

COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS OF OAK MEADOWS RANCH UNIT II

Oak Meadows Ranch Limited Partnership ("Declarant"), as the owner of the real property known as Oak Meadows Ranch Unit II (the "Property"), a subdivision in Real County, Texas according to the map or plat of said subdivision filed of record at Volume I, Page 218 of the Plat Records of Real County, Texas (the "Plat"), in accordance with both the doctrines of restrictive covenant and implied equitable servitude, hereby (a) restricts the Property according to the following covenants, conditions, easements and restrictions in furtherance of the general development plan for the Property, and (b) declares that all of the Property shall from and hereafter the date hereof be held, sold, and conveyed subject to the following covenants, conditions, easements and restrictions:

1. No hunting or discharging of firearms or any other device capable of killing, injuring or causing property damage shall be permitted on any tract or parcel of the Property (a "Tract"), except that hunting with shotgun, crossbow or bow is permitted on tracts of ten acres or more.
2. No swine, game chickens, emus, ostriches, exotic or dangerous animals of any type (i.e. pit bulls, boa constrictors, etc.) are permitted on a Tract, except that 4-H or FFA swine livestock projects shall be permitted on a Tract during the project period provided all such animals are kept and fed in confinement.
3. Any animal which endangers any owner of a Tract (an "Owner") or any resident on any Tract (a "Resident") must be removed from the Property within seven (7) days' after written notice to the Owner of the Tract upon which such animal is located.
4. No inoperative or "junk" vehicles, including but not limited to motorcycles, all-terrain vehicles, go-carts, and boats shall be permitted to remain on any Tract for longer than sixty (60) days after the vehicle becomes inoperative.
5. No trash, garbage, refuse, used lumber, or other unsightly items may be maintained, kept, thrown, dumped, or otherwise disposed of on any Tract.
6. No tent, lean-to, shack or other temporary structure of any character shall be or be constructed or maintained on any Tract. Travel trailers, motor homes, etc. shall be allowed on a Tract for a period of not more than 60 consecutive days prior to the construction of a primary residence on that Tract. During the construction of the primary residence on a Tract, travel trailers, motor homes, etc. shall be allowed on that Tract for a period of not more than one (1) year from the date that building is commenced. After construction of the primary residence on a Tract, all travel trailers, motor homes, boats, etc. shall be stored in a location screened from all internal roads on the Property and all public roads adjacent to the Property.

7. Any non-residential structure such as a pump house, well house, workshop, barn, or tool shed (an "Outbuilding") must be permanent in nature. The exterior portion of any Outbuilding (other than a metal roof) not constructed of brick or stone shall be stained or painted. Unpainted metal roofs are permitted.
8. No mobile, modular, prefabricated, manufactured or industrial-built housing of any kind, including but not limited to "doublewides" and/or building constructed of stucco/plaster-coated prefabricated exterior panels, shall be permitted on any Tract unless such housing contains at least five hundred square feet living area and is less than four (4) years old at the time placed on the Tract.
9. No Tract may be subdivided into a parcel containing less than five (5) acres.
10. Declarant reserves from each Tract a ten (10) foot wide easement and building setback line along and parallel to each boundary line of such Tract (the "Utility Easement"), for the benefit of Declarant and each Owner. The Utility Easement may be used for the purposes of (a) installing and maintaining water, electric, telephone and other utility lines, poles and/or anchor systems, (b) cutting and/or trimming trees, bushes, shrubs and other vegetation within or adjacent to the Utility Easement which at any time interfere or threaten to interfere with such lines, poles and/or anchor systems, and (c) ingress and egress by employees, agents and/or contractors of utility companies owning or maintaining such lines, poles and/or anchor systems.

Road easements are shown on the Plat ("Roads"). The Roads are for the benefit of each Owner and will be maintained by the Association.

No vehicle may be parked on any Road or the Utility Easement unless such vehicle is temporarily parked for the purpose of providing utilities, police, fire protection or other services to a Tract. No building, fence or other improvement shall encroach on any portion of any Road or the Utility Easement.

11. All structures on each Tract shall be on concrete slabs or underpinned and must be set back at least one hundred (100) feet from each property line on such Tract.
12. No exterior lighting of any sort shall be installed or maintained on any Tract or the Common Areas where the light is offensive to any Owner or Resident; provided, however, that reasonable security, landscape, tennis court, deck, patio or swimming pool lighting is permitted.
13. No exterior horns, bells, whistles or other sound devices shall be placed or used on any Tract or the Common Areas; provided, however, that residential security alarm systems are permitted.
14. No oil, gas or other mineral exploration of any type is permitted on the Property except as approved by the Association.[†]

