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**MASTER DECLARATION  
OF  
COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR  
LAS MADERAS**

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LAS MADERAS**

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**RECITALS**

WHEREAS, THIS Master Declaration of Covenants, Conditions and Restrictions (this "Declaration") is made this 9th day of September, 2005 by Bruce Development, L L C, a Texas limited liability company ("Declarant"), whose mailing address is 13627 S. Tracewood Bend, Houston, TX 77077, and which is the owner of certain real property described as Las Maderas, Section 1, a subdivision of record in Document No. \_\_\_\_\_ of the Real Property Records of Hays County, Texas (the "Property"), and

WHEREAS, Declarant proposes to develop and subdivide the Property for residential purposes in a subdivision to be known as Las Maderas; and

WHEREAS, Declarant desires to hold and from time to time convey the Property, or any portion thereof, subject to certain protective covenants, conditions, restrictions, liens, and charges hereinafter set forth; and

WHEREAS, Declarant desires to create and carry out a uniform plan for the improvement, development, and sale of the Property for the benefit of the present and future owners of the Property;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that it is hereby declared: (1) that all of the Property shall be held, sold, conveyed, and occupied subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the Property and shall be binding on all parties having any right, title, or interest in or to the Property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof, and (11) that each contract or deed which may hereafter be executed with regard to the Property or any portion thereof shall conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions, and restrictions regardless of whether or not the same are set out or referred to in said contract or deed

**ARTICLE I  
DEFINITIONS**

Unless the context otherwise specifies or requires, the following words and phrases when used in this Declaration shall have the meanings hereinafter specified.

1 01 Architctueural Committee "Architctueural Committee" shall mean the committee created pursuant to this Declaration to review and approve plans for the construction of Improvements upon the Property.

1.02. Architectural Committee Rules "Architectural Committee Rules" shall mean the rules and regulations adopted by the Architectural Committee, as the same are amended from time to time

1.03. Assessment "Assessment" or "Assessments" shall mean such sum levied by the Association in the manner and against the Property under the terms and provisions of this Declaration

1.04. Association "Association" shall mean and refer to Las Maderas Homeowners Association, a Texas nonprofit association created pursuant to this Declaration, its successors and assigns

1.05. Association Rules "Association Rules" shall mean the rules and regulations as stated in this Declaration or adopted by the Association as the same may be amended from time to time

1.06. Board "Board" shall mean any Board of Directors of the Association organized and established by the Members, pursuant to or in connection with a Supplemental Declaration

1.07. Common Areas "Common Areas" shall mean those areas of land shown on any recorded plat of the Property or its equivalent or any portion thereof filed or approved by Declarant and labeled as such on the plat

1.08. Common Properties "Common Properties" shall mean that portion of the Property owned by the Association for the common use and enjoyment of the Members of the Association, including but not limited to all parks, recreational facilities, community facilities, pumps, landscaping, sprinkler systems, pavement, streets (to the extent not owned by appropriate governmental authorities), walkways, parking lots, pipes, wires, conduits and other public utility lines situated thereon (to the extent not owned by appropriate governmental authorities or by local utility companies) The Common Properties to be owned by the Association shall include (i) Common Areas and (ii) those areas of land deeded to the Association by Declarant.

1.09. Declarant "Declarant" shall mean Bruce Development, L L C, its duly authorized representatives or their respective successors or assigns, provided that any assignment of the rights of Bruce Development, L L C. as Declarant must be expressly set forth in writing and the mere conveyance of a portion of the Property without written assignment of the rights of Declarant shall not be sufficient to constitute an assignment of the rights of Declarant hereunder

1.11. Declaration "Declaration" shall mean this instrument as it may be amended from time to time

1.12. Design Guidelines "Design Guidelines" shall mean those certain Design Guidelines set forth below in this Declaration in Sections 3.01 through 3.02, as the same may be amended from time to time

1.13 Developed Lot "Developed Lot" shall mean any Lot which has been final platted, with electric service and a paved, curbed and guttered street, excluding, however, any Common Area

1.14 Greenbelt or Amenity Area "Greenbelt" or "Amenity Area" shall mean all areas designated by Declarant to be held as open space or for passive or active recreational purposes for the benefit of all Owners.

1.15 Improvement "Improvement" shall mean every structure and all appurtenances thereto of every type and kind located on the Property, including, but not limited to, buildings, outbuildings, storage sheds, patios, tennis courts, swimming pools, basketball goals, playscapes, garages, storage buildings, fences, trash enclosures, screening walls, retaining walls, stairs, decks, landscaping, poles, signs, exterior air conditioning, water softener fixtures or equipment, and poles, pumps, wells, tanks, reservoirs, pipes, lines, meters, antennas, towers, and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or other utilities.

1.16 Las Maderas Restrictions "Las Maderas Restrictions" shall mean, collectively, (i) this Declaration, which includes the Design Guidelines, together with any and all Supplemental Declarations, as the same may be amended from time to time, (ii) the Architectural Committee Rules, and (iii) the Association Rules, as the same may be amended from time to time

1.17. Lot "Lot" or "Lots" shall mean any parcel or parcels of land within the Property shown as a subdivided lot on the Plat of the Property, together with all Improvements located thereon, excluding, however, any Common Areas

1.18 Member "Member" or "Members" shall mean any person(s), entity or entities holding membership rights in the Association by and through its ownership of one or more Lots

1.19 Mortgage "Mortgage" or "Mortgages" shall mean any mortgage(s) or deed(s) of trust covering all or any portion of the Property given to secure the payment of a debt

1.20. Mortgagee "Mortgagee" or "Mortgagees" shall mean the holder or holders of any Mortgage or Mortgages

1.21. Owner "Owner" or "Owners" shall mean and refer to a person(s), entity or entities, including Declarant, holding a fee simple interest in all or any portion of the Property, but shall not include a Mortgagee

1.22 Person "Person" or "Persons" shall mean any individual(s), entity or entities having the legal right to hold title to real property.

1.23 Plans and Specifications "Plans and Specifications" shall mean any and all documents designed to guide or control the construction or erection of any Improvement, including, but not limited to, those indicating location, size, shape, configuration, materials, site plans, excavation and grading plans, foundation plans, drainage plans, landscaping and fencing plans, signage, lighting, elevation drawings, floor plans, specifications on all building products and

construction techniques, samples of exterior colors, plans for utility services, all other documentation or information relevant to such Improvement, and any and all additional documentation or information called for by the Design Guidelines

1 24 Plat "Plat" shall mean a final subdivision plat of any portion of the Property.

1 25 Property "Property" shall mean that real property which is subject to the terms of this Declaration, plus any additional land added thereto in accordance with the procedures set forth in this Declaration, less any property that is withdrawn from this Declaration in accordance with the procedures set forth herein

1 26. Subassociation "Subassociation" shall mean any nonprofit Texas corporation or unincorporated association organized and established by Declarant or with Declarant's approval, pursuant to or in connection with a Supplemental Declaration

1 27. Subdivision "Subdivision" shall mean Las Maderas, Section 1 which has been subdivided and shown on a map or plat of record in the Real Property Records of Hays County, Texas.

