all Owners which may be obtained by the Association as part of the common expense in connection with the Common Properties.

Section 2. Obligations of the Association. The Association shall have the following responsibilities regarding utility bills, taxes and insurance for the Common Properties:

- (a) The Association shall pay as a common expense of all Owners, for all water, electricity or other utilities used in connection with the enjoyment and operation of the Common Properties or any part thereof.
- (b) The Association shall render for taxation and, as part of the common expenses of all Owners, shall pay taxes levied or assessed against or upon the Common Properties and the improvements and the property appertaining thereto.
- (c) The Association shall have authority to obtain and continue in effect as a common expense of all Owners, a blanket property insurance policy or policies to insure the structures and facilities, if any, located in the Common Properties and the contents thereof and the Association against the risk of loss or damage by fire and other hazards as are covered under standard extended or all-risk coverage provisions, in such limits as the Association deems proper, and said insurance may include coverage against vandalism and such other coverage as the Association may deem desirable. The Association shall also have the authority to obtain comprehensive public liability insurance in such limits as it shall deem desirable, insuring the Common Properties, the Association, the Board of Directors, and/or the Association's Members, agents and employees, from and against liability in connection with the Common Properties. Director and officer liability insurance and fidelity bonds are also allowable coverages that may be obtained by the Association.
- (d) All costs, charges and premiums for all utility bills, taxes and any insurance to be paid by the Association as hereinabove provided shall be paid out of the maintenance fund as a common expense of all Owners and shall be a part of the Base Annual Assessment.

ARTICLE VII

MAINTENANCE AND REPAIRS

Section 1. By the Owners. It shall be the duty, responsibility and obligation of each owner at his own cost and expense to care for, maintain and repair the exterior and interior of his Living Unit and all other improvements on his Lot and the fixtures, appliances, equipment and other appurtenances thereto and also including the private driveway appurtenant to his Living Unit, sidewalks and fences which are appurtenant to and situated on his Lot. The Association shall have the right to enforce this restriction to the fullest extent permitted in The Declaration. If any improvement on a Lot is damaged or destroyed, the Owner shall diligently proceed to restore such improvement to the condition existing prior to such damage or destruction or, in the alternative, raze or remove such improvement and

landscape the Lot pursuant to a "Removal Plan" approved by the Modifications Committee.

ARTICLE VIII

RESTRICTIONS OF USE

Section 1. Single Family Residence.

- (a) All buildings, structures and other improvements erected, altered, or placed in the Property shall be of new construction, and each Lot (and all Property that is subject to The Declaration, whether or not subdivided, except Common Properties) shall be used only for the construction of Living Units (i.e., detached single-family residential structures), each for use only as a residence for a single-family of individuals related by blood or marriage, or maintaining a common household as husband and wife, or by co-owners (excluding cooperative-type ownership if being used to avoid the intent of this restriction). No garage or structure of a temporary character, trailer, mobile home, tent, shack, barn, or outbuilding shall be permanently or temporarily erected, maintained, or installed on any Lot at any time except as may be approved by the Association and/or any applicable Committee, but in no event shall any such approved Non-Living Unit structure be used as a residence, either temporarily or permanently.
- (b) The total exterior wall area of the first floor of each residential dwelling unit shall be at least fifty percent (50%) brick, brick veneer, stone, stone veneer, masonry, or other material approved by the Committee (exclusive of detached garages, doors, windows, breezeways, porch walls, and eaves which shall not be included in the calculation of wall area). The remainder of the exterior wall area shall be covered with materials approved by the Committee. No vinyl, aluminum or plywood sidings shall be permitted. Any variance from the requirement must be approved in writing by the Association and/or any applicable Committee.

Section 2. Animal Husbandry.

