

# DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THE STATE OF TEXAS  
COUNTY OF TRAVIS

THIS DECLARATION OF COVENANTS, CONDITIONS and RESTRICTIONS (this "Declaration") is executed effective as of 1992, by SAGE LAND COMPANY, INC., a Texas corporation ("Declarant").

WHEREAS, Declarant is the owner of that certain property in the City of Austin Travis County, Texas, more particularly described Exhibit A attached hereto and incorporated herein by this reference for all purposes (the "Property"); and

WHEREAS, Declarant desires the Property to be held, sold and conveyed subject to the following easements, restrictions, covenants, conditions, liens and charges, which are for the purpose of protecting the value and desirability of the Property, and which shall run with the Property and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof:

NOW, THEREFORE, Declarant hereby declares that the Property is and shall be held, sold and conveyed subject to the following covenants, restrictions and easements, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property and that these covenants, restrictions and easements shall run with the Property and shall be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, and shall, subject to the limitations herein provided, inure to the benefit of each owner thereof, his heirs, grantees, distributors, successors and assigns, and to the benefit of Declarant, and its successors and assigns.

## ARTICLE I Definitions

The following words, when used in this Declaration or any amendment or supplement hereto (unless the context shall otherwise clearly indicate or prohibit) shall have the following meanings:

1.01 Association "Association" shall mean and refer to Great Hills Section 24 Homeowners Association, Inc., a Texas non profit corporation, which has the power, duty and responsibility of maintaining and administering the Common properties, and collecting the disbursements and charges thereafter prescribed and has the right of administering and enforcing the Restrictions.

1.02. Builder "Builder" shall mean and refer to any person or entity undertaking the construction of a residential dwelling on a Lot.

1.03 Common Properties "Common Properties" shall mean and refer to any areas within the property which are used for the installation and maintenance of landscaping, fences, signage or entrance ways intended to benefit and be for the common enjoyment of the Members of the Association, together with any and all improvements that are now or may hereafter be constructed thereon. The Association shall either hold record title to the Common Properties or be granted an easement to the common Properties, consistent with the objectives envisioned herein.

1.04 Corner Lot "Corner Lot" shall mean and refer to any Lot which abuts on more than one street.

1.05. Declarant "Declarant" shall mean and refer to Sage Land Company, Inc., and its successors and assigns; provided, however that any assignment of the rights of a Declarant must be expressly set forth in writing and the mere conveyance of a portion of the Property without assignment of the rights of a Declarant shall not be sufficient to constitute an assignment of the rights of a Declarant hereunder.

1.06. Declaration "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions as the same may be from time to time supplemented or amended in the manner prescribed herein.

1.07. Dwelling "Dwelling" shall mean a detached single family building, constructed on a Lot and used for residential purposes only.

1.08. Easement Area "Easement Area" shall mean and refer to those areas on each Lot with respect to which easements are shown on a recorded deed or upon any filed or recorded map or plat relating thereto.

1.09. Lot "Lot" shall mean and refer to any plot or tract of land shown upon any recorded subdivision map(s) or plat(s) of the Property, which is designated as a Lot therein and which is or will be improved with a dwelling.

1.10. Owner "Owner" shall mean and refer to each and every person or business entity who is a record owner of a fee or undivided fee interest in any Lot, but excluding those who hold a bona fide lien or interest in a Lot as security for the performance of an obligation.

1.11. Property "Property" shall mean and refer to that certain real property heretofore described.

1.12. Street "Street" shall mean and refer to any street, drive, boulevard, road, lane, avenue or thoroughfare as shown on the subdivision plat.

## ARTICLE II MEMBERSHIP AND VOTING RIGHTS

2.01 Membership. Every Owner of a Lot shall automatically be and must remain a Member of the Association in good standing. Membership shall be appurtenant to and may not be separated from ownership of any Lot. The Board of Directors may declare that an Owner is not a Member in good standing because of past unpaid dues, fines, late charges, interest, legal fees, and/or any other assessments of any nature. The Board of Directors may temporarily suspend the voting rights of any Member who is not in good standing until such past unpaid amounts are paid in full.

2.02 Voting Rights. The Association shall have two classes of voting membership:

Class A: Class A Members shall be all Members other than Class B Members. Class A Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership. When more than one person holds such interest or interests in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one (1) vote be cast with respect to any such Lot.

Class B: Class B Members shall be the Declarant. Class B Members shall be entitled to four (4) votes for each Lot owned.

The Class B membership shall cease and each Class B Member shall become a Class A Member:

(i) when the total number of votes outstanding in the Class A membership is equal to or greater than the total number of votes outstanding in the Class B membership or

(ii) January 1, 1995; or

(iii) when the Declarant, by a written instrument signed by Declarant, elects to convert the Class B membership to Class A membership,

whichever of (i), (ii) or (iii) above occurs first in time.

Notwithstanding the voting rights within the Association, until the Declarant no longer owns record title to any Lot, or until January 1, 1995, whichever occurs first in time, the Association shall take no action or inaction with respect to any matter whatsoever without the consent and approval of the Declarant.

2.03. Quorum, Notice and voting Requirements.

(a) Subject to the provisions of Section 2.02 and Paragraph (d) of this Section 2.03, any action of the Members authorized hereunder shall require the assent of the majority of the vote of those who are voting in person or by proxy at a meeting duly called for that purpose, written notice of which shall be given to all Members not less than thirty (30) days nor more than ten (10) days in advance and shall set forth the purpose of such meeting.

(b) The quorum required for any action authorized by Sections 3.03 and 3.04 hereof shall be as follows:

At the first meeting called, the presence at the meeting of Members, or of proxies, entitled to cast sixty percent (60.0%) of all of the votes shall constitute a quorum. If the required quorum is not present at the first meeting, one additional meeting may be called, subject to the notice requirement hereinabove set forth, and the required quorum at such a second meeting shall be one-half (1/2) of the required quorum at the preceding meeting provided, however, that no such second meeting shall be held more than sixty (60) days following the first meeting.

(c) The quorum required for any action other than that action referred to in Paragraph (b) of this Section 2.03 shall be as follows:

At the first meeting called, the presence at the meeting of Members, or of proxies, entitled to cast thirty percent (30.0%) of all of the votes shall constitute a quorum. If the required quorum is not present at the first meeting, one additional meeting may be called, subject to the active requirement hereinabove set forth, and the required quorum at such second meeting shall be one-half (1/2) of the required quorum at the preceding meeting provided, however, that no such second meeting shall be held more than sixty (60) days following the first meeting.