1 28 Supplemental Declaration "Supplemental Declaration" shall mean and refer to any declaration of covenants, conditions and restrictions which may be recorded hereafter in order (i) to add land to the Property, (ii) to subject any area of the Property to further covenants, conditions or restrictions, (iii) to withdraw land from the Property, or (iv) to establish a Subassociation

## ARTICLE II DEVELOPMENT OF AND ADDITION TO THE PROPERTY

2 01 Development by Declarant Declarant may divide or subdivide the Property into several areas, develop some of the Property, and, at Declarant's option, sell any portion of the Property free of these restrictions

2 02 Addition of Land Additional land may be annexed into the Property at any time with the consent of two-thirds (2/3) of each class of Members of the Association. Such additions/annexations may be accomplished by recording a Supplemental Declaration annexing the property in the Official Public Records of Hays County, Texas. Upon such additions/annexations, this Declaration and the covenants, conditions, restrictions, and obligations set forth herein shall apply to the added land and the rights, privileges, duties, and liabilities of the Persons subject to this Declaration shall be the same with respect to the added land as with respect to the Property originally covered by this Declaration. As additional lands are annexed hereto, Declarant shall, with respect to said properties, record Supplemental Declarations which may incorporate this Declaration therein by reference, and which may supplement or modify this Declaration with such additional covenants, restrictions and conditions which may be appropriate for those lands

2 03 Withdrawal of Land Declarant may, at any time and from time to time, reduce or withdraw areas from the Property, and upon such withdrawal, this Declaration and the covenants, conditions, restrictions, and obligations set forth herein shall no longer apply to those lands

withdrawn. In order to withdraw lands from the Property hereunder, Declarant shall be required only to record a notice of withdrawal of land in the Real Property Records of Hays County, Texas containing the following provisions

- (A) A reference to this Declaration, which reference shall state the document number or book and page numbers of the Hays County Real Property Records wherein this Declaration is recorded,
- (B) A statement that the provisions of this Declaration shall no longer apply to the withdrawn land, and
- (C) A legal description of the withdrawn land

2 04 Merger or Consolidation. Upon a merger or consolidation of the Association with another association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the Property, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the Property, together with the covenants and restrictions established upon any other properties, as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration pertaining to the Property except as hereinafter provided.

### ARTICLE III RESTRICTIONS

All of the Property shall be owned, held, encumbered, leased, used, occupied, and enjoyed subject to the following limitations and restrictions

#### Design Guidelines

3 01 Minimum Square Footage with Improvements The heated and cooled living area of the main residential structure located on any Lot exclusive of open porches and parking facilities shall not be less than 1,400 square feet for a single-story structure or 2,200 for a two-story structure, with the first floor square footage of heated and cooled living area being no less than 1,400 square feet

3 02 Masonry Requirements The outside wall area of a first story residence shall have a minimum seventy-five percent (75%) masonry construction (which includes but is not limited to brick, ledge stone, field stone, stucco, glass façade, hardiplank, cemplank and/or cempanel and any other similar material) The minimum seventy-five percent (75%) masonry construction must include one hundred percent (100%) masonry on the front and both sides. In no event may vinyl, aluminum or other similar type of synthetic siding be allowed to be used in the construction of any residence

General Restrictions

3 03 Subdividing No Lot shall be further divided or subdivided, nor may any easements or other interests therein less than the whole be conveyed by the Owner thereof without the prior written approval of the Architectural Committee; provided, however, that when Declarant is the Owner thereof, Declarant may further divide and subdivide any Lot and convey any easements, except drainage and public utility easements, or other interests less than the whole, all without the approval of the Architectural Committee

3 04 Hazardous Activities No activities shall be conducted on the Property and no Improvements constructed 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

3.05. Insurance Rates Nothing shall be done or kept on the Property which would increase the rate of insurance or cause the cancellation of insurance on any Lot or any of the Improvements located thereon

3 06 Mining and Drilling No portion of the Property shall be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel, aggregate, or earth

3 07. 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 of the Property such that it becomes or will become clearly audible at the property line of adjoining property owners 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

3 08. Animals - Household Pets (a) No animals, including pigs, poultry, fowl, wild animals, cattle, sheep, goats or any other type of animal not ordinarily considered to be a domestic household pet may be kept, maintained or cared for on any Lot, except for one horse "unit" per Lot (A horse unit is one horse or one mare with foal up to one year in age ) Declarant or the Association, in its sole discretion, may grant variances from this restriction No animal shall be allowed to make an unreasonable amount of noise or to become a nuisance, and no domestic pets will be allowed on the Property other than on the Lot of its Owner unless confined to a leash No animal may be stabled, maintained, cared for, kept or boarded for hire or remuneration on any Lot, except as to one horse unit, and no kennels or breeding operation shall be allowed. No animal shall be allowed to run at large, and all animals 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 Architectural Committee, shall be reasonably designed and constructed to adequately contain such animals in accordance with this Declaration, and shall be screened so as not to be visible from any other portion of the Property In no event shall pit bulls or other vicious or dangerous animals be allowed within the Subdivision

(b) Because a eight to ten acre lot will not sustain even one horse without supplemental feeding, horses shall be primarily kept in small paddocks or "sacrificial pastures" (usually 30 by 60 feet), in accordance with plans approved by the Architectural Committee. Even with supplemental feeding, a horse may strip off all ground vegetation through foraging and/or hoof impact. Trees may be killed by horses cribbing or chewing a girdle of bark around the trunk or by erosion coupled with hoof impact causing damage to the root system. This will eventually destroy all vegetation and cause irreparable erosion to the thin topsoil. Horses should be turned out for grazing only when there is substantial turf available. Horses should not be turned out after rainfall as their hoof impact will destroy the softened or muddy turf. During droughts or winter months, horses should be let out to pasture only until they have eaten all available grass and should be removed when they start to damage the sod by overgrazing or hoof impact. During winter months, a winter grass can be planted to extend grazing periods. Tree protection may include chicken wire to protect bark from cribbing horses and/or fencing to protect radial roots from hooves. Each Owner shall take all reasonable efforts to avoid an overgrazed or barren look to the Owner's Lot (except in the paddock area) by following the provisions set forth in this Paragraph 3.08 and by taking any other measures necessary to avoid such result.

3.09 Rubbish and Debris No rubbish or debris of any kind shall be placed or permitted to accumulate upon the Property, and no odors shall be permitted to arise therefrom so as to render the Property or any portion thereof unsanitary, unsightly, offensive, or detrimental to any other property or to its occupants. Refuse, garbage, and trash shall be kept at all times in covered containers, and such containers shall be kept within enclosed structures or appropriately screened from view.

3.10 Maintenance Each Owner shall keep all shrubs, trees, grass, and plantings of every kind on such Owner's Lot (including any Greenbelt platted as a part of such Owner's Lot and any Greenbelt located between such Owner's Lot and a publicly dedicated roadway) cultivated, pruned, and free of trash and other unsightly material. All Improvements upon any Lot shall at all times be kept in good condition and repair and adequately painted or otherwise maintained by the Owner of such Lot. Declarant, the Association, and the Architectural Committee shall have the right at any reasonable time to enter upon any Lot to replace, maintain, and cultivate shrubs, trees, grass, or other plantings as deemed necessary; to paint, repair, or otherwise maintain any Improvements in need thereof, and to charge the cost thereof to the Owner of the Lot as provided in Section 5.04(E) hereof.

3.11 Antennae No exterior radio or television antenna or aerial or satellite dish receiver, or other devices designed to receive telecommunication signals, including but not limited to radio, television or microwave signals which are intended for cable television, network television reception or entertainment purposes shall be erected or maintained, except by Declarant, without the prior written approval of the Architectural Committee. Any antenna which is approved by the Architectural Committee and which will cover more than fifteen (15) square feet of the surface area of a Lot, shall be screened from view from public or private thoroughfares and adjacent properties.

3.12 Signs No sign or emblem of any kind may be kept or placed upon any Lot or mounted, painted or attached to any residence, fence or other Improvement upon such Lot so as to be visible from public view without the prior written approval of the Architectural Committee, except the following:

- (i) For Sale or Lease Signs An Owner may erect one (1) sign not more than five (5) square feet advertising the Property for sale or lease
- (ii) Declarant's and Builder's Signs Signs or billboards may be erected by the Declarant or any Builder.
- (iii) Political Signs Political signs may be erected upon a Lot by the Owner of such Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal, provided that such signs shall not be erected more than ninety (90) days in advance of the election to which they pertain and are removed within fifteen (15) days after the election.