15. Water located on or under the Property shall be for domestic and wildlife use only. No commercial development of water resources is permitted on the Property. Water service will be provided to the owners of Tracts by Crown Mountain Water Supply Corporation ("Corporation"), a private non-profit Texas corporation. Each Owner shall automatically become a member of the Corporation and pay an initial membership fee to the Corporation in the amount set by the Corporation from time to time, to be paid contemporaneously with the purchase of such property. The membership is not transferable except as a part of the conveyance of real estate from which the membership arises. Each member shall be subject to the Articles of Incorporation of the Corporation, Bylaws, applicable state and federal laws and other rules and regulations adopted from time to time by the Board of Directors of the Corporation ("Board"). Water for all domestic purposes on each Tract shall be provided by said Corporation. Prior to connection to the system of the Corporation, each Tract shall be subject to a maintenance charge as set from time to time by the Board which shall terminate upon connection to the water system and thereafter each Tract shall be subject to the water rate charges set from time to time by the Board. In addition to water rate charges, the Board is authorized to levy special assessment from time to time if necessary to cover operating cost, repairs, maintenance or other expenses. Failure to pay any charge as assessed may result in discontinuance of service to the delinquent member and the enforcement of rights under law and contract. The requirements of this section extend to all Tracts and division of Tracts. If a Tract is divided into two or more parts, each resulting tract shall be required to purchase a membership in the Corporation and will be subject to all connection and standby fees individually.
16. As to any matter that is subject to the vote of the Owners under this declaration or applicable law, (a) one vote (a "Vote") will be allocated to each Tract, (b) each Vote must be in writing and signed by a representative of the Tract as to which the Vote is allocated, (c) if more than one person or entity owns an interest in a Tract, the Vote allocated to such Tract will be cast as determined by the person, persons, entity, or entities owning a majority of the ownership interest in such Tract, by and through one designated representative identified in a writing signed by all of the persons or entities owning an interest in such Tract, with such writing delivered to the Association in advance of the casting of such Vote, and (d) no Vote may be divided, split, or otherwise cast as a fraction or percentage.
17. "Association" as used herein means The Oak Meadows Ranch Unit II Property Owners Association, a Texas non-profit corporation, its successors and assigns. The Association will have all those powers, duties and responsibilities set out herein, and such other powers, duties and responsibilities not inconsistent herewith provided for in its Certificate of Formation and its Bylaws as the same may be amended from time to time by proper action of its members.
18. "Board of Directors" as used herein means those persons duly elected to and serving as a member of the Board of Directors of the Association. The affairs of the Association shall be managed by the Board of Directors, as provided in the Bylaws of the Association. The initial Board of Directors shall serve until their annual terms expire according to the Bylaws of the Association, at which time the Members shall elect a new Board of Directors, all as more particularly set forth in the Bylaws of the Association.

19. "Common Areas" as used herein means the common roads and other common areas, if any, indicated on the Plat and such other property as may hereafter be included in the definition of "Common Areas" by amendment of the terms hereof.

20. Each Owner, by acceptance of a deed to a Tract, whether or not expressed in such deed, shall be deemed to covenant and agree to pay the Association: (a) Regular Assessments; (b) Special Assessments for capital improvements; and (c) the Initial Association Capitalization Fee. Regular Assessments and Special Assessments are referred to herein collectively as "Assessments" and individually as an "Assessment." All sums assessed as provided for in this Declaration that remain unpaid, together with interest, costs of collection and reasonable attorneys' fees, shall be a continuing lien and charge upon the Tract against which each such Assessment is made, which shall bind and be a continuing charge upon such Tract. Each Assessment, together with interest, cost of collection and reasonable attorneys' fees shall also be the personal obligation and debt of each person who was the Owner of the Tract at the time when the Assessment fell due.

21. The Assessments, and all funds derived therefrom, shall be used exclusively for (a) the maintenance, repair and care of the Common Areas (including roads), and improvements to or on the Common Areas and Tracts for which the Association is herein given responsibility: (b) the furtherance and fulfillment of the purposes of this Declaration and other herein provided responsibilities of the Association; (c) the promotion of the recreation, health, safety and welfare of the Owners; and (d) administrative costs and other costs and expenses of the Association, which costs and expenses may include fidelity insurance for acts of directors, managers, officers and employees of the Association responsible for the handling of Association funds; liability insurance covering the Common Areas and all damage and injury caused by the negligence of the Association, its employees and agents; discharge of any liens on the Common Areas; payment of fees to managing agents, accountants, attorney and other parties providing professional and/or other services to the Association in connection with the performance of the Association's duties and responsibilities; and other charges required by this Declaration or as to which the Association is authorized to incur which the Association shall determine to be necessary or desirable to benefit the Owners, including the establishment and maintenance of a reserve for repair, maintenance, replacement and other charges as specified herein (herein collectively called "Association Expenses").

