RESTRICTIVE COVENANTS
OF HIGH CREST, PHASE ONE,
A SUBDIVISION IN BELL COUNTY, TEXAS

ANSLEY CORPORATION, a Texas corporation ("Declarant"), is the owner of that certain tract of land situated in Bell County, Texas, more particularly described by metes and bounds in an exhibit entitled "Legal Description" attached to these Restrictive Covenants (defined below), and designated as HIGH CREST, PHASE ONE, a subdivision in Bell County, Texas (the "Subdivision"). Declarant does hereby adopt the map and final plat of HIGH CREST, PHASE ONE, a subdivision in Bell County, Texas, said map and plat being recorded in Cabinet D, Slide 131-A, of the Plat Records of Bell County, Texas.

The Subdivision will contain those lots and blocks described in "Legal Description" attached hereto and expressly made a part hereof for all purposes.

Declarant does hereby dedicate to Bell County Texas and to the public use and for public purposes the streets, avenues, roadways and alleys shown on said plat and that the said Declarant does hereby agree that all future sales and conveyances of said property shall be by reference to the said final plat and dedication.

Declarant does further give, grant, and convey the easements as shown on the said plat for the installation of public utilities, including but not limited to electric power, water, gas and telephone and reference is hereby made to such plat for the location of such easements. All drainage easements shown on said plat are being specifically dedicated, along with the right of maintenance, repair, and replacement in all easements, including the right of ingress and egress thereto for the purpose of erecting, maintaining and repairing said utility lines and drainage structures.

For the purpose of further assuring the orderly and uniform development of the Subdivision, and in order to carry out a general plan of development for the benefit of each and every purchaser of a platted lot in the Subdivision (the "Lot"), Declarant makes and imposes the following restrictions, covenants, conditions, and limitations (collectively the "Restrictive Covenants") with reference to the use of the properties of the Subdivision, which will be covenants running with the land.

Except as otherwise noted in the "Declaration of Covenants, Conditions and Restrictive Covenants – Belton High Crest Property Owners' Association, Inc. a Texas non-profit corporation, and High Crest, a subdivision in Bell County, Texas" (the "Declaration") to be recorded in the Official Public Records of Real Property of Bell County, Texas, or in these Restrictive Covenants, so long as there is a Class B membership (as defined in the Declaration), Declarant or the Architectural Review Committee (the "ARC") will have the authority to approve, disapprove or, in their sole discretion, enforce the Restrictive Covenants. Upon the expiration of the Class B membership, the ARC will have the sole authority to approve, disapprove and enforce the Restrictive Covenants.

ARTICLE I
Architectural Review

All plans and specifications must be submitted to the ARC in accordance with the terms and provisions of Article IV of the Declaration.

ARTICLE II
Single Family Residential Construction

No building or structure will be erected, altered or permitted to remain on any Lot designated as a lot for residential use only other than one single family residential dwelling not to exceed 2 stories, exclusive of basement, in height and a private enclosed attached or enclosed detached garage for no less than 2 cars (the "Residence"). Any enclosed detached or enclosed attached garage will be constructed of permanent materials that will be the same as the residence erected on the Lot in question. No other detached structures of any kind will be allowed except as specifically approved by the Declarant or the ARC. Approval of all structures will require the written consent of Declarant or the ARC. The attached or detached garage on any Lot may not be enclosed or altered to provide additional residential dwelling space unless alternative garage space (constructed in accordance with the Restrictive Covenants) is provided and the ARC has approved, in writing, prior to construction, both the enclosure and alternative garage space.

The ARC may waive the requirement for a 2-car garage if the access on a particular Lot is too costly or inappropriate because of terrain factors. The written waiver must be obtained from the ARC by the Lot Owner prior to construction of the Residence and will be given only when the Residence's vehicles are, in the sole opinion of the ARC, at least partially shielded from the street view by (a) a wall constructed of a type, design and material matching the materials of the Residence and/or (b) extensive landscaping as shown on an architectural rendering or the equivalent. All architectural and landscaping renderings (or the equivalent) must be submitted to the ARC for approval in accordance with the Restrictive Covenants.

ARTICLE III
Use Restrictions

The Subdivision will be occupied and used only as follows:

1. No business of any kind will be conducted in any residence with the exception of the business of Declarant and the transferees of Declarant in developing all of the Lots as provided in Section 9 below and "in home" offices as provided in Article III, Section 2 below.

2. Except as herein provided, no activity, whether for profit or not, will be carried on any Lot which is not related to single-family residential purposes. No noxious or offensive activity of any sort will be permitted nor will anything be done on any Lot that may be or become an annoyance or a nuisance to the neighborhood. Declarant may maintain in or upon such portions of the Subdivision as Declarant determines, such facilities as, in its sole discretion, may be necessary or convenient, including, but without limitation, construction or sales offices, storage areas, model units and signs. During the construction of a residence and at the discretion of Declarant or the ARC, a Builder Member may maintain a temporary construction or sales office upon the same Lot that is under construction when the prior written consent of the Declarant or the ARC was obtained. The construction or sales office must be removed when the residence is sold or leased to a third party. A Builder Member may not maintain a permanent model unit or show home on any Lot within the Subdivision, however, this will not prevent a Builder Member from showcasing a residence on a temporary basis for the purpose of marketing and selling such residence, i.e. a "Parade" home. No professional business or commercial activity to which the general public is invited will be conducted on any Lot, except for "in home" offices having specific appointment clients and only when prior written consent of the Declarant or the ARC for the "in home"

office was obtained, and only when the "in home" activity is in harmony with the quality of the Subdivision and will protect the value, attractiveness, and desirability of the Lots in the Subdivision.

3. No sign, notice, advertisement or billboard of any kind or make will be displayed to public view on a Lot without the prior written consent and approval of the Declarant or the ARC, except customary name and address signs; professionally prepared safety signs not to exceed 6 inches by eight inches in size; and professionally prepared lawn signs not to exceed 5 square feet in size advertising a property for sale or rent. A safety sign is defined as (a) "No Trespassing" signs placed on fencing of a Lot; (b) home security system warning signs; or (c) "Beware of Dog" signs. No "bandit" signs of any kind may be placed on the Property or in the rights-of-way.

Declarant or the ARC will have the right to remove any sign, billboard, or other advertising structure that does not comply with the above paragraph, and in so doing will not be subject to any liability for trespass or any other liability in connection with such removal.

4. Nothing will be done or kept on a Lot that would increase the rate of insurance relating thereto, and no Lot owner (individually "Owner" or collectively "Owners") will permit anything to be done or kept on his/her Lot which would result in the cancellation of insurance on any residence, or which would be in violation of any law.

5. No activities shall be permitted which will unreasonably disturb the quiet enjoyment of the Owners and their guests, invitees, and tenants.

6. No exterior lighting of any sort will be installed or maintained on a Lot where the light source is offensive or a nuisance to neighboring property (except reasonable landscape lighting that has the prior written approval of the Declarant or the ARC). No exterior speakers, horns, whistles, bells or other sound devices (except security devises used exclusively to protect the Lot and the improvements located thereon) will be placed or used upon any Lot without the prior written approval of the Declarant or the ARC. Telephones will be allowed outdoors. No fuel tank or similar storage facility will be installed or maintained on any Lot unless constructed as an integral part of the Residence or installed underground and approved by the Declarant or the ARC prior to construction or installation. No firearms (including air rifles) or fireworks of any kind or make may be discharged in the Subdivision nor will there be any hunting or trapping within the Subdivision.

7. (a) No animals, livestock, poultry, or Exotic or Dangerous Animal (as defined below) of any type may be raised, bred or kept on any Lot within the Subdivision, except for cats, dogs, or other generally recognized household pets (collectively "Pets"). An "Exotic or Dangerous Animal" is an animal that may pose a safety or health threat to the Owners of the Subdivision, their guests, invitees, or tenants, and includes the (1) dog breeds of pit bull, rotweiler, and doberman pincher, regardless of whether the animal is purebred, a mixed breed, or registered with the AKC or similar registration organization; (2) poisonous insects, amphibians, or reptiles; (3) boa constrictors and other constrictor reptiles; (4) animals considered "feral" or wild by nature except guinea pigs, hamsters, and gerbils; (5) ferrets, and (6) alligators. Additional breeds of animals may be added to the definition of Exotic or Dangerous Animal from time to time, as determined necessary by the Board, in the Board's sole discretion, and the Rules and Regulations will be amended to include such breed of animal.

(b) No more than 4 Pets (in any combination, but in no event will the combination include more than 2 dogs and 2 cats) may be kept on a Lot. No Pet may be bred, kept or maintained for any commercial purpose on a Lot.

(c) All Pets must be kept in strict accordance with all local and state laws and ordinances (including leash laws), and in accordance with all rules established by Declarant or the Belton High Crest Property Owners' Association, Inc. (the "Association"). All Pets must be vaccinated in accordance with local custom and laws. Each Pet should wear a tag provided by a licensed veterinary to evidence the up-to-date rabies vaccination. All Pets must be kept indoors, in a fenced area on the Owner's Lot (fenced with materials as required by Article IV, paragraph 7 below or by an electronic animal control device), or on a leash. It will be the responsibility of the owner of the Pet to prevent the animals from running loose or becoming offensive or a nuisance to other Owners or occupants. Offensive barking or howling is considered an "offensive activity" and is not permitted. It will be the responsibility of the owner of the Pet to clean up after their Pet when in the Common Area or on the private property of others.

(d) No Pets will be permitted in the Common Area except on a leash.

(e) Declarant or the Association may notify the Owner, in writing, of any offensive activity or other violation of this covenant and the steps required by Owner to correct the violation. If the Owner does not correct the violation and the violation continues; or if any Pet endangers the health of an Owner, his guests, invitees, or tenants, or creates a nuisance or an unreasonable disturbance, or is not a common household pet, as may be determined by Declarant or the Association, in the Declarant or the Board's sole discretion, the Pet must be permanently removed from the Subdivision upon 7 days' written notice by Declarant or the Board to the offending Owner. Declarant and the Board may exercise all of its remedies allowed under the Restrictive Covenants, the Declaration or by law to have the Pet or animal permanently removed from the Subdivision. If the offending Owner does not correct a violation and the violation continues, or does not remove the Pet or animal upon written request made by Declarant or the Board, the offending Owner will be in violation of the covenants of the Restrictive Covenants and/or the Declaration and subject to any Fine imposed by the Association in accordance with the Declaration.

8. No rubbish, trash, garbage, or other waste material may be kept or permitted on any Lot, except in sanitary containers located in appropriate areas concealed from public view. Rubbish, trash, garbage or other waste material will not be placed for collection more than 12 hours prior to the scheduled collection time. Any trash containers must be removed and returned to their place of storage within 12 hours of collection.

During construction of the home, the Builder Member will keep the Lot clean and clear of unused building materials, rubbish, trash, garbage, or other waste material. The Builder Member will make arrangements to have the construction debris removed from the Property within a reasonable period of time.

No Owner or Builder Member may dump unused building materials, construction debris, rubbish, trash, garbage, or other waste material on any Lot within the Subdivision.

9. No Owner may store on his/her Lot quantities of building materials in excess of the building materials customarily used by an Owner for its particular home improvement project.

10. No effluent from any on-site sewage facility ("OSSF") should be discharged onto any Lot in the Subdivision. Each Residence will be served by an OSSF designed and constructed in accordance with the requirements of Texas Commission on Environmental Quality ("TCEQ"), Bell County standards, and any other applicable ordinances or standards.

This provision will not prevent the Builder Member from providing its workers and subcontractors with a sanitary facility or port-a-let during the construction of a Residence.

11. No structure of a temporary character, trailer, mobile home, motor home, inoperative or abandoned vehicle, basement, tent, shack, garage, barn or other outbuilding may be erected or placed or used on any Lot at any time as a Residence.

12. No building or structure of any kind, including but not limited to mobile homes or manufactured homes, may be permanently moved on to or placed on any of the Lots.

13. Declarant or a Builder Member may temporarily move a trailer onto a Lot under construction for use as a construction or sales office during such periods of construction on such Lot. The Declarant or the ARC must first approve any trailer used for construction or sales purposes, and approve the length of time in which the trailer can remain on the Lot.

14. No shrub or tree planting which obstructs sight lines at elevations between two and six feet above the roadway may be planted or permitted to remain on any corner Lot within the triangular area formed by the curb lines of such intersecting streets and a line connecting such curb line at points 25 feet from their intersection, or, in the case of a rounded corner, from the intersection of the curb lines as extended. The same sight line limitations will apply on any Lot within 10 feet of the intersection of a street, curb line and the edge of a driveway or alley. No trees may be permitted to remain within such distances of such intersections unless the foliage line is maintained at a height of more than 6 feet above ground level.

15. No commercial vehicles, buses, boats, motor homes, or trailers may be left parked on the street or roadway in front of any Lot except for construction and repair equipment/vehicles while a residence or residences are being built or repaired in the immediate vicinity, or a delivery vehicle while making a delivery to a residence during its normal course of business. All of an Owner's commercial vehicles, buses, boats, motor homes or trailers will be parked and enclosed in a garage on the Lot and will not be visible from the street or roadway.

16. An Owner may park the Owner's personal vehicle in the street or roadway in front of such Owner's Lot for periods of time not to exceed 48 continuous hours.

17. No boat trailers, boat, travel trailers, inoperative automobiles, campers, or vehicles of any kind are to be semi-permanently or permanently stored in the street or on driveways. Permanent and semi-permanent storage of such items and vehicles must be screened from public view, within the garage.

18. No Lot will be used for parking or storage, temporary or otherwise, of any junked vehicle, abandoned or inoperable vehicle, trailer or boat, or any part thereof. Vehicular repair and maintenance (other than washing) is permitted only when performed inside garages.

19. A building site will consist of not less than 1 Lot, as such Lots are shown on the Subdivision Plat. Only 1 residence may be constructed per building site.

20. No Lot can be used as a roadway to connect to any adjacent parcel without the Declarant's prior approval. However, Declarant reserves the right to use any of its Lots to extend

roadways for any purpose and replat if necessary to accomplish connections between two (2) or more parcels in or adjacent to the Subdivision.

21. So long as the Association has any Class B membership, Declarant reserves the right to replat the Subdivision without the necessity of joinder by any other Owner.

22. A building site may be two or more adjoining Lots consolidated into one building site at the discretion of the Declarant or the ARC. All setback lines shall be measured from the resulting side property lines rather than the Lots lines reflected on the Subdivision Plat.

23. No oil well drilling, oil development operations, oil refining, quarrying, or mining operations of any kind will be permitted on a Lot, nor will oil wells, tanks, tunnels, mineral excavations, or shafts be permitted on any Lot. No derrick, windmills or other structure designed for use in boring for oil, natural gas, or other minerals will be erected, maintained, or permitted on any Lot.

24. During construction of any residence, no alcohol may be brought into the Subdivision and consumed by the Builder Member or his workers or subcontractors.

25. Declarant or the transferees of Declarant will undertake the work of developing all Lots included within the Subdivision. The completion of that work, and the sale, rental, or other disposal of residential units is essential to the establishment and welfare of the Subdivision as an ongoing residential community. In order that such work may be completed and the Subdivision established as a fully occupied residential community as soon as possible, nothing in the Declaration or Restrictive Covenants will be understood or construed to:

(a) Prevent Declarant, Declarant's transferees, or the employees, contractors, or subcontractors of Declarant or Declarant's transferees from doing on any part or parts of the Subdivision owned or controlled by Declarant or Declarant's transferees or their representatives, whatever they determine may be reasonably necessary or advisable in connection with the completion of such work;

(b) Prevent Declarant, Declarant's transferees, or the employees, contractors, or subcontractors of Declarant or Declarant's transferees from constructing and maintaining on any part or parts of the Subdivision owned or controlled by Declarant, Declarant's transferees, or their representatives, such structures as may be reasonably necessary for the completion of such work, the establishment of the Subdivision as a residential community, and the disposition of Lots by sale, lease, or otherwise, as approved by Declarant;

(c) Prevent Declarant, Declarant's transferees, or the employees, contractors, or subcontractors of Declarant or Declarant's transferees from conducting on any part or parts of the Subdivision owned or controlled by Declarant or Declarant's transferees or their representatives, the business of completing such work, of establishing the Subdivision as a residential community, and of disposing of Lots by sale, lease, or otherwise, as approved by Declarant; or

(d) Prevent Declarant, Declarant's transferees, or the employees, contractors, or subcontractors of Declarant or Declarant's transferees from maintaining such sign or signs on any of the Lots owned or controlled by any of them as may be necessary in connection with the sale, lease, or other disposition of subdividing Lots as approved by the Declarant.

As used in this paragraph, the words "its transferees" specifically exclude purchasers of Lots improved with completed residences.

ARTICLE IV
Residence, Garage, and Outbuilding Construction

1. No building or structure will be located on any Lot nearer to the front or rear Lot line, or nearer to the side street or roadway line, than is shown on the Subdivision Plat.

2. Driveways must be constructed of concrete or brick materials. No dirt, gravel or road base driveways will be permitted from the street or roadway to the garage slab.

All driveways or drives, regardless of location, must be approved by the Declarant or the ARC prior to construction.

As to Lots 10, 11 and 12, Block 3 of the Subdivision (the "Driveway Lots") only: A 20' Driveway Easement for the use of the Driveway Lots will be created and designated on the Plat of the Subdivision or created by separate instrument filed in the office of the Bell County Clerk. Any one or a combination of the Lot Owners of the Driveway Lots and of Lot 13, Block 3 may build and/or repair a concrete drive in the 20 foot Driveway Easement. The driveway must be constructed of or repaired with concrete with steel re-enforcements, at least 5" thick and 15' wide. The driveway will be for the private use of the Lot Owners of the Driveway Lots and of Lot 13, Block 3, and their guests and invitees.

3. Each residence shall be required to have a mailbox structure (the "Mailbox") of a wrought iron appearance, of a type, design, color and material designated and approved by the Declarant or the ARC prior to construction and installation. Each Mailbox will be in conformity with the requirements of any governmental authority. The Lot Owner will be responsible for maintaining his/her Mailbox in good condition and repair. This provision applies to any original or replacement Mailbox.

If an Owner fails to do so, the Declarant and the Association will each have the right, but not the obligation, to make any repairs to the Mailbox, the cost of which will be reimbursed to Declarant or the Association, as the case may be, by such Owner, promptly upon receipt of an invoice. The amount to be reimbursed, if not paid within 30 days after the date of the invoice, will bear interest from the date of the invoice until paid at the rate of interest stipulated in the Association's Bylaws or the Declaration to be paid on delinquent Assessments.

4. Any permanent garage that may be erected upon the Property must be constructed of permanent materials of the same type as that used for construction of the residence on that Lot. Garages may be detached or attached to the residence or to breezeways or covered porches attached to the residence. A garage may not be enclosed or altered to provide additional residential dwelling space unless replacement garage space is constructed on the Lot, attached or detached, acceptable to the ARC.

5. No air-conditioning apparatus (the "Apparatus") will be installed on the ground in front of a residence or on the roof of any residence unless the Apparatus is (a) tastefully screened from public view and is not visible from the public street or roadway, and (b) the placement of the Apparatus and screening are approved by the ARC prior to the installation of the Apparatus. No window air-conditioning apparatus or evaporative cooler will be attached to any front wall or front window of a residence or at any other location where such would be visible from any street or roadway without the prior written approval of the ARC.

6. All outbuildings or storage buildings must be of new construction, from the ground up. Any outbuilding or storage building constructed on a Lot within the Subdivision must be of a type, design and material matching the residence and approved by the Declarant or the ARC prior to construction. No portable building, i.e. metal or plastic storage building or 'Morgan building', may be moved onto any Lot within the Subdivision without prior written approval of the ARC. The ARC's written approval would be given only when, in the sole opinion of the ARC, the portable building is sufficiently screened by fencing or landscaping so that the portable building is not visible from any street or roadway, and is not a visual impairment to the quality of the Subdivision.

7. Yard fencing is optional, except where constructed by Declarant, but must receive ARC approval for Restrictive Covenants compliance, prior to fence construction. The ARC may approve exceptions that harmonize with the neighborhood and do not create unsightly or undesirable conditions. Front & Side yard fence installation must be according to the table below.

Fence	Required Location	Fence Picket Mounting
Front (facing street)	**Aligned at the approximate mid-point of the side of each house**	**Street side of Fence Frame**
Side (facing street)	**15' Inside (and parallel to) the Side Property Line**	**Street side of Fence Frame**
Rear (facing FM 439)	**Property Line or as determined by initial fence construction by Declarant within the Fence Easement**	**Street side of Fence Frame**
Divider Fences	**Property Line dividing subdivision lots**	**Optional**
Rear or Side (when adjacent to lots outside the subdivision)	**Not Required – Construction Materials Optional**	**Optional**

(a) Fence construction must be of Western Red Cedar (with galvanized metal posts), Masonry, Wrought Iron or a combination thereof and may not exceed 6'0" in height without ARC approval.

(b) Divider fences are fences located on or parallel to a property line common with two or more lots. Such fences may not be placed inside the property line if it will create an area that may not be properly maintained or will prevent a neighbor fence connection.

(c) Drainage and Fence Easements created hereby permit installation and maintenance of any future drainage structures required to provide adequate drainage between lots, and for connection of divider fences. A Lot Owner may not prohibit adjacent Lot Owner from connecting to a fence.

(d) Fences must be functional, well maintained and in plumb, level and square condition, with gates and pickets in place. Damaged or deteriorated fences must be promptly repaired or replaced by the Owner. If the original owner of a divider fence is unknown, repair or replacement expense for divider fencing on a common property line is to be shared equally by the respective Lot

Owners. Lot Owners unable to agree on fence repair or replacement may construct a separate new fence, inside and adjacent to the damaged or deteriorated fence.

(e) Privately owned, street facing fences that are not maintained, as set forth above, may be repaired or replaced by the Association at the respective Lot Owner's expense. Easements for access to Lots, for such fence repair or replacement, are hereby created.

(f) Fence Easements.

1) A 5' wide easement (the "Fence Easement") will run adjacent and parallel to and on each side of a Lot's side and rear boundary lines (for a total easement area of 10') and will run the entire length of a Lot's side and rear boundary lines. An easement is hereby reserved for the use and benefit of the adjacent Lot Owner, the Declarant and the Association to provide ingress, egress and regress upon, over and across the Fence Easement to the extent such Fence Easement is necessary to permit fences to connect with other fences and to allow the Declarant or the Association to repair or replace any Owner-neglected fence as the Declarant or the Association, in its sole discretion, deems appropriate.

2) The Association, at the Association's sole discretion, will have the right and responsibility for the construction and installation of and all maintenance, upkeep, repair and replacement of any and all improvements located or to be located within the Fence Easement, including but not limited to any entrance walls, entrance monuments, fencing and decorative lighting, with the exception of landscaping. The Association will have the right and responsibility for the landscaping of that portion of the Fence Easement that lies between any entrance wall or fence and the street running parallel to any entrance wall or fence, as shown on the plat of the Subdivision.

3) No Owner of any Lot may damage, deface, or mar the surface or any portion of any improvements constructed or installed within the Fence Easement. No structure, planting, fence or other material may be placed or permitted to remain within the Fence Easement that may damage the surface of any improvements constructed by Declarant or the Association within the Fence Easement, or interfere with the right of ingress, egress and regress over the Fence Easement or any ingress easement granting access to the Fence Easement. Neither the Association nor Declarant will be liable for any damages done by them or their assigns, agents, employees or servants to property of the Owners situated on land covered by the Fence Easement.

(g) Dog Run fences must be constructed of materials compliant with these covenants or must not be visible from a subdivision street.

8. All landscaping of each Lot must be completed within 30 days of the completion of the residence, but in any event prior to the Owner occupancy of the residence, in a manner approved by the Declarant or the ARC.

Owners may enter into a voluntary agreement for joint lawn maintenance of all or any part of the lawn; however, lawn maintenance will remain the ultimate responsibility of each Owner. Builder Members will be responsible for maintaining a healthy lawn until the residence is sold to a third party.

9. Any retaining wall constructed as a part of the Lot's landscaping must be constructed of concrete, brick or stone. No railroad ties may be used in any retaining wall or other form of landscaping.

10. Easements for installation and maintenance of utilities are reserved as shown and provided for on the recorded plat for the Subdivision and no structure (except approved fences, irrigation or water sprinkling systems, and driveways) may be erected upon any of said easements. Neither Declarant nor any utility company using the easements will be liable for any damage done by either of them or their assigns, their agents, employees or servants to shrubbery, trees, flowers or improvements of any Owner located on the land covered by said easements.

11. (a) A landscape easement will be designated near the entrance of the Subdivision (the "Landscape Easement"). An easement of ingress and egress upon, over, and across the Landscape Easement is reserved for the use and benefit of Declarant, the Association, and their successors and assigns.

(b) The Association will be responsible for all maintenance, upkeep, repair and replacement of any and all improvements located or to be located within the Landscape Easement, including but not limited to any entrance monuments, decorative lighting, underground irrigation or water sprinkling system, and landscaping, including sod, grass, trees, and shrubbery. The Association will also be responsible for the installation, maintenance and electrical expense of all street lights within the Subdivision, however, all design changes, tree or monument changes, sign removals, or construction will be at the sole discretion and option of the Declarant. No other design changes, tree or monument changes, sign removals, or construction of any kind can be done within the Landscape Easement without the prior written approval of the ARC.

(c) No Owner of any Lot, with the exception of Declarant, may alter, damage, deface, or mar the layout or design of the surface of the Landscape Easement, or any portion of any improvements constructed or installed within the Landscape Easement. Neither the Association nor Declarant will be liable for any damages done by them or their assigns, agents, employees or servants to property of the Owners situated on land covered by the Landscape Easement.

(d) An utility easement for the installment, construction, maintenance, repair, replacement and removal of utility lines and all necessary fittings, appliances, and accessory items related to the utility lines, together with the right of ingress, egress, and regress upon, over, and across the utility easement, is created and reserved for the use and benefit of the Association and, at the sole discretion of Declarant, for all franchisees furnishing public utilities to the Subdivision. The utility easement will co-exist with and mirror the Landscape Easement.

12. No in-ground flag pole may be installed on any Lot. An Owner may only display a flag from a commercially purchased, standard length flag pole that is attached to the residence. The flag pole and location of such flag pole must be approved by the Declarant or the ARC prior to its installation and mounting.

13. All swimming pools must be enclosed in a fenced back yard. No tennis court or other outdoor recreational structure will be installed or constructed on any Lot without the prior written approval of the Declarant or the ARC.

