



**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
ARROWHEAD TRAIL RANCH SUBDIVISION**

STATE OF TEXAS	§	
	§	
COUNTY OF BURNET	§	KNOWN ALL MEN BY THESE PRESENTS
	§	
COUNTY OF BELL	§	

This declaration made on the date hereinafter set forth by LSLP Oakalla LLC, a Delaware Limited Liability Company, hereinafter referred to as "Developer".

WITNESSETH:

WHEREAS, Developer is the Owner of that certain tract of land located in Burnet County, Texas and Bell County, Texas, containing 246.10 acres of land out of the William P. Reese Survey No. 12, Abstract 751 and The William Nichols Survey No. 65, Abstract 643, Burnet County, Texas, and The William Nichols Survey No. 65, Abstract 625, Bell County, Texas and being a portion of a called 640.52 acre tract of land conveyed to LSLP Oakalla, LLC, of Record in Document No. 201806307 of the Official Public Records of Burnet County, Texas, said land being more fully described on the map and plat recorded under clerk's instrument no. 201904394 of the Plat Records of Burnet County, Texas, and further described by a Plat Establishing Arrowhead Trail Ranch Subdivision, to be filed in the Plat Records of Bell County, Texas at a later date, hereinafter referred to as "Subdivision;"

WHEREAS, it is the desire and purpose of Developer to place certain restrictions, easements, covenants, conditions and reservations (hereinafter "Restrictions") upon the Subdivision in order to establish a uniform plan for its development, insure the use of the subdivision for residential purposes only, prevent nuisances, prevent the impairment of the value of the Subdivision, maintain the desired character of the community, and insure the preservation of such uniform plan for the benefit of the present and future Owners of the Tracts within the Subdivision, and to promote the health, safety, and welfare of the residents within the Subdivision;

NOW, THEREFORE, Developer hereby adopts, establishes and imposes upon the Subdivision, the following Restrictions for the purposes of enhancing and protecting the value, desirability and attractiveness of the Subdivision, which Restrictions shall run with the land and inure to the benefit of each Owner and his invitees:

ARTICLE I
DEFINITIONS

1.01 Architectural Control Committee or ACC. "Architectural Control Committee" or "ACC" shall mean the Developer until the Control Transfer Date and thereafter a committee initially appointed by the Developer pursuant to these Restrictions to review and approve plans for the construction of Improvements as more specifically provided by Section 4.02 hereof. Board

1.11 Construction Deposit. The Construction Deposit has the meaning described in Section 4.06 hereof.

1.12 Developer. "Developer" means and refers to LSLP Oakalla, LLC, a Delaware Limited Liability Company, its successors and assigns.

1.13 Improvement. "Improvement" means every structure and all appurtenances of every type and kind, including but not limited to buildings, outbuildings, patios, storage buildings, barns, garages, decks, stairs, retaining walls, screening walls, fences, landscaping art or statuary, poles, signs, exterior air conditioning units, exterior water softener fixtures or equipment, pumps, wells, tanks, reservoirs, pipes, utilities, lines, meters, antennas, towers, satellite dishes or any other sound or data receivers or transmitters. The term "Improvement" excludes the interior of each residence, guest quarters, barn or other approved building and the ACC shall have no authority to approve or disapprove improvements made to the interior of such buildings where the exterior of the building is not affected by the interior improvement.

1.14 Member. "Member" means and refers to every current Owner of a lot.

1.15 Notice. Whenever any "notice" is required by these Restrictions, such notices shall be in writing and shall be deemed received when actually received, or five days after the deposit of such notice in the United States mail, postage prepaid and addressed to the last known address of an Owner appearing on the books of the Association, whether or not such notice is actually received. It shall be the duty of each lot Owner to keep the Association apprised of its current address.

1.16 Owner. "Owner" means and refers to the record owner, whether one or more persons or entities, of the fee-simple title to any Lot(s) shown on the Plat, but shall not mean or refer to any mortgagee or subsequent holder of a mortgage, unless and until such mortgagee or holder has acquired title pursuant to foreclosure or any proceedings in lieu of foreclosure. Said term "Owner" shall also refer to the heirs, successors and assigns of any Owner. The Developer shall not be deemed an Owner.