22. The Initial Association Capitalization Fee will be \$ Two Hundred and No/100ths Dollars (\$200.00) per Tract, payable at the closing of the initial purchase of such Tract from Declarant. The Board of Directors may change the Initial Association Capitalization Fee from time to time. Thereafter, Regular Assessments include both Annual Assessments and the Transfer Fee Assessment set forth herein. The Board of Directors may change the Regular Assessments from time to time.

- A. Annual Assessments. Until changed in accordance herewith by the Association,
(i) the Annual Assessment for any Tract shall be One Hundred fifty and No/100ths Dollars (\$150.00).

- B. Transfer Fee Assessment. In addition to the Annual Assessments, until changed in accordance herewith by the Association, each Owner shall pay to the Association a Transfer Fee Assessment of Fifty and No/100ths Dollars (\$50.00) upon each conveyance of a Tract.

Each Annual Assessment shall be due and payable on January 1st unless the Board of Directors by majority vote determines an alternate date for such payment. The obligation to pay Annual Assessments shall commence on the date of the sale, transfer or other conveyance of a Tract to another Owner. In fixing the amount of the Annual Assessments, the Board of Directors of the Association may, but shall not be required to, add reasonable anticipated depreciation and necessary replacement and repair of capital assets and improvements and may from time to time establish one or more funds or accounts to accumulate amounts deemed necessary therefore.

23. Notwithstanding anything to the contrary herein contained, and in addition to the Regular Assessments authorized above, the Association may levy in any calendar year one or more Special Assessments applicable to that calendar year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Areas, including fixtures and personal property related thereto. The consent of more than sixty-five percent (65%) of the Votes will be required if the total Special Assessments in any calendar year would exceed Two hundred fifty and No/100ths Dollars (\$250.00) for any Tract.

24. The Association shall fix the amount of the Regular Assessments for each calendar year at least thirty (30) days in advance of the commencement of such calendar year. Failure of the Association to meet or to fix the amount of the Regular Assessments as herein provided shall be deemed to constitute a setting of the amounts at the levels fixed for the previous calendar year. Written notice of any change in the Regular Assessments shall be mailed (by U.S. first class mail) to every Owner subject thereto. The Association shall, upon demand, and for reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Tract have been paid and the amount of any delinquencies. The Association shall not be required to obtain a request for such certificate signed by the Owner but may deliver such certificate to any party who in the Association's judgment has a legitimate reason for requesting same.

25. All payments shall be made to the Association at its place of business in Real County, Texas or at such other place as the Association may direct. Any Assessment not paid within fifteen (15) days of its due date shall be subject to a one-time late fee of Twenty-five and No/100ths Dollars (\$25.00). Any assessment not paid within thirty (30) days after the due date shall bear interest from such thirtieth date until paid at the rate of the commercial prime interest rate then in effect plus four percent (4%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the assessment, or foreclose the lien against the Tract involved; and interest costs and attorney fees of any such action shall be added to the amount of the assessment. In no event shall the Association be liable to any Owner or other person or entity for failure or inability to enforce or attempt to enforce collection. No Owner may waive or otherwise escape liability for the assessments of his Tract. Further, the powers and enforcement granted to the

Association in this paragraph shall be cumulative of, and shall be in addition to, all other remedies and powers of the Association.

26. Upon compliance with the notice provisions set forth herein below, the Association may foreclose the assessment lien against any Tract. Each undersigned Owner, and each subsequent Owner by his acceptance of a conveyance instrument as to a Tract, expressly grants and vests in the Association and its agents the right and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage or deed of trust lien on real property as provided in section 51.002 of the Property Code of the State of Texas, and each undersigned Owner (and each subsequent Owner by acceptance of a conveyance instrument as to a Tract) expressly grants to the Association a power of sale in connection with said lien. The lien herein provided for shall be in favor of the Association for the benefit of all Owners. The Association acting on behalf of the Owners shall have the power to bid upon an interest foreclosed at foreclosure sale and to acquire and hold, lease, mortgage and convey the same and to treat the proceeds of any such lease, mortgage or conveyance in the same manner as assessments hereunder.

Notice of Lien: No action shall be brought to foreclosure said assessment lien or to proceed under the power of sale herein provided less than thirty (30) days after the date of notice of claim of lien is deposited with the postal authority, certified or registered, postage prepaid, to the Owner of said Tract, and a copy thereof is recorded by the Association in the Office of the County Clerk of Real County. Said notice of claim must recite a good and sufficient legal description of any such Tract, the record owner or reputed owner thereof, the amount claimed (which may, at the Association's option, include any late charge and interest on the unpaid assessment as herein provided, plus reasonable attorneys' fees and expenses of collection in connection with the debt secured by said lien), and the name and address of the claimant.