3.13 Tanks The Architectural Committee shall have the right to approve the location of any tank used or proposed in connection with a single-family residential structure, including tanks for storage of fuel, water, oil, or LPG, and including swimming pool filter tanks. No elevated tanks of any kind, including but not limited to above-ground swimming pools, shall be erected, placed or permitted on any Lot. All tanks shall be screened so as not to be visible from any other portion of the Property.

3.14 Temporary Structures No tent, shack, or other temporary building, improvement, or structure shall be placed upon the Property without the prior written approval of the Architectural Committee; provided, however, that temporary structures necessary for storage of tools and equipment, and for office space for architects, builders, and foremen during actual construction may be maintained with the prior approval of Declarant, approval to include the nature, size, duration, and location of such structure.

3.15 Unightly Articles, Vehicles No article deemed to be unsightly by the Architectural Committee shall be permitted to remain on any Lot so as to be visible from adjoining property or from public or private thoroughfares. Without limiting the generality of the foregoing, trailers, graders, trucks other than pickups, boats, tractors, campers, wagons, buses, motorcycles, motor scooters, and garden maintenance equipment shall be kept at all times except when in actual use, in enclosed structures or screened from view and no repair or maintenance work shall be done on any of the foregoing, or on any automobile (other than minor emergency repairs), except in enclosed garages or other structures. Each single-family residential structure constructed within the Property shall have sufficient garage space, as approved by the Architectural Committee, to house all vehicles to be kept on the Lot. Service areas, storage areas, compost piles and facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from view from public or private thoroughfares and adjacent properties, and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials, or scrap or 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 from public or private thoroughfares and adjacent properties.

3.16 Mobile Homes, Travel Trailers and Recreational Vehicles No mobile homes or manufactured homes shall be parked or placed on any Lot or used as a residence, either temporary or permanent, at any time, and no motor homes, travel trailers or recreational vehicles shall be parked

on or near any Lot so as to be visible from adjoining property or from public or private thoroughfares for more than forty-eight (48) hours

3.17. Doors and Windows No aluminum foil, reflective film or similar treatment shall be placed on any windows or glass doors. No "burglar bars," steel or wrought iron bars, or similar fixtures, whether designed for decorative, security or other purposes, shall be installed on the exterior of any windows or doors of any dwelling. No signs, numerals or other writing shall be written on or placed in the doors, windows or exterior walls of any dwelling, either temporarily or permanently, except that the Association may, in its discretion, permit house numbers to be written temporarily on a single window of a dwelling while occupants are moving in, provided such numbers are removed within seventy-two (72) hours after the occupants have taken occupancy. All windows of an occupied dwelling on a Lot that are visible from the street or other Lots shall have draperies, curtains, blinds or other permanent interior window treatments, and all portions thereof that are visible from the street or other Lots shall have draperies, curtains, blinds or other permanent interior window treatments, and all portions thereof which are visible from outside the dwelling shall be white or off-white in color, unless otherwise approved in writing by the Association. Sheets or similar temporary window treatments may be used for a short time after taking occupancy of a dwelling, provided they are removed and replaced with permanent window treatments within a reasonable time after taking occupancy of the dwelling, as determined in the sole discretion of the Association.

3.18. No Window Units No window or wall type air conditioner that is visible from any street shall be permitted to be used, placed or maintained on or in any structure on any part of the Property.

3.19. Energy Conservation or Generation Equipment No photovoltaic electricity generation panels, solar energy collector panels, or attendant hardware or other energy conservation equipment shall be constructed or installed on any Lot unless it is an integral and harmonious part of the architectural design of a structure, as determined in the sole discretion of the Architectural Committee. No windmills, wind generators or other apparatus for generating power from wind shall be erected or installed on any Lot.

3.20. Compliance with the Restrictions Each Owner shall comply strictly with the provisions of the Las Maderas Restrictions as the same may be amended from time to time. Failure to comply with any of the Las Maderas Restrictions shall constitute a violation of this Declaration, and shall give rise to a cause of action to recover sums due for damages or injunctive relief or both, maintainable by the Association or by an aggrieved Owner.

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

ARTICLE IV  
USE AND CONSTRUCTION RESTRICTIONS

4 01 General The Property shall be improved and used solely for single-family residential use, inclusive of a garage, fencing and such other Improvements as are necessary or customarily incident to residential use, or for Common Areas. Common Areas may, subject to the approval of Declarant, be improved or used for active and passive recreational purposes for the primary benefit of Owners and occupants of portions of the Property, provided, however, that, as to any specific areas, Declarant may, in its sole and absolute discretion, permit other improvements and uses. Except for Common Areas, no Lot and no Improvement erected or maintained on any Lot shall be used for manufacturing, industrial, business, commercial, institutional or other nonresidential purpose. This prohibition shall not apply to "garage sales" conducted by Owners, or the use of any Improvement on a Lot by Declarant or any builder as a model home or sales office, or the use of any Lot as a site for a construction office trailer or sales office trailer by Declarant or any builder.

4 02 Greenbelt or Amenity Areas No land within any Greenbelt or Amenity Areas shall be improved, used or occupied, except in such manner as shall have been approved by Declarant, in its sole and absolute discretion. Such required approval shall extend to the nature and type of use, occupancy and Improvement. Declarant may, by written instrument, delegate its right to grant such approval to the Association. Access to any Greenbelt or Amenity Area may be limited to Persons currently paying Assessments, fees and other charges, or otherwise conditioned or restricted, or made available to non-Owners, all on such terms and conditions as Declarant may determine, in its sole discretion. When no Class B memberships exist, the Association shall have the right to determine such terms and conditions as the Association deems proper in its sole discretion, even if such right has not been delegated to it by Declarant.

4 03 Recreational Improvements Any proposed construction of recreational improvements within a Greenbelt or Amenity Area shall be subject to approval by the Architectural Committee.

4 04 Approval for Construction No Improvements shall be constructed upon any Lot without the prior written approval of the Architectural Committee.

4 05 Rentals Nothing in this Declaration shall prevent the rental of any entire Lot and the Improvements thereon by the Owner thereof for residential purposes, provided that all rentals must be for terms of at least six (6) months.

4 06 Building Height No Improvement greater than thirty-five feet (35') in height may be constructed on any Lot without the prior written approval of the Architectural Committee. For purposes of this paragraph, height shall be measured from the foundation slab of the proposed Improvement to the ridge line of the roof of the proposed Improvement.

4 07 Obstruction of Views No Improvement may be constructed on any Lot which would unreasonably obstruct the view from other portions of the Property, and the positioning of all Improvements upon Lots within the Property is hereby expressly made subject to Architectural Committee review. The Architectural Committee may, but shall not be required to, prevent or allow

the construction of a proposed Improvement based upon the effect it will have upon the view from any particular Lot. Rather, the Architectural Committee may consider the effect the improvement will have on the Property as a whole, it being expressly understood that neither the Architectural Committee nor the members thereof shall be liable to any Owner in monetary damages or otherwise due to the construction of any Improvement within the Property or the creating thereby of an obstruction to the view from such Owner's Lot or Lots.

4.08 Construction in Place All dwellings constructed on the Property shall be built in place on the Lot and the use of prefabricated materials shall be allowed only with the prior written approval of the Architectural Committee

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

4.10. Roofing Materials All roofing materials must be approved in advance by the Architectural Committee; provided, however, that the following materials are specifically permitted gray "weathered wood" fiberglass composition shingle with a weight of no less than 240 lbs per square

4.11 Driveway The Architectural 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 in the Subdivision. 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

4.12. Mailbox The mailbox for each single-family residential structure constructed within the Property shall be encased or enclosed in a structure which shall be of the same design and constructed of the same materials as (or of design and materials complimentary to) the exterior of the appurtenant single-family residential structure

4.13. Garbage Containers The Architectural Committee shall have the right to require each owner to specify a specific location for trash service and to require each Owner to construct a permanent facility near the mailbox or at such other approved location for the placement of garbage containers for collection purposes. Such permanent structure shall meet the design and material requirements for the mailbox, as referred to above.