1.17 Plans or Specifications. "Plans" or "Specifications" means any and all drawings and documents describing the construction or erection of any Improvement, including, but not limited to, those indicating location, size, shape, configuration, materials, site plans, excavation and grading plans, foundation plans, drainage plans, fencing plans, elevation drawings, floor plans, specifications concerning building products and construction techniques, samples of exterior colors and materials, plans for utility services, and all other documentation or information relevant to the construction or installation of any Improvement.

1.18 Plat. "Plat" means and refers to the plat of Arrowhead Trail Ranch Subdivision filed on May 2, 2019 under clerk's instrument number 201904394 of the Plat Records of Burnet County, Texas, and by a Plat Establishing Arrowhead Trail Ranch Subdivision, to be filed in the Plat Records of Bell County, Texas at a later date, hereinafter referred to as "Subdivision."

1.19 Road. Road or roads means property or any road located within the Subdivision

for any damages done by them or their assigns, agents or employees to fences, shrubbery, trees and lawns or any other property of the Owners located within the easements.

2.03 Construction of Improvements on Utility Easements. No buildings or walls shall be located over, under, upon or across any portion of any utility easement. The Owner of each Tract shall have the right to construct, keep and maintain concrete drives, landscaping, fences and similar improvements across any utility easement, and shall be entitled to cross such easements at all times for purposes of gaining access to and from such Tracts, provided, however, any concrete drive, landscaping, fencing or similar improvement placed upon any utility easement shall be constructed, maintained and used at the Owner's risk and each Owner shall be responsible for repairing any damage caused by the utility providers to Improvements constructed within the easements located on his Tract.

2.04 Road Easement. A road easement as shown on the Plat and measuring sixty (60') feet in width is reserved in favor of the Association and the Owners (including their guests, invitees and tenants) for the purpose of granting the Owners ingress and egress to and from their Tracts and to the Common Areas. No Owner shall be prevented from using the road easement as a result of any failure of an Owner to comply with these Restrictions or pay Assessments. Except as specifically set forth herein, no Improvement shall be constructed on or over the road easement except as authorized by the Association. Owners shall not take any action which would prevent other Owners from using the road easement. The Association reserves the right to make reasonable rules and regulations regarding the use of the road easement. The road easement may also be used for the construction, installation and maintenance of landscaping and utilities.

ARTICLE III

USE RESTRICTIONS FOR TRACTS

3.01 Single Family. Except as specifically set forth in these Restrictions, all Tracts shall be used for single family residential purposes only. Except as expressly permitted herein, only one single family residence for each Tract is permitted.

3.02 Minimum Square Footage. Every single family dwelling shall contain at least one thousand two hundred (1,200) square feet of living area, excluding porches, garages and storage areas.

3.03 Finished Floor Elevation. Any structure or improvement built on Lots 1-6 must have a minimum finished floor elevation as set forth on the Plat.

3.04 Garages. All single family dwelling units, except approved guest quarters, shall have at least a two-car attached or detached garage or a two-car attached carport. All garages must be constructed out of the same materials as used for the main dwelling. All garages shall be located on the Tract as indicated by the Architectural Control Committee approved site plan. All carports must be constructed in a manner to be harmonious with the main dwelling, and at a minimum must use the same roofing materials used on the main dwelling and all columns must contain three feet (3') of masonry, beginning at the bottom of the column and extending upward.

main residence pursuant to Section 3.12 hereunder.

The Developer reserves the exclusive right to install and make use of a temporary office or temporary storage facilities within Subdivision while the developer is selling Tracts or building homes in the subdivision.

3.10 Storage of Trailers, RVs and Boats. All trailers, RVs, trucks (other than pickups with a rated capacity of one (1) ton or less), boats, personal water craft, tractors, wagons, buses, motorcycles, motor scooters, all-terrain vehicles, golf carts and other recreational vehicles, lawn or garden equipment, farm or ranch equipment, construction equipment and other similar items shall be stored in enclosed structures or reasonably screened from view from the road. No Owner shall be allowed to drive an 18 wheeler into the Subdivision on a regular basis, 18 wheelers are only allowed during construction or for deliveries.

3.11 Construction Sites. All construction sites shall have sufficient portable restroom facilities or other adequate restroom facilities as determined by the Architectural Control Committee or Developer prior to Control Transfer Date. Construction Sites shall be kept neat and clean at all times and comply with such construction site guidelines as may be established by the Architectural Control Committee from time to time.