(d) As an alternative to the procedure set forth above, any action referred to in Paragraph (b) of this Section 2.03 may be taken with the assent given in writing and signed by members who hold more than sixty percent (60.0%) of the outstanding votes and any action referred to in Paragraph (c) of this Section 2.03 may be taken with the assent given in writing and signed by Members who hold more than fifty percent (50.0%) of the outstanding votes.

(e) Except as specifically set forth in this Declaration, notice, voting and quorum requirements for all action to be taken by the Association shall be consistent with its Articles of Incorporation and Bylaws, as amended from time to time.

### ARTICLE III

3.01. Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot owned by it within the Property, hereby covenants and agrees and each purchaser or Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree (and such covenant and agreement shall be deemed to constitute a portion of the purchase money and consideration for acquisition of the Lot), to pay to the Association (or to an entity or agency which may be designated by the Association to receive such moneys): (1) annual assessments or charges for maintenance, taxes and insurance on the Common Properties, (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided and (3) individual special assessments levied against individual Lot Owners to reimburse the Association for extra cost for maintenance and repairs caused by the willful or negligent acts of the individual Owner and not caused by ordinary wear and tear, such assessment to be fixed, established and collected from time

to time as hereinafter provided. The annual, special and individual assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon each Lot against which each such assessment is made and shall also be the continuing personal obligation of the Owner of such Lot at the time when the assessment fell due

3.02. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for (i) the improvement and maintenance of the Common Properties, (ii) carrying out the duties of the Board of Directors of the Association as set forth in Article IV hereafter, and (iii) carrying out the various matters set forth or envisioned herein or in any amendment or supplement hereto.

3.03. Basis and Amount of Annual Maintenance Assessments.

(a) The Board of Directors of the Association may establish the maximum annual assessment for each Lot, provided that the maximum annual assessment may not be increased more than twenty-five percent (25.0%) above the maximum annual assessment for the previous year unless approved by the Members of the Association as provided in Section 2.03 of Article II.

(b) After consideration of current maintenance costs and the future needs of the Association, the Board of Directors of the Association may fix the actual annual assessment at an amount equal to or less than the then existing maximum annual assessment

(c) Each Lot owned by a Class A Member shall be charged with one hundred percent (100.0%) of the established per Lot assessment, while each Lot owned by a Class B Member shall be charged with fifty percent (50.0%) of the established per Lot assessment. The Declarant shall be responsible for satisfying the assessments owed by all Class B Members.

3.04. Special Assessments for Capital Improvements. In addition to the annual assessments authorized by Section 3.03 hereof, the Association may levy in any year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Properties, including any necessary fixtures and personal property related thereto; provided that any such assessment shall have the affirmative approval of the Members or the Association as provided in Section 2.03, Article II.

3.05. Uniform Rate of Annual and Special Assessments. Both annual and special capital assessments must be fixed at a uniform rate for all Lots owned by Class A Members.

3.06. Date of Commencement of Assessments; Due Dates. The annual maintenance assessments provided for herein shall commence on the date fixed by the Board of Directors of the Association to be the date at commencement, and as may be prescribed by the Board of Directors, shall be payable annually or monthly, in advance, on the first day of each year or month, as the case may be. The due date or dates, if it is to be paid in installments, of any annual assessment or special assessment under Sections 3.03 and 3.04 hereof, shall be fixed in the respective resolution authorizing such assessment.

3.07. Duties of the Board of Directors with Respect to Assessments

(a) The Board Or Directors of the Association shall fix the date of commencement and the amount of the assessment against the Lot for each assessment period at least sixty (60) days in advance of such date or period if such assessments are being increased and at least sixty (60) days in advance of such date or period if such assessments are not being increased and the Board of Directors shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office Or the Association.

(b) Written notice of the assessment shall thereupon be delivered or mailed to every Owner subject thereto.

(c) The Board of Directors shall upon demand at any time furnish to any owner liable for said assessment, a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid. A reasonable charge may be made by the Board for the issuance of such certificate.

3.08. Effect of Nonpayment of Assessment; The Personal Obligation of the Owner; the Lien; Remedies of Association

(a) If any assessment or any part thereof is not paid on the date(s) when due, then the unpaid amount of such assessment shall become delinquent and shall, together with late charges and service charges [hereinafter defined in subparagraph (c)], and interest thereon at the highest permitted lawful rate per annum and costs of collection thereof, thereupon become a continuing debt secured by a lien on the Lot of the non-paying Owner which shall bind such Lot in the hands of the Owner, his heirs, executors, devisees, personal representatives and assigns. The Association shall have the right to reject partial payments of an assessment and demand the full payment thereof. The personal obligation of the then-existing Owner to pay such assessment shall remain his personal obligation and shall not pass to his successors in title unless expressly assumed by them. Furthermore, the lien for unpaid assessments shall be unaffected by any sale or assignment of a Lot and shall continue in full force and effect. No Owner may waive or otherwise escape liability for the assessment provided herein by non-use of the Common Properties or by abandonment of his Lot.

(b) The Association may also give written notification to the holder(s) of the mortgage on the Lot of the non-paying Owner of such Owner's default in paying any assessment when such default has not been cured within thirty (30) days.

(c) If any assessment remains unpaid at the expiration of fifteen (15) calendar days from and after the due date established by the Board, a late charge shall be assessed against the non-paying Owner. The late charge shall be in the amount of Thirty Dollars (\$30.00) for all Class A Members and Fifteen Dollars (\$15.00) for all Class B Members. A service charge in the amount of Twenty-Five Dollars (\$25.00) shall be charged for each check that is returned because of insufficient funds. The amounts of late charges and service charges may be adjusted, from time to time, by the Board consistent with any changes in the amounts of regular or special

assessments provident however, that the amount of any late charges assessed against Class B Members shall be fifty percent (50.0%) of the amount of the late charge assessed against Class A Members.

(d) If any assessment or part thereof, late charge or service charge, is not paid when due, the unpaid amount of such assessment together with all late charges and service charges shall bear interest from and after the date when due at the highest permitted lawful rate per annum, and the Association may, at its election, retain the services of an attorney for collection and there shall also be added to the amount of such unpaid assessment, late charge or service charge, and any and all collection costs incurred hereunder by the Association including reasonable attorneys' fees.

3.09. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate and inferior to the lien of any first mortgage or deed of trust now or hereafter placed upon the Lots subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to the foreclosure sale, whether public or private, of such property pursuant to the terms and conditions of any such mortgage or deed of trust. Such sale shall not relieve such Lots from liability for the amount of any assessments thereafter becoming due nor from the lien of any such subsequent assessment.