4.14 Underground Utility Lines No utility lines, including but not limited to, wires or other devices for the communication or transmission of telephone or electric current or power, cable television, or other type of line or wire shall be erected, placed, or maintained anywhere in or upon any portion of the Property unless the same shall be contained in conduit or cables installed and maintained underground or concealed in, under, or on buildings or other Improvements as approved in writing by the Architectural Committee, 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

Architectural Committee The installation method, including, but not limited to, location, type of installation equipment, trenching method, and other aspects of installation, for both temporary and permanent utilities, shall be subject to review and approval by the Architectural Committee

4 15 Drainage No objects, including but not limited to buildings, fences or landscaping, shall be allowed in a drainage easement except as approved by Hays County, any water control and improvement district in which the Property is located, and any other governmental entity having jurisdiction There shall be no interference with the established drainage patterns over any of the Property, except by Declarant, unless adequate provision is made for proper drainage and approved by the Architectural Committee

4 16 Construction Activities Notwithstanding any provision herein to the contrary, 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 (including 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 the event that construction upon any Lot does not conform to usual practices in the area as determined by the Architectural Committee in its sole good faith judgment, the Architectural Committee 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 the Lot or any portion thereof unsanitary, unsightly, offensive, or detrimental to it or any other portion of the Property, then the Architectural Committee may contract for or cause such debris to be removed, and the Owner of the Lot shall be liable for all expenses incurred in connection therewith

4 17 Fences The construction of fences shall be subject to the prior written consent of the Architectural Committee, except those constructed by Declarant The Architectural Committee may, in its discretion, prohibit the construction of any proposed fence, specify the materials of which any proposed fence must be constructed, or require that any proposed fence be partially screened by vegetation

4 18 Fence Maintenance Fence maintenance shall be the responsibility of the Owner and all damage shall be repaired within thirty (30) days of written notification by the Association It shall be a violation of this Declaration to maintain any fence in such a manner as to allow (i) any portion of a fence to lean so that the fence's axis is more than five (5) degrees out of a perpendicular alignment with its base, (ii) missing, loose or damaged stone or wood rails in the fence, or (iii) symbols, writings or other graffiti on the fence

4 19 Improvements No Improvements shall hereafter be constructed upon any of the Property without the prior written approval of the Plans and Specifications for the Improvement(s) by the Architectural Committee Anything herein to the contrary notwithstanding, in the case of single-family residences constructed on any Lot, the Architectural Committee, in its sole discretion, may limit its review to a review of specific floor plans and elevations, and upon the Architectural Committee's approval of such specific floor plans and elevations, residences may be constructed

consistent with the approved floor plans and elevations without the requirement of further review or approval by the Architectural Committee. No Improvement shall be placed or installed as to be visible from the street or from the first floor of another residence without prior approval of the location and the Plans and Specifications by the Architectural Committee.

4.20 Compliance with Laws. All Improvements constructed by any Owners shall be constructed in compliance with all applicable rules, regulations, and laws, including but not limited to rules and regulations of the City of Dripping Springs and Hays County.

## ARTICLE V LAS MADERAS HOMEOWNERS ASSOCIATION

5.01 Organization The Declarant hereby causes the formation of the Association as an unincorporated nonprofit association under the laws of the State of Texas. The Association shall be created for the purpose of obtaining, managing, constructing, and maintaining the Common Areas and Common Property, and is charged with the duties, and vested with the powers prescribed by the Texas Uniform Unincorporated Nonprofit Association Act (the "Act") and in this Declaration. This Declaration shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with the Act. Nothing in this Declaration shall prevent the creation, by provisions therefore in Supplemental Declaration(s) executed and recorded by Declarant or any person or persons authorized by Declarant, of Subassociations to own, develop, assess, regulate, operate, maintain or manage the Property subject to such Supplemental Declarations.

5.02 Membership Every Person who is a record Owner of a fee or undivided fee interest in any Lot which is subject, by covenants of record, to assessment by the Association, including contract sellers, shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from any ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership. Any Mortgagee or Lienholder who acquires title to any Lot which is a part of the Property through judicial or nonjudicial foreclosure shall be a Member of the Association. Every Member shall have the right at all reasonable times during business hours to inspect the books and records of the Association.

5.03 Voting Rights The Association shall have two (2) classes of voting memberships:

- (A) Class A Class A Members shall be all Owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one (1) Person holds such interest in any Lot, all such Persons shall be Members. The vote for such Lot shall be exercised as they, among themselves, determine as provided by the Bylaws, but in no event shall more than one (1) vote be cast with respect to any Lot.
- (B) Class B The Class B Member(s) shall be the Declarant, and its successors and assigns, and shall be entitled to three (3) votes for each Lot owned by it, provided that the Class B membership shall cease and be converted to Class

A membership (subject to reversion back to Class B membership upon the annexation of additional land) on the happening of the following event

- (1) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership (subject to reversion back to Class B membership upon annexation of additional land).

5 04 Powers and Authority of the Association The Association shall have the powers of a Texas unincorporated nonprofit association, subject only to such limitations upon the exercise of such power as are expressly set forth in this Declaration. It shall further have the power to do and perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the express powers granted to it by the laws of Texas or by this Declaration. Without in any way limiting the generality of the two (2) preceding sentences, the Association shall have the power and authority at all times as follows

- (A) Rules To make, establish and promulgate, and in its discretion to amend or repeal and re-enact such Association Rules as it deems proper, covering any and all aspects of its functions. The content of the Association Rules may be established by the vote of two-thirds (2/3) of the Members of the Association, provided the same are not in conflict with this Declaration.
- (B) Insurance To obtain and maintain in effect policies of insurance which, in the opinion of the Association, are reasonably necessary or appropriate to carry out the Association functions.
- (C) Records To keep books and records of the Association's affairs, and to make all such books and records available for inspection by any Owner upon request and at reasonable times and intervals.
- (D) Assessments To levy Assessments as provided in Article VII below, in order to raise the total amount for which the levy in question is being made.
- (E) Right of Entry and Enforcement To enter at any time in an emergency or in the case of a non-emergency, after written notice, by certified mail return receipt requested, without being liable to any Owner, upon any Lot and into any Improvement thereon, for the purpose of enforcing the Las Maderas Restrictions or for the purpose of maintaining or repairing any area, Improvement, or other facility to conform to the Las Maderas Restrictions. The expense incurred by the Association in connection with the entry upon any Lot and the maintenance and repair work conducted thereon shall be a personal obligation of the Owner of the Lot entered upon, shall be a lien upon the Lot entered upon and the Improvements thereon, and shall be enforced in the same manner and to the same extent as provided in Article VII hereof for regular and special assessments. The Association shall have the power and

authority from time to time, in its own name and on its own behalf, or in the name of and on behalf of any Owner who consents thereto, to commence and maintain actions and suits to enforce, by mandatory injunction or otherwise, or to restrain and enjoin, any breach or threatened breach of the Las Maderas Restrictions. The Association is also authorized to settle claims, enforce liens, and take all such action as it may deem necessary or expedient to enforce the Las Maderas Restrictions, provided, however, that the Association shall never be authorized to expend any Association funds for the purpose of bringing suit against Declarant, its successors, or assigns