- (a) No sheep, goats, swine, poultry, ostriches, emus, alpacas, llamas, camels, dangerous animals (the determination as to what is a dangerous animal shall be in the sole discretion of the Association's Board of Directors), snakes or livestock of any kind shall ever be kept in or upon any part of any Lot except as provided herein. No horses may be kept on the following Lots: Block A, Lots 1 through 7; Block B, Lots 1 through 13. No cattle may be kept on the following Lots: Block A, Lots 1 through 8, 20, and 26 and Block B (any Lot). Domestic pets, including dogs, cats, or other common household pets may be kept by the Owner or Occupant of any Living Unit, provided they are not kept for any commercial purpose. All Owners and Occupants shall keep their respective lots clean and free of pet debris.
- (b) Owners of all Lots not referred to in subsection (a) of this Section 2 may, in addition to common household pets, keep horses and cattle on their Lot. The total number of non-domestic animals kept under this subsection (b) shall not exceed 2 animals per acre of the respective Lot.

Section 3. Trash and Rubbish Removal. No trash rubbish, garbage, manure, or debris of any kind shall be kept or allowed to remain on any Lot. The Owner of each Lot shall remove such prohibited matter from his Lot at regular intervals at his expense, and prior to such removal all such prohibited matter shall be placed in sanitary refuse containers with tight fitting lids. Reasonable amounts of construction materials and equipment may be stored upon a Lot for reasonable periods of time during the construction of improvements thereon. The Owner of each Lot shall be responsible for the storage and regular removal of all trash or other debris from his Lot during the construction of any Improvements thereon.

Section 4. Oil and Mining Operations. No oil or natural gas drilling, oil or natural gas development, or oil refining, quarrying, or mining operations of any kind, no oil, natural gas or water wells, tanks, tunnels, mineral excavations or shafts, and no derricks or other structures for use in boring for oil, natural gas, minerals or water shall be erected, maintained or permitted in the Properties.

Section 5. Farmin2: and Ranching Operations. Except as to Block A, Lots 16, 17, and 18 no commercial farming or ranching operations of any kind shall be allowed on any Lot or in the Properties at any time. This prohibition shall not apply to any farming or gardening activities maintained for personal or family consumption. The Association shall have the exclusive right to determine what activities constitute a violation of this Section 5.

Section 6. Prohibited Use. Industrial use of the properties is prohibited. No use shall be permitted which is offensive by reason of odor, fumes, dust, smoke, noise or pollution, or which is hazardous by reason of excessive danger of fire or explosion. No activity or use shall be permitted on or with respect to the Property which is determined by the Board to be obnoxious to or out of harmony with a distinctive residential community, including, but not limited to, any trailer houses and parks, junk or scrap metal yard, waste material business, any dumping, disposal, incineration or reduction of garbage or refuse, and any fire, bankruptcy or auction sale or operation. No excavations shall be made and no sand, gravel or soil shall be removed from the Properties except in connection with a grading and/or building plan approved as provided by the New Construction Committee. No burning of rubbish or trash shall be permitted at any time. No storage area shall be permitted between any building and the front Property line of such Property.

No common nuisance or public nuisance shall be allowed on any Lot in the Property and no Owner or Occupant of any Lot in the Property shall use the same so as to endanger the health or disturb the reasonable enjoyment of any other Owner or Occupant. For the purposes of this section "common nuisance" and "public nuisance" have the meanings defined in Texas Civil Practice and Remedies Code § 125.041.

No broken or rusty equipment, disassembled or inoperative cars discarded appliances or furniture shall be allowed on any Lot at any time.

No activity, whether for profit or not, which is not related to single-family residential purposes, shall be carried on upon any Lot, except on those Lots which may be designated by Declarant for use as sales offices, construction offices, and storage facilities for a period of time commensurate with home construction and sales within the Property.

Section 7. Septic System. Only aerobic type septic systems shall be permitted on any Lot. Any such system must, prior to being placed or installed, must be approved by the appropriate city,

county, and/or state authority. t-roof of such approval must be presented to the New Construction Committee prior to the installation or placement of the system.