3.12 Construction Time. Any construction of any Improvement shall be completed, as to the exterior, within twelve (12) months from the construction commencement date.

3.13 Height Restrictions. No Improvement shall be erected, altered or placed on any Tract which exceeds the lesser of thirty-five feet (35') in height (measured from the ground to the topmost part of the roof) or 2 - 1/2 stories in height.

3.14 Construction Materials. All Improvements must be built with new construction materials and must be built in place on the Tract. All construction materials used shall be of materials such as wood, rock, brick, hardiplank or stucco. The use of aluminum siding or vinyl siding is prohibited. The Architectural Control Committee or the Developer prior to Control Transfer Date may authorize the use of other materials on a case by case basis. Barns and other out buildings may be constructed of metal or materials listed above. Log cabins may be built as long as they comply with building requirements and are approved by the Architectural Control Committee or Developer (prior to the Control Transfer Date).

3.15 Roofing Materials. Only the following roofing materials may be used for the main residence, guest quarters and garages: slate, stone, concrete tile, clay tile, or other tile of ceramic nature, metal or composition shingles with a thirty (30) year or more warranty. Colors of roofing material are subject to the approval of the Architectural Control Committee or the Developer (prior to the Control Transfer Date). The Architectural Control Committee or the Developer (prior to the Control Transfer Date) shall have the authority and sole discretion to approve other roof treatments and materials which are harmonious with the surrounding homes and the Subdivision as a whole. The materials and colors of Roofs on all other structures must be approved by the Architectural Control Committee or Developer (prior to the Control Transfer Date). Owners may install roof shingles that are wind and hail resistant, energy efficient or solar generating, if the quality and appearance are comparable to the subdivision standard. All such materials will need approval from

lighting. The Architectural Control Committee or Developer (prior to the Control Transfer Date) may waive or alter any setback line, if in the Architectural Control Committee's or Developer's (prior to the Control Transfer Date) sole discretion, such waiver or alteration is necessary to permit effective utilization of a Tract due solely to drainage or land contour related concerns.

3.22 Maintenance. The Owner shall keep its Improvements in good condition and repair at all times and ensure that all Improvements are adequately painted and otherwise maintained by the Owner.

3.23 Alteration or Removal of Improvements. No exterior Improvements shall be altered, modified or removed without the prior written approval of the Architectural Control Committee or Developer (prior to the Control Transfer Date). Improvements may be repainted the same color without approval of the Architectural Control Committee or Developer (prior to the Control Transfer Date).

3.24 Walls and Fences. Walls, fences and light posts, if any, must be approved prior to Construction by the Architectural Control Committee or Developer (prior to the Control Transfer Date) and must be constructed of new material, and unless otherwise permitted by the Architectural Control Committee or Developer (prior to the Control Transfer Date), constructed of masonry, wrought iron, wood, metal, pipe, or ranch fencing with t-posts. Chain link fencing is prohibited, except if used as a dog run and only if such fencing is not visible from any road. If pipe fencing is used, such fences must have a minimum of three (3) horizontal pipes along the front of the lot and otherwise conform with the Architectural Control Committee's or Developer's (prior to the Control Transfer Date) specifications. The community's perimeter fencing is not to be altered or removed on any lot.

3.25 Mailboxes. All mailboxes will be erected at the Subdivision entrance. The construction of mailboxes will be coordinated with the United States Postal Service. The Association or the Developer (prior to the Control Transfer Date) shall have the right to make such other rules and regulations regarding the location and construction of mailboxes as may be reasonable and necessary.

3.26 Driveways. The first fifty linear feet (50') of any driveway which is connected to any road shall be constructed of concrete, asphalt, or brick paving. All driveways shall begin where the paved portion of any road ends. All driveways must be shown on the plans submitted to the Architectural Control Committee or Developer (prior to the Control Transfer Date), completed no later than thirty (30) days after the completion of the main residence or any allowed structure and approved by the Architectural Control Committee or Developer (prior to the Control Transfer Date) prior to construction.

3.27 Antennas, Towers and Satellite Dishes. Antennas, towers, satellite dishes or other sound or data receivers or transmitters of any kind shall not exceed ten feet (10') above the roof of the residence or accessory building upon which they are attached. Any antenna, tower or satellite dishes or other sound or data receivers or transmitters must be located to the side or the rear of the residence or accessory building. The Architectural Control Committee or Developer (prior to the Control Transfer Date) must approve all exterior antennas, towers, satellite dishes or other sound or

prior to the control transfer date shall not be permitted.