- (F) Legal and Accounting Services. To retain and pay for legal and accounting services necessary or proper in the operation of the Association.
- (G) Collection for Subassociation. To collect on behalf of and for the account of any Subassociation (but not to levy) any assessment made by a Subassociation created hereinafter pursuant to this Declaration
- (H) Conveyances. To grant and convey to any Person the real property and/or other interest therein, including fee title, leasehold estates, easements, rights-of-way or mortgages out of, in, on, over or under any Association property for the purpose of constructing, erecting, operating or maintaining the following:
  - (1) Parks, parkways or other recreational facilities or structures,
  - (2) Roads, streets, walks, driveways, trails and paths,
  - (3) Lines, cables, wires, conduits, pipelines or other devices for utility purposes,
  - (4) Sewers, water systems, storm water drainage systems, sprinkler systems and pipelines; and/or
  - (5) Any similar public, quasi-public or private improvements or facilities,

provided, however, that the Association shall not convey fee simple title in and to, or mortgage all or any portion of, any Common Areas without complying fully with the requirements of Section 8.08 below

Nothing above contained, however, shall be construed to permit use or occupancy of any Improvement or other facility in a way which would violate applicable use and occupancy restrictions imposed thereon by other provisions of this Declaration

- (I) Manager. To retain and pay for the services of a person or firm (the "Manager") to manage and operate the Association, including its Property, to

the extent deemed advisable by the Members. Additional personnel may be employed directly by the Association or may be furnished by the Manager. To the extent permitted by law, the Association may delegate any other duties, powers and functions to the Manager. The Members of the Association hereby release the Association and the other Members from liability for any omission or improper exercise by the Manager of any such duty, power or function so delegated.

- (J) Association Property Services To pay for water, sewer, garbage removal, landscaping, gardening and all other utilities, services and maintenance for all Association Property, to maintain and repair easements, roads, roadways, rights-of-way, parks, parkways, median strips, sidewalks, paths, trails, ponds, lakes and other areas of the Property, as appropriate, and to own and operate any and all types of facilities for both active and passive recreation.
- (K) Other Services and Properties To obtain and pay for any other property and services, and to pay any other taxes or assessments which the Association is required to secure or to pay for pursuant to applicable law, the terms of this Declaration, or the Association Rules.
- (L) Construction on Association Property To construct new Improvements or additions to Association properties, subject to the approval of the Architectural Committee as provided in this Declaration.
- (M) Contracts To enter into contracts with Declarant and other persons on such terms and provisions as the Association shall determine, to operate and maintain any Greenbelt or Amenity Area or to provide any service or perform any function on behalf of Declarant or any Person.
- (N) Property Ownership To acquire, own and dispose of all manner of real and personal property, whether by grant, lease, gift or otherwise.

5 05 Roadway Maintenance The Association shall maintain all streets and roadways within the Property which have been completed but not accepted by the appropriate governmental entity for maintenance. In addition, the Association shall be authorized to landscape, maintain, and repair easements, access easements, rights-of-way, median strips, sidewalks, paths, trails, detention ponds, and other areas of the Property, as appropriate. The Association shall maintain all Greenbelt or Amenity Areas dedicated to the Association for maintenance, by or with the consent of Declarant.

5 06 Lighting The Association shall pay for electrical service, and for all other costs and expenses necessary to operate and maintain the lights within street rights-of-way, Greenbelt and Amenity Areas.

5 07. Common Properties Subject to and in accordance with this Declaration, the Association shall have the following duties:

- (A) To accept, own, operate and maintain all Common Areas which may be conveyed or leased to it by Declarant, together with all Improvements of whatever kind and for whatever purpose which may be located in said areas, to accept, own, operate and maintain all other Common Properties, real and personal, conveyed or leased to the Association by Declarant, and to maintain in good repair and condition all lands, improvements, and other Association property owned by or leased to the Association. Such maintenance shall include but not be limited to mowing and removal of rubbish or debris of any kind.
- (B) To construct, maintain, repair and replace landscape improvements and irrigation systems within public rights-of-way pursuant to agreement(s) with Hays County or other appropriate governmental authorities.
- (C) To pay all real and personal property taxes and other taxes and assessments levied upon or with respect to any property owned by or leased to the Association, to the extent that such taxes and assessments are not levied directly upon the Members of the Association. The Association shall have all rights granted by law to contest the legality and the amount of such taxes and assessments.
- (D) Upon the approval of two-thirds (b) of the Owners (excluding Declarant) and full compliance with the provisions of Section 8.08 below, to execute mortgages, both construction and permanent, for construction of facilities, including improvements on property owned by or leased to the Association.
- (E) To take out and maintain current a policy of liability insurance coverage to cover accidental bodily injury and/or death caused by the use and enjoyment of the Common Areas. Such insurance shall be in an amount as the Association shall deem appropriate.

5.08 Fencing In the event Declarant shall erect or cause to be erected a fence along any portion of the Property or of any Lot where such side or rear property line adjoins a Greenbelt easement, then the Association shall be responsible for all maintenance of such fence, including the obligation to rebuild the same upon a majority vote of the Members.

5.09 Indemnification The Association shall indemnify any person who was, is or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director, officer, committee member, employee, servant or agent of the Association against expenses, including attorney's fees, reasonably incurred by him in connection with such action, suit or proceeding if it is found and determined by the Association or a court that he (1) acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association, and (2) with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by settlement, or

upon a plea of *nolo contendere* or its equivalent, shall not of itself create a presumption that the person did not act in good faith or in a manner which he reasonably believed to be in, or not opposed to, the best interests of the Association, and with respect to any criminal action or proceeding, had no reasonable cause to believe that his conduct was unlawful. The Association may purchase and maintain insurance on behalf of any person who is or was an officer, committee member, employee, servant or agent of the Association against any liability asserted against him or incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability hereunder or otherwise.

## ARTICLE VI ARCHITECTURAL COMMITTEE

6 01 Approval of Plans and Specifications No Improvement shall be commenced, erected, constructed, placed or maintained upon any Lot, nor shall any exterior addition to, change thereto or alteration therein be made until the Plans and Specifications therefor shall have been submitted to and approved in writing by the Architectural Committee in accordance herewith.

6 02 Membership of Architectural Committee The Architectural Committee shall consist of not more than three (3) voting members ("Voting Members"), and such additional nonvoting members serving in an advisory capacity ("Advisory Members") as the Voting Members deem appropriate. The initial Voting Members of the Architectural Committee shall be appointed by Declarant, as provided in Section 6 06.

6 03. Action by Architectural Committee Items presented to the Architectural Committee shall be decided by a majority vote of the Voting Members.

6 04. Advisory Members The Voting Members may from time to time designate Advisory Members.

6 05. Term Each Voting Member of the Architectural Committee shall hold office until such time as he has resigned or has been removed or his successor has been appointed, as provided herein. In the event of death or resignation of any Voting Member, the remaining Voting Member or Voting Members shall have full authority to act until a replacement Voting Member or Voting Members have been designated.

6 06 Declarant's Rights of Appointment Declarant, its successors or assigns shall have the right to appoint and remove all members of the Architectural Committee. Declarant may delegate this right to the Association by written instrument. Thereafter, the Association, by vote of its Members, shall have the right to appoint and remove all members of the Architectural Committee. When all of the Property has been developed and conveyed to residential purchasers in the normal course of development and sale and no Class B memberships exist, the Association shall have this right to appoint and remove all members of the Architectural Committee, even if such right has not been delegated to it by Declarant.

6 07 Adoption of Rules The Architectural Committee may adopt such procedural and substantive rules, not in conflict with this Declaration, as it may deem necessary or proper for the

performance of its duties, including, but not limited to, a building code, a fire code, a housing code, and other similar codes as it may deem necessary and desirable

6.08 Design Guidelines The Architectural Committee hereby adopts the foregoing Sections 3.01 through 3.02 of this Declaration as the "Design Guidelines", and shall supply said Design Guidelines to each Owner. All improvements shall be constructed in accordance with the Design Guidelines, and the Architectural Committee shall have the authority to disapprove any proposed Improvements based on the restrictions set forth in the Design Guidelines. Any decision of the Architectural Committee pursuant to this Article VI shall be final and binding so long as it is made in good faith. The Architectural Committee may charge Owners a reasonable fee for each set of Design Guidelines supplied to an Owner.