ARTICLE IV  
GENERAL POWERS AND DUTIES OF BOARD OF DIRECTORS  
OF THE ASSOCIATION

4.01. Powers and Duties. The affairs of the Association shall be conducted by its Board of Directors (hereinafter referred to as the "Board"). The Board shall be selected in accordance with the Articles of Incorporation and Bylaws of the Association. The Board, for the benefit of the Common Properties and the Owners, shall provide, and shall pay for out of the maintenance fund(s) provided for in Article III above, the following:

(a) Care and preservation of the Common Properties and the furnishing and upkeep of any desired personal property for use in the Common Properties:

(b) The services of a person or firm to manage the Association or any separate portion thereof, to the extent deemed advisable by the Board, and the services of such other personnel as the Board shall determine to be necessary or proper for the operation of the Association, whether such personnel are employed directly by the Board or by the manager:

(c) Legal and accounting services:

(d) Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alteration, taxes or assessments which the Board is required to obtain or pay for pursuant to the terms of this Declaration or which in its opinion shall be necessary or proper for the operation or protection of the Association or for the enforcement of this Declaration.

The Board shall have the following additional rights, powers and duties:

(e) To execute all declarations of ownership for tax assessment purposes with regard to any of the Common Properties owned by it;

(f) To enter into agreements or contracts with insurance companies, taxing authorities and the holders of first mortgage liens on the individual Lots with respect to: (i) taxes (if any) on the Common Properties and (ii) insurance coverage (if any) on Common Properties, as they relate to the assessment, collection and disbursement process envisioned by Article III hereinabove;

(g) To borrow funds to pay costs of operations secured by assignment or pledge of rights against delinquent Owners, if the Board sees fit;

(h) To enter into contracts, maintain one or more bank accounts and, generally to have all the powers necessary or incidental to the operation and management of the Association;

(i) To protect or defend the Common Properties from loss or damage by suit or otherwise, to sue or defend in any court of law on behalf of the Association and to provide adequate reserves for repairs and replacements;

(j) To make reasonable rules and regulations for the operation of the Common Properties and to amend them from time to time;

(k) To make available to each owner within ninety (90) days after the end of each year an annual report;

(l) Pursuant to Article V herein, to adjust the amount, collect, and use any insurance proceeds to repair damage or replace lost property and if proceeds are insufficient to repair damage or replace lost property to assess the Members in proportionate amounts to cover the deficiency;

(m) To enforce the provisions of this Declaration and any rules made hereunder and to enjoin and seek damages from any Owner for violation of such provisions or rules.

4.02. Board Powers, Exclusive. The Board shall have the exclusive right to contract for all goods, services, and insurance, and the exclusive right and obligation to perform the functions of the Board, except as otherwise provided herein.

4.03. Maintenance contracts. The Board, on behalf of the Association, shall have full power and authority to contract with any Owner (including, without limitation, the Declarant) for the performance by the Association of services which the Board is not otherwise required to perform pursuant to the terms hereof, such contracts to be upon such terms and conditions and for such consideration as the Board may deem proper, advisable and in the best interest of the Association.

## ARTICLE V

### INSURANCE; REPAIR AND RESTORATION

5.01. Right to Purchase Insurance. The Association shall have the right and option to purchase, carry and maintain in force insurance covering any or all portions of the Common Properties, any improvements thereon or appurtenant thereto, for the interest of the Association and of all Members thereof, in such amounts and with such endorsements and coverage as shall be considered good sound insurance coverage for properties similar in construction, locations and use to the subject property. Such insurance may include, but need not be limited to:

(a) Insurance against loss or damage by fire and hazards covered by a standard extended coverage endorsement in an amount which shall be equal to the maximum insurable replacement value, excluding foundation and excavation costs as determined annually by the insurance carrier.

(b) Public liability and property damage insurance on a broad form basis.

(c) Fidelity bond for all officers and employees of the Association having control over the receipt or disbursement of funds.

(d) Officers' and directors' liability insurance.

5.02. Insurance Proceeds. The Association and the Members shall use the net insurance proceeds to repair and replace any damage or destruction of property, real or personal, covered by such insurance. Any balance from the proceeds of insurance paid to the Association, as required in this Article, remaining after satisfactory completion of repair and replacement, shall be retained by the Association as part of a general reserve fund for repair and replacement of the Common Properties

5.03. Insufficient Proceeds. If the insurance proceeds are insufficient to repair or replace any loss or damage, the Association may levy a special assessment as provided for in Article III of this Declaration to cover the deficiency.

## ARTICLE VI

### CONSTRUCTION OF IMPROVEMENTS AND

### USE OF LOTS - PROTECTIVE COVENANTS

The Property (and each Lot situated therein) shall be occupied and used as follows:

6.01. Residential Use. All Lots shall be used for residential purposes only. No building or structure shall be erected, altered, placed or permitted to remain on any Lot other than a single-family dwelling and a private garage for two (2) or more automobiles. No building or structure on any Lot shall exceed thirty-five (35) feet in height or contain more than two (2) stories.

6.02. Minimum Floor Space. Each Dwelling constructed on any Lot shall contain a minimum of 1800 square feet of heated and air-conditioned floor area, exclusive of ail porches (open or covered), garages, carports decks or breezeways attached to the main dwelling. Each two (2) story dwelling constructed on any Lot shall be required to meet the total square footage requirement set forth above and shall also contain a minimum of 2000 square feet of heated and air-conditioned space on the ground floor, exclusive of all porches (open or covered), garages, carports, decks or breezeways attached to the main dwelling. The second floor of each two (2) story Dwelling shall not contain more than one hundred percent (100%) of the number of square feet contained in the ground floor area.

6.03. Garages and Porte Cochere. Each Dwelling erected on any Lot shall provide garage space for a minimum of two (2) conventional automobile(s). A detached garage will be permitted provided it is connected by a breezeway or covered walk to the residence and is constructed of materials similar to and compatible with the residence. No garage may be used by anyone other than the family, bona fide guests or Owner of the Lot on which the garage is situated. All garage doors shall be closed at all times except as may be necessary for entry and exit of vehicles and persons. The Committee shall have the right to impose limitations on driveway design, including materials, aprons, location, and point of contact with dedicated roads, streets or private driveways within the Property. Driveways shall be constructed so that they have a sufficient rise in elevation to allow for the surface water drainage along the curb line of the street to continue without interruption or change in direction of flow.

6.04. Roof. All roofs shall be constructed with 240-pound, 25-year life composition shingles or better and the slope of the roof on any Dwelling shall not increase in height by less than six (6) feet per each twelve (12) linear feet.