3.32 Animal Husbandry. Domestic livestock and exotic animals shall be allowed only on Tracts which are 5 acres or larger, so long as such animals do not exceed one (1) animal for every two (2) fenced acres and do not become a nuisance or threat to other Owners. The Association shall have the sole discretion in determining if any animal is a nuisance and make regulations on banning such animal. Pigs, hogs and peacocks are not allowed on any Tract. Chickens shall only be allowed so long as such birds are kept in a coup and do not exceed twenty (20) birds per Tract. Regardless of lot size, coups must be preapproved by the ACC in writing to ensure they are screened from view. All animals being raised by the individual Owners must be kept in a fenced area on the Owner's Tract. No overgrazing is permitted on any portion of the Tract as determined by the sole discretion of the Association. Dogs, cats or other common household pets may be kept on a Tract. Dogs will not be permitted to run loose in the Subdivision. Dogs and cats must be vaccinated for rabies and other diseases required by applicable laws, rules and regulations and shall be licensed or registered as may be required by applicable laws, rules and regulations. No feedlots for any type shall be permitted.

3.33 Mineral Development. No Owner shall be allowed to permit on their own behalf, commercial drilling, mineral development operations, mineral refining, quarrying, mining or water operation of any kind in, on or under any Tract owned by such lot owner. Developments of water sources for an individual Owner's use, including the construction of windmills for individual water extraction are permitted provided that advance written approval of the Architectural Control Committee or Developer (prior to the Control Transfer Date) is obtained.

3.34 Drainage. Natural established drainage patterns for drainage will not be impaired by any Owner. Driveway culverts must be installed and shall be of sufficient size to afford proper drainage of ditches without allowing water to pool, back up or be diverted from its natural course. Drainage culvert installation is subject to the inspection and approval of the Architectural Control Committee or Developer (prior to the Control Transfer Date) and shall comply with any applicable governmental rules and regulations. Arrowhead Trail Ranch Subdivision will use sheet flow and/or bar ditches for drainage. Tract Owner is responsible for building its residence at the proper elevation and is responsible for proper drainage on the Property. Tract Owner is required to build on the Property in such a manner that water flows away from any improvements. All water retainage structures (ponds, dams and other facilities) not already existing within the Subdivision must be reviewed and approved by the Architectural Control Committee or Developer (prior to the Control Transfer Date) and prior to construction and must comply with all governmental rules and regulations.

3.35 Re-plating and Subdividing. No Tract may be subdivided into smaller tracts.

3.36 Maintenance and Landscaping of Lots. It shall be the responsibility of each Owner to prevent the development of any unclean, unsightly, or unkempt condition of buildings or grounds on such Tract which would tend to substantially decrease the beauty of the neighborhood as a whole or the specific area. Each Owner shall be required to landscape the area around his home. Occupancy prior to completion of landscaping shall require the written approval of the ACC, shall be for good cause only, and shall be no earlier than one hundred twenty days prior to completion of

Developer shall cease upon the appointment of a three (3) member Architectural Control Committee by the developer. The Developer shall continue to have ACC authority as to any Plans and Specifications or Construction projects submitted to the Developer prior to the initial appointment of the ACC members.

- (b) After the initial members of the ACC are appointed by the Developer, the Developer shall cause an instrument transferring ACC authority to the Association to be recorded in the Official Public Records of Real Property Burnet County, Texas and Bell County, Texas. Subsequent appointments of the ACC members shall be by the Board of Directors. The ACC members shall serve staggered terms with the first term ending on the date of the next succeeding annual meeting of Members following the Control Transfer Date. After the Control Transfer Date, each Member of the ACC must be an Owner of a Tract in the Subdivision.

4.03 Effect of Inaction. All approvals or disapprovals issued by the ACC shall be in writing. In the event the ACC fails to approve or disapprove any request received by it in compliance with Article IV within thirty (30) days following the submission of a completed application and full compliance with the declarations set out herein, such request shall be deemed approved and the construction of any Improvements may commence in accordance with the Plans and Specifications submitted for approval. Any ACC approval obtained as a result of inaction by the ACC shall not authorize the construction of any Improvement in violation of these Restrictions.