14. No above-ground swimming pool will be installed or constructed on any Lot.

15. No swing, playground equipment, gazebo, or other structure will be installed, moved, or constructed on any Lot that is visible from the street or roadway. A swing, playground equipment, gazebo, or other structure that exceeds the height of the fenceline and is visible to the adjoining Lot may

be installed and maintained by an Owner, with the prior written approval of the Declarant or the ARC, so long as such swing, playground equipment, gazebo, or other structure is well maintained and is not offensive to neighboring Lots and Owners. In the event the Declarant or the ARC deems such structure to be offensive or poorly maintained, Owner will remove such structure within 10 days of written notice from the Declarant or the ARC.

16. No exterior antennas, aerials, satellite dishes, or other apparatus for the reception of television, radio, satellite, or other signals of any kind will be placed, allowed, or maintained upon a Lot which is visible from any street, private right-of-way, Common Area or other Lot unless it is impossible to receive signals from the location. In that event the receiving device may be placed in a visible location as approved by the ARC. The ARC may require as much screening as possible while not substantially interfering with reception. The Declarant and the Association will have the right, without obligation, to erect or install an aerial, satellite dish, master antenna, cable system, or other apparatus for the transmission of television, radio, satellite, or other signals for the benefit of all or a portion of the Property. No satellite dishes will be permitted which are larger than 1 meter in diameter. No broadcast antenna mast may exceed the height of the center ridge of the roofline. No Multichannel Multipoint Distribution Service ("MMDS") antenna mast may exceed the center ridge of the roofline by the height established by the Telcommunications Act of 1996 (the "Act") as same may be amended from time to time. No exterior antennas, aerials, satellite dishes, or other apparatus will be permitted, placed, allowed, or maintained upon any portion of the Property that transmits television, radio, satellite, or other signals of any kind. The Declarant by promulgating this Section is not attempting to violate the Act as same may be amended from time to time. This Section will be interpreted to be as restrictive as possible while not violating the Act.

17. All improvements must be of new construction, from the ground up, and no house may be moved on any Lot or portion of the Subdivision unless approved by the Declarant or the ARC.

18. Any residence constructed on a Lot must have a total of 2,000 square feet of air-conditioned floor area, exclusive of open or screened porches, terraces, patios, decks, driveways, basements, and garages. A 2-story residence must have a minimum of 1,500 square feet on the bottom or ground floor of the residence and a minimum of 600 square feet on the top or second floor of the residence.

19. The front wall area (exclusive of windows and doors) of each building (Residence or outbuilding) constructed on a Lot, including but not limited to chimneys will be not less than 100% brick, masonry, Austin limestone, stucco, or cement board and trim (collectively "Masonry") unless otherwise approved in writing by the ARC. All wall areas of a 1-story structure or Residence, other than the front wall area, including but not limited to chimneys will be not less than 75% Masonry unless otherwise approved in writing by the ARC. All wall areas of the ground floor of a 2-story Residence, other than the front wall area, including but not limited to chimneys will be not less than 75% Masonry unless otherwise approved in writing by the ARC. All wall areas of the second floor of a 2-story Residence, other than the front wall area, will be constructed of a building material approved, in advance, by the ARC. Windows, doors and gables will be excluded from the calculation of the exterior wall area. No aluminum or vinyl siding will be allowed.

20. No roof on any residence constructed on a Lot will have less than a 6 foot/12 foot roof slope. Unless otherwise approved in writing by the Declarant or the ARC, all roofs will be constructed or covered with at least composition dimensional-cut shingles with the approximate color of either muted

brown or grey, as approved by the Declarant or the ARC. Other roofing materials and colors must be approved by the Declarant or the ARC on a case by case basis.

21. The exterior colors of any building (Residence or outbuilding) must be "earthtone" colors unless approved, in writing, by the ARC prior to painting or staining.

22. No add-on patio covers or carports may be constructed on any Lot unless approved, in writing, by the Declarant or the ARC prior to construction.

23. No building may be located on any Lot nearer to the front, rear or side property lines than the minimum building setback lines shown on the recorded plat. In the absence of side setback lines on the Plat, no building may be located on any Lot nearer than 10' to the rear or 7.5' to the side property lines unless approved, in writing, by the ARC.

ARTICLE V
Use and Construction Restrictions as to Restricted Lots

Certain Lots within the Subdivision are further subject to the provisions of this Article V.

1. The Lots that will be subject to the provisions of this Article V are:

   a. Lots 1 through 9, inclusive, Block 3 (collectively the "Restricted Lots").

2. No objects (including but not limited to fences, outbuildings, or other structures) can be located on the Restricted Lots that will be higher than the elevation of the Lots immediately behind the Restricted Lots. The only exception to the provisions of this Article V will be a 1-story (in height) and a wrought iron fence. Wood or masonry fences are allowed only to the height of the higher Lots immediately behind the Restricted Lots so as not to impede the views of the higher Lots.

3. Regardless of any language in this Article V to the contrary, a 2-story house (in elevation) may be built on the Driveway Lots (Lots 10, 11 and 12, Block 3).

ARTICLE VI
Owners' Obligation to Repair

1. Each Lot Owner will be solely responsible for the exterior maintenance of each Lot (with the exception of the Landscape Easement) and associated building, fence, structure, underground irrigation or water sprinkling system, or improvement which is subject to assessment. A Lot Owner's maintenance responsibilities will include, but will not be limited to: paint, repair, replace and care for roofs, gutters, downspouts, exterior fence or wall surfaces and structures, exterior building surfaces (including glass, windows, light bulbs, awnings, door fixtures and hardware), trees, shrubs and grass, outdoor lighting, walks, driveways, parking areas, and other exterior improvements. Maintenance and repair of all such areas and items will be the sole responsibility of the individual Owner, unless the Association, in the Association's sole discretion and in accordance with the provisions of the Declaration, deems that maintenance, repair or care of other items or areas by the Association or its representative would be in the best interest of the Association and the Subdivision. In the event that the need for maintenance or repair is caused through the willful or negligent act or inaction of the Owner, his family, or guests, invitees, or tenants, the cost of such maintenance or repairs will be added to and become a part of the assessment to which such Lot is subject in accordance with the provisions of the Declaration. The

Association or its representative has the right to enter any Lot for the purpose of performing its duties hereunder.

2. Each Owner will, at his sole cost and expense, repair his residence, keeping the same in a condition comparable to the condition of such residence at the time of its initial construction, excepting only normal wear and tear.

ARTICLE VII
Owners' Obligation to Rebuild

If all or any portion of a residence is damaged or destroyed by fire or other casualty, it will be the duty of the Owner thereof, with all due diligence, to rebuild, repair, or reconstruct such residence in a manner which will substantially restore it to its appearance and condition immediately prior to the casualty. Reconstruction must be undertaken within 3 months after the damage occurs, and must be completed within 9 months after the damage occurs, unless prevented by causes beyond the control of the Owner or Owners. The ARC will approve all plans for repair or reconstruction.

ARTICLE VIII
Lot Maintenance

1. The Owners or occupants of all improved Lots (built/out lots) will at all times keep all weeds and grass thereon cut in a sanitary, healthful and attractive manner and will in no event use any Lot for storage of materials or equipment unless incident to construction of improvements thereon as herein permitted. Nor will any Owner or occupant of a Lot permit the accumulation of garbage, trash or rubbish of any kind thereon and will not burn anything during the construction phase of the improvements except as permitted by the Declarant or the ARC. Garbage, trash or rubbish and other waste materials must be kept only in containers designed for such purpose. Containers must be kept clean and sanitary, and must be concealed and stored from the view of a public street or another Lot, away from front yards, except on "collection day".

2. After the completion of the original improvements, no burning is allowed, except in interior or exterior fireplaces designed for such use.

3. The exterior drying of clothes, sheets, rugs or other linens is prohibited. Clotheslines are specifically prohibited.

4. In the event of default on the part of the Owner or occupant of any Lot in observing the Restrictive Covenants or any of them, and such default continues after written notice thereof in accordance with the Declaration, the Declarant, the ARC, or, if applicable, the Association (or its assignee) will, without liability to the Owner or occupant in trespass or otherwise, be allowed to enter upon said Lot to repair or replace a neglected fence or cause to be cut such weeds and grass and remove or cause to be removed such garbage, trash and rubbish or do any other thing necessary to secure compliance with the Restrictive Covenants so as to place said Lot in a neat, attractive, healthful and sanitary condition and may charge the Owner or occupant of such Lot for the cost of such work. The Owner or occupant, as the case may be, agrees by the purchase or occupation of any Lot to pay such statement immediately upon receipt thereof. If payment is not made to the Association in accordance with the written notice, the Association may seek all remedies available to it through the Declaration and by law.

ARTICLE IX
Protection of Adjacent Property

During the construction of any improvements to a Lot the Builder Member will take all reasonable precautions as specified by the Declarant or the ARC to prevent erosion of soil onto adjoining property, including but not limited to, the construction of hay bale barriers around the perimeter of the Lot to which the improvements are being made. During any such construction, the Builder Member may make provision for and provide a port-a-let facility.

ARTICLE X
Use of Common Area

The entrance of the Subdivision will contain Common Area as defined in the Declaration or any conveyance document to the Association. Each Owner and their guest, invitees, and tenants must abide by the Restrictive Covenants relating to the use of the Common Area and by any Rules and Regulations established by the Association from time to time.

ARTICLE XI
Variances

The ARC, in its sole discretion, has the authority to grant variances of any setback line; to alter any setback line; to waive any encroachment across or into any setback line or easement (to the extent that the ARC has the authority to waive such encroachment into an easement); or to alter any Restrictive Covenant so long as the variance, alteration or encroachment does not, in the sole opinion of the ARC, diminish the value or overall integrity of the Subdivision. Such variance, alteration or waiver will be by written instrument in recordable form.

In the event a variance is requested, Owner or its contractor/builder must submit to the ARC, in duplicate, (a) a complete copy of the final Plans and Specifications, together with any supporting materials and a survey showing the encroachment across or into any setback line or easement, or other basis or grounds for the variance request; (b) a written request for the variance; and (c) contact information for the Owner and, if applicable, its contractor/builder. The request for a variance may be by direct delivery or by certified mail to the ARC. The ARC will send its written decision to the Owner and, if applicable, its contractor/builder, within 15 days of the ARC's receipt of a request for a variance. If a request for a variance is made prior to the construction of improvements and such variance is granted, the ARC's approval will be conditional and preliminary until all improvements are constructed. Upon final completion of the improvements, the Owner or its contractor/builder must submit to the ARC, in duplicate, an "as built" survey, reflecting the location of all improvements and the encroachment or subject of the variance. Final ARC approval and granting of the variance will not be given until the ARC receives the final submissions. In the event the encroachment or subject of the variance differs from and exceeds the original request for a variance, the Owner will be subject to a fine. Any fine accessed by the ARC must be paid in full before the ARC approves the request and grants the requested variance.

ARTICLE XII
Additional Provisions

These Restrictive Covenants set forth above, and each of them, will be covenants running with the title to the Subdivision and every part thereof, and every re-subdivision thereof, until 20 years from

the date of this instrument, and after which time the Restrictive Covenants will be automatically extended for successive periods of 10 years thereafter unless an instrument signed in accordance with this provision has changed the Restrictive Covenants in whole or in part. So long as the Association has any Class B membership, these Restrictive Covenants may be amended only by written instrument approved by the Declarant without the necessity of joinder by any other Owner. When the Association no longer has any Class B membership, these Restrictive Covenants may be amended by written instrument approved by the affirmative vote of the Members of the Association holding at least 75% of the total votes. In the event of a change in the Restrictive Covenants by the Association, the amendment will be effective when it is certified by the President of the Association as to the requisite number of votes and recorded in the Official Public Records of Real Property of Bell County, Texas. Any amendment so certified and recorded will be conclusively presumed to have been duly adopted.

These Restrictive Covenants are and will be, in part, an amendment to any Declaration. The Subdivision is included in any property owners' association formed for the benefit of the Subdivision, including but not limited to the Association and is subject to all terms, conditions and provisions of the Declaration and all governing documents of the Association. By its signature below, Declarant under the Declaration has approved and consented to the annexation of the Subdivision into the Association.

Every record Owner of a Lot located in the Subdivision will be a member of the Association and will be subject to all of the terms, conditions and provisions of the Declaration and governing documents of the Association including but not limited to the payment of any annual, membership and special assessment, member charge, and fines and late fees assessed by the Association upon a Lot within the Subdivision.

All words defined under Article II of the Declaration and used in these Restrictive Covenants will have the same meaning as defined in the Declaration.

(The remainder of this page has been intentionally left blanks.)

EXECUTED effective JULY 24, 2006.

ANSLEY CORPORATION, a Texas corporation

By: _____
V. W. BARGE, III, President

(ACKNOWLEDGMENT)

STATE OF TEXAS §
COUNTY OF BELL §

This instrument was acknowledged before me on JULY 24, 2006, by V. W. BARGE, III, in his capacity as President of ANSLEY CORPORATION, a Texas corporation, on behalf of said corporation.

RENE' MURRAY
Notary Public - State of Texas
Commission Expires: 08/22/09

_____
NOTARY PUBLIC

PREPARED IN THE LAW OFFICE OF:
crm
BAIRD, CREWS, SCHILLER & WHITAKER, P.C.
ATTN: THOMAS C. BAIRD
15 North Main Street
Temple, Texas 76501
www.bcswlaw.com

AFTER RECORDING, RETURN TO:
BAIRD, CREWS, SCHILLER & WHITAKER, P.C.
ATTN: THOMAS C. BAIRD
15 North Main Street
Temple, Texas 76501

EXHIBIT "A"

BEING a 43.206 acre tract of land situated in the JOHN M. PORTER SURVEY, ABSTRACT No. 648, Bell County, Texas and being a part or portion of that certain 60.000 acre tract described in a Deed to V.W. Barge, III, Trustee of the V.W.B. Trust and being of record in Volume 5499, Page 620, Official Public Records of Bell County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 60d nail found at a corner fence post found being the southwest corner of the said 60.000 acre tract and being corner of North Nolan Road, an old county right-of-way and being in the east boundary line of that certain 149.99 acre tract (by calculation) described in a Deed dated January 24, 1942 from M. VanWinkle, a single man, et als to Thomas A. Ganshei and wife, Opal O. Ganshei and being of record in Volume 495, Page 536, Deed Records of Bell County, Texas for corner;

THENCE N. 19° 14' 07" E., 1309.89 feet (calls N. 19° 14' 07" E., 1845.21 feet in Volume 5499, Page 620) departing said corner of North Nolan Road and with the west boundary line of the said 60.000 acre tract and with the east boundary line of the said 149.99 acre tract (calls N. 19° E.) to a ½" iron rod with cap stamped "RPLS 2475" set for corner;

THENCE departing the said west boundary line of the said 60.000 acre tract and the said east boundary line of the said 149.99 acre tract and over and across the said 60.000 acre tract the following sixteen (16) calls:

(1) S. 83° 54' 08" E., 217.31 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(2) N. 73° 09' 10" E., 54.30 feet to a ½" iron rod with cap stamped "RPLS #2-475" set for corner;

(3) S. 80° 32' 37" E., 199.11 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(4) S. 61° 04' 19" E., 387.24 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(5) S. 84° 00' 46" E. 448.14 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

EXHIBIT "A"

(6) S. 05° 59' 14" W., 173.13 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(7) S. 84° 00' 46" E., 61.00 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(8) S. 05° 59' 14" W., 232.47 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(9) N. 81° 59' 17" W., 25.02 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(10) S. 05° 59' 14" W., 178.31 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(11) S. 24° 39' 16" W., 53.11 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(12) S. 05° 59' 14" W., 198.22 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(13) N. 79° 42' 48" W., 27.34 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(14) S. 04° 05' 07" W., 178.39 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(15) S. 26° 54' 34" W., 54.55 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(16) S. 03° 05' 15" W., 170.09 feet to a ½" iron rod with cap stamped "RPLS #2475" set being in the south boundary line of the said 60.000 acre tract and being in the north right-of-way line of Farm-to-Market Road No. 439 as described in a Deed from Tom Bowles, Sr. et ux to the State of Texas (Tract No. 1) and being of record in Volume 754, Page 638, Deed Records of Bell County, Texas for corner;

EXHIBIT "A"

THENCE N. 86° 40' 00" W., 682.28 feet with the south boundary line of the said 60.000 acre tract and with the said north right-of-way line (calls N. 86° 40' W.,) as fenced and evidenced on the ground to a 5/8" iron rod found at fence post being the northeast corner (calls 5/8" iron rod) of that certain 0-65/100 acre tract of land (Exhibit B) described in a Correction Warranty Deed dated July 11, 1997 from Harry Edward Ray to John M. Alexander and wife, Nancy M. Alexander and being of record in Volume 3644, Page 239, Official Public Records, Bell County, Texas for corner;

THENCE N. 75° 45' 03" W., 865.79 feet departing the said north right-of-way line and with the north boundary line (calls S. 76° 00' 45" E., 865.4 feet) of said 0-65/100 acre tract and with the south boundary line of the said 60.00 acre tract (calls N. 75° 45' 03" W., 865.79 feet) to a 5/8" iron rod found being the called northwest corner of the said 0-65/100 acre tract and being corner in the north right-of-way line of North Nolan Road for corner;

THENCE N. 74° 53' 49" W., 19.72 feet continuing with the said south boundary line of the 60.000 acre tract (calls N. 74° 53' 49" W., 19.72 feet) to the Point of BEGINNING and containing 43.206 acres of land.

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIVE COVENANTS OF BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC., A Texas Non-Profit Corporation, and of HIGH CREST, PHASE I, A subdivision in Bell County, Texas

STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF BELL §

ANSLEY CORPORATION, a Texas corporation ("Declarant"), is the owner of that certain tract of land situated in Bell County, Texas, more particularly described by metes and bounds in an exhibit entitled "Legal Description" attached to this Declaration, and designated as HIGH CREST, PHASE I, a subdivision in Bell County, Texas (sometimes referred to as the "Subdivision").

Declarant makes and imposes the following covenants, conditions and restrictive covenants upon the Subdivision, according to the above referenced plat, which will be covenants running with the land, for the purposes set forth as follows:

PREAMBLE AND DECLARATION:

Declarant has created a subdivision with designated "Lots" (as defined below) for the benefit of the present and future owners of the Lots within the Subdivision, and desires to create and carry out a uniform plan for the improvement, development and sale of the Lots.

Declarant desires to ensure the preservation of the values and amenities of the Subdivision and for the maintenance of the "Common Area" (as defined below), and to this end desires to further subject the Subdivision to the assessments, charges, fines, and late fees (sometimes collectively referred to as "Charges"), conditions, covenants, easements, reservations and restrictions, and liens set forth below, each and all of which is and are for the benefit of the Subdivision and the owners thereof.

Declarant has deemed it desirable for the enforcement of the "Declaration" (as defined below) to create an "Association" (as defined below) to which will be delegated and assigned the power of administering and maintaining the Common Area in the Subdivision and of administering enforcing the Charges, conditions, covenants, easements, reservations and restrictions, and liens, including levying, collecting, and disbursing the Charges.

There has been or will be incorporated, one or more non-profit corporations created under the laws of the State of Texas, including the first being the BELTON HIGH CREST

PROPERTY OWNERS' ASSOCIATION, INC., whose directors will establish the By-Laws by which the Association will be governed through its Board of Directors, for the purpose of exercising the functions mentioned in this Declaration. No more than one such non-profit corporation will be in existence at any one time.

Declarant declares that additional land within the "Properties" (as defined below) may be annexed into the Association in stages, as provided below and in accordance with Declarant's scheme of the Properties. The annexed land will not be dependent upon future stages of the development, but will be subject to this Declaration.

Declarant declares that the Subdivision and all future phases or additions to the Subdivision is and will be held, transferred, sold, conveyed, occupied, and enjoyed subject to the following Charges, conditions, covenants, easements, reservations and restrictions, and liens and will be subject to the jurisdiction and assessments of the Association.

ARTICLE I
PURPOSE

The Subdivision is encumbered by this Declaration of Covenants, Conditions and Restrictions for the following reasons: to ensure the best and highest use and most appropriate development of the Properties; to protect lot owners against improper use of surrounding lots; to preserve so far as practicable the natural beauty of the Properties; to guard against the erection of poorly designed or proportioned structures of improper or unsuitable materials; to encourage and secure the erection of attractive improvements on each lot with appropriate locations; to secure and maintain proper setbacks from streets and adequate free space; and, in general, to provide for development of the highest quality to enhance the value of investment made by the lot owners.

ARTICLE II
DEFINITIONS

The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) will have the following meanings.

1. "ARC" and "Architectural Review Committee" means the Architectural Review Committee of the Association.

2. "Association" means BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC., a Texas non-profit corporation, its successors, assigns, and replacements as provided in this Declaration, which has jurisdiction over all Properties located within the land encumbered or to be encumbered under this Declaration, as may be amended; and the power, duty, and responsibility of maintaining and administering the Common Area and administering and enforcing the Declaration and any amended or supplemental declaration. The Association is a "property owners association" as that term is defined in Texas Property Code §202.001(2).

3. "Board" and "Board of Directors" means the Board of Directors of BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC., a Texas non-profit corporation, its successors, assigns, and replacements as provided in this Declaration, the election and procedures of which are set out in the Articles of Incorporation and By-Laws of the Association. The Board of Directors will be the elected body having its normal meaning under Texas non-profit corporate law.

4. "Builder Guidelines" means a publication of the ARC that sets forth general guidelines as to various standards, including but not limited to construction types, aesthetics, and exterior harmony of any and all improvements placed upon or constructed on any Lot, which publication may be amended by the ARC without notice to the Owners. If the Subdivision Plat designates Retail Lots and Residential Lots, then there may be specific Builder Guidelines that relate to the Retail Lots and specific Builder Guidelines that relate to the Residential Lots as specified.

5. "Builder Member" means a builder approved by Declarant and who owns 1 or more Lots for construction of improvements upon 1 or more Lots for resale to others.

6. "Common Area" means any easements or any real and personal property leased, owned, or maintained by the Association for the common use and benefit of the Members of the Association. Common Area may also include any entrance monuments, security gates, perimeter walls, drainage facilities and detention ponds, esplanade and right-of-way landscaping, any improvement areas lying within indicated public easements or rights-of-way as deemed appropriate by the Board of Directors of the Association for the preservation, protection and enhancement of the property values and the general health, safety or welfare of the Owners, safety lanes, marinas, and other areas as may be shown on the Subdivision Plat or as otherwise created by other documentation.

7. "Customer" means an individual or entity that buys or deals with an established business owned or leased by Operator of a Retail Unit.

8. "Declarant" means ANSLEY CORPORATION, a Texas corporation, its successors or assigns who are designated as such in writing by Declarant, and who consent in writing to assume the duties and obligations of the Declarant with respect to the Lots acquired by such successor or assign. No person or entity purchasing one or more Lots from the Declarant in the ordinary course of business will be considered a "Declarant."

9. "Declaration" means this Declaration of Covenants, Conditions and Restrictions for BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC., a Texas non-profit corporation, and HIGH CREST, PHASE I, a subdivision in Bell County, Texas, and any amendments and supplements to this Declaration made in accordance with the terms of this Declaration. The term "Declaration" will also include all Restrictive Covenants, Rules and Regulations, Builder Guidelines and By-Laws of the Association, if applicable.

10. "Improved Lot" means a Lot upon which a Retail Unit, Living Unit, or Multi-Family Unit has been constructed and such Retail Unit, Living Unit, or Multi-Family Unit is occupied by the Owner of its tenants. The term "Improved Lot" will also include model homes constructed by Declarant or a Builder Member.

11. "Living Unit" means a single family residence and its garage situated on a Residential Lot, except where the Residential Lot is designated specifically as a Multi-Family Lot. On a Multi-Family Lot, the Living Unit will mean a structure containing separate living facilities for 2 or more Nuclear Families, i.e. duplexes, 4-plexes, etc.

12. "Lot" means any of the plots of land as shown on the Subdivision Plat.

13. "Member" means all those Owners who are members of the Association as provided in this Declaration.

14. "Multi-family Unit" means a multi-family structure and parking situated on a Multi-Family Lot.

15. "Multi-family Lot" means any Residential Lot specifically designated as multi-family on the Subdivision Plat.

16. "Nuclear Family" means a group related by blood, adoption, or marriage, or a number of unrelated roommates equal to the number of bedrooms in a Living Unit times 2.

17. "Operator" means each Owner or lessee of a Retail Unit. Lessee is a bona fide lessee who has an enforceable lease agreement with an Owner of a Retail Unit.

18. "Owner" means the record owner, whether one or more persons or entities, of the fee simple title to any Lot or portion of a Lot, within the Properties, including contract sellers.

19. "Properties" means the properties collectively known as HIGH CREST, PHASE I, and all additions to the Subdivision, as are subject to this Declaration or any amended or supplemental declaration.

20. "Resident" means each Owner or occupant of a Living Unit or Multi-Family Unit, or any individual who is otherwise lawfully domiciled in a Living Unit. Occupant is a bona fide lessee who has an enforceable lease agreement with an Owner and who resides in a Living Unit, their guests and invitees.

21. "Residential Lot" means any Lot designated as residential on the Subdivision Plat or any Lot with no designation. Residential Lot includes usage for both single family residences and multi-family structures as set out on the Subdivision Plat.

22. "Restrictive Covenants" means the restrictive covenants contained in this Declaration or attached to the Declaration as an exhibit, or the restrictive covenants set forth in

instruments filed prior to or subsequent to the filing of this Declaration, together with all amendments of the foregoing. If the Subdivision Plat designates Retail Lots and Residential Lots, then there may be specific Restrictive Covenants that relate to the Retail Lots and specific Restrictive Covenants that relate to the Residential Lots as specified. Restrictive Covenants will also include all Builder Guidelines, as amended.

23. "Retail Lot" means any lot designated as retail on the Subdivision Plat.

24. "Retail Unit" means a retail structure containing office or retail space located on a Retail Lot.

25. "Rules and Regulations" means the rules and regulations promulgated by the Board of the Association from time to time and which may be filed in the Real Property Records of Bell County, Texas. If the Subdivision Plat designates Retail Lots and Residential Lots, then there may be specific Rules and Regulations that relate to the Retail Lots and specific Rules and Regulation covenants that relate to the Residential Lots as specified.

26. "Subdivision" means the Subdivision as defined above.

27. "Subdivision Plat" collectively means the map or plat of the Subdivision, filed of record in the Plat Records of Bell County, Texas, and any amendment, replat, or modification to the Subdivision Plat, and any master plat or plan, as may be amended or modified from time to time, for additional properties that may be added from time to time as provided by this Declaration. A copy of the master plat or plan may be attached to this Declaration as an exhibit entitled "Master Plat or Plan".

28. "Unimproved Lot" means a Lot upon which no improvements have been constructed.