6.05. Setback Requirements. No building or structure of any type shall be erected on any Lot nearer to the front property line than indicated by the minimum building setback line on the recorded plat of the Property. No building or structure of any type shall be erected on any Lot nearer to the side property line than indicated by the minimum building setback line on the recorded plat of the Property. Except as otherwise provided herein, detached garages and all other outbuildings not attached to the main single-family dwelling shall not be located within five (5) feet of the boundary line to the rear at each Lot and no portion of any structure, such as eaves or steps, shall encroach upon another Lot.

6.06. Fences. All fences shall be constructed of wood, masonry or other material approved by the Committee (but in no event chain link), and the construction of all fences is subject to review and approval of the Committee. Unless the Committee specifically otherwise consents in writing, all fences shall be privacy fences of six (6) feet in height. No fence shall extend forward of the front building line. Declarant shall have the option, but shall not be required, to construct privacy fences along any side or rear Lot line which is adjacent to a street within the Property, and any such fence shall be maintained by the Owner of the Lot on which such fence is constructed, and Owner shall not at any time change the design of or add gates to such fence.

No sign or signs shall be displayed to the public view on any Lot, except that: (1) any builder, during the applicable initial construction and sales period, may utilize one professional sign (of not more than forty (40) square feet in size) per Lot for advertising and sales purposes, provided that such sign must be approved by the Committee; (2) thereafter, a dignified "for sale" or "for rent" sign (of not more than twelve (12) square feet in size) may be utilized by the Owner at the respective Lot for the applicable sale or rent situation; (3) development related Signs owned or erected by the Declarant shall be permitted; and (4) signs displaying the name of a security company shall be permitted, provided that such signs are (i) ground mounted, (ii) limited to two (2) in number (one in the front yard and one in the back yard); (iii) of a reasonable size; and (iv) subject to the approval of the Committee.

6.07. Easements; Utilities. Certain portions of the Property have been reserved, in the plat filed of record or otherwise, as an easement area for drainage and utilities. No owner may erect any structure of any type whatsoever in these easement areas, nor may an Owner use the surface of the easement area for any private use. With respect to these easement areas, any and all bona fide public utility service companies, shall have the right of access, ingress, egress, regress and use of the surface estate for the installation and maintenance of utility facilities. Furthermore, Declarant reserves the right, without the necessity or the joinder of any Owner or other person or entity, to grant, dedicate, reserve or otherwise create, at any time and from time to time, rights-of-way and easements for public utility purposes (including without limitation, gas, water, electricity, telephone and drainage), in favor of any person or entity, along and on either or both sides of any Lot line, which such easement shall have a maximum width of five (5) feet on each side of such Lot line. The surface of easement areas for underground utility services may be used for planting shrubbery, trees lawns or flowers: however, neither the Declarant nor any supplier of any utility service using any easement area shall be liable to any owner for any damage done by them or any of them or their respective agents, employees, servants or assigns, to any of the aforesaid vegetation as a result of any activity relating to the construction, maintenance, operation or repair of any facility in any such easement area.

Except as to special street lighting or other aerial facilities which may be required by the City of Austin or may be required by the franchise of any utility company, no aerial utility facilities of any type (except meters, risers, service pedestals and other surface installations necessary to maintain or operate appropriate underground facilities) shall be erected or installed within the Property, whether upon Lots, easements, Streets, or rights-of-way of any type, either by the utility company or any other person or entity (including but not limited to any person owning or acquiring any part of the Property), and all utility service facilities (including but not limited to water, sewer, gas, electricity and telephone) shall be buried underground or under easements, Streets, or utility easement areas for the purpose of serving any structure located on any part of the Property; provided, however, that no provision hereof shall be deemed to forbid the erection of temporary power or telephone structures incident to the construction of buildings or other improvements which have been previously approved in writing by the Committee. All utility meters, equipment, air-conditioning compressors and similar items must be located in areas designated by the Committee and must be visually screened from view (i.e. not visible from any angle or point of view from any Streets). The screening of air conditioning compressors must be constructed or composed of solid masonry of the type used on the dwelling and/or landscape shrubbery, provided, however, that any screening materials or shrubbery must be approved in writing by the Committee prior to the beginning of construction or planting. Any transformers located on the Property shall be screened with landscape shrubbery in front of and on both sides of the transformer. If a transformer is located on a property line, the Owner of the abutting property shall be responsible for screening the side of the transformer adjacent to his property line.

6.08. Temporary Structures and Vehicles. No temporary structure of any kind shall be erected or placed upon any Lot; provided, however, any Builder may maintain temporary sales or construction offices, provided such sales or construction offices are removed within sixty (60) days after completion of sales or construction, as the case may be.

Any bus, boat, boat trailer, trailer, mobile home, motor home, campmobile, camper, or any vehicle bearing license plates other than those issued for conventional automobiles or trucks shall, if brought within the Property, be stored, placed or parked within the garage of the appropriate owner so as to be completely hidden from view. Vehicles used to transport goods and materials and having a tonnage in excess of 3/4 ton shall not be permitted to park on Property streets, driveways, or Lots overnight, and no vehicle of any size which transports inflammatory or explosive cargo may be kept in a residential area at any time. No motorcycle, motor bike, or other recreational vehicle powered by an internal combustion engine or successor engines may be operated within the Property except by licensed drivers on public streets. No article deemed to be unsightly by the Committee shall be permitted to remain on any Lot so as to be visible from adjoining property or from public or private thoroughfares. Owners shall not keep more than two (2) automobiles in such manner as to be visible from any other portion of the Property for any period in excess of seventy-two (72) hours. The Committee may tow or remove any vehicle being stored or parked in violation hereof, and may recover the expense thereat from the Owner upon whose Lot the vehicle is located or parked adjacent to. Service areas, storage areas, compost piles and facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from view, and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials or scrap, refuse or trash shall be kept, stored or allowed to accumulate on any portion of the Property except within enclosed structures or appropriately screened from view.