Section 8. Declarant's Rights During Development Period. During that period of time while any parcels of land, Lots or Living Unit located with the Property are being developed and marketed (the "Development Period"), The Declarant, with the right of assignment, shall have and hereby reserves the right to reasonable use of the Common Properties and land owned by The Declarant within the Property in connection with the promotion and marketing of land within the boundaries of the Properties. Without limiting the generality of the foregoing, Declarant may erect and maintain such signs, temporary buildings, model homes and other structures as Declarant may reasonably deem necessary or property with the promotion, development, and marketing of land within the Property during the Development Period.

Section 9. Builder Rights. During the Development Period, The Declarant shall have the right to allow any one or more approved homebuilders (a "Builder") the right to erect and maintain such signs, model homes, and other structures Declarant may reasonably deem necessary or proper in connection with such Builder's development and marketing of Lots and residential improvements located within the Property. The approvals granted by The Declarant as described above are discretionary and may be revoked in the manner specified in an agreement between Declarant and the Builders or, if there is no agreement, a Builder shall be given at least ten (10) days' notice to comply with any revocation of approval by The Declarant.

Section 10. Storage of Boats, Trailers and Other Vehicles and Equipment. No boat, trailer, recreational vehicle, camping unit, bus, commercial use truck, or self-propelled or towable equipment or machinery of any sort or any item deemed offensive by Declarant or the Association shall be permitted to park on any Lot except in an enclosed structure or behind the rear line of the primary residential structure on the Lot. The restrictions shall not apply to automobiles or small non-commercial passenger trucks in good repair and attractive condition, provided that any such vehicles are parked on an improved driveway which has been approved by the New Construction Committee. No vehicle shall ever be permitted to be parked on the front or side lawn within view of the public. Except for the purposes of moving, no vehicle with any type of commercial signage, including tractor trailers, shall be allowed within the Property at any time. No vehicle of any size which transports inflammatory or explosive cargo may be kept on the Property at any time.

Section 11. Electrical Telephone and Other Utility Lines. All electrical, telephone and other utility lines and facilities which (i) are located on a Lot; (ii) are not within or part of any building, and (iii) are not owned by a governmental entity, a public utility company, or the Association, shall be installed in underground conduits or other underground facilities. Lighting fixtures may be installed above ground if approved in writing by the New Construction Committee. No gas meter shall be set nearer the street than the front building line or side street building line unless the meter is of underground type.

Section 12. Exterior Lighting. No exterior lights shall be installed or maintained on any Lot which light is found to be objectionable to the Association and/or any applicable Committee. Upon notice by the Committee that any exterior light is objectionable the Owner of the Lot on which the light is located will immediately remove the light or shield it in such a way that it is no longer objectionable. No sodium vapor exterior lights or similar high intensity lights shall be installed on any Lot.

Section 13. Signs, Advertisements and Billboards. No sign, advertisement, billboard or advertising structure of any kind shall be displayed to public view on any Lot except for one (1) sign on each Lot, which sign may not exceed six (6) square feet, for the purpose of advertising the Property for sale or rent, except signs used by Declarant, or its successors or assigns, for a period of time commensurate with its home construction/sales program. No sign shall be permitted that shall advertise that a Property has been or will be foreclosed. Declarant and the New Construction Committee shall have the right to remove any sign.

Section 14. Lot Maintenance. The Owner of each Lot shall maintain the same, and the improvements, sod, trees, hedges and plantings thereon, in a neat and attractive condition. Prior to occupancy of the primary dwelling on the Lot, the front and side yards shall be sodded or hydro mulched, and a minimum of eight five gallon shrubs and four fifteen gallon shrubs shall be planted in the front yard. Maintenance shall include regular mowing of the area contained within 250 feet of the center line of the road that borders the front of such Lot, edging of turf areas, weeding of plant beds, fertilizing, weed control, and watering of the turf and landscape areas on each Lot. Diseased or dead plants or trees must be removed and replaced within a reasonable time. On front lawns and wherever visible from any street, there shall be no decorative appurtenances placed, such as sculptures, birdbaths, birdhouses, fountains or other decorative embellishments unless such specific item(s) have been approved in writing by the New Construction Committee or the Modifications Committee. The Association or Declarant shall have the right, after ten (10) days notice to the Owner of any Lot, to perform any work necessary to preserve the neat and attractive condition of said Lot. The Association shall be entitled to reimbursement from the Owner of the cost of any such work. If such amount is not reimbursed, the Owner will be liable for any interest, attorney 's fees, and court costs incurred in the collection of such amount. The entirety of such amount shall be secured by a lien on the respective Owner's Lot, which lien shall be enforceable as any other Assessment lien as provided in The Declaration.