ARTICLE III
PROPERTY RIGHTS

Every Owner, guest, invitee, customer and tenant will have a right and easement of ingress and egress, use and enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(1) the right of the Association to charge reasonable admission and other fees for the use of any facility now or hereafter situated or constructed or situated upon the Common Area and to impose reasonable limits on the number of guests who may use the facilities;

(2) the right of the Association to suspend an Owner's voting rights and the right to use any facility for any period during which any assessment of the Association against that Owner's Lot remains unpaid, and for infractions by an Owner of the restrictive covenants contained in this Declaration and/or the Association's Rules and Regulations for the duration of the infraction;

(3) the right of the Association to grant easements in and to the Common Areas to any public agency, authority or utility for such purposes as benefits the Properties and Owners;

(4) the right of the Association to borrow money for the purpose of improving the Common Area, for acquiring additional Common Area, or for constructing, repairing, or improving any facilities located or to be located on the Common Area, and to give as security for the payment of any such loan a mortgage conveying all or any portion of the Common Area, provided a majority of each Class of Members present or represented by proxy at a meeting called for such purpose will approve; provided however, the lien and encumbrance of any such mortgage given by the Association will be subject and subordinate to any and all rights, interests, options, easements, and privileges reserved or established in this Declaration for the benefit of Declarant or Owner, or the holder of any mortgage irrespective of when executed, given by Declarant or any Owner encumbering any Lot or other property located within the Subdivision;

(5) the right of the Association to dedicate or transfer all or any portion of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members of the Association. No such dedication or transfer will be effective unless an instrument agreeing to such dedication or transfer has been approved by a majority of the Class A Members of the Association which are present or represented by proxy are entitled to cast at a meeting duly called for such purpose, and by the Class B Member so long as the Class B membership exists;

(6) the right of the Association to convey small portions of the Common Area to adjacent Owners when, in the sole opinion of the Board, the portion of the Common Area to be conveyed is so small in size, amount and value that it will have no material consequence to or impact upon the Association or the Subdivision or negatively affect the overall usage of the Common Area by the Owners as a result of such conveyance. In such an event, the Board may authorize such conveyance without the joinder of any other Owner; and

(7) the right of the Association to prescribe Rules and Regulations as they may be expanded, amended or otherwise modified. Each Owner, by acceptance of a deed, acknowledges and agrees that the use and enjoyment and marketability of the Owner's Lot may be affected by this provision and that the Rules and Regulations may change from time to time. The Board has the authority to enforce the Rules and Regulations by all appropriate means, including but not limited to the imposition of fines, if notice and an opportunity to be heard are given, and a Member found to have violated the Rules and Regulations will be liable to the Association for all damages and costs, including reasonable attorney's fees.

ARTICLE IV
ARCHITECTURAL REVIEW

In order to protect the overall integrity of the development of the Subdivision as well as the value of improvements of all Owners, a committee of representatives designated as the Architectural Review Committee is established to carry out all duties as noted in this

Declaration. The ARC will have full authority to approve and disapprove; change, modify or waive; and ultimately control all construction, development, and improvement activities of any kind (including, without limitation, structures, buildings, building materials, and the placement of the improvements) within the Subdivision. The ARC will require that all improvements are constructed in a good and workman-like manner and in accordance with standard industry trade practices. The ARC will further require that all improvements are architecturally, aesthetically, and ecologically designed to be compatible with Declarant's conceptual plan for the overall Subdivision and/or is decided by the ARC.

The ARC may prescribe Builder Guidelines as they may be expanded, amended or otherwise modified. Each Owner, by acceptance of a deed, acknowledges and agrees that the use and enjoyment and marketability of the Owner's Lot may be affected by this provision and that the Builder Guidelines may change from time to time. The ARC has the authority to enforce the Builder Guidelines by all appropriate means, including but not limited to the imposition of fines, subject to the review of the Board, if notice and an opportunity to be heard are given, and a Member found to have violated the Builder Guidelines will be liable to the Association for all damages and costs, including reasonable attorney's fees. The Board will have the authority to enforce the Builder Guidelines in accordance with this provision in the event the ARC fails to enforce the Builder Guidelines.

No building, structure, fence, commercial or retail structure, residence, house, garage, accessory building, outbuilding, addition, modification, or construction of any kind will be erected, placed, constructed, maintained, modified, redecorated, or altered, until a complete set of plans, specifications, and other reasonably requested information (the "Plans and Specifications") have been formally submitted to the ARC with a written request for approval and the ARC's written approval received. Plans and Specifications which are submitted will contain and include, but not necessarily be limited to the following information: nature, kind, shape, height, and location of the Living Unit and improvements; floor plans, including square footage, roof pitch, percentage of exterior finish materials, and finished floor and ground elevations; exterior elevations for any building, fence or other structure; a plat or site plan showing easements and the location of any building, fence or other structure (including location of light poles and curb cuts, if applicable); nature, kind, shape, height, materials and location of all landscaping; exterior lighting and location; samples of exterior finish materials and color samples; and any other plans, specifications or information deemed pertinent by the ARC or Declarant.

The ARC will review all Plans and Specifications which are submitted (in accordance with the below defined procedures) for compliance with all the requirements of this covenant and for the compatibility of any improvements with the architectural, aesthetic, and ecological goals of the Subdivision and Declarant. It is the intent that all improvements will be compatible with all other improvements in the Subdivision and that they will be in harmony with their natural surroundings. It is the intent of the ARC to prevent unusual, radical, curious, odd, bizarre, peculiar or irregular structures from being built within the Subdivision. The ARC will have full

right and authority to utilize its sole discretion in approving or disapproving any Plans and Specifications that are submitted.

The ARC may disapprove the construction or design of any improvement, on purely aesthetic grounds where, in its sole judgment, such disapproval is required to protect the continuity of design or value of the Subdivision, or to preserve the serenity and natural beauty of any surroundings. Prior approvals or disapprovals of the ARC pertaining to any improvement or activity or regarding matters of design or aesthetics will not be deemed binding upon the ARC for later requests for approval if the ARC feels that the repetition of such matters will have an adverse effect on the Subdivision. The ARC will have the express power to construe and interpret any covenant that may be capable of more than one construction.

During reasonable hours, members of the ARC, any member of the Board, or any authorized representative of any of them, will have the right to enter upon and inspect any Lot and the improvement or structure for the purpose of ascertaining whether or not the provisions of the Declaration have been or are being complied with, and said persons will not be deemed guilty of trespass by reason of such entry.

The ARC will have the authority to employ professional consultants or architects at the expense of the Association to assist it in performance of its duties, including but not limited to the review of all plans, specifications and other information which are submitted for compliance. The decision of the ARC will be final, conclusive and binding upon the applicant. The ARC members will not be entitled to any compensation for any services rendered pursuant to this covenant.

Members of the ARC will not be liable to any person subject to or possessing or claiming any benefits of this Declaration.

The number and initial ARC members will be decided by Declarant. So long as there is a Class B membership, in the event of the death or resignation of any member of the ARC, Declarant will have full power and authority to appoint a successor committee member or members, chosen in its sole discretion, with like authority. Upon the expiration of the Class B membership, the Board of Directors will appoint the members of the ARC, which shall consist of at least 3 members.

Procedures for Approval: A complete copy of the final Plans and Specifications will be submitted in duplicate, with a written request for approval, by direct delivery or by certified mail to the ARC. Such Plans and Specifications must be submitted at least 15 days prior to the proposed landscaping or construction of improvements. The Plans and Specifications will be considered submitted and all timeframes set forth in this Article will begin as of the date the ARC signs a certified mail receipt or a delivery receipt (the "Date of Submission").

At such time as the Plans and Specifications meet the approval of the ARC, the ARC will send written authorization to proceed and will retain the Plans and Specifications for its file and future reference. If disapproved by the ARC, the Plans and Specifications will be returned to the submitting party marked "Disapproved" and will be accompanied by a statement of the reasons for disapproval, which statement will be signed by a representative of the ARC. Compliance by the ARC and its response to the Plans and Specifications will be based upon the date the ARC's notice of approval or disapproval is mailed (postmark of certified mail receipt) or delivered (signed delivery receipt), and will not be based upon the date the submitting party actually receives such notice of approval or disapproval. Any modification of the approved set of Plans and Specifications must again be submitted to the ARC for its approval. The ARC's approval or disapproval will be in writing. In no event will the ARC give verbal approval of any Plans and Specifications.

If the ARC fails to approve or disapprove properly submitted Plans and Specifications within 15 days after the Date of Submission, written approval of the matters submitted will not be required and compliance with this Article and this Declaration will be deemed to have been completed. In the case of a dispute about whether the ARC responded within the required time period, the person submitting the Plans and Specification will have the burden of establishing that the ARC received the Plans and Specifications but failed to respond. The ARC's receipt of the Plans and Specifications may be established by a signed certified mail receipt or by a signed delivery receipt.

In the event a majority of the ARC cannot reach an agreement on any matter submitted for approval, the ARC may, at its sole discretion, consult about such matter with a Builder Member who, at such time, owns more Lots in the Subdivision (including Lots subject to a contract with Declarant) than any other builder. The decision of such Builder Member regarding the disputed matter will be binding on the ARC.

Special Procedures for Builder Members and Owners: Once the ARC has approved a set of final Plans and Specifications (including, but not limited to, exterior colors) submitted by a Builder Member or an Owner and his/her contractor for improvements to be constructed on a Lot, that contractor may use such Plans and Specifications for other homes or improvements it will construct within the Subdivision provided that (a) there will be at least 3 Lots on the same side of the street between Lots with homes using the same or substantially the same floor plan; (b) there will be at least 3 Lots on the same side of the street between Lots with homes using the same or substantially the same exterior elevations; and (c) no homes with the same or substantially the same exterior elevations will be constructed on Lots directly across the street from each other. It will be the responsibility of the Builder Member or the Owner and his/her

contractor to ensure compliance. The term "contractor" will mean a person or entity regularly engaged in the on-going business of constructing single-family homes for sale to or use by owner-occupants.

ARTICLE V
FILING OF MANAGEMENT CERTIFICATE

It is the intent of the Association to comply with all provisions of the Texas Property Code, and specifically § 209, including but not limited to the filing of a management certificate in the Real Property Records of Bell County, Texas.

ARTICLE VI
RESTRICTIVE COVENANTS

(1) Restrictive Covenants. The restrictive covenants may be set out in an exhibit entitled "Restrictive Covenants" attached to this Declaration, or may be filed as a separate instrument.

(2) Character of Lots. Lots within the Subdivision designated as Residential Lots refers not only to the architectural design of the Living Unit, but also to the permitted number of inhabitants, which will be limited to a Nuclear Family per Living Unit. Multi-family Units will be limited to Multi-family Lots, if any, designated on the Subdivision Plat, and no Multi-Family Unit may be constructed on any Residential Lot not designated for use as multi-family. It is not the intent of the Declarant to exclude from a Living Unit any individual who is authorized to so remain by any state or federal law. If it is found that this paragraph, or any other provision contained in this Declaration is in violation of any law, then this Section will be interpreted to be as restrictive as possible to preserve as much of the original section as allowed by law.

(3) Business or Commercial/Retail Purpose. No Multi-Family Lot or Residential Lot may be used for business or commercial/retail purposes. This provision will not prohibit an Owner's conduct of business activities that are merely incidental to the Owner's residential use within a Living Unit or Multi-Family Unit so long as (1) the existence or operation of the business activity is not apparent, detectable or visible by sight, sound or smell from outside the Living Unit or Multi-Family Unit; (b) the business activity conforms to all zoning requirements and other restrictive covenants applicable to the Property; (c) the business activity does not involve visitation of the Living Unit or Multi-Family Unit by clients, Customers, suppliers or other business invitees or door-to-door solicitation of the Owners; and (d) the business activity is consistent with the residential character of the Subdivision and of the Properties and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other Owners, as may be determined in the sole discretion of the Board.

The terms "business" and "trade" as used in this paragraph 3 of Article VI will be construed to have their ordinary, generally accepted meanings and will include, without limitation, any occupation, work or activity undertaken on an ongoing basis that involves the

manufacture or provision of goods or services for or to other persons other than the provider's family, regardless of whether: (i) such activity is engaged in full or part-time, (ii) such activity is intended to or does not generate a profit; or (iii) a license is required therefore. Notwithstanding the above, the leasing of the entire Living Unit or Multi-Family Unit will not be considered a trade or business within the meaning of this paragraph 3 of Article VI. This paragraph 3 of Article VI does not apply to any activity conducted by the Declarant, or by a Builder Member, with respect to its development and sale of its Lot.

(4) Animals and Pets. No animals, livestock, poultry, or Exotic or Dangerous Animal (as defined below) of any type may be raised, bred or kept on any Lot within the Subdivision, except for cats, dogs, or other generally recognized household pets (collectively "Pets"). An "Exotic or Dangerous Animal" is an animal that may pose a safety or health threat to the Owners of the Subdivision, their guests, invitees, Customers, or tenants, and includes the (1) dog breeds of pit bull, rotweiler, and doberman pincher, regardless of whether the animal is purebred, a mixed breed, or registered with the AKC or similar registration organization; (2) poisonous insects, amphibians, or reptiles; (3) boa constrictors and other constrictor reptiles; (4) animals considered "feral" or wild by nature except guinea pigs, hamsters, and gerbils; (5) ferrets, and (6) alligators. Additional breeds of animals may be added to the definition of Exotic or Dangerous Animal from time to time, as determined necessary by the Board, in the Board's sole discretion, and the Rules and Regulations will be amended to include such breed of animal.

No more than 4 Pets (in any combination, but in no event will the combination include more than 2 dogs and 2 cats) may be kept on a Residential Lot designated for single family residences. No more than 1 Pet may be kept per living facility of a Multi-Family Lot. No Pet may be bred, kept or maintained for any commercial purpose on a Multi-Family Lot or a Residential Lot. This provision will not prohibit an Owner of a Retail Lot from providing animal-related services or using the Retail Lot for such commercial activity so long as (1) the activity conducted on the Retail Lot is the primary business of the Owner or its tenant, such as a grooming service, veterinary office, or pet store; (2) the business activity conforms to all zoning requirements and other restrictive covenants applicable to the Property; (3) the business activity is consistent with the neighborhood service character of the Retail Lots of the Subdivision and of the Properties; and (4) the business activity does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other Owners, as may be determined in the sole discretion of the Board.

All Pets must be kept in strict accordance with all local and state laws and ordinances (including leash laws), and in accordance with all rules established by the Association. All Pets must be vaccinated in accordance with local custom and laws. Each Pet should wear a tag provided by a licensed veterinary to evidence the up-to-date rabies vaccination. All Pets must be kept indoors, in a fenced area (fenced with standard materials approved by the ARC or by an electronic animal control device), or on a leash. It will be the responsibility of the owner of the Pet to prevent the animals from running loose or becoming offensive or a nuisance to other Owners or occupants. Offensive barking or howling is considered an "offensive activity" and is

not permitted. It will be the responsibility of the owner of the Pet to clean up after their Pet when in the Common Area or on the private property of others.

No Pets will be permitted in the Common Area except on a leash.

The Association may notify the Owner, in writing, of any offensive activity or other violation of the covenants of this Declaration and the steps required by Owner to correct the violation. If the Owner does not correct the violation and the violation continues; or if any Pet endangers the health of an Owner, his guests, invitees, Customers, or tenants, or creates a nuisance or an unreasonable disturbance, or is not a common household pet, as may be determined by the Board, in the Board's sole discretion, the Pet must be permanently removed from the Subdivision upon 7 days' written notice by the Board to the offending Owner. The Board may exercise all of its remedies allowed under the Declaration or by law to have the Pet or animal permanently removed from the Subdivision. If the offending Owner does not correct a violation and the violation continues, or does not remove the Pet or animal upon written request made by the Board, the offending Owner will be in violation of the covenants of the Declaration and subject to any Fine imposed by the Board in accordance with the Declaration.

ARTICLE VII
ANTENNAS

No exterior antennas, aerials, satellite dishes, or other apparatus for the reception of television, radio, satellite, or other signals of any kind will be placed, allowed, or maintained upon a Lot which is visible from any street, private right-of-way, Common Area or other Lot unless it is impossible to receive signals from the location. In that event the receiving device may be placed in a visible location as approved by the ARC. The ARC may require as much screening as possible while not substantially interfering with reception. The Declarant and the Association will have the right, without obligation, to erect or install an aerial, satellite dish, master antenna, cable system, or other apparatus for the transmission of television, radio, satellite, or other signals for the benefit of all or a portion of the Property. No satellite dishes will be permitted which are larger than 1 meter in diameter. No broadcast antenna mast may exceed the height of the center ridge of the roofline. No Multichannel Multipoint Distribution Service ("MMDS") antenna mast may exceed the center ridge of the roofline by the height established by the Telecommunications Act of 1996 (the "Act") as same may be amended from time to time. No exterior antennas, aerials, satellite dishes, or other apparatus will be permitted, placed, allowed, or maintained upon any portion of the Property that transmits television, radio, satellite, or other signals of any kind. The Declarant by promulgating this Section is not attempting to violate the Act as same may be amended from time to time. This Section will be interpreted to be as restrictive as possible while not violating the Act.

ARTICLE VIII
MODIFICATIONS AND VARIANCES

The ARC has the authority to modify or waive any and all of the Restrictive Covenants that would not, in the ARC's sole discretion, impair or detract from the quality of the Subdivision. In addition, the ARC has the authority to reduce the floor area requirement contained herein by 10% and to modify any building material requirements. Such modification or waiver may be by written instrument in recordable form.

The ARC, in its sole discretion, has the authority to grant variances of any setback line, to alter any setback line, and to waive any encroachment across or into any setback line, Common Area, or easement, to the extent that the ARC has the authority to waive such encroachment into an easement, as the ARC deems necessary. Such variance or waiver will be by written instrument in recordable form.

ARTICLE IX
BY-LAWS

The By-Laws are operational documents of the Association and may be attached to this Declaration as an exhibit entitled "By-Laws", or may be a separate instrument filed prior to or subsequent to the filing of this Declaration, together with all amendments of the foregoing, in accordance with Texas Property Code § 202.001 and § 202.006.

ARTICLE X
EASEMENTS AND ACCESS

Easements for installation and maintenance of fencing, utilities and drainage facilities are reserved as shown on the recorded Subdivision Plat or through the Restrictive Covenants or any other documents filed of record. Within these easements, if any, no structure, planting, fence, or other material will be placed or permitted to remain which may damage or interfere with the installation and maintenance of the Subdivision's entryway or fence or utilities or in the case of drainage easements, which may change or impede the direction of flow of water through drainage channels in such easements. The easement area of each Lot, if any, and all improvements in such area will be maintained continuously by the Owner of the Lot, except for those improvements for which the Association, a public authority, or utility company is responsible. Neither the Association, Declarant, nor any utility company using the easements will be liable for any damages done by them or their assigns, agents, employees, or servants to shrubbery, flowers, or other property of the Owners situated on the land covered by the easements.

There is created a right of ingress and egress across, over, and under the Common Area in favor of Declarant and the Association, for the sole purpose of installing, replacing, repairing, and maintaining all facilities for utilities, including, but not limited to, water, sewer, telephone, cable TV, electricity, gas, and appurtenances thereto.

An easement is extended and acknowledged to all police, fire protection, ambulance, garbage and trash collector pickup vehicles, and all similar persons to enter upon the Common Area in performance of their duties.

Each Lot is conveyed subject to all easements, conditions, and reservations shown on the Subdivision Plat and each Owner will take notice of all such easements, conditions, and reservations. No Owner will maintain any condition or improvements in any platted easement or in any easement granted to the Association by separate document recorded in the Official Public Records of Real Property of Bell County, Texas, which will significantly interfere with the intended use of the easement.

Easements for drainage throughout the Subdivision are reserved as shown on the Subdivision Plat or by written instrument filed in the Official Public Records of Real Property of Bell County, Texas prior to or subsequent to the filing of the Subdivision Plat. No Owner of any Lot in the Subdivision may perform or cause to be performed any act which would alter or change the course of such drainage easements in a manner that would divert, increase, accelerate, or impede the natural flow of water over and across the easements. More specifically and without limitation, no Owner, guest, invitee, customer, or tenant may:

(1) alter, change, or modify the existing natural vegetation of the drainage easements in a manner that changes the character of the original environment of such easements;

(2) alter, change, or modify the existing configuration of the drainage easements, or fill, excavate, or terrace such easements, or remove trees or other vegetation therefrom without the prior written approval of the ARC;

(3) construct, erect, or install a fence or other structure of any type or nature within or upon such drainage easements;

(4) permit storage, either temporary or permanent, of any type upon or within such drainage easements; or

(5) place, store, or permit to accumulate trash, garbage, leaves, limbs, or other debris within or upon the drainage easements, either on a temporary or permanent basis.

The failure of any Owner to comply with the provisions of this Article will in no event be deemed or construed to impose liability of any nature on the Association, ARC, or Declarant, and the ARC or Declarant will not be charged with any affirmative duty to police, control, or enforce such provisions.

ARTICLE XI
LOT CONSOLIDATION

Any Owner owning two (2) or more adjoining Lots or portions of two or more such Lots may consolidate such Lots or portions thereof into a single building site for the purpose of

constructing improvements as are permitted in this Declaration. The Lot resulting from the consolidation will bear, and the Owner will be responsible for, all assessments applicable to the original Lots before consolidation. Each consolidated Lot will meet all lawful requirements of any applicable statute, ordinance or regulation.

ARTICLE XI
ENFORCEMENT

If the Owner of any Lot, or its heirs, executors, administrators, successors, assigns, or tenants, violates or attempts to violate any of the restrictions and covenants set forth in the Declaration, then the Association, Declarant, or any Owner subject to this Declaration may prosecute any proceedings against the person or persons violating or attempting to violate any such restrictions and covenants. If there is a failure by any Owner, guest, invitee, customer, or tenant to comply with any restriction or covenant in the Declaration and if irreparable damage to Declarant and other Owners results or would result, then the breach of any provision of the 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 of the Declaration or prohibit violations of the Declaration, and the party bringing such action prevails, then in addition to any other remedy provided in this Declaration or provided by law, such party will be entitled to recover court costs and reasonable attorney's fees. Neither the ARC, Association, nor Declarant will be charged with any affirmative duty to police, control, or enforce the terms of the Declaration and these duties will be borne by and be the responsibility of Owners.

ARTICLE XII
MEMBERSHIP IN THE ASSOCIATION, VOTING RIGHTS AND REGISTRATION

Every person or entity who is a record Owner of a free or undivided interest in any Lot that is subject to the jurisdiction of and to assessment by the Association will be a Member of the Association.

(1) Classes of Membership. The Association has two classes of membership:

Class A: Class A members will be all Owners and Builder Members, with the exception of Declarant, and will be entitled to 1 vote for each Lot owned. When more than 1 person holds an interest in a Lot, all such persons will be members. The vote for the Lot will be exercised as they among themselves determine, but in no event will more than 1 vote be cast per Lot.

Class B: The Class B member will be Declarant who is entitled to 3 votes for each Lot owned including all Lots shown on a Master Plat or Plan. Class B membership will cease and be converted to Class A membership at such time as the Declarant has conveyed and/or sold the last of the Unimproved Lots within the Subdivision and all of

the land area comprising the Properties, whether in a single or multiple transaction, to an Owner or to any governmental authority for public use.

(2) Eligibility. Eligibility to vote or serve as a representative, director, or officer will be predicated upon being a Member in good standing with the Association. To be in good standing, the Member must have all assessments of every type and category paid up to date and have no outstanding financial obligations to the Association that are delinquent. Additionally no Member will be allowed to vote or hold office if that Member is noted within the records of the Association to have a current deed restriction violation on one or more Lots in the Subdivision.

(3) Suspension of Voting Rights. All voting rights of an Owner may be suspended by the Board of Directors during any period in which the Owner is delinquent in the payment of any duly established assessment or Charge or is otherwise in default or violation of any of the terms of the Declaration.

(4) Special Voting Requirements. In the event a vote is required by the Members to alter or amend this Declaration and there are Lots designated as both Residential Lots and Retail Lots or Multi-family Lots on the Subdivision Plat, and the purpose for the vote specifically applies to the retail use of the Retail Lots, it will take at least 2/3's of the Members that own Retail Lots to approve such amendment or alteration. Likewise, if the purpose for the vote specifically applies to the residential use of the Residential Lots, it will take at least 2/3's of the Members that own Residential Lots to approve such amendment or alteration, or if the purpose for the vote specifically applies to the multi-family use of the Residential Lots, it will take at least 2/3's of the Members that own Multi-family Lots to approve such amendment or alteration.

(5) Registration with the Association. In order that the Declarant and the Association can properly determine voting rights and acquaint every Lot purchaser and every Owner and Member with these Covenants and the day-to-day matters within the Association's jurisdiction, each Owner and Member will have an affirmative duty and obligation to provide, and subsequently revise and update, within 15 days after a material change has occurred, various items of information to the Association such as: (a) the full name, mailing address, telephone number, facsimile number, and email address of each Owner and Member, and Fiduciary; (b) the business address, telephone number, facsimile number and email address, and occupation of each Owner and Member; (c) the name, address, and telephone number of other local individuals who can be contacted (in the event the Owner or Member cannot be located) in case of an emergency; and (d) such other information as may be reasonably requested from time to time by the Association. In the event any Owner or Member fails, neglects, or refuses to so provide, revise, and update such information, then the Association may, but is not required to, use whatever means it deems reasonable and appropriate to obtain such information and the offending Owner and Member will become automatically jointly and severally liable to promptly reimburse the Association for all reasonable costs and expenses incurred in so doing.

ARTICLE XIII
COVENANTS FOR MAINTENANCE ASSESSMENTS

Declarant, for each Lot owned by it within the Properties, covenants, and each Builder Member and every Owner, by acceptance of a deed, whether or not it is so expressed in the deed or other conveyance, will be deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; (2) special assessments, to be fixed, established, and collected from time to time as provided below; (3) Member Charges levied against individual Owners to reimburse the Association for extra or unusual costs incurred by the Association for curing the Owner's violation of a restrictive covenant contained in this Declaration; and (4) Fines and Late Fees levied against individual Owners. The Charges, together with interest, reasonable attorney's fees, and costs of collection, as provided in this Declaration, will be a charge on the land and will be a continuing lien upon the Lot against which the Charges are made. Each Charge, together with interest, reasonable attorney's fees and cost of collection as provided in this Declaration, will also be the personal obligation of the Owner of the Lot at the time the obligation accrued.

The Charges levied by the Association will be used for the purpose of promoting the recreation, health, safety, and welfare of the Members, and in particular, for the improvement, maintenance, and operation of the Properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas by the Members.