4.04 Effect of Approval. The granting of an ACC approval (whether in writing or by lapse of time) shall constitute only an expression of opinion by the ACC that the proposed Improvement to be erected complies with these Restrictions; and such approval shall not prevent the Association from requiring removal of any Improvement which fails to comply with these Restrictions. Further, no ACC member shall incur any liability by reason of the good faith exercise of the authority granted hereunder.

4.05 Variance. The ACC or the Developer, may on a case by case basis, authorize variances from the requirements of the Restrictions if, in the reasonable opinion of the ACC or the Developer, the Restrictions unreasonably restrain the development of a Tract in accordance with the general scheme of the Subdivision. The Developer will retain the right to grant variances after the Control Transfer Date so long as the Developer continues to own Tracts in the Subdivision. All variances shall be in writing and signed by the Developer or if granted by the ACC then it must be signed by at least two (2) members of the ACC. No violation of these Restrictions shall be deemed to have occurred with respect to any matter for which a variance is granted. The granting of such a variance shall not operate to waive any of the terms and provisions of these Restrictions for any purpose except as to the particular Lot and improvements and the particular provision covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the use of the Owner's Lot.

4.06 Construction Deposit. A deposit of \$1,000.00 must be paid at the time Plans and Specifications are submitted for the construction of a new residence, barn, workshop or storage building. This deposit will be held for the purpose of securing an Owner's performance, during the construction process, of the obligations imposed by these Restrictions, for wear and tear on the

6.02 Annual Assessment.

- (a) An Annual Assessment shall be paid by each of the Owners and the Annual Assessment shall be used to pay all reasonable and necessary operating expenses and reserve requirements of the Association as herein provided. The Annual Assessment for the year of purchase shall be pro-rated as of the purchase date and then shall be paid annually.
- (b) The initial amount of the Annual Assessment applicable to each Tract will be five hundred dollars (\$500.00) per Tract. The Annual Assessment is payable in advance and is due on the thirty first (31) day of January during each calendar year. All other matters relating to the collection, expenditure and administration of the Annual Assessment shall be determined by the Board of Directors of the Association, subject to the provisions hereof.
- (c) The Board of Directors of the Association, from and after the Control transfer Date, shall have the further right at any time to adjust, alter, increase or decrease the Annual Assessment from year to year as it deems proper to meet the reasonable operating expenses and reserve requirements of the Association and to enable the Association to carry out its duties hereunder. However, the Board of Directors shall not increase the Annual Assessment by more than ten percent (10%) from the previous year without the affirmative Vote of the Members.

6.03 Interest of Assessment. Any Assessment which is not paid within thirty (30) days after the due date shall bear interest from the due date at the lesser of (i) the rate of eighteen percent (18%) per annum or (ii) the maximum rate permitted by law.

6.04 Creation of Lien and Personal Obligation. In order to secure the payment of the Assessments, each Owner of a Tract hereby grants the Association a contractual lien on such Tract which may be foreclosed, pursuant to the provisions of the Texas Property Code (and any successor statute); and each such Owner hereby expressly grants the Association a power of sale in connection therewith. The Association shall, whenever it proceeds with foreclosure pursuant to the provisions of the Texas Property Code, shall designate in writing a Trustee to post or cause to be posted all required notices of such foreclosure sale and to conduct such foreclosure sale. The Trustee may be changed at any time and from time to time by the association by means of written instrument executed by the President or any Vice-President of the Association and filed of record in the Official Public Records of Real Property of Burnet County, Texas or Bell County, Texas. In the event the Association has determined to non-judicially foreclose the lien provided herein pursuant to the provisions of the Texas Property Code and to exercise the power of sale hereby granted, the Association, or the Association's agent, shall give notice of the foreclosure sale as provided by the Texas Property Code as then amended. Upon request by the Association, the Trustee shall give any further notice of foreclosure sale as may be required by the Texas Property Code as then amended, and shall convey such Tract to the highest bidder for cash by Trustee's Deed. Out of the proceeds of such sale, if any, there shall first be paid all expenses incurred by the Association in connection with collecting the Assessments and foreclosing on the Tract, including reasonable attorney's fees and a reasonable trustee's fee; second, from such proceeds there shall be paid to the Association an amount equal to the amount of the Assessment in default; and third, the remaining balance shall be paid to the Owner or Lien Holder for

a Tract shall not affect the Association's lien for Assessments or other charges or assessments. The Association shall make a good faith effort to give each such mortgage sixty (60) days advance written notice of the Association's foreclosure of an Assessment lien, which notice shall be sent to the nearest office of such mortgage by prepaid United State registered or certified mail, return receipt requested, and shall contain a statement of delinquent Assessment or other charges or assessments upon which the said action is based, provided however, the Association's failure to give such notice shall not impair or invalidate any foreclosure conducted by the Association pursuant to the provisions of this Article VI.