Section 15. Removal of Dirt and Trees. The digging or removal of dirt from any land is expressly prohibited except as necessary in conjunction with the initial construction and subsequent landscaping or building of Improvements or except as approved in writing by the Association and/or the applicable Committee.

Section 16. Air Conditioners. All air conditioners or air conditioning units located on a Lot must be located behind the front line of the primary residential structure on said Lot.

Section 17. Driveways. The Owner of each Lot shall construct and maintain at his expense a driveway of not less than ten (10') feet in width (unless such minimum width has been increased in a particular Neighborhood by Supplemental Declaration) from his garage to an abutting street, including the portion in the street easement, and he shall repair at his expense any damage to the street occasioned by connecting his driveway thereto. All driveways shall be constructed of concrete, pavestone type masonry, brick, asphalt, or rock (or of similar materials only if specifically approved by the New Construction Committee), and must be approved in writing by the New Construction Committee prior to construction thereof.

The New Construction Committee reserves the right to restrict the location of any driveway on any Lot.

Section 18. Outbuildings. No storage building, greenhouse, play structure, basketball goal, treehouse, or children's playhouse (collectively "outbuilding") shall be permitted on any Lot in the Property without prior written approval of the New Construction Committee or the Modifications Committee, as the case may require. Any permitted outbuilding must be in keeping with the overall character and aesthetics of the Living Unit located on the Lot, provided that metal storage sheds may be permitted in styles and locations approved in the discretion of the New Construction Committee or the Modifications Committee, as the case may require. The New Construction Committee or the Modifications Committee shall be entitled to review and approve or disapprove, without limitation, all outbuildings, play structures (including basketball backboards and goals), and storage structures. No outbuilding or play structure will be permitted to (a) be placed on an easement; or (b) be located nearer to a Lot boundary than the applicable building set-back for the residential structure established by City Code or by The Declaration.

Section 19. Lot Drainage. All drainage of water from any Lot and the improvements thereon shall drain or flow as set forth below:

- (b) Any such water shall drain or flow from the Lots as shown on the Lot Grading Plans for the construction of the subdivision and shall not be allowed to drain or flow upon adjoining Lots or Common Properties unless shown to do so by said Lot Grading Plans. The Owner shall provide drains or swales to effect such drainage upon construction of the dwelling unit of the Lot.
- (c) All slopes or terraces on any Lot shall be maintained so as to prevent any erosion thereof upon adjacent streets or adjoining Property.
- (d) No structure, planting, fencing, or other material shall be placed or permitted to remain or other activities undertaken within the Property or any portion thereof by any Owner which might damage or interfere with the drainage patterns as shown on the Subdivision Lot Grading Plans or which alters, obstructs, or retards established drainage patterns or flow of water through drainage channels.
- (e) The general grading, slope and drainage plan of a Lot may not be altered without the approval of The Declarant, the New Construction Committee, or Modifications Committee, and as otherwise required by applicable ordinances and regulations of governmental authorities with jurisdiction over the Property.
- (f) Each owner shall accept the drainage as it exists at the time of purchase regardless of whether it is natural drainage or created as a result of prior development or improvement of the Property. The Owner of each Lot which abuts or contains any portion of the existing ponds, tanks, or drainage channels situated on the Property takes and accepts title to each said Lot with the knowledge, understanding, and acceptance of the natural drainage and condition of each such pond, tank, or drainage channel. Any such pond, tank, or drainage channel may not be changed or altered in any manner, unless such change or alteration is approved in writing by the Association and/or the applicable Committee.