6.09. Garbage; Weeds. No Lot shall be used or maintained as a dumping ground for rubbish, trash or garbage. All garbage shall be kept in sanitary containers. No burning of any trash shall be permitted on any Lot. If trash or other refuse is to be disposed of by being picked up and carried away on a regular and recurring basis, containers may be placed in the open on any day that a pick-up is to be made at such place on the Lot so as to provide access to persons making such pick-up. At all other times, unless otherwise expressly permitted by the Committee, garbage containers shall be situated and enclosed or screened so as not to be visible from any Street, or landscaped easement area. If, at any time, an Owner shall fail to control weeds, grass and/or other unsightly

growth, Declarant or a designee of the Committee shall have the authority and right to go onto said Lot for the purpose of mowing and cleaning said Lot and shall have the authority and right to assess and collect from the owner of said Lot a sum not to exceed five hundred dollars (500.00) for mowing or cleaning said Lot on each respective occasion of such mowing or cleaning. The assessments, together with interest (at the highest permitted lawful rate per annum) thereon and any costs of collection thereof, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which such assessment is made. Each such assessment, together with interest thereon and costs of collection thereof, shall also be the continuing personal obligation of the Owner of such Lot at the time when the assessment occurred. The lien securing any such assessment shall be subordinate and inferior to the lien of any mortgage and any renewals or extensions thereof existing prior to the assessment date.

6.10. Offensive Activities. No illegal, noxious or offensive trade or activity shall be conducted on any Lot nor shall anything be done thereon which is or may become an annoyance or nuisance within the Property or any portion thereof. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for commercial purposes. Horses, reptiles ponies, goats, sheep, hogs, pigs, donkeys, chickens ducks, peacocks, pigeons, and Guinea fowl shall not be deemed as household pets and are expressly prohibited. No animal shall be allowed to run at large, and all animals which are permitted hereunder shall be kept within enclosed areas which must be clean, sanitary and reasonably free of refuse, insects and waste at all times. Such enclosed area shall be constructed in accordance with plans approved by the Committee, shall be of reasonable design and construction to adequately contain such animals in accordance with the provisions hereof, and shall be screened so as not to be visible from any other portion of the Property. No animal shall be allowed to make an unreasonable amount of noise and no domestic pet shall be allowed on the Property other than the Lot of its owner unless confined to a leash.

6.11. Exterior Surfaces. The exterior surface of all Dwellings shall be constructed of at least seventy-five percent (75%) masonry or brick (which shall not be stucco unless approved in advance by the Committee), exclusive of roof, eaves, soffits, windows and trim. Installation of all types of exterior items and surfaces such as address numbers or external ornamentation, lights, mail chutes, exterior paint or stain, shall be subject to the prior written approval of the Committee.

6.12. Antennas, Aerials and Flagpoles. All television antennas and other antennas and aerials shall be located inside the attic. No towers or satellite dishes shall be permitted. No flagpole shall extend above the highest point of the roof of the Dwelling located on a Lot, unless such Dwelling is then being Used by a builder as a "model home".

6.13. Landscaping and Retaining Walls. Prior to the occupancy of any residence constructed upon a Lot, the front and side yards of such Lot from the outside walls of the residence to a distance of at least ten feet (10') behind the front wall of the residence shall be fully sodded with St. Augustine grass, fully planted with hybrid Bermuda, or otherwise landscaped with other vegetation approved by the Committee. The front yard shall be completely sodded or landscaped from the front wall of the residence to the curb or sidewalk. The side yards shall be completely sodded or landscaped from the side walls of the residence to the side Lot lines, for a distance of at least ten feet (10') from and behind the front wall of the residence. Unless otherwise approved in writing by the Committee, at least two (2) trees which measure at least three inches (3") caliper, measure 24 inches (24") above the ground, and measure at least six feet (6') in height shall be planted in the front yard of each Lot prior to the first occupancy of a residence on such Lot, unless two or more such trees are already in place on such Lot. Existing trees on each Lot shall be preserved to the extent practicable. Unless otherwise approved in writing by the Committee, at least ten (10) shrubs, each of one (1) gallon capacity, shall be planted on each Lot prior to occupancy. The requirements hereunder shall be the responsibility of the builder or contractor of each structure, but the cost of all landscaping improvements may be at the expense of either the home purchaser or the builder. Unless otherwise approved in writing by the Committee, the use of railroad ties for landscaping or fencing purposes shall be prohibited.

Retaining walls may be employed only to achieve even grades for pools, driveways or house foundations. Such retaining walls must be uniform in height with a flat top and must be constructed of brick or masonry which is consistent with the overall appearance of the dwelling.

6.14. Hazardous Activities. No activities shall be conducted on the Property and no improvements shall be constructed or allowed to remain on the Property which are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms or fireworks shall be discharged upon the Property, no open fires shall be lighted or permitted except within safe and well-designed interior fireplaces, or in contained barbecue units While attended and in use for cooking purposes.

6.15. Noise. No exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes) shall be located, used or placed on any portion of the Property. No noise or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to any other portion of the Property or to its occupants.

6.16. Gazebos. No gazebos, pool pavilions, trellises, lanai or other similar structure shall be erected, constructed or placed upon any Lot without prior written approval by the Committee

6.17. Pool Equipment. All pool service equipment shall be located in either (a) a side yard between the front and rear boundaries of the Dwelling or (b) in the rear yard adjacent to the Dwelling. All such equipment, wherever located, must be adjacent to the Dwelling and screened on three (3) sides by a solid masonry, wall of the same material as the Dwelling (or may be screened by wood fencing if approved by the Committee) and screened on the fourth side by landscaping. The wall of the Dwelling shall serve as

one side of the three (3) solid screening walls. All screening walls shall be fully landscaped with landscaping of a type, quality and quantity approved by the Committee. The Committee may, in its reasonable discretion, permit Owners to place lattice-work screening or other decorative screening within fifteen (15) feet of the rear Lot line.

6.18. Air and Water pollution. No use of any Lot will be permitted which emits pollutants into the atmosphere, or discharges liquid or solid wastes or harmful matter into any waterway in excess of environmental standards applicable thereto which standards shall at a minimum meet the requirements of Federal and State Law and any regulations thereunder applicable to the Property. No waste or any substance or materials of any kind shall be discharged into any private or public sewer serving the Property, or any part thereof, in violation of any regulations of the City Austin, appropriate municipal utility districts or public body having jurisdiction. No person shall dump garbage trash or other refuse into any waterway on or immediately adjacent to the Property.

6.19. Re-Subdivision. No Lot shall be split, divided, or subdivided for sale, resale, gift, transfer or otherwise except with the consent of the Declarant.

6.20. Oil and Mining operations. No oil or natural gas drilling, oil or natural gas development operations, oil or natural gas refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil or natural gas wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

6.21. Tanks. The Committee shall have the right to approve the location of any tank used or proposed in connection with a Dwelling. Swimming pool filter tanks shall be the only tanks permitted on any Lot. All such tanks shall be screened so as not to be visible from any other portion of the Property.