6.07 Purpose of the Assessments. The Annual Assessments and Special Assessments shall be used exclusively for the purpose of promoting the health, safety, security and welfare of the Subdivision and the maintenance of the Common Areas. In particular, the Assessments shall be used for any Improvement or services in furtherance of these purposes and the performance of the Association's duties described herein, including the maintenance of any drainage easements, Common Areas, Common Area Expenses, the enforcement of these Restrictions and the establishment and maintenance of reserve funds. The Assessments may be used by the Association for any purpose which, in the judgment of the Association's Board of Directors, is necessary or desirable to maintain the property value of the Subdivision, including but not limited to, providing funds to pay all taxes, insurance, repairs, utilities and any other expense incurred by the Association. Except for the Association's use of the Assessments to perform its duties as described in these Restrictions, the use of the Assessments for any of these purposes is permissive and not mandatory. It is understood that the judgment of the Board of Directors as to the expenditure of Assessments shall be final and conclusive so long as such judgment is exercised in good faith.

6.08 Handling of Assessments. The collection and management of the Assessment shall be performed by the Developer until the Control Transfer Date, at which time the Developer shall deliver to the Association all funds on hand together with all books and records of receipt and disbursements. The Developer, and upon transfer, the Association, shall maintain a separate account for these funds.

6.09 Developer Exemption. In consideration of the Subdivision infrastructure, the Developer shall be exempt from the payment of all Assessments.

ARTICLE VII

DEVELOPER'S RIGHTS AND RESERVATIONS

7.01 Period of Developer's Rights and Reservations. Developer shall have, retain and reserve certain rights as set forth in these Restrictions with respect to the Association from the date hereof, until the earlier of the date the Developer gives written notice to the Association of Developer's termination of the rights described in this Article VII or the Control Transfer Date. Notwithstanding the foregoing, the Developer rights set forth in Sections 7.02 and 7.03 shall not be released until such time as a document relinquishing said rights is filed of record or the Developer no longer holds record title to any Tracts in the Subdivision. The rights and reservations hereinafter set forth shall be deemed accepted and reserved in each conveyance by the Developer whether or not specifically stated therein. The rights, reservations and easements set forth herein shall be prior and superior to any other provisions of these Restrictions and may not, without Developer's prior

8.02 Duty to Accept the Property and Facilities Transferred by Developer. The Association shall accept title to any real property, improvements to real property, personal property and any related equipment which the Developer transfers to the Association, together with the responsibility to perform any all maintenance and administrative functions associated therewith, provided that such property and responsibilities are not inconsistent with the terms of these Restrictions. Property interest transferred to the Association by the Developer may include fee simple title, easements, leasehold interests and licenses to use such property. Any property or interest in property transferred to the Association by the Developer shall, except to the extent otherwise specifically approved by resolution of the Board of Directors, be transferred to the Association free and clear of all liens and mortgages (other than the lien for property taxes and assessments not then due and payable), but shall be subject to the terms of any declaration of covenants, conditions and restriction or easements set forth in the transfer instrument. Except as otherwise specifically approved by resolution of the board of Directors, no property or instrument transferred to the Association by the Developer shall impose upon the Association any obligation to make monetary payments to the Developer or any affiliate of the Developer including, but not limited to, any purchase price, rent charge or fee.

8.03 Other Insurance Bonds. The Association shall obtain such insurance as may be deemed necessary or desirable by the Board or by law, including but not limited to, comprehensive liability and casualty insurance, worker's compensation insurance, fidelity and indemnity insurance, officers and directors liability insurance, as well as such other insurances or bonds as the Association shall deem necessary or desirable.

8.04 Duty to Prepare Annual Budgets. The Association shall prepare an annual budget for the Association and deliver a copy of the annual budget to the Members along with, or prior to, the delivery of the invoice sent to each Owner for the Annual Assessment. The Association shall strive to deliver the annual budget and the Annual Assessment invoice at least thirty (30) days before the start of each calendar year.