Foreclosure Sale: Any such sale provided for above is to be conducted in accordance with the provisions applicable to the exercise of powers of sale in mortgages and deeds of trust, as set forth in Section 51.002 of the Property Code of the State of Texas, as the same may be amended from time to time, or in any other manner permitted by law.

The Association, through duly authorized agents and on behalf of the Owners, shall have the power to bid on the Tract at foreclosure sale and to acquire and hold, mortgage and convey same hereinabove provided.

27. The lien for the Assessment provided herein shall be superior to all other liens and charges against said Tract except only for tax liens, liens for purchase money and/or development costs and all first deed of trust liens of record (which shall include a deed of trust that secures a debt secured by a first deed of trust lien, including "wraparound" and "all inclusive" financing), which liens for such purposes shall be superior to the assessment liens herein provided with the understanding that assessments subsequent to a foreclosure of such a superior lien shall continue to bind the mortgaged property and be secured by an assessment lien as herein provided. The Association shall have the power to subordinate the assessment lien to any other lien, and to extinguish such lien and the underlying debt,

such powers being entirely within the discretion of the Association and exercisable in a writing duly adopted by the Board of Directors. Except as otherwise provided herein, no sale or transfer shall relieve such Tract from liability for any assessment thereafter becoming due or from the lien therefore, but such lien shall exist as, and constitute, a separate and distinct charge and lien on each Tract.

28. The failure of any Owner or Resident to comply with any covenant, condition, easement, or restriction in this Declaration will result in irreparable damage to Declarant and other Owners; thus the breach of any provision of this Declaration may not only give rise to an action for damages at law, but also may be enjoined or may be subject to an action for specific performance in equity in any court of competent jurisdiction. In the event an action is instituted to enforce the terms hereof or prohibit violations hereof, and the party bringing such action prevails, then in addition to any other remedy herein provided or provided by law, such party shall be entitled to recover court costs and reasonable attorney's fees from the non-prevailing party. Declarant, the Association, and each Owner have the right, but not the obligation, to police, control or enforce the terms of this Declaration. These provisions are intended to strictly comply in full with all applicable law, as now existing or hereafter amended. If and to the extent that any provision this Declaration does not comply with applicable law, such provision is hereby altered, changed and amended to secure such compliance; and this covenant and condition shall be deemed paramount and control over all other provisions.

29. Declarant may unilaterally amend this Declaration for any purpose before December 31, 2025, provided Declarant owns a portion of the Property at such time. After December 31, 2025, (a) Declarant may unilaterally amend this Declaration, at any time and from time to time, if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation or judicial determination which is in conflict therewith, necessary to enable any reputable title insurance company to issue title insurance coverage with respect to any portion of the Property, or is required by an institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans to enable it to make, purchase, insure or guarantee mortgage loans on any portion of the properties within the Property, and (b) this Declaration may be amended by no less than seventy percent (70%) of the Votes. Furthermore, waivers of the covenants, conditions, easements and restrictions set forth in this Declaration may be granted from time to time with respect to any Tract, or with respect to any Owner or Resident thereof, by any of Declarant, the Association, or no less than seventy percent (70%) of the Votes, for the purpose of relieving hardship or permitting good architectural planning to be effected.

30. No amendment may remove, revoke or modify any right or privilege of Declarant without the written consent of Declarant or its respective assignee of such right or privilege.

31. The covenants, conditions and restrictions of this Declaration shall be effective for a term of twenty (20) years from the date this Declaration is recorded, after which period the covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years. Neither any amendment nor any termination shall be effective

until recorded in the real property records of Real County, Texas, and all governmental approvals, if any, with regard to such amendment or termination have been obtained.

32. Each Owner shall automatically become a member of the wildlife association covering the Property and shall pay such membership fees and annual and special assessments as required by such wildlife association. The membership is not transferable except as a part of the conveyance of real estate from which the membership arises. Each Owner shall be subject to the formation documents, applicable state and federal laws and other rules and regulations of the wildlife association as adopted from time to time by the governing body of such wildlife association.

These covenants, conditions, easements and restrictions are for the purpose of protecting the value and the desirability of the Property; as such, they shall run with the Property, be for the benefit of the Property, each Tract and each Owner, and be binding on all parties having any right, title or interest in the Property or any Tract, in whole or part, and each of their respective heirs, successors and assigns.

Executed effective as of the date first set forth above.

Oak Meadows Ranch Limited Partnership



Mark T. Carlile
General Partner

STATE OF TEXAS
COUNTY OF REAL

This instrument was acknowledged before me on the 30th day of July, 2015, by Mark T. Carlile, General Partner of Oak Meadows Ranch Limited Partnership, a Texas limited partnership, on behalf of said limited partnership.


NOTARY PUBLIC, STATE OF TEXAS