(1) Annual Assessments. The annual assessments ("Annual Assessments") for both Class A and Class B membership will be determined by the Board of Directors in the manner provided below after determination of current maintenance costs and anticipated needs of the Association during the year for which the assessment is being made. The maximum Annual Assessment may be adjusted by a majority vote of the Board of Directors, without membership vote, but will not increase to more than the greater of: (i) 110% above the prior year's Annual Assessment, or (ii) the result of multiplying the prior year's Annual Assessment by a fraction, the numerator of which is the latest Consumer Price Index published on or before the 60th day prior to the date the Board sets the new maximum Annual Assessment rate and the denominator of which is the Consumer Price Index published on the year prior to the one used in the numerator. Consumer Price Index is the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for All Urban Consumers. In the event the compilation or publication of the Consumer Price Index is substantially revised, transferred to any other governmental department or bureau or agency or is discontinued, then the index (or a substitute procedure which reasonably reflects and monitors fluctuations in consumer prices most nearly the same as the Consumer Price Index) will be used to make the calculations. The Association may increase the maximum Annual Assessment rate by more than the amount specified in the preceding sentence only upon receipt of a majority of the approving vote of the Owners present in person or represented by proxy at a meeting called for vote on the proposed increase.

The Annual Assessment will be an amount equal to the total amount of the annual budget multiplied by a fraction, the numerator of which is the number of Lots attributable to that Owner and the denominator of which is the total number of Lots in the Subdivision.

The initial Annual Assessment will be established by Declarant. The initial Annual Assessment for Residential Lots (the "Residential Annual Assessment") will be $ 120.00. The initial Annual Assessment for Multi-Family Lots and Retail Lots (collectively the "Retail Annual Assessment") will be $ N/A. For purposes of this Declaration, the Residential Annual Assessment and the Retail Annual Assessment may be individually or collectively referred to as the Annual Assessment. The Annual Assessment, or a pro rata portion of the initial Annual Assessment based upon the date of closing of the Lot, will be due and payable from the new owner at the closing of the initial sale of the Lot by Declarant to a third party.

Regardless of any language to the contrary, the Charges will not apply to Declarant, as owner of or holder of title of any Lot, unless Declarant occupies a Living Unit or Retail Unit constructed upon its Lot or uses the Living Unit or Retail Unit for its own personal use as rental property. Annual Assessments and Special Assessments (defined below) will not apply to Builder Members in the business of purchasing Lots for construction of improvements and subsequent resale to a third party unless the Builder Member occupies the Living Unit or Retail Unit constructed on its Lot or uses the Living Unit for its own personal use as rental property. Membership Assessments (defined below) will not apply to Builder Members for Lots purchased for resale to a third party but will apply to any subsequent sale and purchase of the Lot to a third party.

(2) Membership Assessments. In addition to the Annual Assessments provided for above, the Association may levy a membership assessment ("Membership Assessment") on Class A membership at any time a Lot is sold by the Owner, including Declarant, to a third party. The Membership Assessment will be established by Declarant so long as the Declarant is the owner of a Lot and thereafter determined and established by the Board. The Membership Assessment will be collected from the purchaser of the Lot at closing. The initial Membership Assessment for Residential Lots (the "Residential Membership Assessment") to be collected at the sale of a Lot will be as follows:

(a) For the initial sale of the Residential Lot by Declarant, $ 100.00; and

(b) For each subsequent sale of the Residential Lot to a third party, $ 100.00.

The initial Membership Assessment for Multi-Family Lots and Retail Lots (collectively the "Retail Membership Assessment") will be as follows:

(a) For the initial sale of the Multi-Family Lot or Retail Lot by Declarant, $ N/A; and

(b) For each subsequent sale of the Multi-Family Lot or Retail Lot to a third party, $ N/A.

For purposes of this Declaration, the Residential Membership Assessment and the Retail Membership Assessment may be individually or collectively referred to as the Membership Assessment.

A table is attached to this Declaration setting forth the initial Annual Assessments and Membership Assessments.

(3) Special Assessments. In addition to the Annual Assessment and Membership Assessment provided for above, the Association may levy a special assessment ("Special Assessment") on Class A membership and Class B membership as follows:

(a) For the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement on or which is a part of the Common Area, in an amount determined by the Board;

(b) Respond to the unusual emergency needs of the Association as may be expected to appear from time to time, in an amount determined by the Board, or

(c) For such other lawful purpose related to the use of the Properties as the Board or the Owners may determine, provided that this assessment will have the approval of a majority of the votes of the Owners who are voting in person or by proxy at a meeting duly called for this purpose. Written notice of the date, time and purpose of the meeting will be sent to all Owners.

(4) Member Charge. In addition to the Annual Assessment, Membership Assessment, and Special Assessment described above, the Association, by vote of the Board, may impose a charge ("Member Charge") upon any Owner for the purposes of reimbursing the Association for all direct and indirect costs incurred by the Association with regard to the maintenance, repair, or replacement of improvements on any particular Lot when the Board has determined the maintenance, repair, or replacement of improvements associated with the Lot has been neglected to the point where conditions existing on the Lot are not in conformance with the maintenance obligations set forth in this Declaration, or an Owner places anything in the Common Area. The Owner of the Lot will be notified in writing of the Board's determination and the specific deficiencies found to exist. The Owner will be afforded a reasonable period of time to respond to the Board's notice and to correct the deficiencies. The Owner will be assessed the cost necessary to reimburse the Association for any and all costs to secure compliance, including attorney's fees.

(5) Fines and Late Fees. In addition to the Annual Assessment, Membership Assessment, Special Assessment, and Member Charge described above, the Association, by vote of the Board, may impose fines and late fees (sometimes referred to as "Fine and Late Fee" or "Fine or Late Fee") upon any Owner for non-compliance or violations of the covenants of the Declaration or for late or nonpayment of any Annual Assessment, Membership Assessment, Special Assessment, or Member Charge. The Owner of the Lot will be notified in writing of the

Fine or Late Fee assessed to the Owner and the cause of such Fine or Late Fee. The Owner will be afforded a reasonable period of time and notice to pay the applicable delinquent Annual Assessment, Membership Assessment, Special Assessment, or Member Charge, prior to the assessment of any Fine or Late Fee. The Owner will be assessed the cost necessary to reimburse the Association for any and all costs to secure compliance, including attorney's fees.

(6) Due Dates, Budget, and Late Charges. The Annual Assessments will be due and payable and collected as the Board of Directors of the Association determines. The amount of the Annual Assessment will be an amount which bears the same relationship to the Annual Assessment provided for above as the remaining number of months in that calendar year bear to twelve. The Board will use reasonable efforts to provide each Owner with an invoice statement as of the appropriate amount due, but any failure to provide a notice will not relieve any Owner of the obligation.

The Membership Assessment is due and payable at the closing of a sale of any Lot to a third party.

The due date of any Special Assessment will be as set out above or as fixed in the resolution authorizing such assessment.

The Member Charge and Fine and Late Fee are due and payable within 30 days after the Owner was served with notice by the Association of the amount of the Member Charge or Fine or Late Fee.

Each year, the Board of Directors of the Association will adopt an annual budget and set the amount of the Annual Assessment, taking into consideration the Association's operating cost for the then current year, expected increases or decreases in the costs over the next year, and future needs of the Association. The annual budget will be adopted by the Board at least 30 days prior to the commencement of each calendar year.

Any assessment, Member Charge, or Fine or Late Fee not paid within 30 days after the due date will bear interest from the due date at a rate to be determined, from time to time, by the Board, not to exceed the maximum permitted by law. If the Board refuses or fails to determine a rate of interest, the rate of interest will be the lesser of (i) 18% per annum, or (ii) the maximum rate allowed by law.

(7) Remedies and Lien for Annual Assessment, Membership Assessment, Special Assessment, Member Charge, and Fine and Late Fee. Each Owner, by his acceptance of a deed to a Lot, expressly vests in the Association, or its agents, the right and power to bring all actions against the delinquent Owner personally for the collection of the Charge as a debt and to enforce the lien by all methods available for the enforcement of liens, including non-judicial or judicial foreclosure by an action brought in the name of the Association, and grants to the Association the power of sale in connection with the lien. The President of the Board of Directors will have the right to appoint an agent and trustee, to mail and file the notices required

by Texas Property Code § 51.002, and if applicable, by Texas Property Code § 209, to conduct the sale, and to otherwise comply with the statutes. The lien provided for in this Section will be in favor of the Association and will be for the benefit of all other Owners. No Owner may waive or otherwise escape liability for the Charges for nonuse of the Common Area or abandonment of his Lot.

In addition to the foregoing charges for delinquent accounts, each Owner will be obligated to pay to the Association all actual costs of collection incurred by the Association, including attorney's fees, as and when allowed by law, and such reasonable late charges and collection charges as the Board of Directors may establish, all of which will also be subject to the liens of the Association.

In the event of a delinquent account, the Association will provide all notices to the delinquent Owner as required by Texas Property Code § 209. A summary of the relevant parts of Texas Property Code § 209 will be maintained by the Association for review by each and every Owner upon request.

All payments will be applied first to costs and attorney's fees, then to interest, then to delinquent Charges, then to any unpaid Charges that are not the subject matter of suit in the order of their coming due, and then to any unpaid Charges that are the subject matter of suit in the order of their coming due.

Notice of the lien may be given, but is not required, by the recordation in the Real Property Records of Bell County, Texas an Affidavit of Delinquent And Notice Of Assessment Lien, duly executed by an officer, managing agent, attorney, or officer of the Association, setting forth the amount owed, the name of the last known Lot Owner or Owners of record, and the legal description of the Lot.

At any foreclosure, judicial or non-judicial, the Association will be entitled to bid up to the amount of the sum secured by its lien, together with costs and attorney's fees, and to apply as a cash credit against its bid all sums due to the Association covered by the lien foreclosed. From and after any foreclosure, the occupants of the Lot will be required to pay a reasonable rent for the use of such Living Unit or Retail Unit. Their occupancy of the Lot will constitute a tenancy-at-sufferance, and the purchaser at the foreclosure sale will be entitled to appoint a receiver to collect rents and, further, will be entitled to sue for recovery of possession of such Lot by forcible detainer or by Writ of Possession.

The lien of the Charges will be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the Lots subject to the Charges, provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to the sale or transfer of such Lot pursuant to a decree of foreclosure, non-judicial foreclosure, or conveyance in lieu of foreclosure or in satisfaction of mortgage debt. The sale or transfer will not relieve the Lot from liability for any Charges thereafter becoming due nor from the lien of any subsequent Charge.

ARTICLE XIV
REQUIREMENTS OF TEXAS PROPERTY CODE § 209

(1) The Association must give notice to Owners under the following circumstances:

(a) When charging an Owner for property damage;

(b) When levying a fine for a violation of the Declaration;

(c) When filing a lawsuit except for:

(i) Lawsuits to collect regular or special assessments;

(ii) Lawsuits where one of the causes of action is foreclosure under an Association lien;

(iii) Lawsuits for a temporary restraining order or temporary injunction;

In the event notice is given for any of the foregoing, Owner must first receive advance notice of his responsibility and obligation to pay attorney's fees in accordance with Texas Property Code § 209 ("Section 209")

(d) When suspending an Owner's right to use a Common Area, except for:

(i) a temporary suspension of a person's right to use a Common Area if the violation involved a significant and immediate risk of harm to others in the Subdivision.

(2) Each notice required under Section 209 must contain the following:

(a) A description of any violation of the Declaration, property damage, or imposition of any Charges;

(b) State any amount due the Association; and

(c) A statement which informs the Owner that:

(i) The Owner is entitled to a reasonable time to cure the violation and avoid the fine or suspension and state what the reasonable time is to cure the violation and avoid the fine or suspension (unless Owner has already been given notice & opportunity to cure a similar violation within the preceding 6 months); and

(ii) The Owner may request in writing a hearing before the Board or designated committee on or before the 30th day after the date the Owner receives the notice;

(iii) If the hearing is before a designated committee, then the Owner has the right to appeal the decision of the committee to the Board by written notice to the Board.

(3) If a hearing is requested by an Owner as provided above, then the Association must:

(a) Hold a hearing within 30 days from the date of receipt of the Owner 's request for a hearing.

(b) Notify the Owner of the date, time and place of the hearing not later than the 10th day before the hearing.

(c) Must grant a postponement of the hearing for a period of not more than 10 days if a postponement is requested by either the Board or Owner, however, additional postponements may be granted by agreement of both parties.

(d) Allow the Owner or the Association to make an audio recording of the hearing.

(e) Give the Owner the opportunity to attend the hearing, however, an Owner need not be present in order to hold a hearing.

(4) The Association may receive reimbursement of its attorneys fees and costs relating to collection and damages for enforcement of the Declaration, but only if it first gives the Owner written notice stating that attorney fees and costs will be charged to the Owner if the delinquency or violation continues after a date certain.

(5) An Owner will not have to pay for attorney fees that are incurred before the conclusion of the Hearing or the date by which an Owner could have requested a hearing (which is 30 days after the date the Owner receives the notice). Consequently, if an attorney sends letters prior to a hearing requested by an Owner or an attorney participates at such a hearing, attorney fees will not be reimbursable to the Association by the Owner.

(6) All attorney fees, costs, and other amounts collected from an Owner must be deposited into an account maintained at a financial institution in the name of the Association or its managing agent.

(7) Upon written request from an Owner, an Association must provide copies of invoices for attorney fees and other costs relating to the matter for which the Association is seeking reimbursement of fees and costs.

(8) In the event of a non-judicial foreclosure, the amount of attorney fees the Association may seek reimbursement for is limited to the greater of:

(a) 1/3 of the amount of all actual costs and assessments, excluding attorney fees, plus interest and court costs if those amounts are permitted to be included by law or by the Declaration; or

(b) $2,500.

(9) The Association may not foreclose an assessment lien if the debt consists solely of fines or attorney fees associated with the fines.

(10) If the Association conducts a foreclosure sale on a Lot, the Association must send written notice to the Owner by certified mail, return receipt requested, to the last known address as reflected on the records of the Association. This notice must be sent regardless of whether the foreclosure is non-judicial or judicial. The notice must be sent no more than 30 days after the foreclosure sale date informing the Owner of the following:

(a) The date and time of the sale and a statement informing the Owner that the Owner has 180 days from the date of the notice to redeem the Lot.

(b) Not later than the 30th day after the date the notice described above is sent, the Association must record an Affidavit in the Official Public Records of Real Property of Bell County, Texas stating:

(i) The date the Notice was sent to the Owner; and

(ii) A legal description of the Lot sold.

(11) If a foreclosure sale occurs, then the Owner is required to file an affidavit conforming with the provisions of Section 209. Failure to file the affidavit within the redemption period of 180 days from the date of the foreclosure sale will result in a conclusive presumption that the Owner did not redeem the Lot.

(12) An Owner will have 180 days to redeem the property following the date the Association mails written notice of sale to the owner. Additionally, the Purchaser at foreclosure may not transfer ownership of the property to anyone other than the redeeming owner during the 180 day redemption period.

(13) If the purchaser of the Lot at the foreclosure sale is the Association, in order to redeem the Lot, the Owner must pay to the Association:

(a) All amounts due the Association at the time of the foreclosure sale;

(b) Interest from the date of sale to date of redemption on all amounts owed to the Association at the rate stated in the Declaration or 10% (if no rate is stated);

(c) Costs incurred by the Association in foreclosing and conveying the Lot to the Owner including reasonable attorney fees;

(d) Any assessments coming due on the Lot since the foreclosure;

(e) Any reasonable costs incurred by the Association including mortgage payments, costs of repair, maintenance or leasing of the Lot; and

(f) The purchase price paid by the Association at the foreclosure sale less any amounts in the first item above which were satisfied out of the foreclosure sale.

(14) If the purchaser of the Lot at the foreclosure sale is a person other than the Association ("Purchaser"), in order to redeem the Lot:

(a) Owner must pay to the Association:

(i) All amounts due the Association at the time of the foreclosure sale less the sales price received by the Association from the purchaser;

(ii) Interest from the date of foreclosure through date of redemption on all amounts owed to the Association at the interest rate as stated in the Declaration or if no rate is stated then an annual interest rate of 10%;

(iii) Costs incurred by the Association foreclosing the lien and conveying the property back to the redeeming owner, including reasonable attorney fees;

(iv) Any unpaid assessments coming due after the foreclosure; and

(v) Any taxable costs.

(b) Owner must pay to the Purchaser at foreclosure sale:

(i) Any assessments levied on the Lot after the foreclosure that were paid by the Purchaser at sale;

(ii) The purchase price paid by the Purchaser at sale;

(iii) The amount of the deed recording fee;

(iv) Any ad valorem taxes, penalties and interest on the Lot that were paid by the Purchaser at sale after the date of foreclosure;

(v) Any taxable costs.

(15) If the Owner redeems the Lot, then the Purchaser at foreclosure must immediately give the Owner a deed transferring the Lot back to the redeeming Owner. If the Purchaser at

foreclosure does not comply, then the redeeming Owner may file a suit against the Purchaser to recover reasonable attorney fees.

(16) A Lot that is redeemed remains subject to all liens and encumbrances on the Lot before foreclosure.

(17) If the Purchaser at sale enters into a lease on the Lot and the Owner redeems, that Owner will have the right to re-occupy the property immediately upon redemption.

(18) If an Owner makes a partial payment of amounts due the Association at any time during the redemption period, but fails to pay all amounts necessary to redeem, the Association must refund any partial payments no later than the 30th day after the expiration date of the redemption period (or 210 days after the notice of foreclosure). Such payment will be mailed to the Owner's last known address as shown on the Association records.

(19) If an Owner sends a written request by certified mail, return receipt requested, wanting to redeem the Lot on or before the last date of the redemption period, the Owner's right of redemption is extended until 10 days after the Association and the Purchaser at foreclosure provides written notice to the Owner of the amounts that must be paid to redeem the Lot.

(20) The Association or Purchaser at foreclosure sale must record an affidavit in the Official Public Records of Real Property of Bell County, Texas stating that the Owner did not redeem the Lot during the redemption or extended redemption periods.

(21) The Association or Purchaser at foreclosure sale must state in the affidavit filed of record in the Official Public Records of Real Property of Bell County, Texas the date the citation was served in a lawsuit to foreclose (if applicable), a legal description of the property, and any other relevant facts relating to the foreclosure sale. Any person may then conclusively rely upon the information contained in the affidavit.

ARTICLE XV
MAINTENANCE FUND

Maintenance Fund. The Board, for the benefit of the Owners, shall establish and maintain a maintenance fund into which shall be deposited the Charges collected from Owners and which maintenance fund shall be used, without limitation, for the payment of the following:

(1) Taxes and assessments and other liens and encumbrances which shall properly be assessed or charged against the Common Areas rather than against the individual Owners, if any.

(2) Care and preservation of the Common Area.

(3) The services of a professional person or management firm to manage the Association or any separate portion thereof to the extent deemed advisable by the Board of Directors, (provided that any contract for management of the Association will be terminable by

the Association, with no penalty, upon 90 days prior written notice to the managing party) and the services of other personnel as the Board of Directors or the manager deems necessary.

(4) Legal and accounting services.

(5) A policy or policies of insurance insuring the Common Area, the Association, its Directors, and Officers against any liability to the public or to the Owners (and/or guests, invites, customers or tenants) incident to the operation of the Association in any amount or amounts as determined by the Board of Directors.

(6) Workers compensation insurance to the extent necessary to comply with any applicable laws.

(7) Such fidelity bonds as may be required by the By-Laws or as the Board of Directors may determine to be advisable.

(8) Any other materials, supplies, insurance, furniture, labor, services, maintenance, repairs, structural alterations, taxes, or assessments (including taxes or assessments assessed against an individual Owner) which the Board of Directors is required to obtain or pay for pursuant to the terms of this Declaration or by law or which in its opinion is necessary or proper for the enforcement of this Declaration.

(9) Perpetual maintenance and enhancement of all Common Area including walls, gates, grounds, landscaping, lights, irrigation, and electric for right-of-way and all entry monuments, walls, and signs owned or maintained by the Association.

(10) Enforcement of all this Declaration, the Restrictive Covenants, Builder Guidelines, and Rules and Regulation.

(11) The operation of the ARC.

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

Powers and Duties of Board: The Board, for the benefit of the Owners, will have the following general powers and duties, in addition to the specific powers and duties provided in this Declaration and in the Bylaws of the Association:

(1) To execute all declarations of Ownership for tax assessment purposes with regard to the Common Areas, if any, on behalf of all Owners.

(2) To borrow funds to pay costs of operation secured by assignment or pledge of rights against delinquent Owners if the Board see fit.

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

(4) To protect or defend the Common Areas from loss or damage by suit or otherwise and to provide adequate reserves for replacements.

(5) To make reasonable Rules and Regulations for the operation of the Common Areas and to amend them from time to time; provided that, any rule or regulation may be amended or repealed by an instrument signed by a majority of the Owners, or with respect to a rule applicable to less than all of the Common Areas, by the Owners in the portions affected.

(6) To make available for inspection by Owners within 60 days after the end of each year an annual report and to make all books and records of the Association available for inspection by Owners at reasonable times and intervals.

(7) To adjust the amount, collect and use any insurance proceeds to repair damage or replace lost property, and if proceeds are insufficient to repair damage or replace lost property, to assess the Owners in proportionate amounts to cover the deficiency.

(8) To enforce the provisions of any Rules and Regulations, Builder Guidelines and Restrictive Covenants or other provisions of this Declaration or the By-Laws of the Association, and to enjoin and seek damages and fines from any Owner for violation of the same.

(9) To collect all Charges, and enforce all penalties for non-payment including the assessment of a Fine and Late Fee, the filing of liens and the institution of legal proceedings.

(10) To establish or amend a monetary "fines" system which shall include due process hearings and a discretionary range of fine amounts, which, when levied, shall constitute a permitted Member Charge secured by the lien herein established.

(11) To establish reserve funds which may be maintained or accounted for separately from other funds maintained for annual operating expenses.

(12) To convey small portions of Common Area to adjoining Owners if, in the opinion of the Board, such conveyance does not materially impact the Association or the Subdivision or negatively affect the overall usage of the Common Area by the Owners.

The Board will have the exclusive right to contract for all goods, services, and insurance payment of which is to be made from the maintenance fund and the exclusive right and obligation to perform the functions of the Board except as provided in this Declaration.

The Board, on behalf of the Association, will have full power and authority to contract with any Owner or other person or entity for the performance by the Association of services which the Board is not otherwise required to perform pursuant to the terms of this Declaration,

such contracts to be upon such terms and conditions and for such consideration as the Board may deem proper, advisable, and in the best interest of the Association.

At any annual meeting of the Association, 25% of the members of the Board of Directors will be elected by Owners other than Declarant or Builder Member if 25% of the Lots have been sold to third parties other than Declarant or Builder Member. Any annual meeting of the Association, 33 1/3% of the members of the Board of Directors will be elected by Owners other than Declarant or Builder Member if 50% of the Lots have been sold to third parties other than Declarant or Builder Member.

ARTICLE XVII
TITLE TO COMMON AREAS

If applicable, all initial Common Area within the Properties may be conveyed to the Association free of lien prior to the conveyance of the first Lot by the Declarant. The Association may own all Common Areas in fee simple or by easement granted in separate document recorded in the Official Public Records of Real Property of Bell County, Texas, and will assume all maintenance obligations with respect to any Common Areas that may be established after the filing of the Declaration. Nothing in this Declaration will create an obligation on the part of Declarant to establish any Common Area.

Any and all Common Areas will be for the common use and benefit of each Member of the Association

This Article will not be construed to prohibit the Board of Directors from acquiring and disposing of tangible personal property, nor from acquiring title to real property which may or may not be subject to this Declaration, nor from disposing small tracts of Common Area in accordance with the provisions of this Declaration.

ARTICLE XVIII
INSURANCE AND CONDEMNATION

(1) Fire, Hazard, and Casualty Insurance. Each Owner, at his sole cost and expense, covenants and agrees with all other Owners and the Association to carry all-risk casualty insurance on their Lot. Each Owner further covenants and agrees that in the event of a partial loss or damage and destruction resulting in less than total destruction, the Owner will proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original Living Unit or Retail Unit. In the event the Living Unit or Retail Unit is totally destroyed and the Owner determines not to rebuild or reconstruct, the Owner will clear the Lot of all debris and return it to substantially the natural state in which it existed prior to the beginning of the construction.

Each Owner will be responsible, at his own cost and expense, for personal liability insurance to the extent not covered by the Association and public liability insurance

acquired by the Association on behalf of all Owners with respect to the Common Area. Each Owner will be responsible, at his own cost and expense, to obtain and maintain hazard and/or liability insurance on the Lot once the Living Unit or Retail Unit has been constructed on a Lot.

(2) Property and Public Liability Insurance With Respect to Common Area, Errors and Omissions and Indemnification.

(A) The Board of Directors of the Association may, at the board's sole discretion, obtain and continue in effect property insurance, to insure the buildings and structures in the Common Area, naming the Association as beneficiary with an endorsement to the mortgagee, if any, against risks of loss or damage by fire and other hazards as are covered under standard fire and extended coverage provisions. This insurance will also include coverage against vandalism.

(B) The Board of Directors of the Association may, at the Board's sole discretion, obtain comprehensive public liability insurance in such limits as it deems desirable, insuring the Association, its agents and employees, and each Owner, from and against liability in connection with the Common Area.

(C) The Board of Directors of the Association may, at the Board's sole discretion, obtain liability insurance covering errors and omissions of directors, officers, managers, employees, and representatives of the Association, and fidelity bonds for all officers and employees that have control over the receipt or disbursement of funds.

(D) The Association may indemnify directors, officers, employees, and agents and may purchase indemnity insurance in accordance with the provisions of Article 2.22A of the Texas Non-profit Corporations Act.

(3) Insurance Premiums with Respect to Common Area. All costs, charges, and premiums for all insurance with respect to the Common Area that the Board of Directors authorizes will be a common expense of all Owners and will be part of the annual assessment.

(4) Other Insurance. None of the above prevents the Board of Directors from obtaining other insurance as may be required by law (e.g. workers compensation) or other insurances which may become the norm for properties of this nature.

(5) Condemnation. If part or all of the Common Area is taken or condemned by any authority having the power of eminent domain, any compensation and damages will be paid to the Association. The Board of Directors will have the exclusive right to act on behalf of the Association with respect to the negotiation and litigation of the taking or condemnation issues affecting the to-be-condemned Common Area. The Owners may, by vote of 75% or more of the total voting power, agree to distribute the proceeds of any condemnation or taking by eminent domain, to each Owner and his mortgagee, if any, as their interest may appear. In the event that the Owners do not agree, the proceeds will be added to the funds of the Association, and the

Association will decide on whether or not to replace or restore, as far as possible, the Common Area so taken or damaged.

The Association will give timely notice of the existence of the proceedings to all Owners and, if information is available, to their mortgagees, if any. The expense of participation in the proceedings will be common expenses chargeable to the Owners.

(6) Insufficient Proceeds. If the insurance or condemnation proceeds are insufficient to repair or replace any loss or damage, the Association may levy a special assessment as provided for in this Declaration.