8.05 Duty to Levy and Collect Assessments. The Association shall levy, collect and enforce the Assessments as provided in these Restrictions.

8.06 Duty to Provide Annual Financial Statement. The Association shall prepare an annual financial statement, including a balance sheet, for review by the Members.

8.07 Duties with Respect to Architectural Approvals. The Association, through the ACC, shall perform the ACC duties described in these Restrictions.

8.08 Power to Acquire Property and Construct Improvements. The Association may acquire property or an interest in property (including leases and easements) for the common benefit of Owners including any improvements and personal property. The Association may construct improvements on the Subdivision property and may demolish any existing improvements.

8.09 Power to Adopt Rules and Regulation. The Association shall have the power to make reasonable rules and regulations regarding the use of the Common Areas. The rules and regulations may be enforced in the same manner as any other provision of the Restrictions.

GENERAL PROVISIONS

9.01 Term. The provisions hereof shall run with the land and shall be binding upon all Owners, their guests and invitees and all other persons claiming under them for a period of forty (40) years from the date these Restrictions are recorded. These Restrictions shall be automatically extended for successive periods of twenty (20) years each time unless these Restrictions are cancelled by a two-thirds (2/3) majority Vote of the Members and an appropriate document is recorded evidencing the cancellation of these Restrictions.

9.02 Amendments. Except for any amendment affecting any existing Improvements, these Restrictions may be amended or changed, in whole or in part, at any time by a two-third (2/3) majority Vote of the Members. Copies of any records pertaining to such amendments shall be retained by the Association permanently.

9.03 Amendment by the Developer. The Developer shall have and reserve the right at any time prior to the Control Transfer Date, without the joinder or consent of any Owner or other party, to amend these Restrictions by an instrument in writing duly signed, acknowledged, and filed for record so long as the Developer owns at least one Tract of land and provided that any such amendment shall be consistent with and is furtherance of the general plan and scheme of development of the Subdivision and evidenced by these Restrictions.

9.04 Severability. Each of these provisions of these Restrictions shall be deemed independent and severable and the invalidity or unenforceability or partial invalidity or partially unenforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision.

9.05 Liberal Interpretation. The provisions of these Restrictions shall be liberally construed as a whole to effectuate the purpose of these Restrictions.

9.06 Successors and Assigns. The provisions hereof shall be binding upon and inure to the benefit of the Owners, the Developer and the Association, and their respective guests, invitees, heirs, legal representatives, executors, administrators, successors and assigns.

9.07 Effect of Violation on Mortgages. No violation of the provisions herein contained or any portion thereof, shall affect the lien of any mortgage or deed of trust presently or hereafter placed of record or otherwise affect the rights of the mortgage under any such mortgage, the holder of any such lien or beneficiary of any such mortgage, lien or deed of trust may, nevertheless, be enforced in accordance with its terms, subject, nevertheless, to the provisions herein contained.

9.08 Terminology. All personal pronouns used in these Restrictions, whether used in the masculine, feminine or neuter gender, shall include all other genders, the singular shall include the plural and vice versa. Title of Articles and Sections are for convenience only and neither limits nor amplifies the provisions of these Restrictions. The terms "herein", "hereof" and similar terms, as used in this instrument, refer to the entire agreement and are not limited to referring only to the specific paragraph, Section or Article which such terms appear.

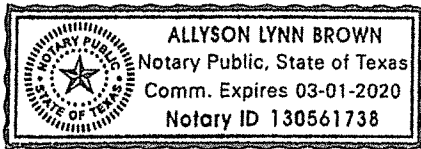
STATE OF TEXAS

COUNTY OF Burnet

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Before me, the undersigned Notary Public, on this day personally appeared Davy Roberts who is personally known to me (or proved to me through a federal or state issued ID with photo and signature of person identified) to be the person whose name is subscribed to the foregoing instrument, and who has acknowledged to me that he is the Authorized Agent as set forth above and that by authority duly given has executed this instrument for the purposes and considerations expressed.

Given under my hand and seal of office on this 3rd day of June, 2019.



Allyson Lynn Brown
Notary Public, State of Texas



FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Janet Parker

Janet Parker, County Clerk

Burnet County Texas

6/3/2019 1:48:05 PM

FEE: \$114.00

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