Section 20. Building Heights. No building or Living Unit in the Property shall exceed two and one-half (2 ½) stories in height. Furnished attics and/or basements shall not be considered for the

purpose of this Section 26 to be separate stories.

Section 21. Building Requirements. As to each Lot in the Property, the following building requirements shall apply unless the New Construction Committee agrees to the contrary in writing, to wit:

- (a) No building (i) shall be placed or built on any Lot within 80 feet of the center line of the public road that borders the front of such Lot; (ii) shall be placed or built on any Lot within 25 feet of the side Lot line or the rear Lot line as such lines are shown on the relevant subdivision Plat, or (iii) shall encroach on any easement shown on the relevant subdivision Plat unless (a) approved in writing by the New Construction Committee as having resulted from setting or shifting of improvements, and (b) permitted by applicable law and governmental authorities having jurisdiction.
- (b) Each Living Unit located on a Lot shall face the public street designated on the Plat with a front building setback line, unless otherwise approved by the New Construction Committee or, otherwise, provided in an applicable Supplemental Declaration.
- (c) Construction of the primary residential structure on a Lot shall be completed within twelve (12) months of the date on which the Plans for said Lot were approved by the New Construction Committee. An extension of time for such construction must be approved in writing by the New Construction Committee. **If** construction is not completed within the time period prescribed by this subsection (c), and no extension has been approved, the Owner shall pay to the Association the sum of one hundred (\$100.00) per day, which amount is enforceable as a lien on the Lot and any improvements contained thereon.

Section 22. Walls and Fences. No walls or fences shall be erected or maintained nearer to the front Lot line than the front building line of the primary residential structure on such Lot. No fence or wall shall be more than five (5) feet in height, unless otherwise permitted in a Supplemental Declaration or unless approved for such Lots in writing by the New Construction Committee or Modifications Committee, as the case may be, in their sole judgment and discretion. Any wall or fence erected on a Lot by Declarant, or its assigns, shall pass ownership with title to the Lot and it shall be owner's responsibility to maintain said wall or fence thereafter. Approval of the New Construction Committee shall be obtained prior to the erection of any wall or fence on any Lot.

All perimeter fencing shall be made of pipe and cable, with a minimum of three strands and a top rail, or shall be non-climb fencing constructed of wrought iron or steel, except as set forth herein or in any applicable Supplemental Declaration filed by Declarant, or as otherwise permitted at the discretion of the New Construction Committee or Modifications Committee, as the case may be. Only white, brown, and tan fences are permissible, unless approval of an alternate color is approved in writing by the New Construction Committee or the Modifications Committee, as the case may be. The use of chain link fencing is prohibited on all Lots, except for temporary uses during the construction of a house. No fence shall be higher than six (6) feet.

All fences built around swimming pools must be "non-climb" fences constructed of wrought iron or metal and must be approved in writing by the New Construction Committee or Modifications Committee, as the case may be.

Upon approval in writing of the New Construction Committee, wooden privacy fences may be erected in the rear and side yards, but such fences shall be constructed with metal post set in 24 inches or more of concrete, and shall be constructed with board on board cedar pickets.

Section 23. Roofs. The roof of each Living Unit shall be covered with shingles of a type, weight, and color approved by the New Construction Committee. The decision with regard to shingle type, weight, and color shall rest exclusively with the New Construction Committee or the Modifications Committee, as the case may be, and their respective decisions regarding same shall be final and binding. All roof stacks and flashings must be painted to match the approved roof color. All roofs must be constructed such that the pitch thereof is at least 5/12.

Section 24. Garages. Garages shall be located to comply with applicable building codes and ordinances. All garages must be configured as "side entry" or "rear entry" garages. At no time shall garage doors be permitted to face the front of the Lot on which is it constructed, unless approved in writing by the New Construction Committee or Modifications Committee, as the case may be..

Section 25. Minimum Floor Area. The total air-conditioned living area of the main residential structure of any single story structure, as measured to the outside exterior walls but exclusive of open porches, garages, patios and detached accessory buildings, shall be not less than one thousand seven hundred fifty (1,750) square feet.