6.09 Review of Proposed Construction Whenever in this Declaration, or in any Supplemental Declaration, the approval of the Architectural Committee is required, it shall consider all of the Plans and Specifications for the Improvement or proposal in question, the Design Guidelines and all other facts which, in its sole discretion, it considers relevant, and may require an Owner to provide such other information as it deems relevant. Except as otherwise specifically provided herein, prior to the commencement of any construction of any Improvement on the Property or any portion thereof, the Plans and Specifications therefor shall be submitted to the Architectural Committee, and construction thereof may not commence unless and until the Architectural Committee has approved such Plans and Specifications in writing. The Architectural Committee shall consider and act upon any and all Plans and Specifications submitted for its approval pursuant to this Declaration, and perform such other duties assigned to it by this Declaration or as from time to time shall be assigned to it by the Association, including the inspection of construction in progress to assure its conformance with Plans and Specifications approved by the Architectural Committee. The Architectural Committee may review Plans and Specifications submitted for its review and such other information as it deems proper. Until receipt by the Architectural Committee of any information or documents deemed necessary by the Architectural Committee, it may postpone review of any Plans and Specifications submitted for approval. No Improvement shall be allowed upon any Lot which would unreasonably obstruct the view from any other portion of the Property, and no Improvement shall be allowed on any Lot which is of such size or architectural design or involves the use of such landscaping, color schemes, exterior finishes, and materials and similar features as to be incompatible with development within the Property and the surrounding area. The Architectural Committee shall have the authority to disapprove any proposed Improvement based upon the restrictions set forth in the preceding sentence and the decision of the Architectural Committee shall be final and binding so long as it is made in good faith. The Architectural Committee shall not be responsible for reviewing any proposed Improvement, nor shall its approval of any Plans or Specifications be deemed approval thereof from the standpoint of structural safety, engineering soundness, or conformance with building or other codes.

6.10 Actions of the Architectural Committee The Architectural Committee may, by resolution, unanimously adopted in writing, designate one (1) or two (2) of its members or an agent acting on its behalf to take any action or perform any duties for and on behalf of the Architectural Committee. In the absence of such designation, the vote of the majority of all of the members of the Architectural Committee taken without a meeting shall constitute an act of the Architectural Committee.

6.11. Plan Review Upon receipt by the Architectural Committee of all of the information required by this Article VI, it shall have ten (10) days in which to review said plans. The proposed Improvements will be approved if, in the sole opinion of the Architectural Committee, (i) the Improvements will be of an architectural style and material that are compatible with the other structures in the Property, (ii) the improvements will not violate any restrictive covenant or encroach upon any easement or cross-platted building setback lines, (iii) the Improvements will not result in the reduction in property value, use or enjoyment of any of the Property, (iv) the individual or company intended to perform the work is acceptable to the Architectural Committee, and (v) the Improvements will be substantially completed, including all cleanup, within three (3) months of the date of commencement (six (6) months for the construction of a complete house). In the event that the Architectural Committee fails to issue its written response within ten (10) days of its receipt of the last of the materials or documents required to complete the Owner's submission, the Architectural Committee's approval shall be deemed to have been granted without further action, provided however, the Architectural Committee's failure to issue a written response within such ten (10) day period shall never be deemed to constitute a variance from compliance with any of the provisions of this Declaration, any Supplemental Declaration, or the Design Guidelines.

6.12. Variance The Architectural Committee may grant variances from compliance with any of the provisions of this Declaration, any Supplemental Declaration or the Design Guidelines when, in the opinion of the Architectural Committee, in its sole and absolute discretion, such variance will not impair or detract from the high quality development of the Property, and such variance is justified due to unusual or aesthetic considerations or unusual circumstances. All variances must be evidenced by a written instrument, in recordable form, and must be signed by at least two (2) of the Voting Members. The granting of such variance shall not operate to waive or amend any of the terms and provisions of these covenants and restrictions applicable to the Lots for any purpose except as to the particular property and in the particular instance covered by the variance, and such variance shall not be considered to establish a precedent or future waiver, modification or amendment of the terms and provisions hereof.

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

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

6.15. Address Plans and Specifications shall be submitted to the Architectural Committee at 13627 South Tracewood Bend, Houston, Texas 77007, or such other address as may be designated by Declarant, its successors and assigns, from time to time.

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

6 17. Certificate of Compliance. Upon completion of any Improvement approved by the Architectural Committee and upon written request by the Owner of the Lot, the Architectural Committee shall issue a Certificate of Compliance 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 Architectural Committee pursuant to which the Improvements were made and shall specify that the Improvements comply with the approved Plans and Specifications. The certificate shall not be construed to certify the acceptability, sufficiency, or approval by the Architectural Committee of the actual construction of the 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 Architectural Committee of the construction, workmanship, materials, or equipment of the Improvements. Preparation and recordation of such a certificate shall be at the expense of the Owner of the improved Lot

## ARTICLE VII FUNDS AND ASSESSMENTS

### 7 01 Assessments

- (A) The Association may from time to time levy Assessments against each Lot whether or not improved. The level of Assessments shall be equal and uniform between all Lots, except that no Assessments hereunder shall be levied against Declarant
- (B) Where the obligation to pay an Assessment first arises after the commencement of the year or other period for which the Assessment was levied, the Assessment shall be prorated as of the date when said obligation first arose in proportion to the amount of the Assessment year or other period remaining after said date
- (C) Each unpaid Assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be the personal obligation of the Owner of the Lot against which the Assessment fell due, and shall become a vendor's lien against each such Lot and all Improvements thereon. The Association may enforce payment of such Assessments in accordance with the provisions of this Article VII

7 02 Maintenance Fund The Association shall establish a maintenance fund into which shall be deposited all monies paid to the Association and from which disbursements shall be made in performing the functions of the Association under this Declaration. The funds of the Association must be used solely for purposes authorized by this Declaration, as it may from time to time be amended. Nothing contained herein shall limit, preclude or impair the establishment of other maintenance funds by a Subassociation pursuant to any Supplemental Declaration

7.03. Regular Annual Assessments Prior to the beginning of each fiscal year, the Association shall estimate the expenses to be incurred by the Association during such year in performing its functions under the Las Maderas Restrictions, including, but not limited to, the cost of all maintenance, the cost of all roadway and right-of-way maintenance, the cost of providing street lighting, the cost of enforcing the Las Maderas Restrictions, and a reasonable provision for contingencies and appropriate replacement reserves, less any expected income and any surplus from the prior year's fund. Assessments sufficient to pay such estimated net expenses shall then be levied as herein provided, and the level of Assessments set by the Association shall be final and binding so long as it is made in good faith. If the sums collected prove inadequate for any reason, including nonpayment of any individual Assessment, the Association may at any time and from time to time levy further Assessments in the same manner as aforesaid. All such regular Assessments shall be due and payable to the Association at the beginning of the fiscal year or during the fiscal year in equal monthly installments on or before the first day of each month, or in such other manner as the Association may designate in its sole and absolute discretion.

7.04. Special Assessments In addition to the regular annual Assessments provided for above, the Association may levy special Assessments whenever in the Association's opinion such special Assessments are necessary to enable the Association to carry out the mandatory functions of the Association under the Las Maderas Restrictions. The amount of any special Assessments shall be at the reasonable discretion of the Association.