6.22. Sidewalks and Pedestrian Ramps. The construction of all sidewalks and pedestrian ramps required to be constructed on any Lot shall be the responsibility of the Owner of such Lot or such Owner's builder and shall be performed in accordance with the specifications as adopted and amended by the city of Austin, Texas; provided, however the Committee may require that more stringent specifications be observed. The Owner's responsibilities shall be limited to the sidewalks adjacent to his/her Lot as measured perpendicularly to the front Lot corners. No landscaping on any Lot shall be allowed to overhang or otherwise encroach upon any sidewalk or other pedestrian way without the prior approval of the committee.

6.23. Erosion. No structure, planting, or other materials shall be placed or permitted to remain, nor shall any activity be undertaken, which may create erosion or sliding problems, or which may obstruct or retard the flow of water through drainage channels.

6.24. Maintenance. Each Owner shall keep and maintain all Lots and structures owned by him in good condition and repair, including, but not limited to: the seeding, watering and mowing of all lawns; the pruning and trimming of all trees, hedges and shrubbery so that the same are not detrimental to adjoining Lots, obstructive of a view of street traffic or unattractive in appearance; and the repairing and painting (or other appropriate external care) of all buildings.

6.25. Sight Distance at Intersections. Except with the prior written approval of the Committee, no fence, wall, hedge or shrub planting which obstructs sight lines at elevations between 2 and 6 feet above the roadways shall be placed or permitted to remain on any Corner Lot within the triangular area formed by the Street property lines and a line connecting them at points 25 feet from the intersection of the Street lines, or in the case of a rounded property corner from the intersection of the Street property lines within 10 feet from the intersection of a Street property line with the edge of a driveway or alley pavement. Except with the prior written approval of the Committee, no tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

6.26. Outside Storage. Outside storage of any item shall not be allowed unless effectively screened by appropriate enclosures from view outside the Lot.

6.27. Exterior Illumination. Exterior illumination, if such is to be provided, shall be designed to light only buildings, parking areas, trees and walkways and shall not produce glare on adjacent Streets or Lots. Poles supporting light fixtures are to be composed of anodized aluminum, wood, or other materials approved by the Committee. All security and service lighting shall be pole mounted fixtures, and no flashing, blinking, or strobe lights are permitted. All ground level floodlighting fixtures shall be depressed or screened from public view in a manner approved in writing by the Committee.

6.28. Architectural Control. Architectural Control shall be supervised by an Architectural Control Committee, hereinafter called the "Committee", consisting of three(3) or more individuals selected and appointed by Declarant. A majority of the Committee may act on behalf of the entire Committee. In the event of the death or resignation of any member of the Committee, the remaining members shall have full authority to designate and appoint a successor. If all members of the Committee resign, three (3) new members shall be appointed by Declarant unless Declarant no longer owns any Lots, in which event the new members of the Committee shall be appointed by a majority vote of the Owners (with each Lot having one vote). No member of the Committee shall be entitled to any compensation for service performed hereunder and neither the Committee nor any of its members shall be liable to any Owner, for any claims, causes of action or damages of what ever kind (except where occasioned by gross negligence) arising out of service performed, actions taken, or inaction in connection with any undertaking, responsibility, or activity hereunder or request for same.



(a) No building, structure, fence, wall or improvement of any kind or nature shall be erected, placed or altered on any Lot until all plans and specifications (including but not limited to, elevation plans) and/or a plot plan have been submitted to and approved in writing by the Committee as to:

(i) quality of workmanship and materials; adequacy of site dimensions; adequacy of structural design; proper facing of main elevation with respect to nearby streets;

(ii) conformity and harmony of the external design, color, type and appearance of exterior surfaces and landscaping;

(iii) location with respect to topography and finished grade elevation and effect of location and use on neighboring Lots and improvements situated thereon and any drainage arrangement;

(iv) the other standards set forth within this Declaration (and any amendments hereto) or as may be set forth within bulletins promulgated by the Committee, or matters in which the Committee has been vested with the authority to render a final interpretation and decision.

(b) Final plans and specifications shall be submitted in duplicate to the Committee for approval or disapproval. At such time as the plans and specifications meet the approval of the Committee, one complete set of plans and specifications will be retained by the Committee and the other complete set will be marked "Approved" and returned to the Owner or his designated representative marked "Approved", and accompanied by a statement of complete approval or approval based on certain conditions and specifications. If found not to be in compliance with this Declaration, one set of such plans and specifications shall be returned marked "Disapproved", accompanied by a reasonable statement of items found not to comply with this Declaration. Any modification or change to the approved set of plans and specifications must again be submitted to the Committee for its inspection and approval. The approval or disapproval of the Committee, as required herein, shall be narrative and in writing. If the Committee, or its respective designated representative, fails to approve or disapprove such plans and specifications within thirty (30) days after the date of submission, then approval shall be presumed; provided, however, that nothing in this paragraph shall affect in any way the method for seeking or granting variances, as described in the following paragraph, nor shall any failure of the Committee to act on a variance request within any particular period of time constitute the granting or approval of any such variance request. The Committee shall have the right to require a reasonable submission fee for each set of plans and specifications submitted for its review. The Committee shall also be entitled to hire an architect to assist in the review of plans and specifications. The fees and expenses of such architect shall be paid by such Owner seeking approval of plans and specifications.

(c) Upon submission of a written narrative request for same, the Committee may, from time to time, in its sole discretion, permit Owners to construct, erect, or install improvements which are in variance from this Declaration or which may be promulgated in the future. In any case, however, such variances shall be in basic conformity with and shall blend effectively with the general architectural style and design of the community. No member of the Committee shall be liable to any Owner or other person claiming by, through, or on behalf of any Owner, for any claims, causes of action, or damages arising out of the granting or denial of, or other action or failure to act upon, any variance request by any Owner or any person acting for or on behalf of any Owner. Each request for a variance submitted hereunder shall be reviewed separately and apart from other such requests and the grant of a variance to any Owner shall not constitute a waiver of the Committee's right to strictly enforce this Declaration against any other owner. Each such written request must identify and set forth in narrative detail the specific restriction or standard from which a variance is sought and describe in complete detail the exact nature of the variance sought. Any grant of a variance by the committee must be in writing and must identify in narrative detail both the standard from which a variance is being sought and the specific variance being granted. Any variance granted by the Committee shall be considered a rule made under this Declaration.

(d) The Committee, at its option, may inspect all work in progress to insure compliance with approval plans and specifications, and in the event that any construction work is proceeding, otherwise than in compliance with this Declaration and the approved plans and specifications, the Committee shall have the authority to issue a directive to the Owner of the Lot upon which the construction is proceeding to cease all construction work and to immediately commence such curative action as may be necessary to bring the construction work into compliance with this Declaration and/or the approved plans and specifications. In the event of a failure of the Owner to comply with such directive, the Committee shall have the right to enforce such directive by seeking injunctive relief.