For all residential structures constructed with more than one story, the first story must contain at least one thousand two hundred fifty (1,250) square feet of air-conditioned living area, as measured to the outside exterior walls but exclusive of open porches, garages, patios, and detached accessory buildings.

ARTICLE IX GENERAL

PROVISIONS

Section 1. Enforcement. The terms and provisions of this Declaration shall run with and bind the land included in the Property, and shall inure to the benefit of and be enforceable by Declarant, The Association, or the Owner of any Lot, and by their respective legal representatives, heirs, successors and assigns. The Declaration may be enforced in any proceeding at law or in equity against any person or entity violating or threatening to violate any term or provision hereof, to enjoin or restrain violation or to recover damages, and against the Property to enforce any lien created by The Declaration, and failure of Declarant, The Association, or any Owner to enforce any term or provision of The Declaration shall never be deemed a waiver of the right to do so thereafter.

Section 2. Incorporation. The terms and provisions of The Declaration shall be construed as being adopted in each and every contract, deed, or conveyance hereafter executed by Declarant conveying all or any part of the land in the Property, whether or not referred to therein, and all estates conveyed therein and warranties of title contained shall be subjected to the terms and provisions of The Declaration.

Section 3. Covenants Running With Title. The covenants and restrictions of The Declaration shall run with and bind the Properties, and shall inure to the benefit of and shall be enforceable by The Association or the Owner of any Property subject to The Declaration, their respective legal

representatives, heirs, successors and assigns.

Section 4. Amendments with Members' Approval. The Declaration may be amended in whole or in part by an instrument executed by the President of The Association, provided the amendment has received the prior approval by the affirmative vote or a minimum of seventy-five percent (75%) of the total votes eligible to be cast by ALL Voting Members of The Association (regardless of the number of Members who may be present in person or voting by proxy at a meeting of the Members), such vote to be taken at a meeting of the Members duly called for the purpose (among others) of taking such vote, or as the Bylaws otherwise authorize voting by Members. Following any such amendment, every reference herein to The Declaration shall be held and construed to be a reference to The Declaration as so amended. All amendments shall be recorded in the Real Property Records of Hill County, Texas. Nothing herein or in any Supplemental Declaration shall permit or be construed to permit the Owners of Lots within a given Neighborhood or a portion of the Property annexed by Supplemental Declaration to alone decide to de-annex all or any part of such Neighborhood or annexed Property from The Declaration or the jurisdiction of The Association, or to amend any particular restriction, requirement or provision herein, except a vote of a minimum of seventy-five percent (75%) of all the Members in the entire Association, including (but not requiring any particular percentage vote of) Owners of Lots outside the area proposed to be de-annexed or otherwise affected by the amendment in question. No such group of Owners or Members shall have such right to seceded from The Association or amend such restrictions except as above contemplated.

Section 5. Amendments by Declarant.

- (a) Declarant, and its successors and assigns, shall have and reserve the right at any time and from time to time, without the joinder or consent of any other party, to amend The Declaration by any instrument in writing duly signed, acknowledged, and filed for record for the purpose of correcting any typographical or grammatical error, ambiguity or inconsistency appearing herein, provided that such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by The Declaration.
- (b) Particularly reserved to Declarant, and its successors and assigns, is the right and privilege of Declarant to amend revise or abolish portions of The Declaration applicable to any portion of the Properties within The Declaration so long as Declarant owns at least one Lot within the portion(s) of the Property to be so affected. Such amendment may be done by Declarant without the consent or joinder of the other Lot owners in such affected area.

Section 6. Declarant's Special Power to Act Without Meeting or Vote. Except to the extent otherwise required by law, so long as the Declarant controls votes sufficient to constitute the requisite majority for a given action under this Declaration, such action shall be deemed to have been approved for all purposes at the time Declarant authorizes the action, without the necessity for a meeting of the Board of Directors, Owners or any other formality, to the same extent as if such meeting had been convened in accordance with the terms of this Declaration and a vote or votes taken and approved.