ARTICLE XIX
AMENDMENT AND ANNEXATION

This Declaration will remain in force and effect for a period of 30 years after this Declaration is recorded, and each 10th anniversary thereafter, this Declaration will be renewed and continued for a period of 10 years unless amended as provided in this Declaration. This Declaration may be amended by written instrument approved by the affirmative vote of the Members of the Association holding at least 75% of the total votes. The amendment will be effective when it is certified by the President of the Association as to the requisite number of votes and recorded in the Official Public Records of Real Property of Bell County, Texas. Any amendment so certified and recorded will be conclusively presumed to have been duly adopted. Declarant will have the right to file an amendment to this Declaration, or any other Restrictive Covenant that may be filed, for any reason, without the necessity of joinder by any other Owner, at any time during the construction period of the Subdivision or the Properties, and for so long as Declarant is developing the Properties. Notwithstanding the foregoing, after Declarant has ceased to develop the Properties, Declarant will have the right to file an amendment to this Declaration, without the necessity of joinder by any other Owner, for the limited purposes of correcting a clerical error, clarifying an ambiguity, removing any contradiction in the terms of this Declaration, or for the purpose of making such additions or amendments to this Declaration as may be required by FHA, HUD, VA, or other governmental authority to qualify the Properties for mortgage guaranties issued by FHA or VA.

During the construction period of the Subdivision and the Properties and for so long as Declarant is developing the Properties, Declarant will have the right, privilege and option to annex additional land to make it subject to this Declaration until Declarant no longer owns a Lot by filing in the Official Public Records of Real Property of Bell County, Texas an amendment annexing additional property. Additional property may be annexed and made subject to this Declaration, or property may be withdrawn, by written instrument approved by the affirmative vote of the Members of the Association holding at least 75% of the total votes and filed of record in the Official Public Records of Real Property of Bell County, Texas.

ARTICLE XX
GOVERNMENTAL REQUIREMENTS

By acceptance of a deed to a Lot, or initiating construction of improvements to a Lot, each Builder Member and contractor assumes responsibility for complying with all certifications, permitting, reporting, construction, and procedures required under all applicable governmental rules, regulations, and permits, including, but not limited to those promulgated or issued by the Environmental Protection Agency or any other governmental authority and related to Storm Water Discharges from Construction Sites (see Federal Register, Volume 57, No. 175, Pages 41176 et seq.), and with the responsibility of ascertaining and complying with all regulations, rules, rulings, and determinations of the Texas Water Development Board and Texas Water Commission, related to each Lot, including, without limitation, the provisions of chapters 325 and 331, Texas Administrative Code, and any specific rulings made pursuant to the terms of the foregoing. The foregoing references are made for the benefit of builders and contractors and do not in any way limit the terms and requirements of this covenant and the requirement that all Builder Members and contractors comply with all governmental regulations, and any plan required by such regulations such as Storm Water Pollution Plan, affecting each Lot and construction site with which they are associated, including delivery to Declarant of a certification of understanding relating to any applicable NPDES permit prior to the start of construction. Each Builder Member and contractor, by acceptance of a deed to a Lot or undertaking the making of improvements to a Lot, holds harmless and indemnifies Declarant from all cost, loss, or damage occasioned by the failure to abide by any applicable governmental statute, rule, regulation or permit related to the Properties.

By acceptance of a deed to a Lot, each Builder Member and Owner accepts responsibility to maintain his or its Lot so that any storm water drainage ditch does not fill up, become clogged, or prohibit the free flow of drainage or pollute storm water.

By acceptance of a deed to a Lot, each Builder Member and Owner agrees that Declarant and the Association will have the right to enter upon any Lot on which one or more conditions or activities prohibited by appropriate governmental authority is maintained, or on which there has been a failure to perform any act required by appropriate governmental authority. The Declarant and the Association may enter the upon the Lot for the purpose of curing any violation, provided that the Owner or Builder Member has been given 5 days prior written notice and has failed to remedy the complained of violation within such time. Each Owner and Builder Member indemnifies and holds harmless Declarant and the Association from all cost and expense of such curative action and any cost or expense of penalty or fine levied by any governmental authority as a result of the act or failure to act of the Owner or Builder Member with respect to his Lot or the Properties. The foregoing remedy will be cumulative of all other remedies for violations of provisions of these covenants.

ARTICLE XXI
GENERAL PROVISIONS

(1) Interpretation. If this Declaration or any word, clause, sentence, paragraph, or other part thereof will be susceptible to more than one or conflicting interpretations, then the interpretation which is most nearly in accordance with the general purposes and objectives of this Declaration will govern. Whenever in the application of the provisions of this Declaration, or any amendment hereto, conflict with the application of any provision of the By-Laws of the Association, or any other restriction or covenant filed separately or as a part of this Declaration, the provisions or application of this Declaration shall prevail.

If any punctuation, word, clause, sentence, or provision necessary to give meaning, validity, or effect to any other word, clause, sentence, or provision appearing in this Declaration is omitted from this Declaration, then it is hereby declared that such omission was unintentional and that the omitted punctuation, word, clause, sentence, or provision will be supplied by inference.

The singular, whenever used herein, shall be construed to mean the plural, when applicable, and the necessary grammatical changes required to make the provisions here apply either to corporations or individuals, males or females, will in all cases be assumed as though in each case fully expressed.

(2) Notices. Any notice required to be given to any Owner or Member will be complete when the notice is deposited in the United States Mail, postage prepaid, and addressed to the Owner or Member at the last known address as shown by the records of the Association, is faxed to the Owner or Member at the last known facsimile number as shown by the records of the Association and a confirmation of successful transmission is obtained and filed by the Association, or is emailed to the Owner or Member at the last known email address as shown by the records of the Association and a confirmation of delivery notice is received by the Association and stored electronically, pursuant to Article X, Section C of this Declaration.

(3) Headings. The headings contained in this Declaration are for reference purpose only and will not in any way affect the meaning or interpretation of this Declaration.

(4) Invalidation of any one or more of these covenants, restrictions, conditions, and limitations by judgment or court order, will in no way affect any of the other provisions of this Declaration which will remain and continue in full force and effect.

(5) These covenants, restrictions, conditions, and limitations are in all respects subject to any applicable zoning regulations lawfully in force or hereafter adopted.

EXECUTED to be effective August 16, 2006.

ANSLEY CORPORATION, a Texas corporation

By: _____
V. W. BARGE, III, President

(ACKNOWLEDGMENT)

STATE OF TEXAS §
COUNTY OF BELL §

This instrument was acknowledged before me on August 16, 2006, by V. W. BARGE, III, in his capacity as President of ANSLEY CORPORATION, a Texas corporation, on behalf of said corporation.

RENE' MURRAY
Notary Public - State of Texas
Commission Expires: 08/22/09

_____
NOTARY PUBLIC

PREPARED IN THE LAW OFFICE OF:
crm
BAIRD, CREWS, SCHILLER & WHITAKER, P.C.
ATTN: THOMAS C. BAIRD
15 North Main Street
Temple, Texas 76501

AFTER RECORDING, RETURN TO:
BAIRD, CREWS, SCHILLER & WHITAKER, P.C.
ATTN: THOMAS C. BAIRD
15 North Main Street
Temple, Texas 76501-7629

EXHIBIT "A"

BEING a 43.206 acre tract of land situated in the JOHN M. PORTER SURVEY, ABSTRACT No. 648, Bell County, Texas and being a part or portion of that certain 60.000 acre tract described in a Deed to V.W. Barge, III, Trustee of the V.W.B. Trust and being of record in Volume 5499, Page 620, Official Public Records of Bell County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 60d nail found at a corner fence post found being the southwest corner of the said 60.000 acre tract and being corner of North Nolan Road, an old county right-of-way and being in the east boundary line of that certain 149.99 acre tract (by calculation) described in a Deed dated January 24, 1942 from M. VanWinkle, a single man, et als to Thomas A. Ganshei and wife, Opal O. Ganshei and being of record in Volume 495, Page 536, Deed Records of Bell County, Texas for corner;

THENCE N. 19° 14' 07" E., 1309.89 feet (calls N. 19° 14' 07" E., 1845.21 feet in Volume 5499, Page 620) departing said corner of North Nolan Road and with the west boundary line of the said 60.000 acre tract and with the east boundary line of the said 149.99 acre tract (calls N. 19° E.) to a ½" iron rod with cap stamped "RPLS 2475" set for corner;

THENCE departing the said west boundary line of the said 60.000 acre tract and the said east boundary line of the said 149.99 acre tract and over and across the said 60.000 acre tract the following sixteen (16) calls:

(1) S. 83° 54' 08" E., 217.31 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(2) N. 73° 09' 10" E., 54.30 feet to a ½" iron rod with cap stamped "RPLS #2-475" set for corner;

(3) S. 80° 32' 37" E., 199.11 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(4) S. 61° 04' 19" E., 387.24 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(5) S. 84° 00' 46" E. 448.14 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

EXHIBIT "A"

(6) S. 05° 59' 14" W., 173.13 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(7) S. 84° 00' 46" E., 61.00 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(8) S. 05° 58' 14" W., 232.47 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(9) N. 81° 59' 17" W., 25.02 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(10) S. 05° 59' 14" W., 178.31 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(11) S. 24° 39' 16" W., 53.11 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(12) S. 05° 59' 14" W., 198.22 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(13) N. 79° 42' 48" W., 27.34 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(14) S. 04° 05' 07" W., 178.39 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(15) S. 26° 54' 34" W., 54.55 feet to a ½" iron rod with cap stamped "RPLS #2475" set for corner;

(16) S. 03° 05' 15" W., 170.09 feet to a ½" iron rod with cap stamped "RPLS #2475" set being in the south boundary line of the said 60.000 acre tract and being in the north right-of-way line of Farm-to-Market Road No. 439 as described in a Deed from Tom Bowles, Sr. et ux to the State of Texas (Tract No. 1) and being of record in Volume 754, Page 638, Deed Records of Bell County, Texas for corner;

EXHIBIT "A"

THENCE N. 86° 40' 00" W., 682.28 feet with the south boundary line of the said 60.000 acre tract and with the said north right-of-way line (calls N. 86° 40' W.,) as fenced and evidenced on the ground to a 5/8" iron rod found at fence post being the northeast corner (calls 5/8" iron rod) of that certain 0-65/100 acre tract of land (Exhibit B) described in a Correction Warranty Deed dated July 11, 1997 from Harry Edward Ray to John M. Alexander and wife, Nancy M. Alexander and being of record in Volume 3644, Page 239, Official Public Records, Bell County, Texas for corner;

THENCE N. 75° 45' 03" W., 865.79 feet departing the said north right-of-way line and with the north boundary line (calls S. 76° 00' 45" E., 865.4 feet) of said 0-65/100 acre tract and with the south boundary line of the said 60.00 acre tract (calls N. 75° 45' 03" W., 865.79 feet) to a 5/8" iron rod found being the called northwest corner of the said 0-65/100 acre tract and being corner in the north right-of-way line of North Nolan Road for corner;

THENCE N. 74° 53' 49" W., 19.72 feet continuing with the said south boundary line of the 60.000 acre tract (calls N. 74° 53' 49" W., 19.72 feet) to the Point of BEGINNING and containing 43.206 acres of land.

Member Classification	Initial Membership Assessment*	Initial Annual Assessment *	Initial Membership Assessment (Subsequent Purchaser)*
Residential	$ 100.00	$ 120.00	$ 100.00
Retail	$ N/A	$	$

* Annual Assessments and Membership Assessments are due and payable in accordance with the Minutes and Declaration, on a per Lot basis, beginning with the calendar year 2006.

FILED FOR RECORD
2006 OCT 4 AM 9 22
COUNTY CLERK, BELL COUNTY, TEXAS
BY _____ DEPUTY

0046232

TABLE OF ASSESSMENTS TO
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIVE COVENANTS –VALLEY RANCH, PHASE I

014844/33541

After recording, return to:
Baird, Crews, Schiller & Whitaker, P.C.
[illegible] Main Street
Temple, Texas 76501

BY-LAWS
OF
BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the corporation is BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC. (hereinafter referred to as "the Association"). The principal office of the Association is located at 2005 Birdcreek Drive, Suite 211; Temple, Texas 76504, but meetings of members and directors may be held at such places within the State of Texas, County of Bell, as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "Declaration" means and refers to the "Declaration of Covenants, Conditions and Restrictions of Belton High Crest Property Owner's Association, Inc. (High Crest, Phase I, a subdivision in Bell County, Texas," said Declaration being recorded in the Official Public Records of Real Property of Bell County, Texas, and any amendments thereto.

Section 2. "Member" means and refers to those persons entitled to membership as provided in the Declaration and Articles of Incorporation of the Association.

Section 3. "Owner" means the record owner, whether one or more persons or entities, of the fee simple title to any Lot or portion of a Lot, within the Properties, including contract sellers.

Section 4. Capitalized terms used but not defined in these By Laws will have the same meaning as defined in the Declaration.

ARTICLE III
MEMBERSHIP

Section 1. The Association has two classes of membership:

(a) Class A: Class A members will be all Owners and Builder Members, with the exception of Declarant, and will be entitled to 1 vote for each Lot owned. When more than 1 person holds an interest in a Lot, all such persons will be members. The vote for the Lot will be exercised as they among themselves determine, but in no event will more than 1 vote be cast per Lot.

(b) Class B: The Class B member will be Declarant who is entitled to 3 votes for each Lot owned including all Lots shown on a Master Plat or Plan. Class B membership will cease and be converted to Class A membership at such time as the Declarant has conveyed and/or sold the last of the Unimproved Lots within the Subdivision and all of the land area comprising the Properties, whether in a single or multiple transaction, to an Owner or to any governmental authority for public use.

Section 2. Rights and obligations of each Member are described in the Declaration, as may be amended or modified from time to time.

ARTICLE IV
RESPONSIBILITIES OF MEMBER

Section 1. Each Member, jointly and severally, has the responsibility for administering and enforcing the covenants, conditions and restrictions contained in the Declaration, and as may be modified from time to time.

Section 2. Each Member, jointly and severally, covenants and agrees to pay assessment fees as provided in the Declaration, and as may be modified from time to time.

ARTICLE V
MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members will be held on August 16, 2005, and subsequent annual meetings will be held on the second (2nd) (day, i.e. second Wednesday) in June (month) of each succeeding calendar year at 6:30 p.m., beginning on June 12, 2006 (date of first annual meeting).

Section 2. Special Meetings. Special meetings of the members may be called at any time by the Board of Directors or upon written request of a majority of the members who are entitled to vote.

Section 3. Notice of Meetings. No written notice will be required for the annual meetings of the members. Written notice of each special meeting of the members will be given by the person authorized to call the meeting. Notice will be mailed, postage prepaid, at least 10 days before such meeting to each member entitled to vote. Notice will be addressed to the member's address last appearing on the books of the Association or supplied by such member to the Association for the purpose of notice. Such notice will specify the place, date, hour and purpose of the meeting.

Section 4. Quorum. Members holding 1/10th of the votes entitled to be cast in each Class, represented in person or by proxy, will constitute a quorum for the transaction of business. Unless provided in the articles of incorporation or in the declaration, every act or decision done or made by a majority of the members who are present at a duly held meeting, either in person or by proxy, at which a quorum is present will be regarded as the act of the members.

Section 5. Proxies. At the meetings, each member may vote in person or by proxy. All proxies will be in writing and filed with the Secretary. When the full fee interest in any lot is held by more than 1 person, and all such persons are members, then the vote for such lot will be exercised in person or by proxy as they, among themselves, determine, but in no event will more than 1 vote be cast with respect to any lot. In the event that multiple persons are voting by proxy, each person's signature will be required on the proxy instrument. Every proxy is revocable and will automatically cease upon conveyance by the member of his or her lot. If more than 1 vote is cast for a single lot, none of the votes are counted and any of such votes may be deemed void.

ARTICLE VI
BOARD OF DIRECTORS: SELECTION AND TERM OF OFFICE

Section 1. Number. The affairs of this Association will be managed by a Board of directors, whom need not be members of the Association. The initial Board will consist of 3 directors, however, at any annual meeting the members present may vote to increase the number of directors to serve on the Board to any number up to 7 directors.

Section 2. Term of Office. At the first annual meeting and all subsequent annual meeting thereafter the members may nominate and elect directors for such terms as needed.

Section 3. Removal. Any director may be removed from the Board, with or without cause, at a special meeting of the Association by members entitled to vote more than 2/3's of the aggregate of the vote of both classes of membership. In the event of death, resignation or removal of a director, his successor may be selected by the remaining members of the Board and will serve for the unexpired term of his predecessor.

Section 4. Compensation. No director will receive compensation for any service he may render to the Association.

Section 5. Action Taken Without a Meeting. The directors have the right to take any action in the absence of a meeting that they could take at a meeting by obtaining the written, approval and consent of all the directors. Any action so approved will have the same effect as though taken at a meeting of the directors.

ARTICLE VII
MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such place and hour as may be fixed from time to time by the Board.

Section 2. Special Meetings. Special meetings of the Board of Directors may be held when called by any 2 directors, after not less than 3 days' notice to each director.

Section 3. Quorum. A majority of the number of directors will constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present will be regarded as the act of the Board.

ARTICLE VIII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board has the powers stated in the Declaration

Section 2. Duties. It is be the duty of the Board of Directors to keep or to cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting when such statement is requested in writing by a majority of the members who are entitled to vote.

ARTICLE IX
OFFICERS

Section 1. Enumeration of Offices. The officers of this Association will be a President, Vice President, Secretary, and Treasurer, and such other officers as the Board, from time to time, by resolution create. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. Election of Officers. The election of officers will take place at the meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association will be elected annually by the Board.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office, with or without cause, by the Board. Any officer may resign at any time, giving written notice to the Board, the President or the Secretary. Such resignation will take effect on the date of receipt or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy will serve for the remainder of the term of the officer he replaces.

Section 7. Duties. The duties of the officers are as follows:

(a) President. The President is the principal executive officer of the Association and will, in general, supervise and control all of the business and affairs of the Association. He will preside at all meetings of the Board of Directors; will see that orders and resolutions of the Board are carried out; and will sign all instruments on behalf of the Association.

(b) Vice President. The Vice President may act in the place and stead of the President in the event of his absence, inability or refusal to act, and will exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary. The Secretary will record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of special meetings of the Board and of special meeting of the members; keep appropriate records showing the members of the Association together with their addresses; and perform such other duties as required by the Board.

(d) Treasurer. The Treasurer will receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; keep proper books of accounts; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting. Copies of these documents shall be available for purchase at a reasonable cost.

ARTICLE X
COMMITTEES

The Board of Directors may appoint committees as deemed appropriate in carrying out its purposes.

ARTICLE XI
BOOKS AND RECORDS

The books and records of the Association may, during reasonable business hours, be subject to inspection by any member or his agent or attorney. The Articles of Incorporation and By-Laws of the Association and the Declaration may be available for inspection by any member at the principal office of the Association where copies may be purchased at a reasonable cost.

ARTICLE XII
INDEMNITY

The provisions of the Texas Non-Profit Corporation Act will apply with regard to indemnification as well as the provisions in the Articles of Incorporation of the Association.

ARTICLE XIII
AMENDMENTS

Section 1. These By-Laws may be amended, at any annual or special meeting of the Directors or members, subject to any amendment by the Directors being subject to further revision by the members, which upon such further revision will be binding on the Directors.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles will control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration will control.

Section 3. All provisions, conditions and covenants in the Declaration are hereby referenced and incorporated, as may be modified from time to time.

ARTICLE XIV
FISCAL YEAR

The fiscal year of the Association begins on the 1st day of January and ends on the 31st day of December of every year, except that the initial fiscal year begins on the date of incorporation.

ARTICLE XV
WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the Texas Non-Profit Corporation Act or under the provisions of the Articles of Incorporation or the bylaws of the

corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, will be deemed equivalent to the giving of such notice.

IN WITNESS WHEREOF, we, being the Board of Directors of BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC. as appointed and named in the organizational meeting of the Board of Directors, have executed this document to be effective August 16, 2006.

V. W. BARGE, III

ALISON B. ARNOLD

LU ANN POPELKA

(ACKNOWLEDGMENT)

STATE OF TEXAS §
COUNTY OF BELL §

This instrument was acknowledged before me on August 16, 2006, by V. W. BARGE, III.

RENE' MURRAY
Notary Public - State of Texas
Commission Expires: 08/22/09

NOTARY PUBLIC

(ACKNOWLEDGMENT)

STATE OF TEXAS §
COUNTY OF BELL §

This instrument was acknowledged before me on August 16, 2006, by ALISON B. ARNOLD.

RENE' MURRAY
Notary Public - State of Texas
Commission Expires: 08/22/09

NOTARY PUBLIC

(ACKNOWLEDGMENT)

STATE OF TEXAS §
COUNTY OF BELL §

This instrument was acknowledged before me on August 16, 2006, by LU ANN POPELKA.

RENE' MURRAY
Notary Public - State of Texas
Commission Expires: 08/22/09

NOTARY PUBLIC

PREPARED IN THE LAW OFFICE OF:
crm
BAIRD, CREWS, SCHILLER & WHITAKER, P.C.
ATTN: THOMAS C. BAIRD
15 North Main Street
Temple, Texas 76501
www.bcswlaw.com

AFTER RECORDING, RETURN TO:
BAIRD, CREWS, SCHILLER & WHITAKER, P.C.
15 North Main Street
Temple, Texas 76501

FILED FOR RECORD
2006 OCT 4 AM 9 22
CITY CLERK, BELL COUNTY, TX
BY _____ DEPUTY

046233

BYLAWS

002700/35989

RP 05/02/2007

70 2007 00019376

Doc # 00019376

AFTER RECORDING, RETURN TO:
BAIRD, CREWS, SCHILLER & WHITAKER, P.C.
15 North Main Street
Temple, Texas 76501

(4 ✓ 26 - resolved)

AMENDMENT AND MODIFICATION TO THE RESTRICTIVE COVENANTS FOR HIGH CREST, PHASE ONE, a subdivision in Bell County, Texas

STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF BELL §

ANSLEY CORPORATION, a Texas corporation ("Declarant") is the developer of HIGH CREST, PHASE ONE (the "Subdivision"), a subdivision in Bell County, Texas, as shown on the plat recorded in Cabinet D, Slide 131-A, Plat Records of Bell County, Texas (the "Plat").

As a part of the platting process, Declarant also created certain covenants, conditions and restrictive covenants that would affect the lots and the land that comprise the Subdivision, and executed and filed "Restrictive Covenants of High Crest, Phase One, a Subdivision in Bell County, Texas" (the "Restrictive Covenants") in Volume 6214, Page 425, of the Official Public Records of Real Property of Bell County, Texas.

This "Amendment and Modification to the Restrictive Covenants High Crest, Phase One, a subdivision in Bell County, Texas" (the "Amendment") amends and supplements the Restrictive Covenants as follows, to-wit:

(1) The first paragraph of Section 3 of Article IV of the Restrictive Covenants is deleted in its entirety, and substituted therefor will be the following language:

> "Each residence shall be required to have a mailbox structure (the "Mailbox") that conforms with the requirements of any governmental authority, including the United States Postal Service, and is of a wrought iron appearance, of the type, design, color, and material designated and approved by the Declarant and as shown on the drawings attached hereto as Exhibit "A" and expressly made a part hereof for all purposes. Adjoining Lots may share a double Mailbox (as shown on page 1 of the attached Exhibit "A"), which double Mailbox will be placed on the common property line of the 2 adjoining Lots. In the event a block contains an odd number of Lots, a single Mailbox (as shown on page 2 of the attached Exhibit "A") may be used in lieu of the double Mailbox. In the event, the attached style of mailbox is unavailable, Declarant or the ARC will designate a substitute mailbox that is similar in type, design, color, and material as the attached drawings or that compliments or harmonizes with the attached drawings. The Mailbox to be constructed with each residence and the location of each Mailbox must be approved by the Declarant or the ARC prior to construction and installation. The Lot Owner will be responsible for maintaining his/her Mailbox in good condition and repair. Any Mailbox constructed on a common property line will be equally maintained by the Lot Owners of the 2 adjoining Lots. This provision applies to any original or replacement Mailbox."

(2) The second paragraph of Section 3 of Article IV of the Restrictive Covenants will remain in full force and effect, and as written in the Restrictive Covenants.

(3) All other covenants, conditions and restrictive covenants set forth in the Restrictive Covenants will remain in full force and affect.

II. Summary

This Amendment is executed and accepted by Declarant pursuant to the right and authority granted and bestowed Declarant in Article XII, Additional Provisions of the Restrictive Covenants,

a. to **AMEND AND MODIFY** the covenants, conditions and restrictive covenants of the Restrictive Covenants as set out above;

b. to **CONFIRM** that this Amendment does not affect any of the remaining covenants, conditions and restrictive covenants set forth in the Restrictive Covenants, and that such remaining covenants, conditions and restrictive covenants will remain and continue in full force and effect; and

c. this Amendment will be **EFFECTIVE** as of JULY 24, 2006. However, in the event of any conflict in the terms and provisions of the Restrictive Covenants, and of this Amendment, the Restrictive Covenants, as revised by this Amendment, will control."

ANSLEY CORPORATION,
A Texas corporation

By: _____
V. W. BARGE, III, President

ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF BELL §

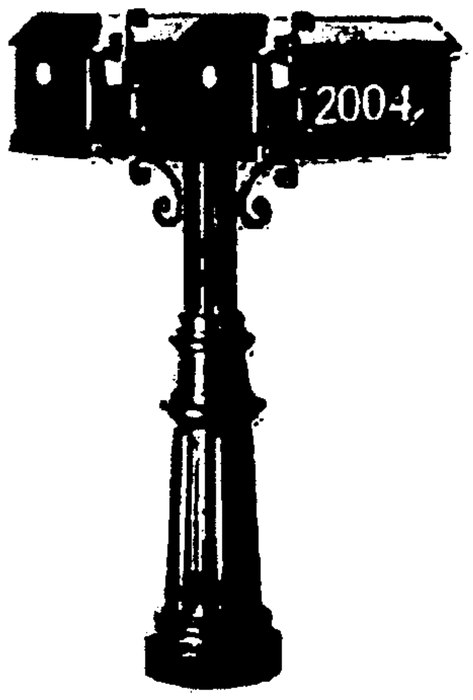
This instrument was acknowledged before me on APRIL 13th, 2007, by V. W. BARGE, III, in his capacity as President of ANSLEY CORPORATION, a Texas corporation, on behalf of said corporation.