(e) Upon completion of any improvements approved by the Committee and upon written request by the Owner of the Lot, the Committee shall issue a Certificate of Compliance (a "Certificate") in a form suitable for recordation. The Certificate shall identify the Lot and the improvements, the use or uses to be conducted thereon, and the plans and specifications on file with the Committee pursuant to which such improvements were made and shall specify that such improvements comply with the approved plans and specifications. The Certificate shall not be construed to certify the acceptability, sufficiency or approval of the Committee of the actual construction of such improvements or the workmanship or materials thereof. The owner is hereby notified that the Certificate in no way warrants, except as set forth above, the sufficiency, acceptability or approval by the Committee of the construction, workmanship, materials or equipment of such improvements. Preparation and recordation of such a Certificate shall be at the expense of the Owner of the Lot.

(f) The Committee may from time to time publish and promulgate architectural standards bulletins which shall be fair, reasonable and uniformly applied and shall carry forward the spirit and intention of this Declaration. Although the Committee shall not have unbridled discretion with respect to taste, design and any absolute standards specified herein, the Committee shall be responsive to technological advances or general changes in architectural designs and related conditions in future years and use its

best efforts to balance the equities between matters of taste and design (on the one hand) and use of private property (on the other hand). Such bulletins shall supplement this Declaration and are incorporated herein by reference.

6.29. Rentals. Nothing in this Declaration shall prevent the rental of any Lot and the Dwelling thereon by the owner thereof for residential purposes provided that all rentals must be for terms of at least six (6) months.

6.30. Construction in Place. All buildings constructed on the Property shall be built in place on the Lots and the use of prefabricated materials shall be allowed only with the prior written approval of the Committee.

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

6.32. Community Mail Boxes. All mail service will be handled through community mail boxes. No individual mail boxes will be allowed upon the Lots until and unless the U.S. Postal Service provides door-to-door service, and in such event all individual mail boxes shall be subject to review and approval by the Committee.

6.33. Construction Activities. This Declaration shall not be construed so as to unreasonably interfere with or prevent normal construction activities during the construction of Improvements by an Owner (Declarant) upon any Lot within the Property. Specifically, no such construction activities shall be deemed to constitute a nuisance or a violation of this Declaration by reason of noise, dust, presence of vehicles or construction machinery, posting of signs or similar activities, provided that such construction is pursued to completion with reasonable diligence and conforms to usual construction practices in the area. In no event, however, shall any structure be allowed to remain uncompleted for more than one (1) year after construction has commenced. In addition, during construction of any structure, the contractor shall keep adjoining streets and thoroughfares free from debris and shall be required to maintain upon the Lot a dumpster for the purpose of holding all construction debris. In the event that construction upon any Lot does not conform to the requirements set forth above or otherwise does not conform to usual construction practices in the area as determined by the Committee in its sole good faith judgment, the Committee shall have the authority to seek an injunction to stop such construction. In addition, if during the course of construction upon any Lot there is excessive accumulation of debris of any kind which would render unsanitary, unsightly, offensive or detrimental to it or any other portion of the Property, then the Committee may contract for or cause such debris to be removed, and the Owner of the Lot shall be liable for all expenses incurred in connection therewith. In the event of default in the payment of such sums within thirty (30) days after demand therefor has been made, the owner of the Lot shall be obligated to pay, in addition to the sums demanded, interest on such sums at the highest rate allowed by applicable usury laws, together with all costs and expenses of collection, including reasonable attorneys' fees. All such sums shall thereupon become a continuing lien and charge upon the Lot which shall bind such Lot in the hands of the Owner, and such Owner's heirs, devisees, personal representatives successors or assigns. The aforesaid liens shall be superior to all other liens and charges against said Lot, except only for tax liens and all sums unpaid on any first mortgage lien of record encumbering the Lot. To evidence the aforesaid lien, the Committee may prepare a written notice of lien, setting forth the amount of the unpaid indebtedness, the name of the owner of the Lot covered by such lien, and a description of the Lot. Such notice shall be signed by one of the members of the Committee and shall be recorded in the office of the County Clerk of Travis County Texas. Such lien shall attach with the priority set forth above from the date that such payment becomes delinquent and may be enforced by the foreclosure on the defaulting Owner's Lot by the Committee in like manner as a mortgage on real property subsequent to the recording of notice as provided above, or the Committee may institute suit against the Owner personally obligated to pay the sums and/or for foreclosure of the aforesaid lien judicially. In any foreclosure proceeding, whether judicial or nonjudicial, the Owner shall be required to pay the costs, expenses, and reasonable attorneys' fees incurred.

6.34. Visibility of Slabs or Foundations. Not more than twenty-four (24) inches of the foundation or slab of any Dwelling shall be exposed above the ground and visible from any Street, unless such exposed portion of the slab or foundation is fenced or screened in a manner approved by the Committee.

## ARTICLE VII

### EASEMENTS

7.01. Utility Easements. Easements for installation, maintenance, repair and removal of utilities and drainage facilities over, under and across the Property are reserved as set forth in Section 6.07 above. Full rights of ingress and egress shall be had by Declarant and any bona fide utility company at all times over the easement areas for the installation, operation, maintenance, repair or removal of any utility together with the right to remove any obstruction that may be placed in such easement that would constitute interference with the use of such easement, or with the use, maintenance, operation or installation of such utility.

7.02. Ingress, Egress and Maintenance by the Association. Full rights of ingress and egress shall be had by the Association at all times over and upon the Common Properties for the purpose of maintaining the Common Properties as set forth herein.

7.03. Police Power Easement. With respect to the Streets, easements and rights-of-way within the Property, the City of Austin and all other governmental agencies and authorities shall have full rights of ingress, egress, regress and access for personnel and emergency vehicles for maintenance, police and fire protection, drainage and other lawful police powers designed to promote the health, safety and general welfare of the residents within the Property.

## ARTICLE VIII

### GENERAL PROVISIONS

8.01. Duration. The covenants and restrictions of this Declaration shall run with and bind the land subject to this Declaration, and shall inure to the benefit of and be enforceable by the Owners subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of thirty (30) years commencing on the effective date hereof, after which time said covenants and restrictions shall be automatically extended for successive periods of twenty (20) years unless an instrument is signed by persons owning at least seventy percent (70%) of the Lots and recorded in the Deed Records of Travis County, Texas, which contains and sets forth an agreement to abolish this Declaration; provided however, no such agreement to abolish shall be effective unless made and recorded one (1) year in advance of the effective date of such abolishment.