Section 7. Books and Records. The books and records of The Association shall, during reasonable business hours, be subject to reasonable inspection by any Member. The Board of Directors may, by resolution, establish rules and regulations governing the frequency of inspection and other

matters to the end that inspection of the books and records by any Member or Members will not become burdensome to nor constitute harassment of The Association. The Declaration and the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of The Association, where copies may be purchased at reasonable cost to Members.

Section 8. Indemnification and Hold Harmless.

- (a) By The Association. The Association shall indemnify every officer and director against any and all expenses, including fees of legal counsel, reasonably incurred by or imposed upon any officer or director in connection with any action, suit or other proceeding (including settlement of any suit or proceeding, approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer or director. The officers and directors shall not be liable for any mistake of judgment, negligent, or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of The Association (except to the extent that such officers or directors may also be Members of The Association), and The Association shall indemnify and forever hold each such officer and director free and harmless from and against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association may, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation.
- (b) By An Owner. Each Owner shall be liable to The Association for any damage to the Common Properties of any type or to any equipment thereon which may be sustained by reason of the negligence of said Owner, his tenants, employees, agents, customers, guests or invitees, to the extent that any such damage shall not be covered by insurance. Further, it is superficially understood that neither the Declarant, The Association, the Board of Directors, or any Owner shall be liable to any person for injury or damage sustained by such person occasioned by the use of any portion of the recreational facilities or other Common Properties within the Properties. Every owner does hereby agree to defend, indemnify and hold harmless the Declarant, The Association, the Board of Directors and other Owners from and against any such claim or damage as referenced in the immediately preceding sentence hereof, including, without limitation, legal fees and court costs.

Section 9. Rights of Mortgagee's and Lienholders. No violations of any of these restrictions, covenants or conditions shall effect or impair the rights of any mortgagee or lienholder under and mortgage or deed of trust, or the rights of any assignee of any mortgagee or lienholder under any such mortgage or deed of trust.

Section 10. Rights to Subdivide or Re subdivide. Prior to the time Declarant parts with title thereto, Declarant shall have the right (but shall never be obligated) to subdivide or re subdivide into Lots, by recorded Plat or in any other lawful manner, all or any part of the land included within the Property.

Section 11. Notice. Any notice required or desired to be given under The Declaration shall be in writing and shall be deemed to have been properly served when (i) delivered in person and receipted for, or (ii) three (3) days after deposit in the United States Mail, Certified, Return Receipt Requested, Postage Prepaid Addressed, if to an Owner, to the Owner's last known address as shown on the records of The Association at the time of such mailing or, if to The Association to its President, Secretary or registered agent. The initial address for the Association and Declarant shall be:

Patton's Mill Addition Homeowners Association, Inc.
c/o
US Ultra Homes, LLC
P.O. Box 1025
Pilot Point, TX 76258

And such address for The Association and Declarant shall be effective unless and until a supplement to this Declaration shall be made and filed in the Real Property Records of Hill County, Texas, specifying a different address for the party filing such supplement (in which event such address specified in such supplement shall be the address, for the purposes of this Section 11, for the addressee named in such supplement).

Section 12. Enforcement. The covenants, conditions, restrictions, easements, uses, privileges, Assessments and liens of The Declaration shall run with the land and be binding upon and inure to the benefit of Declarant, The Association and each Owner of the Properties or any part thereof, their respective heirs, legal representatives, successors and assigns. The enforcement of the provisions of the Declaration shall be vested in The Association, provided that in the event The Association fails or refuses to enforce a provision of The Declaration for a period of thirty (30) days after written notice from Declarant or any Owner, as the case may be, Declarant or any Owner shall have the right, but not the obligation, to enforce such provisions by bringing suit in the name of the Declarant or Owner (as the case may be), or on behalf of The Association, as the Declarant or such Owner may elect. A breach of any of the provisions of this Declaration shall give to the party entitled to enforce such provision the right to bring a proceeding at law or in equity against the party or parties breaching or attempting to breach The Declaration and to enjoin such party or parties from so doing or to cause such breach to be remedied or to recover damages resulting from such breach. A breach of The Declaration by an Owner relating to the use or maintenance of any portion of the Properties or part thereof is hereby declared to be and constitute a nuisance and every public or private remedy allowed by law or equity for the abatement of a public or private nuisance shall be available to remedy such breach. In any legal or equitable proceedings for the enforcement of The Declaration or to restrain a breach thereof, the party or parties against whom judgment is entered shall pay the attorney's fees and costs of the party or parties for whom the judgment is entered in such amount as may be fixed by the court in such proceedings. All remedies provided under The Declaration, including those at law or in equity shall be cumulative and not exclusive. No party having the right to enforce The Declaration shall be liable for failure to enforce The Declaration.