RENE' MURRAY
Notary Public - State of Texas
Commission Expires: 08/22/09

_____
NOTARY PUBLIC

PREPARED IN THE LAW OFFICE OF
crm
BAIRD, CREWS, SCHILLER & WHITAKER, P.C.
Attn: THOMAS C. BAIRD
15 North Main Street
Temple, Texas 76501
www.bcswlaw.com

AMENDMENT AND MODIFICATION TO THE RESTRICTIVE COVENANTS FOR HIGH CREST, PHASE ONE, A SUBDIVISION IN BELL COUNTY, TEXAS



Product Specifications

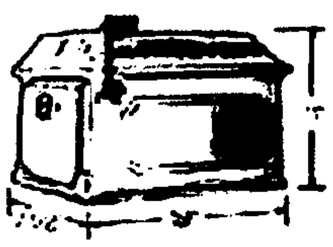
Williamsburg Mail Box Double

Brand:	**Williamsburg**
Stock Number:	5823A-2
Base Diameter:	9 - 13/16"
Height:	60"
Pole Finish:	Powder Coat
Mail Box Dimensions:	O.D. 7-1/2" wide x 19" long x 10" high
Mail Box Material:	Cast Aluminum
Colors:	Black , White, Verde (Dark Green)
Mount Style:	Ground Burial

Diagrams

Williamsburg
Mail Box #23

7 1/2" wide
11" height
19" length



Double Mount
Posts Available

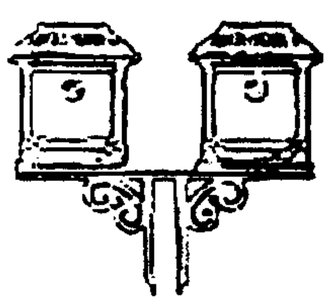
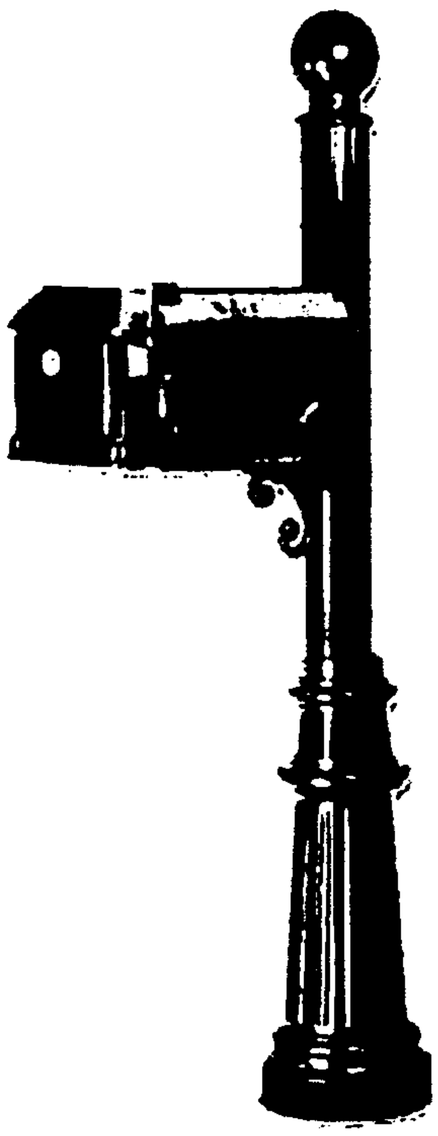


EXHIBIT " A "
Page 1 of 2 Pages



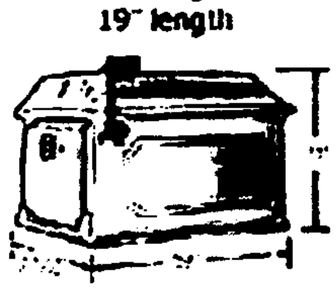
Product Specifications

Williamsburg Mail Box

Brand:	**Williamsburg**
Stock Number:	5823B
Base Diameter:	9 - 13/16"
Height:	66"
Pole Finish:	Powder Coat
Mail Box Dimensions:	O.D. 7-1/2" wide x 16" long x 10" high
Mail Box Material:	Cast Aluminum
Colors:	Black , White, Verde (Dark Green)
Mount Style:	Ground Burial

Diagrams

Williamsburg
Mail Box #23
7 1/2" wide
11" height
19" length



Double Mount
Posts Available

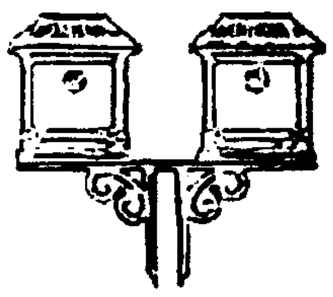


EXHIBIT " A "
Page 2 of 2 Pages

Document # 00019376

CLERK'S NOTICE: ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

STATE OF TEXAS
COUNTY OF BELL

I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the Official Records of Bell County, Texas.

Shelley Coston, County Clerk
Bell County, TEXAS

Document Number: 00019376

Amount: 26.00

Receipt Number: 10707

Recorded: May 02,2007 at 03:49P

By,
Janice Waggy, Deputy

Doc# 00029023

BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC.

Policy Manual

I, certify that I am duly elected, qualified and acting as the President of the Belton High Crest Property Owners' Association, Inc., a Texas non-profit corporation (the Association) and this is a true and correct copy of the current Belton High Crest Property Owners' Association, Inc. **POLICY MANUAL** that was adopted by the Board of Directors of the Association.

V. W. Barge, III, President — 6-15-15 Date

IN WITNESS WHEREOF, the undersigned has executed this certificate on the 15th day of June, 2015 by V.W. Barge, III, President of the Belton High Crest Property Owners' Association, Inc., a Texas non-profit corporation, on behalf of said corporation.

[SEAL]

LU ANN POPELKA
Notary Public - State of Texas
Commission Expires: 09/15/18

Notary Public Signature

This document is cross referenced to Declaration of Conditions and Restrictions of Belton High Crest Property Owners' Association, Inc., and can be found the deed records of Bell County, Texas: Vol. 4524 Pg. 183, Vol. 4524 Pg. 189, Vol. 4524 Pg. 198, Vol. 4524 Pg. 222, Vol. 5257 Pg. 520, Vol. 5257 Pg. 525, Vol. 5521 Pg. 279, Vol. 6192 Pg. 112, Vol. 6192 Pg. 125, Vol. 00001929, 00033287, 00008797, Official Public Records of Bell County, Texas as amended.

In the event of any conflicts between the terms and provisions of the Restrictions (set out above) or any polices adopted by the Board prior to the effective date of this instrument, the terms and provisions of this instrument shall control.

BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC.
POLICY MANUAL

TABLE OF CONTENTS

PART I BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC.
SOLAR ENERGY DEVICE POLICY
ENERGY EFFICIENT ROOFING POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Declaration of Covenants, Conditions and Restrictions for High Crest, a Subdivision in Bell County, Texas recorded: Vol. 4524 Pg. 183, Vol. 4524 Pg. 189, Vol. 4524 Pg. 198, Vol. 4524 Pg. 222, Vol. 5257 Pg. 520, Vol. 5257 Pg. 525, Vol. 5521 Pg. 279, Vol. 6192 Pg. 112, Vol. 6192 Pg. 125, Vol. 00001929, 00033287, 00008797, Official Public Records of Bell County, Texas as amended.

Note: Texas statutes presently render null and void any restriction in the Declaration which prohibits the installation of solar energy devices or energy efficient roofing on a residential lot. The Board and or the Architectural Review Committee (the "ARC"), under the Declaration has adopted this policy in lieu of any express prohibition against solar devices or energy efficient roofing, or any provision regulating such matters which conflict with Texas law as set forth in the Declaration.

- **DEFINITIONS AND GENERAL PROVISIONS**
    - Solar Energy Device Defined: A "Solar Energy Device" means a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar generated energy. The term includes a mechanical or chemical device that has the ability to store solar generated energy for use in heating, cooling or in the production of power.
    - Energy Efficiency Roofing Defined: As used in this policy, "Energy Efficiency Roofing" means shingles that are designed primarily to be wind and hail resistant. They provide heating and cooling efficiencies greater than those provided by customary composite shingles or provide solar generation capabilities.
    - Architectural Review Approval Required: Approval by the Architectural Review Committee (the "ARC"), under the Declaration is required prior to installing a solar energy device or energy efficient roofing. Written application is required which may be obtained via the management company's website. The ARC is not responsible for:
        - Errors in or omissions in the application submitted to the ARC for approval.
        - Supervising installation or construction to confirm compliance with an approved application.
        - The compliance of an approved application with governmental codes and ordinances,

state and federal laws.

- **<u>SOLAR ENERGY DEVICE PROCEDURES AND REQUIREMENTS</u>**

  During any development period under the terms and provisions of the Declaration, the ARC established under the Declaration need not adhere to the terms and provisions of this Solar Energy Device Policy and may approve, deny or further restrict the installation of any solar energy device. A development period continues for so long as the Declarant has reserved the right to facilitate the development, construction, size, shape, composition and marketing of the community.

  - Approval Application: To obtain ARC approval of a solar energy device, the Owner shall provide the ARC with the following information:
    - The proposed installation location of the solar energy device.
    - A description of the solar energy device, including the dimensions, manufacturer and photograph or other accurate depiction.
    - A solar application may only be submitted by an Owner unless the Owner's tenant provides written confirmation at the time of submission that the Owner consents to the solar application.

  - Approval Process: The decision of the ARC will be made within a reasonable time or within the time period otherwise required by the principal deed restrictions which govern the review and approval of improvements. The ARC will approve a solar energy device if the solar application complies with Article VIII below UNLESS the ARC makes a written determination that placement of the solar energy device, despite compliance with Section Article VIII, will create a condition that substantially interferes with the use and enjoyment of the property within the community by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. The ARC's right to make a written determination in accordance with the foregoing sentence is negated if all Owners of property immediately adjacent to the Owner/applicant provide written approval of the proposed placement. Notwithstanding the foregoing provision, a solar application submitted to install a solar energy device on property <u>owned or maintained</u> by the Association or property owned in common by members of the Association <u>will not</u> be approved despite compliance with Section Article VIII. Any proposal to install a solar energy device on property <u>owned or maintained</u> by the Association or property owned in common by members of the Association must be approved in advance and in writing by the Board, and the Board need not adhere to this policy when considering any such request.

  Each Owner is advised that if the solar application is approved by the ARC, installation of the solar energy device must:

- Strictly comply with the solar application
- Commence within thirty (30) days of approval
- Be diligently prosecuted to completion

If the Owner fails to cause the solar energy device to be installed in accordance with the approved solar application, the ARC may require the Owner to:

- Modify the solar application to accurately reflect the solar energy device installed on the property
- Remove the solar energy device and reinstall the device in accordance with the approved solar application.

Failure to install a solar energy device in accordance with the approved solar application or an Owner's failure to comply with the post-approval requirements constitutes a violation of this policy and may subject the Owner to fines and penalties. Any requirement imposed by the ARC to resubmit a solar application or remove and relocate a solar energy device in accordance with the approved solar application shall be a the Owner's sole cost and expense.

- Approval Conditions: Unless otherwise approved in advance and in writing by the ARC, each solar application and each solar energy device to be installed in accordance therewith must comply with the following:
  - The solar energy device must be located on the roof of the residence located on the Owner's lot, entirely within a fenced area of the Owner's lot, or entirely within a fenced patio located on the Owner's lot.
  - If the solar energy device will be located on the roof of the residence, the ARC may designate the location for placement unless the location proposed by the Owner increases the estimated annual energy production of the solar energy device, as determined by using a publicly available modeling tool provided by the National Renewable Energy Laboratory, by more than ten percent (10%), above the energy production of the solar energy device if installed in the location designated by the ARC. If the Owner desires to contest the alternate location proposed by the ARC, the Owner should submit information to the ARC which demonstrates that the Owner's proposed location meets the foregoing criteria.
  - The solar energy device may not extend higher than or beyond the roofline.
  - The solar energy device must conform to the slope of the roof and the top edge of the

solar device must be parallel to the roofline.

- The frame, support brackets, visible piping or wiring associated with the solar energy device must be silver, bronze or black.
- If the solar energy device will be located in the fenced area of the Owner's lot or patio, no portion of the solar energy device may extend above the fence line.

- **ENERGY EFFICIENT ROOFING**

The ARC will not prohibit an Owner from installing energy efficient roofing provided that the energy efficient roofing shingles:

- Resemble the shingles used or otherwise authorized for use within the community.
- Are more durable than, and are of equal or superior quality to the shingles used or otherwise authorized for use within the community.
- Match the aesthetics of adjacent property.

An owner who desires to install energy efficient roofing will be required to comply with the architectural review and approval procedures set forth in the Declaration. In conjunction with any such approval process, the Owner should submit information which will enable the ARC to confirm the criteria set forth in the previous paragraph.

PART II BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC. RAINWATER HARVESTING SYSTEM POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Declaration of Covenants, Conditions and Restrictions for High Crest, a Subdivision in Bell County, Texas recorded: Vol. 4524 Pg. 183, Vol. 4524 Pg. 189, Vol. 4524 Pg. 198, Vol. 4524 Pg. 222, Vol. 5257 Pg. 520, Vol. 5257 Pg. 525, Vol. 5521 Pg. 279, Vol. 6192 Pg. 112, Vol. 6192 Pg. 125, Vol. 00001929, 00033287, 00008797, Official Public Records of Bell County, Texas as amended.

Note: Texas statutes presently render null and void any restriction in the Declaration which prohibits the installation of rain barrels or a rainwater harvesting system on a residential lot. The Board and or the Architectural Review Committee (the "ARC"), under the Declaration has adopted this policy in lieu of any express prohibition against rain barrels or rainwater harvesting systems, or any provision regulating such matters which conflict with Texas law as set forth in the

Declaration.

- **ARCHITECTURAL REVIEW APPROVAL**

    - Approval Required: Approval by the ARC is required prior to installing rain barrels or rainwater harvesting system on a residential lot. The ARC is not responsible for:

        - Errors in or omissions in the application submitted to the ARC for approval.

        - Supervising installation or construction to confirm compliance with an approved application.

        - The compliance of an approved application with governmental codes and ordinances, state and federal laws.

- **RAINWATER HARVESTING SYSTEM PRODCEDURES AND REQUIREMENTS**

    - Approval Application: To obtain ARC approval of a rainwater harvesting system, the Owner shall provide the ARC with the following information:

        - The proposed installation location of the rainwater harvesting system.

        - A description of the rainwater harvesting system, including the color, dimensions, manufacturer and photograph or other accurate depiction.

        - A rain system application may only be submitted by an Owner unless the Owner's tenant provides written confirmation at the time of submission that the Owner consents to the rain system application.

    - Approval Process: The decision of the ARC will be made within a reasonable time, or within the time period otherwise required by the principal deed restrictions which govern the review and approval of improvements. A rain system application submitted to install a rainwater harvesting system on property owned or maintained by the Association or property owned or maintained in common by members of the Association will not be approved. Any proposal to install a rainwater harvesting system on property owned or maintained by the Association or property owned or maintained in common by members of the Association must be approved in advance and in writing by the Board and the Board need not adhere to this policy when considering any such request.

    Each Owner is advised that if the rain system application is approved by the ARC, installation of the rainwater harvesting system must:

        - Strictly comply with the rain system application.

        - Commence within thirty (30) days of approval.

- Be diligent to completion.

If the Owner fails to cause the rain system application to be installed in accordance with the approved rain system application, the ARC may require the Owner to:

- Modify the rain system application to accurately reflect the rain system device installed on the property.
- Remove the rain system device and reinstall the device in accordance with the approved rain system application.

Failure to install a rain system device in accordance with the approved rain system application or an Owner's failure to comply with the post-approval requirements constitutes a violation of this policy and may subject the Owner to fines and penalties. Any requirement imposed by the ARC to resubmit a rain system application or remove and relocate a rain system device in accordance with the approved rain system shall be at the Owner's sole cost and expense.

- Approval Conditions: Unless otherwise approved in advance and in writing by the ARC, each rain system application and each rain system device to be installed in accordance therewith must comply with the following:
  - The rain system device must be consistent with the color scheme of the residence constructed on the Owner's lot, as reasonably determined by the ARC.
  - The rain system device does not include any language or other content that is not typically displayed on such a device.
  - The rain system device is in no event located between the front of the residence constructed on the Owner's lot and any adjoining or adjacent street.
  - There is sufficient area on the Owner's lot to install the rain system device, as reasonably determined by the ARC.
  - If the rain system device will be installed on or within the side yard of a lot, or would otherwise be visible from a street, common area, or another Owner's property, the ARC may regulate the size, type, shielding of and materials used in the construction of the rain system device.
- Guidelines for Certain Rain System Devices: If the rain system device will be installed on or within the side yard of a lot, or would otherwise be visible from a street, common area, or another Owner's property, the ARC may regulate the size, type, shielding of and materials used in the construction of the rain system device. Accordingly, when submitting a rain device application, the application should describe methods proposed by the Owner to shield the rain system device from the view of any street, common area, or another Owner's property. When reviewing a rain system application for a rain system device that will be installed on or within the side yard of a lot, or would otherwise be visible from a street, common area, or another Owner's property, any additional regulations imposed by the ARC to regulate the size, type,

shielding of and materials used in the construction of the rain system device, may not prohibit the economic installation of the rain system device, as reasonably determined by the ARC.

PART III BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC.
FLAG DISPLAY AND FLAGPOLE INSTALLATION POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Declaration of Covenants, Conditions and Restrictions for High Crest, a Subdivision in Bell County, Texas recorded: Vol. 4524 Pg. 183, Vol. 4524 Pg. 189, Vol. 4524 Pg. 198, Vol. 4524 Pg. 222, Vol. 5257 Pg. 520, Vol. 5257 Pg. 525, Vol. 5521 Pg. 279, Vol. 6192 Pg. 112, Vol. 6192 Pg. 125, Vol. 00001929, 00033287, 00008797, Official Public Records of Bell County, Texas as amended.

Note: Texas statutes presently render null and void any restriction in the Declaration which restricts or prohibits the display of certain flags or the installation of certain flagpoles on a residential lot in violation of the controlling provisions of Section 202.011 of the Texas Property Code or any Federal or other applicable State law. The Board and or the Architectural Review Committee (the "ARC"), under the Declaration has adopted this policy in lieu of any express prohibition against certain flags and flagpoles, or any provision regulating such matters which conflict with Texas law as set forth in the Declaration.

- **ARCHITECTURAL REVIEW APPROVAL**
    - Approval Not Required: In accordance with the general guidelines set forth in this policy, an Owner is permitted to display the flag of the United States of America, the official flag of any US state or territory, an official or replica flag of any branch of the United States Military, or one (1) flag with official insignia of a college or university ("permitted flag"), and permitted to install a flagpole no more than five feet (5') in length affixed to the front of a residence near the principal entry or affixed to the rear of a residence ("permitted flagpole"). Only two (2) permitted flagpoles are allowed per residence. A permitted flag or permitted flagpole need not be approved in advance by the ARC under the declaration. All seasonal flags less than five feet (5') in length are not subject to approval.
    - Approval Required: Approval by the ARC is required prior to installing vertical freestanding flagpoles installed in the front or back yard area of any residential lot ("freestanding flagpole"). The ARC is not responsible for:
        - Errors in or omissions in the application submitted to the ARC for approval.
        - Supervising installation or construction to confirm compliance with an approved

application.

- The compliance of an approved application with governmental codes and ordinances, state and federal laws.

- **PROCEDURES AND REQUIREMENTS**

  - Approval Application: To obtain ARC approval of any freestanding flagpole, the Owner shall provide the ARC with the following information:

    - The location of the flagpole to be installed on the property.

    - The type of flagpole to be installed.

    - The dimensions of the flagpole.

    - The proposed materials of the flagpole.

    - A Flagpole application may only be submitted by an Owner unless the Owner's tenant provides written confirmation at the time of submission that the Owner consents to the flagpole application.

  - Approval Process: The decision of the ARC will be made within a reasonable time, or within the time period otherwise required by the principal deed restrictions which govern the review and approval of improvements. A flagpole application submitted to install a freestanding flagpole on property owned or maintained by the Association or property owned in common by members of the Association will not be approved. Any proposal to install a freestanding flagpole on property owned or maintained by the Association or property owned in common by members of the Association must be approved in advance and in writing by the Board, and the Board need not adhere to this policy when considering any such request.

    Each Owner is advised that if the flagpole application is approved by the ARC, installation of the freestanding flagpole must:

    - Strictly comply with the flagpole application.

    - Commence within thirty (30) days of approval.

    - Be diligent to completion.

    If the Owner fails to cause the freestanding flagpole to be installed in accordance with the approved flagpole application, the ARC may require the Owner to:

    - Modify the flagpole application to accurately reflect the freestanding flagpole installed on the property.

    - Remove the freestanding flagpole and reinstall the flagpole in accordance with the approved flagpole application.

Failure to install a freestanding flagpole in accordance with the approved flagpole application or an Owner's failure to comply with the post-approval requirements constitutes a violation of this policy and may subject the Owner to fines and penalties. Any requirement imposed by the ARC to resubmit a flagpole application or remove and relocate a freestanding flagpole in accordance with the approved flagpole application shall be at the Owner's sole cost and expense.

- Installation, Display and Approval Conditions: Unless otherwise approved in advance and in writing by the ARC, permitted flags, permitted flagpoles and freestanding flagpoles, installed in accordance with the flagpole application, must comply with the following:

    - No more than one (1) freestanding flagpole or no more than two (2) permitted flagpoles are permitted per residential lot, on which only permitted flags may be displayed.

    - Any permitted flagpole must be no longer than five feet (5') in length and any free standing flagpole must be no more than twenty feet (20') in height.

    - Any permitted flag displayed on any flagpole may not be more than three feet in height by five feet in width (3'x5').

    - With the exception of flags displayed on common area owned and/or maintained by the Association and any lot which is being used for marketing purposes by a builder, the flag of the United States of America must be displayed in accordance with 4 U.S.C. Sections 5-10 and the flag of the State of Texas must be displayed in accordance with Chapter 3100 of the Texas Government Code.

    - The display of a flag, or the location and construction of the flagpole must comply with all applicable zoning ordinances, easements and setbacks of record.

    - Any flagpole must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the flagpole and harmonious with the dwelling.

    - A flag or a flagpole must be maintained in good condition and any deteriorated flag or deteriorated or structurally unsafe flagpole must be repaired, replaced or removed.

    - Any flag may be illuminated by no more than one (1) halogen landscaping light of low beam intensity which shall not be aimed towards or directly affect any neighboring property.

    - Any external halyard of a flagpole must be secured so as to reduce or eliminate noise from flapping against the metal of the flagpole.

PART IV BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC.
DISPLAY OF CERTAIN RELIGIOUS ITEMS POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Declaration of Covenants, Conditions and Restrictions for High Crest, a Subdivision in Bell County, Texas recorded: Vol. 4524 Pg. 183, Vol. 4524 Pg. 189, Vol. 4524 Pg. 198, Vol. 4524 Pg. 222, Vol. 5257 Pg. 520, Vol. 5257 Pg. 525, Vol. 5521 Pg. 279, Vol. 6192 Pg. 112, Vol. 6192 Pg. 125, Vol. 00001929, 00033287, 00008797, Official Public Records of Bell County, Texas as amended.

- **DISPLAY OF CERTAIN RELIGIOUS ITEMS PERMITTED**

  An Owner or resident is permitted to display or affix to the entry of the Owner's or resident's dwelling one or more religious items, the display of which is motivated by the Owner's or resident's sincere religious belief. This Policy outlines the standards which shall apply with respect to the display or affixing of certain religious items on the entry to the Owner's or resident's dwelling.

- **GENERAL GUIDELINES**

  Religious items may be displayed or affixed to an Owner or resident's entry door or door frame of the Owner or resident's dwelling; provided, however, that individually or in combination with each other, the total size of the display is no greater than twenty-five square inches (5" x 5" = 25 square inches).

- **PROHIBITIONS**

  - No religious item may be displayed or affixed to an Owner or resident's dwelling that:
    - Threatens the public health or safety.
    - Violates applicable law.
    - Contains language, graphics or any display that is patently offensive.

  - Nothing in this Policy may be construed in any manner to authorize an Owner or resident to use a material or color for an entry door or door frame of the Owner or resident's dwelling or make an alteration to the entry door or door frame that is not otherwise permitted pursuant to the Association's governing documents.

- **REMOVAL**

The Association may remove any item which is in violation of the terms and provisions of this Policy.

PART V BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC. FINE AND ENFORCEMENT POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Declaration of Covenants, Conditions and Restrictions for High Crest, a Subdivision in Bell County, Texas recorded: Vol. 4524 Pg. 183, Vol. 4524 Pg. 189, Vol. 4524 Pg. 198, Vol. 4524 Pg. 222, Vol. 5257 Pg. 520, Vol. 5257 Pg. 525, Vol. 5521 Pg. 279, Vol. 6192 Pg. 112, Vol. 6192 Pg. 125, Vol. 00001929, 00033287, 00008797, Official Public Records of Bell County, Texas as amended.

- **BACKGROUND**

High Crest is subject to that certain Declaration of Covenants, Conditions and Restrictions for High Crest, a Subdivision in Bell County, Texas recorded: Vol. 4524 Pg. 183, Vol. 4524 Pg. 189, Vol. 4524 Pg. 198, Vol. 4524 Pg. 222, Vol. 5257 Pg. 520, Vol. 5257 Pg. 525, Vol. 5521 Pg. 279, Vol. 6192 Pg. 112, Vol. 6192 Pg. 125, Vol. 00001929, 00033287, 00008797, Official Public Records of Bell County, Texas, as amended and supplemented thereto ("Declaration"). In accordance with the Declaration, Belton High Crest Property Owners' Association, Inc., a Texas non-profit corporation (the "Association"), was created to administer the terms and provisions of the Declaration. Unless the Declaration or applicable law expressly provides otherwise, the Association acts through a majority of its Board of Directors (the "Board"). The Association is empowered to enforce the covenants, conditions and restrictions of the Declaration, Bylaws and any rules and regulations of the Association (collectively, the "Restrictions"), including the obligation of Owners to pay assessments pursuant to the terms and provisions of the Declaration and the obligations of the Owners to compensate the Association for costs incurred by the Association for enforcing violations of the Restrictions.

The Board hereby adopts this Fine and Enforcement Policy to establish equitable policies and procedures for the levy of fines within the Association in compliance with the Chapter 209 of the Texas Property Code, titled the "Texas Residential Property Owners Protection Act", as it may be amended (the "Act"). To the extent any provision within this policy is in conflict the Act or any other applicable law, such provision shall be modified to comply with the applicable law.

- Policy: The Association uses fines to discourage violations of the Restrictions and to encourage compliance when a violation occurs, not to punish violators or generate revenue for the Association. Although a fine may be an effective and efficient remedy for certain types of

violations or violators, it is only one of several methods available to the Association for enforcing the Restrictions. The Association's use of fines does not interfere with its exercise of other rights and remedies for the same violation.