7.05. Owner's Personal Obligation for Payment of Assessments The regular, special and initial Assessments provided for herein shall be the personal and individual debt of the Owner of the Lot covered by such Assessments. No Owner may exempt himself from liability for such Assessments. In the event of default in the payment of any such Assessment, the Owner of the Lot shall be obligated to pay interest at the highest rate allowed by applicable usury laws then in effect on the amount of the Assessment from the due date thereof (or if there is no such highest rate, then at the rate of two percent (2%) per month), together with all costs and expenses of collection, including reasonable attorney's fees. Failure to pay any such Assessments does not constitute a default under an insured mortgage.

7.06. Exemptions Notwithstanding any provision herein to the contrary, all Common Areas and Association Property shall be exempt from the payment of any Assessments, whether regular, special or initial.

7.07. Assessment Lien and Foreclosure All sums assessed in the manner provided in this article but unpaid shall, together with interest as provided in Section 7.05 hereof and the cost of collection, including attorney's fees as herein provided, thereupon become a continuing lien and charge on the Lot covered by such Assessment, which shall bind such Lot in the hands of the Owner. The aforesaid lien shall be superior to all other liens and charges against the said Lot, except only for

- (A) All liens for taxes or special assessments levied by the applicable city, county or state government, or any political subdivision or special district thereof,

- (B) All liens secured by amounts due or to become due under any first mortgage vendor's lien or deed of trust filed for record securing, in either instance, sums borrowed for improvements of the Lot, and
- (C) All liens, including but not limited to vendor's liens, deeds of trust and other security agreements which secure any loan made by any lender to a Member for any part of the purchase price of any Lot when the same is purchased from a builder, or for any part of the cost of constructing, repairing, adding to or remodeling any Improvements utilized for residential purposes

The Association shall have the power to subordinate the aforesaid assessment lien to any other lien. Such power shall be entirely discretionary with the Association and such subordination may be signed by an officer of the Association. To evidence the aforesaid assessment lien, the Association may prepare a written notice of assessment lien setting forth the amount of the unpaid indebtedness, the name of the Owner of the Lot covered by such lien and a description of the Lot. Such notice shall be signed by one of the officers of the Association and shall be recorded in the office of the County Clerk of Hays County, Texas. Such lien for payment of Assessments shall attach with the priority set forth above from the date that such payment becomes delinquent, and may be enforced by either the Association instituting suit against the Owner personally obligated to pay the Assessment 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 attorney's fees incurred by the Association. The Association shall have the power to bid on the property at foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. Upon the written request of any Mortgagee, the Association shall report to such Mortgagee any unpaid Assessments remaining unpaid for longer than thirty (30) days after the same are due. Mortgagees are not required to collect Assessments.

#### ARTICLE VIII PROPERTY RIGHTS AND EASEMENTS

8 01 Title to Common Areas. Declarant hereby covenants for itself, its successors and assigns, that it will convey fee simple title to the Common Areas to the Association, free and clear of all monetary encumbrances and liens.

8 02 Reserved Easements. All dedications, limitations, restrictions, and reservations shown on the Plat and all grants and dedications of easements, rights-of-way, restrictions, and related rights, made prior to the Property becoming subject to this Declaration are incorporated herein by reference and made a part of this Declaration for all purposes as if fully set forth herein and shall be construed as being adopted in each and every contract, deed, or conveyance executed or to be executed by or on behalf of Declarant conveying any part of the Property. Declarant reserves the right to make changes in and additions to the said easements and rights-of-way for the purpose of most efficiently and economically developing the Property. Further, Declarant reserves the right, without the necessity of the joinder of any Owner or other Person, to grant, dedicate, reserve or otherwise create, at any time or from time to time, rights-of-way and easements for public utility.

purposes (including, without limitation, gas, water, electricity, cable television, telephone and drainage) in favor of any Person along any front, rear, or side boundary line of any Lot, which said easements shall have a maximum width of ten feet (10')

8 03 Easements for Utilities, Installation and Maintenance There is hereby created an easement upon, across, over, and under all of the easement areas affecting the Property for ingress and egress in connection with installing, replacing, repairing, and maintaining all utilities, including, but not limited to, water, sewer, gas, cable television, telephones, and electricity lines and appurtenances thereto. By virtue of this easement, it shall be expressly permissible for the utility companies and other entities supplying service to install and maintain pipes, wires, conduits, service lines, or other utility facilities or appurtenances thereto, on, above, across and under the Property, within the public utility easements from time to time existing and from service lines situated within such easements to the point of service on or in any Improvement. There is also hereby dedicated to the Dripping Springs Water Supply Corporation, its successors and assigns, a thirty (30) foot wide construction easement that shall overlap the twenty (20) foot wide water line easement shown on the Plat along the west boundary line of Lot 1 and along the west and south boundary line of Lot 7. No permanent structure, other than fencing, may be located within the twenty (20) foot wide water line easement shown on the Plat or the thirty (30) foot wide construction easement dedicated in this paragraph. Notwithstanding any provision contained in this section, no electrical lines, water lines, or other utilities or appurtenances thereto may be relocated on the Property by an Owner until approved by Declarant or the Architectural Committee. The preceding sentence shall not prevent a utility company from relocating electric lines, water lines or other utility lines within an existing easement on the Property. The utility companies and other entities furnishing service shall have the right to remove all trees situated within the utility easements shown on the Plat, and to trim overhanging trees and shrubs located on portions of the Property abutting such easements.

8 04 Easements for Drainage and Utilities Declarant reserves for itself and its successors, assigns, and designees the non-exclusive right and easement, but not the obligation, to enter upon the Common Areas, and the Common Properties (a) to install, keep, maintain and replace pumps in order to obtain water for the irrigation of any portion of the Common Areas or the Common Properties, (b) to construct, maintain and repair any wall, dam, or other structure retaining water therein, and (c) to remove trash and other debris and fulfill their maintenance responsibilities as provided in this Declaration. Declarant's rights and easements hereunder shall be transferred to the Association at such time as Declarant shall cease to own property subject to this Declaration, or such earlier time as Declarant may decide, in its sole discretion, and transfer such rights by a written instrument. The Declarant, the Association, and their designees shall have an access easement over and across any of the Lots abutting or containing any portion of any of the Common Areas to the extent reasonably necessary to exercise their rights and responsibilities under this section.

8 05 Drainage Easements Each Owner covenants to provide easements for drainage and water flow, as contours of land and the arrangement of Improvements approved by the Architectural Committee thereon, require. Each Owner further covenants not to disturb or displace any trees or other vegetation within the drainage easements as defined in this Declaration and shown on the Plat. There shall be no construction of Improvements, temporary or permanent, in any drainage easement, except as approved in writing by the Architectural Committee.

8 06. Surface Areas Each Owner shall maintain the surface area of all easements located within his Lot and all Improvements located therein, except for such Improvements for which a public authority or utility company is responsible. The surface of easement areas for underground utility services may be used for planting of shrubbery, trees, lawns or flowers. However, neither the Declarant nor any supplier of any utility or service using any easement area shall be liable to any Owner or to the Association for any damage done by them or either of them, or their respective agents, employees, servants or assigns, to any of 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.

8 07 Title to Easements and Appurtenances Not Conveyed Title to any Lot conveyed by Declarant by contract, deed or other conveyance shall not be held or construed in any event to include the title to any roadways, Greenbelt or Amenity Area or any drainage, water, gas, sewer, storm sewer, electrical light, electrical power, telegraph or telephone way, or any pipes, lines, poles or conduits on or in any utility facility, or appurtenances thereto, constructed by or under Declarant or its agents, through, along or upon any Lot, or any part thereof, to serve said Lot or any other portion of the Property, and the right to maintain, repair, sell, or lease such appurtenances to any municipality or other governmental agency, or to any public service corporation or to any other party, is hereby expressly reserved in Declarant

8 08 Owner's Easements of Enjoyment of Common Areas Each Owner shall have an easement of use and enjoyment in and to all Common Areas which shall be appurtenant to and shall pass with title to such Owner's Lot, subject to the following provisions

- (A) The right of the Association to suspend the Owner's voting rights and right to use the Common Areas for any period during which any Assessment against such Owner's Lot remains unpaid, and for any period during which the Owner is in violation of the rules and regulations of the Association. No such suspension shall be effective unless written notice is given to the Owner by certified mail, return receipt requested describing the violation, in accordance with V I C A , Property Code Section 209 006 and an opportunity to be heard in accordance with V T C A , Property Code Section 209 006
- (B) The right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless (1) an instrument of agreement to such dedication or transfer, signed by at least two-thirds (b) of each class of Members entitled to vote, is recorded; and (2) written notice of the proposed action under this provision is sent to every Owner and Mortgagee not less than thirty (30) days and not more than sixty (60) days in advance of such action. If ingress or egress to any Lot is through any part of a Common Area, any conveyance or encumbrance of such Common Area shall be subject to a Lot Owner's ingress and egress easement.