Section 13. Good Faith Lender's Clause. No violation of The Declaration shall affect any lien or deed of trust of record upon any Property subject to Assessment or any part of the Property, when held in good faith. These liens may be enforced in due course, subject to the provisions of The Declaration.

Section 14. Mergers. If The Association shall merge or consolidate with another association

as provided in the Articles of incorporation, then the Association's properties, assets, rights and obligations may be transferred to another surviving or consolidated association or, alternatively, the properties, assets, rights and obligations of another association may be transferred to the Association as a surviving corporation. The surviving or consolidated association shall administer any restrictions, together with any declarations of covenants, conditions and restrictions governing these and any other properties under one administration. No merger or consolidation shall cause any revocation, change or addition to this Declaration .

Section 15. Conflict with Deeds of Conveyance: Declarant's Rights. If any part of The Declaration shall be in conflict with any term of a previously recorded deed of conveyance to any portion of the Property, the term of the prior deed of conveyance shall govern, but only to the extent of such conflict. Where rights are reserved to Declarant by the restrictions of this Declaration, Declarant reserves the right to modify such restrictions as necessary in subsequent deeds of conveyance, in which case the terms of the deeds of conveyance shall prevail.

Section 16. Duration. The Declaration shall remain in full force and effect for a term of thirty (30) years from the date The Declaration is recorded in the Office of the County Clerk of Hill County, Texas, after which time The Declaration shall be extended automatically for successive periods often (10) years each unless and until an instrument signed by the Members entitled to cast not less than seventy-four percent (74%) of the aggregate of the votes of both Classes of Membership has been filed for record in the Office of the County Clerk of Hill County, Texas, agreeing to terminate this Declaration. Such an instrument so filed for record shall become effective on the date stated therein or one (1) year after it is so filed for record, whichever is the later date. No particular area or Neighborhood annexed herein by Supplemental Declaration, nor the Owners thereof shall be entitled to elect not to renew the term hereof, as it pertains to such annexed Property, except upon a vote of the requisite percentage (set forth above) of all Members of the entire Association, including those Members owning Lots within and those owning Lots outside the Neighborhood or annexed area that desires non-renewal.

Section 17. Severability. Invalidation of any term or provision of The Declaration by judgment or otherwise shall not affect any other term or provision of this Declaration, and this Declaration shall remain in full force and effect except as to any terms and provisions which are invalidated.

Section 18. Gender and Grammar. The singular wherever used herein shall be construed to mean or include the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations (or other entities) or individuals, male or female, shall in all case be assumed as though in each case fully expressed.

Section 19. Titles. The titles and headings of The Declaration and of the Articles and Sections contained herein are for convenience only and shall not be used to construe, interpret, or limit the meaning of any terms or provisions contained in this Declaration.

Section 20. Successors in Title. The terms and provisions of this Declaration shall apply to, be binding upon, and inure to the benefit of Declarant and The Association, and their respective successors and assigns.

IN WITNESS WHEREOF, this Declaration is executed on this 1st day of April, 2021.

DECLARANT:

US Ultra Homes, LLC

By:
Carolyn Cashion, President

NOTARY ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF DENTON

The instrument was acknowledged before me on the _____ day of _____,
_____, by _____.

Notary Public

My commission expires: _____