- Owner's Liability: An Owner is liable for fines levied by the Association for violations of the Restrictions by the Owner and the relatives, guests, employees and agents of the Owner and residents regardless of who commits the violation, the Association may direct all communications regarding the violation to the Owner.

- Amount: The Association may set fine amounts on a case by case basis, provided the fine is reasonable in light of the nature, frequency and effects of the violation. The Association may establish a schedule of fines for certain types of violations. The amount and cumulative total of a fine must be reasonable in comparison to the violation and should be uniform for similar violations of the same provision of the Restrictions. If the Association allows fines to accumulate, the Association may establish a maximum amount for a particular fine, at which point the total fine will be capped.

- Violation Notice: Before levying a fine, the Association will give the Owner a written violation notice and an opportunity to be heard. This requirement may not be waived. The Association's written violation notice will contain the following items:

    - The date the violation notice is prepared or mailed.

    - A description of the violation.

    - A reference to the rule or provision that is being violated.

    - A description of the action required to cure the violation.

    - The time frame in which the violation is required to be cured.

    - The amount of the fine.

    - A statement that not later than the thirtieth (30^{th}) day after the date of the violation notice, the Owner may request a hearing before the Board to contest the violation.

- The date the fine attaches or begins accruing subject to the following:

    - New Violation: If the Owner has not been given notice and a reasonable opportunity to cure the same or similar violation within the preceding six (6) months, the notice will state a specific time frame by which the violation must be cured to avoid the fine. The notice must state that any future violation of the same rule may result in the levy of a fine.

    - Repeat Violation: In the case of a repeat of the same or similar violation of which the Owner was previously notified and the violation was cured within the preceding six (6) month time period, the notice will state that because the Owner was given notice and a reasonable opportunity to cure the same or

similar violation but the violation has occurred again, the fine attaches from the date of the expiration of the cure period in the violation notice.

- Continuous Violation: If an Owner has been notified of either a new violation or a repeat violation in the manner and for the fine amounts as set forth in the schedule of fines below and the Owner has <u>never</u> cured the violation in response to either the notices or the fines, in its sole discretion, the Board may determine that such a circumstance is a continuous violation which warrants a levy of a fine based upon a daily, monthly, or quarterly amount as determined by the Board. The fine shall begin accruing upon the expiration of the cure period in the violation notice informing the Owner of the Board's decision and amount of fine and the Owner's failure and/or refusal to cure as requested.

- Violation Hearing: An Owner may request in writing a hearing before the Board to contest the fine. To request a hearing before the Board, the Owner must submit a written request to the Association's manager (or the Board if there is no manager), within thirty (30) days after the date of the violation notice. Within fifteen (15) days after the Owner's request for a hearing, the Association will give the Owner at least fifteen (15) days advance notice of the date, time and place of the hearing. The hearing will be scheduled to provide a reasonable opportunity for both the Board and the Owner to attend. Pending the hearing, the Association may continue to exercise its other rights and remedies for the violation, as if the declared violation were valid. The Owner's request for a hearing suspends only the levy of a fine. The hearing will be held in a closed or executive session of the Board. At the hearing, the Board will consider the facts and circumstances surrounding the violation. The Owner may attend the hearing in person, or may be represented by another person or written communication. If an Owner intends to make an audio recording of the hearing, such Owner's request for hearing shall include a statement noticing the Owner's intent to make an audio recording of the hearing, otherwise, no audio or video recording of the hearing may be made, unless otherwise approved by the Board. The minutes of the hearing must contain a statement of the results of the hearing and the fine, if any imposed. A copy of the violation notice and request for hearing should be placed in the minutes of the hearing. If the Owner appears at the meeting, the notice requirements will be deemed satisfied. Unless otherwise agreed by the Board, each hearing shall be conducted in accordance with the agenda attached hereto as Exhibit A.

- Levy of Fine: Within thirty (30) days after levying the fine, the Board must give the Owner notice of the levied fine. If the fine is levied at the hearing at which the Owner is actually present, the notice requirement will be satisfied if the Board announces its decision to the Owner at the hearing. Otherwise, the notice must be in writing. In addition to the initial levy notice, the Association will give the Owner periodic written notices of an accruing fine or the application of an Owner's payments to reduce the fine. The periodic notices may be in the form of monthly statements or delinquency notices.

- Collection of Fines: The Association is not entitled to collect a fine from an Owner to whom it has not given notice and an opportunity to be heard. The Association may not foreclose its assessment lien on a debt consisting solely of fines. The Association may not charge interest

or late fees for unpaid fines.

- Amendment of Policy: This policy may be revoked or amended from time to time by the Board. This policy will remain effective until the Association records an amendment to this policy in the county's official public records. The notice may be published and distributed in an Association newsletter or other community wide publication.

- **FINES**

The Board has adopted a general schedule of fines. The number of notices set forth does not mean that the Board is required to provide each notice prior to exercising additional remedies as set forth in the Restrictions. The Board may elect to pursue such additional remedies at any time in accordance with applicable law. The Board also reserves the right to set fine amounts on a case by case basis, provided the fine is reasonable in light of the nature, frequency and effect of the violation.

- **SCHEDULE OF FINES**

New Violation	**Fine Amount**
1st Notice	Warning
2nd Notice	$100.00 plus $25/day
3rd Notice	$200.00 plus $25/day
4th Notice	$300.00 plus $25/day
Each Subsequent Notice	$400.00 plus $25/day

(Ten [10] day maximum per notice)

Repeat Violation	**Fine Amount**
1st Notice	$100.00 plus $25/day
2nd Notice	$200.00 plus $25/day
3rd Notice	$300.00 plus $25/day
4th Notice	$400.00 plus $25/day
Each Subsequent Notice	$500.00 plus $25/day

(Ten [10] day maximum per notice)

Continuous Violation	**Fine Amount**
Final Notice	Amount TBD

PART VI BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC. HEARING BEFORE THE BOARD POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Declaration of Covenants, Conditions and Restrictions for High Crest, a Subdivision in Bell County, Texas recorded: Vol. 4524 Pg. 183, Vol. 4524 Pg. 189, Vol. 4524 Pg. 198, Vol. 4524 Pg. 222, Vol. 5257 Pg. 520, Vol. 5257 Pg. 525, Vol. 5521 Pg. 279, Vol. 6192 Pg. 112, Vol. 6192 Pg. 125, Vol. 00001929, 00033287, 00008797, Official Public Records of Bell County, Texas as amended.

Note: An individual will act as the presiding Hearing Officer. The Hearing Officer will provide introductory remarks and administer the hearing agenda.

- **INTRODUCTION**
  - Hearing Officer: The Board has convened for the purpose of hearing an appeal by_____ from the penalties imposed by the Association for a violation(s) of the Restrictions. The hearing is being conducted as required by Section 209.007 (a) of the Texas Property Code and is an opportunity for the appealing party to discuss, verify facts, and resolve the matter at issue. The Board would like to resolve the dispute at this hearing. However, the Board may elect to take the appeal under advisement and conclude the hearing. If the matter is taken under advisement, a final decision will be communicated in writing within fifteen (15) days.

- **PRESENTATION OF FACTS**
  - Hearing Officer: This portion of the hearing is to permit a representative of the Association the opportunity to describe the violation and to present photographs or other material relevant to the violation, fines or penalties. After the Association's representative has finished his presentation, the Owner or its representative will be given the opportunity to present photographs or other material relevant to the violation, fines or penalties. The Board may ask questions during either party's presentation. It is requested that questions by the appealing party be held until completion of the presentation by the Association's representative.

    [Presentations]

- **DISCUSSION**
  - Hearing Officer: This portion of the hearing is to permit the Board and the Owner to discuss factual disputes relevant to the violation. Discussion regarding any fine or penalty is also appropriate. Discussion should be productive and designed to seek, if possible, an acceptable resolution of the dispute. The Hearing Officer retains the right to conclude this portion of the

hearing at any time.

- **RESOLUTION**

    - Hearing Officer: This portion of the hearing is to permit discussion between the Board and the appealing party regarding the final terms of the settlement if a resolution was agreed upon during the discussion phase of the hearing.

    - If no settlement was agreed upon, the Hearing Officer may:

        - Request that the Board enter into executive session to discuss the matter.

        - Request that the Board take the matter under advisement and adjourn the hearing.

        - Adjourn the hearing.

PART VII BELTON HIGH CREST PROPERTY OWNERS' ASSOCATION, INC. ASSESSMENT AND COLLECTION POLICY

High Crest is a community (the "Community") created by and subject to the Declaration of Covenants, Conditions and Restrictions for High Crest recorded: Vol. 4524 Pg. 183, Vol. 4524 Pg. 189, Vol. 4524 Pg. 198, Vol. 4524 Pg. 222, Vol. 5257 Pg. 520, Vol. 5257 Pg. 525, Vol. 5521 Pg. 279, Vol. 6192 Pg. 112, Vol. 6192 Pg. 125, Vol. 00001929, 00033287, 00008797, Official Public Records of Bell County, Texas, and any amendments or supplements thereto ("Declaration"). The operation of the Community is vested in Belton High Crest Property Owners' Association, Inc., (the "Association"), acting through its board of directors (the "Board"). The Association is empowered to enforce the covenants, conditions and restrictions of the Declaration, the Bylaws and rules of the Association (collectively, the "Restrictions"), including the obligation of Owners to pay Assessments pursuant to the terms and provisions of the Declaration.

The Board hereby adopts this Assessment Collection Policy to establish equitable policies and procedures for the collection of Assessment levied pursuant to the Restrictions. Terms used in this policy but not defined shall have the meaning subscribed to such term in the Restrictions.

- **DELIQUENCIES, LATE CHARGES & INTEREST**

    - Due Date: An Owner will timely and fully pay Assessments. Regular Assessments are assessed annually and are due and payable on the first calendar day of the month at the

beginning of the fiscal year, or in such other manner as the Board may designate in its sole and absolute discretion.

- Delinquent: Any Assessment that is not fully paid when due is delinquent. When the account of an Owner becomes delinquent, it remains delinquent until paid in full—including collection costs, interest and late fees.

- Late Fees & Interest: If the Association does not receive full payment of an Assessment by 5:00 p.m. after the due date established by the Board, the Association may levy a late fee of $25 per month and/or interest at the highest rate allowed by applicable usury laws then in effect on the amount of the Assessment from the due date therefore (or if there is no such highest rate, then at the rate of 6% per annum) until paid in full.

- Liability for Collection Costs: The defaulting Owner is liable to the Association for the cost of title reports, credit reports, certified mail, long distance calls, court costs, filing fees, and other reasonable costs and attorney's fees incurred by the Association in collecting the delinquency.

- Insufficient Funds: The Association may levy a charge of $35 for any check returned to the Association marked "not sufficient funds" or the equivalent.

- Waiver: Properly levied collection costs, late fees, and interest may only be waived by a majority of the Board.

- **INSTALLMENTS & ACCELERATION**

If an Assessment, other than a Regular Assessment, is payable in installments, and if an Owner defaults in the payment of any installment, the Association may declare the entire Assessment in default and accelerate the due date on all remaining installments of the Assessment. An Assessment, other than a Regular Assessment, payable in installments may be accelerated only after the Association gives the Owner at least fifteen (15) days prior notice of the default and the Association's intent to accelerate the unpaid balance if the default is not timely cured. Following acceleration of the indebtedness, the Association has no duty to reinstate the installment program upon partial payment by the Owner.

- **PAYMENTS**

- Application of Payments: After the Association notifies the Owner of a delinquency and the Owner's liability for late fees or interest, and collection costs, any payment received by the Association shall be applied in the following order, starting with the oldest charge in each category, until that category is fully paid, regardless of the amount of payment, notations on

checks, and the date the obligations arose:

- Delinquent assessments
- Current assessments
- Attorney fees and costs associated with delinquent assessments
- Other attorney's fees
- Fines
- Any other amount

- Payment Plans. The Association shall offer a payment plan to a delinquent Owner with a minimum term of at least three (3) months and a maximum term of eighteen (18) months from the date the payment plan is requested for which the Owner may be charged reasonable administrative costs and interest. The Association will determine the actual term of each payment plan offered to an Owner. An Owner is not entitled to a payment plan if the Owner has defaulted on a previous payment plan in the last two (2) years. If an Owner is in default at the time the Owner submits a payment, the Association is not required to follow the application of payments schedule set forth in paragraph C-1.

- Form of Payment: The Association may require that payment of delinquent Assessments be made only in the form of cash, cashier's check, or certified funds.

- Partial and Conditioned Payment: The Association may refuse to accept partial payment (i.e., less than the full amount due and payable) and payments to which the payer attaches conditions or directions contrary to the Board's policy for applying payments. The Association's endorsement and deposit of a payment does not constitute acceptance. Instead, acceptance by the Association occurs when the Association posts the payment to the Owner's account. If the Association does not accept the payment at that time, it will promptly refund the payment to the payer. A payment that is not refunded to the payer within thirty (30) days after being deposited by the Association may be deemed accepted as to payment, but not as to words of limitation or instruction accompanying the payment. The acceptance by the Association of partial payment of delinquent Assessments does not waive the Association's right to pursue or to continue pursuing its remedies for payment in full of all outstanding obligations.

- Notice of Payment: If the Association receives full payment of the delinquency after recording a notice of lien, the Association will cause a release of notice of lien to be publicly recorded, a copy of which will be sent to the Owner. The Association may require the Owner to prepay the cost of preparing and recording the release.

- Correction of Credit Report: If the Association receives full payment of the delinquency after reporting the defaulting Owner to a credit reporting service, the Association will report receipt of payment to the credit reporting service.

- **LIABILITY FOR COLLECTION COSTS**

  The defaulting Owner may be liable to the Association for the cost of title reports, credit reports, certified mail, long distance calls, filing fees, and other reasonable costs and attorney's fees incurred in the collection of the delinquency.

- **COLLECTION PROCEDURES**

  - Delegation of Collection Procedures: From time to time, the Association may delegate some or all of the collection procedures, as the Board in its sole discretion deems appropriate, to the Association's managing agent, an attorney, or a debt collector.

  - Delinquency Notices: If the Association has not received full payment of an Assessment by the due date, the Association may send written notice of non-payment to the defaulting Owner, by hand delivery, first class mail, and/or by certified mail, stating the amount delinquent. The Association's delinquency-related correspondence may state that if full payment is not timely received, the Association may pursue any or all of the Association's remedies, at the sole cost and expense of the defaulting Owner.

  - Verification of Owner Information: The Association may obtain a title report to determine the names of the Owners and the identity of other lien-holders, including the mortgage company.

  - Collection Agency: The Board may employ or assign the debt to one or more collection agencies.

  - Notification of Mortgage Lender: The Association may notify the mortgage lender of the default obligations.

  - Notification of Credit Bureau: The Association may report the defaulting Owner to one or more credit reporting services.

  - Collection by Attorney: If the Owner's account remains delinquent for a period of ninety (90) days, the manager of the Association or the Board of the Association shall refer the delinquent account to the Association's attorney for collection. In the event an account is referred to the Association's attorney, the Owner will be liable to the Association for its legal fees and expenses. Upon referral of a delinquent account to the Association's attorney, the Association's attorney will provide the following notices and take the following actions unless otherwise directed by the Board:

    - Initial Notice: Preparation of the Initial Notice of demand for Payment Letter. If the

account is not paid in full within 30 days (unless such notice has previously been provided by the Association, then

- Lien Notice: Preparation of the Lien Notice of Demand for Payment Letter and record a Notice of Unpaid Assessment Lien. If the account is not paid in full within 30 days, then
- Final Notice: Preparation of the Final Notice of Demand for Payment Letter and Intent to Foreclose and Notice of Intent to Foreclose to Lender. If the account is not paid in full within 30 days, then
- Foreclosure of Lien: Only upon specific approval by a majority of the Board.

- Notice of Lien: The Association's attorney may cause a notice of the Association's Assessment lien against the Owner's home to be publicly recorded. In that event, a copy of the notice will be sent to the defaulting Owner, and may also be sent to the Owner's mortgagee.

  - Cancellation of Debt: If the board deems the debt to be uncollectible, the Board may elect to cancel the debt on the books of the Association, in which case the Association may report the full amount of the forgiven indebtedness to the Internal Revenue Service as income to the defaulting Owner.

  - Suspension of Use of Certain Facilities or Services: The Board may suspend the use of the Common Area amenities by an Owner, or his tenant whose account with the Association is delinquent for at least thirty (30) days.

- **GENERAL PROVISIONS**

  - Independent Judgment: Notwithstanding the content of this detailed policy, the officers, directors, manager, and attorney of the Association may exercise their independent, collective, and respective judgment in applying this policy.

  - Other Rights: This policy is in addition to and does not detract from the rights of the Association to collect Assessments under the Association's Restrictions and the laws of the State of Texas.

  - Limitations of Interest: The Association, and its officers, directors, managers, and attorneys, intend to conform strictly to the applicable usury laws of the State of Texas. Notwithstanding anything to the contrary in the Restrictions or any other document or agreement executed or made in connection with this policy, the Association will not in any event be entitled to receive or collect, as interest, a sum greater than the maximum amount permitted by applicable law. If from any circumstances whatsoever, the Association ever receives, collects, or applies as interest a sum in excess of the maximum rate permitted by law, the excess amount will be applied to the reduction of unpaid Assessments, or reimbursed to the Owner if those Assessments are paid in full.

- Notices: Unless the Restrictions, applicable law, or this policy provide otherwise, any notice *or*

- Delivery: Delivered to the Owner upon depositing same with the U.S. Postal Service, addressed to the Owner at the most recent address shown on the Association's records, or on personal delivery to the Owner. If the Association's records show that an Owner's property is owned by two (2) or more persons, notice to one co-Owner is deemed notice to all co-Owners. Similarly, notice to one resident is deemed notice to all residents. Written communications to the Association, pursuant to this policy, will be deemed given on actual receipt by the Association's president, secretary, managing agent, or attorney.

- Amendment of Policy: This policy may be amended from time to time by the Board.

PART VIII BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC. RECORDS INSPECTION, COPYING AND RETENTION POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Declaration of Covenants, Conditions and Restrictions for High Crest, a Subdivision in Bell County, Texas recorded: Vol. 4524 Pg. 183, Vol. 4524 Pg. 189, Vol. 4524 Pg. 198, Vol. 4524 Pg. 222, Vol. 5257 Pg. 520, Vol. 5257 Pg. 525, Vol. 5521 Pg. 279, Vol. 6192 Pg. 112, Vol. 6192 Pg. 125, Vol. 00001929, 00033287, 00008797, Official Public Records of Bell County, Texas as amended.

- **WRITTEN FORM**

The Association shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

- Request in Writing: Pay Estimated Costs in Advance: An Owner (or an individual identified as an Owner's agent, attorney or certified public accountant, provided the designation is in writing and delivered to the Association), may submit a written request via certified mail to the Association's mailing address or authorized representative listed in the management certificate to access the Association's records. The written request must include sufficient detail describing the books and records requested and whether the Owner desires to inspect or copy the records. Upon receipt of a written request, the Association may estimate the costs associated with responding to each request, which costs may not exceed the cost allowed pursuant to Texas Administrative Code Section 70.3, as may be amended from time to time (a current copy of which is attached hereto). Before providing the requested records, the Association will require that the Owner remit such estimated amount to the Association. The Association will provide a final invoice to the Owner on or before the thirtieth (30th) business

day after the records are provided by the Association. If the final invoice includes additional amounts due from the requesting party, the additional amounts, if not reimbursed to the Association before the thirtieth (30th) business day after the date the invoice is sent to the Owner, may be added to the Owner's account as an assessment. If the estimated costs exceeded the final invoice amount, the Owner is entitled to a refund and the refund shall be issued to the Owner not later than the thirtieth (30th) business day after the date the final invoice is sent to the Owner.

- Period of Inspection: Within ten (10) business days from receipt of the written request, the Association must either:
    - Provide the copies to the Owner.
    - Provide available inspection dates.
    - Provide written notice that the Association cannot produce the documents within the ten (10), days along with either:
        - Another date within an additional fifteen (15) days on which the records may either be inspected or by which the copies will be sent to the Owner.
        - After a diligent search, the requested records are missing and cannot be located.

- **GENERAL RETENTION INSTRUCTIONS**

"Permanent" means records which are not to be destroyed. Except for contracts with a term of one (1) year or more (see item 4.b. below), a retention period starts on the last day of the year in which the record is created and ends on the last day of the year of the retention period. For example, if a record is created on June 14, 2012, and the retention period is five (5) years, the retention period begins on December 31, 2012 and ends on December 31, 2017. If the retention period for a record has elapsed and the record will be destroyed, the record should be shredded or otherwise safely and completely destroyed. Electronic files should be destroyed to ensure that data cannot be reconstructed from the storage mechanism on which the record resides.

The Association shall keep the following records for at least the time periods stated below:

- Permanent: The Articles of Incorporation or the Certificate of Formation, the Bylaws, the Declaration, any and all other governing documents, guidelines, rules, regulations, policies and all amendments thereto recorded in the property records to be effective against any Owner and/or Member of the Association.
- Four (4) Years: Contracts with a term of more than one (1) year between the Association and a third party. The four (4) year retention term begins upon expiration of the contract term.

- Five (5) Years: Account records of each Owner. Account records include debit and credit entries associated with amounts due and payable by the Owner to the Association and written or electronic records related to the Owner and produced by the Association in the ordinary

- Seven (7) Years: Minutes of all meetings of the Board and the Owners.

- Seven (7) Years: Financial books and records produced in the ordinary course of business, tax returns and audits of the Association.

- Confidential Records: As determined in the discretion of the Board, certain Association records may be kept confidential such as personnel files, Owner account or other personal information (except addresses), unless the Owner requesting the records provides a court order or written authorization from the person whose records are sought.

- Attorney Files: Attorney's files and records relating to the Association (excluding invoices requested by an Owner pursuant to Texas Property Code Section 209.008(d)) are not records of the Association and are not:

    - Subject to inspection by the Owner.

    - Subject to production in a legal proceeding. If a document in an attorney's files and records relating to the Association would be responsive to a legally authorized request to inspect or copy Association documents, the document shall be produced by using the copy from the attorney's files and records if the Association has not maintained a separate copy of the document. The Association is not required under any circumstance to produce a document for inspection or copying that constitutes attorney work product or that is privileged as an attorney-client communication.

- Presence of Board Member or Manager No Removal: At the discretion of the Board or the Association's manager, certain records may only be inspected in the presence of a Board member or employee of the Association's manager. No original records may be removed from the office without the express written consent of the Board.

PART IX BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC.
TEXAS ADMINISTRATIVE CODE
TITLE 1, PART 3, CHAPTER 70
RULE §70.3 CHARGES FOR PROVIDING COPIES OF PUBLIC INFORMATION

- **CHARGES**

The charges in this section to recover costs associated with providing copies of public information are based upon estimated average costs to governmental bodies across the state. When actual costs

are 25% higher than those used in these rules, governmental bodies other than agencies of the state, may request an exemption in accordance with §70.4 of this title (relating to Requesting an Exemption).

- **COPY CHARGE**

  - Standard Paper Copy: The charge for standard paper copies reproduced by means of an office machine copier or a computer printer is $.10 per page or part of a page. Each side that has recorded information is considered a page.

  - Nonstandard Copy: The charges in this subsection are to cover the materials onto which information is copied and do not reflect any additional charges, including labor that may be associated with a particular request. The charges for nonstandard copies are:

    - Diskette - $1.00
    - Magnetic tape – actual cost
    - Data cartridge – actual cost
    - Tape cartridge – actual cost
    - Rewritable CD (CD-RW) - $1.00
    - Non-rewritable CD (CD-R) - $1.00
    - Digital video disc (DVD) – $3.00
    - JAZ drive – actual cost
    - Other electronic media – actual cost
    - VHS video cassette - $2.50
    - Audio cassette - $1.00
    - Oversize paper copy - $.50 (e.g.: 11 inches by 17 inches, greenbar, bluebar, not including maps and photographs using specialty paper – see also §70.9 of this title)
    - Specialty paper – actual cost (e.g.: mylar, blueprint, blueline, map, photographic)

- **LABOR CHARGE FOR PROGRAMMING**

  If a particular request requires the services of a programmer in order to execute an existing program or to create a new program so that requested information may be accessed and copied, the governmental body may charge for the programmer's time.

- The hourly charge for a programmer is $28.30 an hour. Only programming services shall be charged at this hourly rate.
- Governmental bodies that do not have in-house programming capabilities shall comply with requests in accordance with §552.231 of the Texas Government Code.
- If the charge for providing a copy of public information includes costs of labor, a governmental body shall comply with the requirements of §552261 (b) of the Texas Government Code.

- **<u>LABOR CHARGE FOR LOCATING, COMPILING, MANIPULATING DATA AND REPRODUCING PUBLIC INFORMATION</u>**
  - The charge for labor costs incurred in processing a request for public information is $15 per hour. The labor charge includes the actual time to locate, compile, manipulate data and reproduce the requested information.
  - A labor charge shall not be billed in connection with complying with requests that are for fifty (50) or fewer pages of paper records, unless the documents to be copied are located in
    - Two or more separate buildings that are not physically connected with each other.
    - A remote storage facility.
  - A labor charge shall not be recovered for any time spent by an attorney, legal assistant, or any other person who reviews the requested information:
    - To determine whether the governmental body will raise any exceptions to disclosure of the requested information under the Texas Government Code, Subchapter C, Chapter 552.
    - To research or prepare a request for a ruling by the Attorney General's office pursuant to §552.301 of the Texas Government Code.
  - When confidential information pursuant to a mandatory exception of the Act is mixed with public information in the same page, a labor charge may be recovered for time spent to redact, blackout, or otherwise obscure confidential information in order to release the public information. A labor charge shall not be made for redacting confidential information for requests of fifty (50), or fewer pages, unless the request also qualifies for a labor charge pursuant to Texas Government Code, §552.261 (a) (1) or (2).
  - If the charge for providing a copy of public information includes costs of labor, a governmental body shall comply with the requirements of Texas Government Code, Chapter 552, §552.261 (b).
  - For purposes of paragraph two (2) (a) of this subsection, two buildings connected by a covered or open sidewalk, an elevated or underground passageway, or a similar facility, are not

considered to be separate buildings.

- **OVERHEAD CHARGE**

  - Whenever any labor charge is applicable to a request, a governmental body may include in the charges direct and indirect costs, in addition to the specific labor charge. This overhead charge would cover such costs as depreciation of capital assets, rent, maintenance, repair, utilities and administrative overhead. If a governmental body chooses to recover such costs, a charge shall be made in accordance with the methodology described in paragraph three (3) of this subsection. Although an exact calculation of costs will vary, the use of a standard charge will avoid complication in calculating such costs and will provide uniformity for charges made statewide.