8.02. Amendments. Notwithstanding Section 4.01 of this Article, this Declaration may be amended and/or changed in part as follows:

(a) during the two (2) year period commencing on the effective date hereof, Declarant may amend or change this Declaration in any manner without the consent or joinder of any other party;

(b) during the eight (8) year period commencing on the second anniversary of the effective date hereof Declarant may amend or change this Declaration with the consent of persons owning at least fifty-one percent (51.0%) of the Lots; and

(c) in all other situations, this Declaration may be amended or changed upon the express written consent of persons owning at least seventy percent (70.0%) of the Lots.

Any and all amendments, if any, shall be recorded in the office of the County Clerk of Travis County, Texas.

8.03. Enforcement. Enforcement of this declaration shall be by a proceeding initiated by any Owner, any member of the Committee or the Board or by Declarant, against any person or persons violating or attempting to violate any covenant or restriction contained herein, either to restrain or enjoin violation or to recover damages for the violation, or both, or to enforce any lien created by this instrument. The Committee, and each of its appointed members, shall have a right, but not an obligation or duty, to enforce these covenants and restrictions by a proceeding or proceedings at law or in equity. Notwithstanding any provision to the contrary in this Declaration, Declarant shall not have any duty, obligation, or responsibility to enforce any of these covenants and restrictions. Failure by any party to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. With respect to any litigation hereunder, the prevailing party shall be entitled to recover reasonable attorney's fees from the non prevailing party. Further, and with respect to any litigation brought against the Committee or any of its members or representatives arising out of any action, failure to act, or performance or non-performance of duties imposed hereby, by the Committee or its members or representatives the Committee and/or its members or representatives so sued shall be entitled to recover their reasonable attorneys' fees from the person or entity bringing such action against it or them, unless the Committee or its members or representatives shall specifically be adjudicated liable to such claimant.

8.04. Imposition of Violation Fines. In the event that any person fails to cure (or fails to commence and proceed with diligence to completion) the work necessary to cure any violation of the Covenants and Restrictions contained herein within ten (10) days after receipt of written notice from the Board designating the particular violation, the Board shall have the power and authority to impose upon that person a reasonable fine (the "Violation Fine") not to exceed One Hundred Dollars (\$100.00). If, after the imposition of the Violation Fine, the violation has not been cured or the person has still not commenced the work necessary to cure such violation, the Board shall have the power and authority, upon ten (10) days written notice, to impose another Violation Fine which shall not exceed One Hundred Dollars (\$100.00). There shall be no limit to the number or the aggregate amount of Violation Fines which may be levied against a person for the same violation. The Violation Fines, together with interest at the highest lawful rate per annum and any costs of collection, including attorneys' fees, shall be a continuing lien upon the Lot against which such Violation Fine is made.

8.05. Severability. If any provision of this Declaration is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Declaration shall not be affected thereby.

8.06. Headings. The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration.

8.07. Notices to Owners. Any notice required to be given to any Owner under the provisions of this Declaration shall be deemed to have been properly delivered when deposited in the United States mails, postage prepaid, addressed to the last known address of the person who appears as an Owner on the records of Travis County, Texas at the time of such mailing.

8.08. Notices to Mortgagees. The holder(s) of a mortgage may be furnished with written notification from the Association of any default by the respective mortgagor/Member/Owner in the performance of such mortgagor's Member's/Owner's obligation(s) as established by this Declaration, provided that the Association has been theretofore furnished, in writing, with the correct name and address of such mortgage holder(s).

8.09. Disputes. Matters of dispute or disagreement between Owners with respect to interpretation or application of the provisions of this Declaration or the Association Bylaws, shall be determined by the Board of Directors, whose reasonable determination shall be final and binding upon all Owners.

8.10. Zoning and Private Restrictions. This declaration shall not be construed as permitting any action prohibited by applicable Zoning laws, or the laws, rules or regulations of any governmental body, or by any deed or lease. In the event of any conflict, the most restrictive provisions of such laws, rules, regulations, deeds, leases or this Declaration shall govern and control.

8.11. Non-Discrimination. No Owner nor anyone authorized to act for an owner shall refuse to sell or rent, after the making of a bona fide offer, or refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny the Property to any persons because of race, color, religion, sex, handicap, or national origin. This covenant shall run with the land and shall remain in effect without any limitation in time. Any restrictive covenant on the Property relating to race, color, religion, sex, handicap or national origin is recognized as being illegal and void and is specifically disclaimed.

8.12. Declarant, Association and Committee not Liable for Damages. Neither Declarant, representatives designated by Declarant to act for it under this Declaration, successors and assigns of Declarant, officers and directors of the Association nor members of the Committee shall be liable in damages to any Owner, to any lessee, tenant or other occupant of any land or improvement covered by this Declaration or to anyone else in connection with the exercise or failure to exercise the powers, duties and authorities set forth in this Declaration, by reason of mistake in judgment, negligence or nonfeasance. Every person who submits plans and specifications for approval pursuant hereto agrees, by submission thereof, and every Owner, lessee or tenant of any of the property subject hereto agrees, by acquiring title thereto or a leasehold interest therein, that he will not bring any action or suit against any or said persons or parties to recover any such damages.

8.13. No Reverter. No restriction herein is intended to be, or shall be construed as, a condition subsequent or as creating a possibility of reverter.

8.14. Gender. Throughout this Declaration, the masculine gender shall be deemed to include the feminine and neuter, and the singular, the plural, and vice versa.

8.15. Declarant's Exemption. Nothing contained in this Declaration shall be construed to prevent the erection and maintenance by Declarant of structures, improvements or signs necessary or convenient to the development, sale, operation or other disposition of the Property, and Declarant shall be exempt from the authority and requirements of the committee and Declarant shall be exempt from paying any fees, costs or assessments hereunder.

8.16. Assignment by Declarant. Notwithstanding any provision in this Declaration to the contrary, Declarant may assign, in whole or in part any of its privileges, exemptions, rights and duties hereunder to any other person or entity and may permit the participation, in whole or in part, by any other person or entity in any of its privileges, exemptions, rights and duties hereunder.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed as of the date first above written.

SAGE LAND COMPANY, INC.,  
a Texas corporation

By: \_\_\_\_\_  
William F. Burrow, Jr.,  
President

STATE OF TEXAS  
COUNTY OF TRAVIS

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 1992 by William Y. Burrow, Jr., President of Sage Land Company, Inc., a Texas corporation, on behalf of said corporation.

[SEAL]

\_\_\_\_\_  
Notary Public in and for  
the State of Texas