- (C) The right of the Association to borrow money for the purpose of improving the Common Areas and, in furtherance thereof, to mortgage the Common Areas, all in accordance with the Articles and Bylaws. No such mortgage shall be effective unless (1) an instrument of agreement to such mortgage, signed by at least two-thirds (b) of each class of Members entitled to vote, is recorded, and (2) written notice of the proposed action under this provision is sent to every Owner and Mortgagee not less than thirty (30) days and not more than sixty (60) days in advance of such action
- (D) The right of the Association to make reasonable rules and regulations regarding the use of the Common Areas and any facilities thereon.
- (E) The right of the Association to contract for services with third parties on such terms as the Association may determine

ARTICLE IX  
PROVISIONS REGARDING WATER SERVICE

9 01 Each Owner acknowledges by taking title to its Lot that the Lots are within the Water Certificate of Convenience and Necessity ("CCN") of the Dripping Springs Water Supply Corporation ("DSWSC") and that water service to the Subdivision will be via the DSWSC, its successors or assigns. At the Lot Owner's expense, the DSWSC may require the individual water system for a Lot to receive and re-pressurize water past the service connection to maintain adequate pressure in the service line and within the structure built on the Lot if the structure requiring water service is above ground elevation of 1200 feet. Certain Lots within the Subdivision have waterline easements running along the property line or dissecting such Lots as shown on the Final Plat, specifically including Lots 1, 7 and 8. In the event that such Lots are fenced, a durable gate not less than twelve feet (12') in width at or in close proximity to where such fence intersects with a waterline easement shall be installed such that the water service provider can access the waterline easement at any and all times and the water service provider shall be given the key and/or combination to such gate, if locked

ARTICLE X  
MISCELLANEOUS

10 01 Term This Declaration, including all of the covenants, conditions, and restrictions hereof, shall run until December 31, 2032, unless amended as herein provided. After December 31, 2032, this Declaration, including all such covenants, conditions, and restrictions shall be automatically extended for successive periods of ten (10) years each, unless amended or extinguished by a written instrument executed by the Owners of at least seventy-five percent (75%) of the Lots within the Property then subject to this Declaration

10 02 Property Code The provisions of this Declaration are also subject to the Texas Residential Property Owners Protection Act, Chapter 209 of the Texas Property Code, as amended from time to time

10 03 Nonliability of Association and Architectural Committee Members Neither the Architectural Committee nor any member thereof, nor the Association nor any member thereof, shall be liable to the Association or to any Owner or to any other person for any loss, damage or injury arising out of their being in any way connected with the performance of the Architectural Committee or the Association's respective duties under this Declaration unless due to the willful misconduct or bad faith of the Architectural Committee or its member, or the Board or its member, as the case may be. Neither the Architectural Committee, nor the members thereof, shall be liable to any Owner due to the construction of any Improvement within the Property.

10 04 Amendment

- (A) By Declarant This Declaration may be amended by the Declarant so long as Declarant owns or controls any of the Property. No amendment by Declarant shall be effective until there has been recorded in the Official Public Records of Hays County, Texas an instrument executed and acknowledged by Declarant and setting forth the amendment. Notwithstanding the foregoing, Declarant may amend this Declaration at any time (i) to correct typographical and grammatical errors, and (ii) in order to comply with VA or FHA requirements for approval of the Property.
- (B) By Owners In addition to the method in Section 10 04(A), this Declaration may be amended by the recording in the Official Public Records of Hays County of an instrument executed and acknowledged by the President and Secretary of the Association, setting forth the amendment and certifying that such amendment has been approved by Owners of at least seventy-five percent (75%) of the Lots, except no amendment by the Owners pursuant to this section may amend the Declaration in a way that diminishes any of Declarant's rights set forth herein.
- (C) No amendments seeking to modify or amend Article IX of this Declaration, or any provisions herein that benefit DSWSC, including, without limitation, the easements granted to the DSWSC in Section 8 03 of the Declaration, shall be effective unless such amendment is executed and acknowledged by DSWSC.

10 05 Notices Any notice permitted or required to be given by this Declaration shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered on the third (3<sup>rd</sup>) day (other than a Sunday or legal holiday) after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to the person at the address given by such person to the Association for the purpose of service of notices. Such address may be changed from time to time by notice in writing given by such person to the Association.

10 06 Interpretation The provisions of this Declaration shall be liberally construed to effectuate the purposes of creating a uniform plan for the development and operation of the Property.

and of promoting and effectuating the fundamental concepts of the Property set forth in this Declaration. This Declaration shall be construed and governed under the laws of the State of Texas

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

10.08. Mergers and Consolidations The Association may participate in mergers and consolidations with other nonprofit operations organized for the same purposes, provided that any such merger, consolidation or annexation shall have the consent (in writing or at a meeting duly called for such purpose) of those Members entitled to cast not less than two-thirds (b) of the votes of the Association.

10.09. Assignment of 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 under this Declaration to any other Person and may permit the participation, in whole or in part, by any other Person in any of its privileges, exemptions, rights, and duties hereunder.

10.10. Enforcement and Nonwaiver

- (A) Right of Enforcement Except as otherwise provided herein, any Owner at his own expense, Declarant, and/or the Association shall have the right to enforce all of the provisions of the Las Maderas Restrictions. Such right of enforcement shall include both damages for, and injunctive relief against, the breach of any such provision.
- (B) Nonwaiver The failure to enforce any provision of the Las Maderas Restrictions at any time shall not constitute a waiver of the right thereafter to enforce any such provision or any other provision of said restrictions.
- (C) Liens The Association shall have the right, when appropriate in its judgment, to claim or impose a lien upon any Lot or Improvement constructed thereon in order to enforce any right or effect compliance with this Declaration.

10.11. Construction

- (A) Restrictions Severable The provisions of the Las Maderas Restrictions shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision or portion thereof.

- (B) Singular Includes Plural Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular, and the masculine, feminine or neuter shall each include the masculine, feminine and neuter
- (C) Captions All captions and titles used in this Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise affect that which is set forth in any of the paragraphs, sections or articles hereof

10 12. FHA/VA Approval As long as there is Class B membership, the following actions shall require the prior approval of the FHA or the VA if such agencies have guaranteed any loans within the Property. Annexation of additional properties

IN WITNESS WHEREOF, Declarant has executed this Declaration on this the 9<sup>th</sup> day of September, 2005

DECLARANT:

BRUCE DEVELOPMENT, L.L.C.,  
a limited liability company

By: [Signature]  
Name: Carter Bruce  
Title: Partner/Managing Member

STATE OF TEXAS

COUNTY OF Travis

§  
§  
§

This instrument was acknowledged before me on 9 day of September, 2005 by Carter Bruce, as Managing Member of Bruce Development, L.L.C., a limited liability company, on behalf of said company



[Signature]  
Notary Public, in and for the State of Texas  
Rebekah M. Santa Cruz  
Name Printed

Commission Expires 11-10-2008

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