  - An overhead charge shall not be made for requests for copies of fifty (50) or fewer pages of standard paper records unless the request also qualifies for a labor charge pursuant to Texas Government Code, §552.261 (a) (1) or (2).

  - The overhead charge shall be computed at twenty percent (20%) of the charge made to cover any labor costs associated with a particular request. See the following examples below based upon one (1) hour of labor:

    - Labor charge for locating, compiling and reproducing - $15.00 x .20 = $3.00.

    - Programming labor charge - $28.50 x .20 = $5.70.

    - If a request requires one (1) hour of labor charge for locating, compiling and reproducing information ($15), and one (1) hour of programming labor charge ($28.50), the combined overhead would be $15.00 + 28.50 = $43.50 x .20 = $8.70.

- **MICROFICHE AND MICROFILM CHARGE**

  - If a governmental body already has information that exists on microfiche or microfilm and has copies available for sale or distribution, the charge for a copy must not exceed the cost of its reproduction. If no copies of the requested microfiche or microfilm are available and the information on the microfiche or microfilm can be released in its entirety, the governmental body should make a copy of the microfiche or microfilm. The charge for a copy shall not exceed the cost of its reproduction. The Texas State Library and Archives Commission have the capacity to reproduce microfiche and microfilm for governmental bodies. Governmental bodies that do not have in-house capability to reproduce microfiche or microfilm are encouraged to contact the Texas State Library before having the reproduction made commercially.

  - If only a master copy of information in microfilm is maintained, the charge is $.10 per page for standard size paper copies, plus any applicable labor and overhead charge for more than fifty (50) copies.

- **REMOTE DOCUMENT RETRIEVAL CHARGE**

  - Due to limited on-site capacity of storage documents, it is frequently necessary to store information that is not in current use in remote storage locations. Every effort should be made by governmental bodies to store current records on-site. State agencies are encouraged to store inactive or non-current records with the Texas State Library and Archives Commission. To the extent that the retrieval of documents results in a charge to comply with a request, it is permissible to recover costs of such services for requests that qualify for labor charges under current law.

  - If a governmental body has a contract with a commercial records storage company, whereby the private company charges a fee to locate, retrieve, deliver and return to storage the needed record(s), no additional labor charge shall be factored in for time spent locating documents at the storage location by the private company's personnel. If after delivery to the governmental body, the boxes must still be searched for records that are responsive to the request, a labor charge is allowed according to section (D) (1) of this section.

- **COMPUTER RESOURCE CHARGE**

  - The computer resource charge is a utilization charge for computers based upon the amortized cost of acquisition, lease, operation and maintenance of computer resources, which might include, but is not limited to, some or all of the following: central processing units (CPUs), servers, disk drives, local area networks (LANs), printers, tape drives, other peripheral devices, communications devices, software and system utilities.

  - These computer resource charges are not intended to substitute for cost recovery methodologies or charges made for purposes other than responding to public information requests.

  - The charges in this subsection are averages based upon a survey of governmental bodies with a broad range of computer capabilities. Each governmental body using this cost recovery charge shall determine which category(ies) of computer system(s) used to fulfill the public information request most closely fits its existing system(s) and set its charge accordingly. See the following types of system rates below:

    - Mainframe - $10.00 per CPU minute.
    - Midsize - $1.50 per CPU minute.
    - Client/server - $2.20 per clock hour.
    - PC or LAN - $1.00 per clock hour.

- The charge made to recover the computer utilization cost is the actual time the computer takes to execute a particular program times the applicable rate. The CPU charge is not meant to apply to programming or printing time; rather it is solely to recover costs associated with the actual time required by the computer to execute a program. This time, called CPU time, can be read directly from the CPU clock and most frequently will be a matter of seconds. If programming is required to comply with a particular request, the appropriate charge that may be recovered for programming time is set forth in subsection (d) of this section. No charge should be made for computer print out time. See the following example below:

    - If a mainframe computer is used and the processing time is 20 seconds, the charges would be as follows: $10.00 / 3 = $3.33; or $10.00 / 60 x 20 = $3.33.

- A governmental body that does not have in-house computer capabilities shall comply with requests in accordance with the §552.231 of the Texas Government Code.

- Miscellaneous supplies: The actual cost of miscellaneous supplies, such as labels, boxes and other supplies used to produce the requested information may be added to the total charge for public information.

- Postal and shipping charges: Governmental bodies may add any related postal or shipping expenses which are necessary to transmit the reproduced information to the requesting party.

- Sales tax: Pursuant to Office of the Comptroller of Public Accounts' rules sales tax shall not be added on charges for public information (34 TAC, Part 1, Chapter 3, Subchapter 0, §3.341 and §3.342).

- Miscellaneous charges: A governmental body that accepts payment by credit card for copies of public information and that is charged a "transaction fee" by the credit card company may recover that fee.

Note: All charges are subject to periodic reevaluation and update.

Source Note: The provisions of this §70.3 adopted to be effective September 18, 1996, TexReg 8587; amended to be effective February 20, 1997, 22 TexReg 1625; amended to be effective December 3, 1997, 22 TexReg 11651; amended to be effective December 21, 1999, 24 TexReg 11255; amended to be effective January 16, 2003, 28 TexReg 439; amended to be effective February 11, 2004, 29 TexReg 1189; transferred effective September 1 2005, as published in the Texas Register September 29, 2006, 31 TexReg 8251; amended to be effective February 22, 2007, 32 TexReg 614

PART X BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC. STATUTORY NOTICE OF POSTING AND RECORDATION OF ASSOCIATION GOVERNING DOCUMENTS

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Declaration of Covenants, Conditions and Restrictions for High Crest, a Subdivision in Bell County, Texas recorded: Vol. 4524 Pg. 183, Vol. 4524 Pg. 189, Vol. 4524 Pg. 198, Vol. 4524 Pg. 222, Vol. 5257 Pg. 520, Vol. 5257 Pg. 525, Vol. 5521 Pg. 279, Vol. 6192 Pg. 112, Vol. 6192 Pg. 125, Vol. 00001929, 00033287, 00008797, Official Public Records of Bell County, Texas as amended.

- **DEDICATORY INSTRUMENTS**

As set forth in Texas Property Code Section 202.001, "dedicatory instrument" means each document governing the establishment, maintenance or operation of a residential subdivision, planned unit development, condominium or townhouse regime, or any similar planned development. The term includes the declaration or similar instrument subjecting real property to:

1. Restrictive covenants, bylaws, or similar instruments governing the administration or operation of a property Owners' Association,

2. Properly adopted rules and regulations of the property Owners' Association.

3. All lawful amendments to the covenants, bylaws, instruments, rules, or regulations, or as otherwise referred to in this notice as the "governing documents".

4. Recordation of all Governing Documents: The Association shall file all of the governing documents in the real property records of each county in which the property to which the documents relate is located. Any dedicatory instrument comprising one of the governing documents of the Association has no effect until the instrument is filed in accordance with this provision, as set forth in Texas Property Code Section 202.006,

5. Online Posting of Governing Documents: The Association shall make all of the governing documents relating to the Association or subdivision and filed in the county deed records, available on a website if the Association has, or a management company on behalf of the Association maintains, a publicly accessible website.

PART XI BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC. STATUTORY NOTICE OF CONDUCT OF BOARD MEETING

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Declaration of Covenants, Conditions and Restrictions for High Crest, a Subdivision in Bell County, Texas recorded: Vol. 4524 Pg. 183, Vol. 4524 Pg. 189, Vol. 4524 Pg. 198, Vol. 4524 Pg. 222, Vol. 5257 Pg. 520, Vol. 5257 Pg. 525, Vol. 5521 Pg. 279, Vol. 6192 Pg. 112, Vol. 6192 Pg. 125, Vol. 00001929, 00033287, 00008797, Official Public Records of Bell County, Texas as amended.

Note: Texas statues presently render null and void any restriction in the Declaration which restricts or prohibits open board meetings and other conduct related to board meetings in violation of the controlling provisions of the Texas Property Code or any other applicable state law.

- **DEFINITION OF BOARD MEETINGS**
    - As set forth in Texas Property Code Section 209.0051, "board meeting" means:
        - A deliberation between a quorum of the Board, or between a quorum of the Board and another person, during which Association business is considered and the Board takes formal action; but does not include:
        - The gathering of a quorum of the Board at a social function unrelated to the business of the Association or the attendance by a quorum of the Board at a regional, state, or national convention, ceremonial event, or press conference, if formal action is not taken and any discussion of Association business is incidental to the social function, convention, ceremonial event, or press conference.

- **OPEN BOARD MEETINGS**
    - All regular and special Board meetings must be open to Owners. However, the Board has the right to adjourn a meeting and reconvene in closed executive session to consider actions involving:
        - Personnel
        - Pending or threatened litigation
        - Contract negotiations
        - Enforcement actions
        - Confidential communications with the Association's attorney
        - Matters involving the invasion of privacy of individual Owners, or matters that are to

remain confidential by request of the affected parties and agreement of the Board.

- Following an executive session, any decision made by the Board in executive session must be summarized orally in general terms and placed in the minutes, without breaching the privacy of individual Owners, violating any privilege, or disclosing information that was to remain confidential at the request of the affected parties. The oral summary must include a general explanation of expenditures approved in executive session.

- **LOCATION**

Except if otherwise held by electronic or telephonic means, a Board meeting must be held in the county in which all or a part of the property in the subdivision is located or in a county adjacent to that county, as determined in the discretion of the Board.

- **RECORD/MINUTES**

The Board shall keep a record of each regular or special Board meeting in the form of written minutes of the meeting. The Board shall make meeting records, including approved minutes, available to a Member for inspection and copying on the Member's written request to the Association's managing agent at the address appearing on the most recently filed management certificate or, if there is not a managing agent, to the Board.

- **NOTICES**

- Members shall be given notice of the date, hour, place, and general subject of a regular or special board meeting, including a general description of any matter to be brought up for deliberation in executive session. The notice shall be:

    - Mailed to each property Owner not later than the tenth (10^{th}) day or earlier than the sixtieth (60^{th}) day before the date of the meeting; or
    - Provided at least seventy-two (72) hours before the start of the meeting by:
        - Posting the notice in a conspicuous manner reasonably designed to provide notice to Association members in a place located on the Association's common area property or on any website maintained by the Association.
        - Sending the notice by email to each Owner who has registered an email address with the Association.

- It is an Owner's duty to keep an updated email address registered with the Association. The Board may establish a procedure for registration of email addresses, which procedure may be required for the purpose of receiving notice of Board meetings.

- If the Board recesses a regular or special Board meeting to continue the following regular business day, the Board is not required to post notice of the continued meeting if the recess is

taken in good faith and not to circumvent this section.

- If a regular or special Board meeting is continued to the following regular business day, and on that following day the Board continues the meeting to another day, the Board shall give notice of the continuation in at least one manner as set forth above within two (2) hours after adjourning the meeting being continued.

- **MEETING WITHOUT PRIOR NOTICE**

  - A Board may meet by any method of communication, including electronic and telephonic, without prior notice to Owners if each director may hear and be heard and may take action by unanimous written consent to consider routine and administrative matters or a reasonably unforeseen emergency or urgent necessity that requires immediate Board action. Any action taken without notice to Owners must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special Board meeting. The Board may not, without prior notice to Owners under Paragraph 5 above consider or vote on:

    - Fines
    - Damage assessments
    - Initiation of foreclosure actions
    - Initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety
    - Increases in assessments
    - Levying of special assessments
    - Appeals from a denial of the Architectural Review Committee (the "ARC")
    - A suspension of a right of a particular Owner before the Owner has an opportunity to attend a Board meeting to present the Owner's position, including any defense, on the issue

- **DEVELOPMENT PERIOD**

  - The provisions of this policy do not apply to Board meetings during the "development period" (as defined in the declaration) unless the meeting is conducted for the purpose of:

    - Adopting or amending the governing documents, including declarations, bylaws, rules, and regulations of the Association
    - Increasing the amount of regular assessments
    - Electing non-developed Board members of the Association or establishing a process by which those members are elected.
    - Changing the voting rights of members of the Association.

PART XII BELTON HIGH CREST PROPERTY OWNERS' ASSOCIATION, INC.
STATUTORY NOTICE OF ANNUAL MEETING, ELECTIONS AND VOTING POLICY

Terms used but not defined in this policy will have the meaning subscribed to such terms in that certain Declaration of Covenants, Conditions and Restrictions for High Crest, a Subdivision in Bell County, Texas recorded: Vol. 4524 Pg. 183, Vol. 4524 Pg. 189, Vol. 4524 Pg. 198, Vol. 4524 Pg. 222, Vol. 5257 Pg. 520, Vol. 5257 Pg. 525, Vol. 5521 Pg. 279, Vol. 6192 Pg. 112, Vol. 6192 Pg. 125, Vol. 00001929, 00033287, 00008797, Official Public Records of Bell County, Texas as amended.

Note: Texas statutes presently render null and void any restriction in the Declaration which restricts or prohibits annual meetings, certain election requirements, voting processes and other conduct related to annual meetings, elections and voting in violation of the controlling provisions of the Texas Property Code or any other applicable state law.

- **MEETINGS**
  - Annual Meetings Mandatory: As set forth in Texas Property Code Section 209.014, the Association is required to call an annual meeting of the Members of the Association.
- **ELECTIONS**
  - Notice of Election or Association Vote: The Association must:
    - Mail a notice to each property owner no later than the tenth (10^{th}) day or earlier than the sixtieth (60^{th}) day before the date of the meeting.
    - Provide at least seventy two (72) hours before the start of the meeting by posting the notice in a conspicuous manner reasonably designed to provide notice to property Owners Association Members:
      - In a place located on the Association's common or property with the property Owner's consent, on other conspicuously located privately owned property within the subdivision.
      - On any Internet website maintained by the Association or other Internet media.
      - By sending the notice by email to each Owner who has registered an email address with the Association. (It is an Owner's duty to keep an updated email address registered with the property Owner's Association).

- Election of Board Members: Except during any development period established in the Declaration (see paragraph 9 below), any Board Member whose term has expired must be elected by Owners in the Association. A Board Member may be appointed by the Board only to fill a vacancy caused by a resignation, death, or disability. A Board Member appointed to fill a vacant position shall serve the unexpired term of the predecessor Board Member.

- Eligibility for Board Membership: Except during any development period established in the Declaration (see paragraph 9 below), the Association may not restrict an Owner's right to run for a position on the Board. If the Board is presented with written and documented evidence from a database or other record maintained by a governmental law enforcement authority that a Board Member has been convicted of a felony or crime involving moral turpitude, the Board Member is then immediately ineligible to serve on the Board, automatically considered removed from the Board, and prohibited from future service on the Board.

- **<u>VOTING</u>**

  - Right to Vote: Except during any development period established in the Declaration (see paragraph 9 below), any provision in the Association's governing documents that would disqualify an Owner from voting in an Association election of Board Members or on any matter concerning the rights or responsibilities of the Owner is void.

  - Voting Quorum: The voting rights of an Owner may be cast or given:

    - In person or by proxy at a meeting of the Association.

    - By absentee ballot.

    - By electronic ballot.

    - By any method of representative or delegated voting provided by the Associations governing documents.

  - Written Ballots: Any vote cast in an election or vote by a Member of the Association must be in writing and signed by the Member. Electronic votes constitute written and signed ballots. In an Association-wide election, written and signed ballots are not required for uncontested races.

  - Meaning of Electronic Ballot: Notwithstanding any contrary provision in the governing document of the Association, "electronic ballot" means a ballot:

    - Given by email, facsimile or posting on a website.

    - For which the identity of Owner submitting the ballot can be confirmed.

    - For which the Owner may receive a receipt of the electronic transmission and receipt of the Owner's ballot.

If an electronic ballot is posted on a website, a notice of the posting shall be sent to each Owner that contains instructions on obtaining access to the posting on the website.

- Absentee or Electronic Ballots: An absentee or electronic ballot:
    - May be counted as an Owner present and voting for the purpose of establishing a quorum only for items appearing on the ballot.
    - May not be counted, even if properly delivered, if the Owner attends any meeting to vote in person, so that any vote cast at a meeting by an Owner supersedes any vote submitted by absentee or electronic ballot previously submitted for that proposal.
    - May not be counted on the final vote of a proposal if the proposal was amended at the meeting to be different from the exact language on the absentee or electronic ballot.
- Solicitation of Votes by Absentee Ballot: Any solicitation for votes by absentee ballot must include:
    - An absentee ballot that contains each proposed action and provides an opportunity to vote for or against each proposed action.
    - Instructions for delivery of the completed absentee ballot, including the delivery location.
    - The following language: "*By casting your vote via absentee ballot you will forgo the opportunity to consider and vote on any action from the floor on these proposals, if a meeting is held. This means that if there are amendments to these proposals your votes will not be counted on the final vote on these measures. If you desire to retain this ability, please attend any meeting in person. You may submit an absentee ballot and later choose to attend any meeting in person, in which case any in person vote will prevail.*"
- Tabulation of and Access to Ballots: A person who is a candidate in an Association election or who is otherwise the subject of an Association vote, or a person related to that person within the third degree by consanguinity or affinity may not tabulate or otherwise be given access to the ballots cast in that election or vote. A person tabulating votes in an Association election or vote may not disclose to any other person how an individual voted.
- Recount of Votes: Any Owner may, not later than the fifteenth (15^{th}) day after the date of the meeting at which the election was held, require a recount of the votes. A demand for a recount must be submitted in writing either:
    - By certified mail, return receipt requested, or by delivery by the U.S. Postal Service with signature confirmation service to the Association's mailing address as reflected on the latest management certificate.
    - In person to the Association's managing agent as reflected on the latest management certificate or to the address to which absentee and proxy ballots are mailed.

The Owner requesting the recount will be required to pay, in advance, expenses associated with the recount as estimated by the Association. Any recount must be performed on or before the thirtieth (30th) day after the date of receipt of a request and payment for a recount is submitted to the Association for a vote tabulator as set forth below:

- Vote tabulator: At the expense of the Owner requesting the recount, the Association shall retain for the purpose of performing the recount, the services of a person qualified to tabulate votes. The Association shall enter into a contract for the services of a person who:
    - Is not a Member of the Association Board within the third degree by consanguinity or affinity.
    - Is either a person agreed upon by the Association and any person requesting a recount, or is a current or former county judge, county elections administrator, justice of the peace or county voter registrar.
- Reimbursement for Recount Expenses: If the recount changes the results of the election, the Association shall reimburse the requesting Owner for the cost of the recount to the extent such costs were previously paid by the Owner to the Association. The Association shall provide the results of the recount to each Owner who requested the recount.
- Board Action: Any action taken by the Board in the period between the initial election vote tally and the completion of the recount is not affected by any recount.

- Development Period: The Declaration may provide for a period of declarant control of the Association during which a declarant, or persons designated by the declarant, may appoint and remove Board Members and the Officers of the Association, other than the Board Members or Officers elected by Members of the Property Association.

Please Return To:

High Crest POA, Inc.
2400 So. 57th St.
Temple, TX 76504

√ 103.00
0158 (2)

70 2015 00029023

Bell County
Shelley Coston
County Clerk
Belton, Texas 76513

Instrument Number: 2015-00029023

As

Recorded On: July 31, 2015 **Recordings**

Parties: BELTON HIGH CREST PROPERTY OWNERS ASSOCI **Billable Pages: 39**

To EX PARTE **Number of Pages: 40**

Comment:

(Parties listed above are for Clerks reference only)

**** Examined and Charged as Follows: ****

Recordings	163.00
Total Recording:	**163.00**

************** DO NOT REMOVE. THIS PAGE IS PART OF THE INSTRUMENT **************

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 2015-00029023
Receipt Number: 243754
Recorded Date/Time: July 31, 2015 10:17:48A

User / Station: D Wilson - Cash Station 2

Record and Return To:

WILLOWS HOA INC
2400 SO 57TH ST
TEMPLE TX 76504

THE STATE OF TEXAS
BELL COUNTY

I hereby certify that this instrument was filed on the date and time stamped hereon and was duly recorded in the Real Property Records in Bell County, Texas

Shelley Coston
Bell County Clerk

Shelley Coston

Doc# 00046661

MANAGEMENT CERTIFICATE FOR
HIGH CREST POA Inc.
a Texas nonprofit property owners' association, and of
HIGH CREST PROPERTY OWNERS ASSOCIATION, Inc.
a subdivision in Bell County, Texas
[pursuant to Texas Property Code, Section 209.004]

STATE OF TEXAS §
COUNTY OF BELL §

1. Legal Description of Property affected by this Management Certificate:

All lots in all blocks of the High Crest , Phase I Property Owners Association, Inc.
, Inc., a subdivision in Bell County, Texas, according to the map or plat of record in Plat D, Slide 394-B the Plat Records of Bell County, Texas;

2. Name of Subdivision:

High Crest

3. Recording Data for Dedication of Subdivision:

Phase I Dedication is recorded in Volume 6160, Page 217, Official Public Records of Real Property of Bell County, Texas
Phase II Dedication is recorded in Document #2013-00021553, Official Public Records
of Real Property of Bell County, Texas

4. Recording Data for By Laws:

Document is recorded in Volume 6212, Page 267, Official Public Records of Real Property of Bell County, Texas

5. Recording Data for Restrictive Covenants:

Phase I Restrictive Covenants recorded in Volume 6212, Page 229, Official Public Records of Real Property of Bell County, Texas
Phase I Restrictive Covenants recorded in Volume 4838, Page 425, Official Public Records of Real Property of Bell County, Texas
Phase I Restrictive Covenants Amendment and Modification recorded in Document #2007-00019376, Official Public Records of Real Property of Bell County, Texas

6. Recording Data for Declaration of Covenants, Conditions and Restrictions of High Crest POA., a nonprofit property owners' association, and of High Crest Property Owners' Association, Inc., a subdivision in Bell County, Texas:

Phase I Restrictive Covenants recorded in Volume 6212, Page 229, Official Public Records of Real Property of Bell County, Texas
Phase I Restrictive Covenants recorded in Volume 4838, Page 425, Official Public Records of Real Property of Bell County, Texas
Phase I Restrictive Covenants Amendment and Modification recorded in Document #2007-00019376, Official Public Records of Real Property of Bell County, Texas

7. Recording Data for Records Production and Copying Policy of High Crest Property Owners' Association, Inc., a Texas nonprofit property owners' association:

Document #2015-00029023, Official Public Records of Real Property of Bell County, Texas

8. Recording Data for Document Retention Policy of High Crest Property Owners' Association, Inc., a Texas nonprofit property owners' association:

Document #2015-00029023, Official Public Records of Real Property of Bell County, Texas

9. Recording Data for Guidelines for Alternative Payment Plans of High Crest Property Owners' Association, Inc., a Texas nonprofit property owners' association:

Document #2015-00029023, Official Public Records of Real Property of Bell County, Texas

10. Recording Data Policy for Manual of High Crest Property Owners' Association, Inc., a Texas nonprofit property owners' association:

Document #2015-00029023, Official Public Records of Real Property of Bell County, Texas

11. Mailing Address of Association or Name and Mailing Address of Managing Agent, telephone number of Managing Agent:

HIGH CREST PROPERTY OWNERS' ASSOCIATION INC
ATTN: BILL JONES
c/o Accent Real Estate Services
2400 S 57th Street
Temple, Texas 76504
Telephone: (254) 773-0900
Facsimile: (254) 773-1299
Email: annette@accentres.com

HIGH CREST PROPERTY OWNERS' ASSOCIATION INC
a Texas non-profit property owners' association

By:_____
ACKNOWLEDGEMENT

STATE OF TEXAS §
COUNTY OF BELL §

This instrument was acknowledged and signed before me on November 2, 2016, by Bill Jones, in his capacity as Manager/ Broker of High Crest Property Owners' Association, a Texas nonprofit property owners association, on behalf of said property owners' association.

ANNETTE MORRIS
Notary Public, State of Texas
My Commission Expires
May 26, 2018

Notary Public

70 2016 00046661

Bell County
Shelley Coston
County Clerk
Belton, Texas 76513

Instrument Number: 2016-00046661

As

Recordings

Recorded On: November 18, 2016

Parties: HIGH CREST POA INC

To EX PARTE

Billable Pages: 3

Number of Pages: 4

Comment:

(Parties listed above are for Clerks reference only)

**** Examined and Charged as Follows: ****

Recordings	19.00
Total Recording:	**19.00**

************** DO NOT REMOVE. THIS PAGE IS PART OF THE INSTRUMENT **************

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 2016-00046661

Receipt Number: 285755

Recorded Date/Time: November 18, 2016 03:06:16P

User / Station: D Wilson - Cash Station 1

Record and Return To:

HIGH CREST HOA INC
2400 SO 57TH ST
TEMPLE TX 76505

THE STATE OF TEXAS
BELL COUNTY

I hereby certify that this instrument was filed on the date and time stamped hereon and was duly recorded in the Real Property Records in Bell County, Texas

Shelley Coston
Bell County Clerk

Shelley Coston

Doc# 00048481

MANAGEMENT CERTIFICATE FOR
HIGH CREST POA Inc.
a Texas nonprofit property owners' association, and of
HIGH CREST PROPERTY OWNERS ASSOCIATION, Inc.
a subdivision in Bell County, Texas
[pursuant to Texas Property Code, Section 209.004]

STATE OF TEXAS §
COUNTY OF BELL §

1. Legal Description of Property affected by this Management Certificate:

All lots in all blocks of the High Crest , Phase I & II Property Owners Association, Inc. a subdivision in Bell County, Texas, according to the map or plat of record in Plat D, Slide 394-B the Plat Records of Bell County, Texas; and Volume 08567 Page 616, Official Public Records of Bell County, Texas

2. Name of Subdivision:

High Crest

3. Recording Data for Dedication of Subdivision:

Phase I Dedication is recorded in Volume 6160, Page 217, Official Public Records of Real Property of Bell County, Texas
Phase II Dedication is recorded in Document #2013-00021553, Official Public Records of Real Property of Bell County, Texas

4. Recording Data for By Laws:

Document is recorded in Volume 6212, Page 267, Official Public Records of Real Property of Bell County, Texas

5. Recording Data for Restrictive Covenants:

Phase I Restrictive Covenants recorded in Volume 6212, Page 229, Official Public Records of Real Property of Bell County, Texas
Phase I Restrictive Covenants recorded in Volume 4838, Page 425, Official Public Records of Real Property of Bell County, Texas
Phase I Restrictive Covenants Amendment and Modification recorded in Document #2007-00019376, Official Public Records of Real Property of Bell County, Texas

6. Recording Data for Declaration of Covenants, Conditions and Restrictions of High Crest POA., a nonprofit property owners' association, and of High Crest Property Owners' Association, Inc., a subdivision in Bell County, Texas:

Phase I Restrictive Covenants recorded in Volume 6212, Page 229, Official Public Records of Real Property of Bell County, Texas
Phase I Restrictive Covenants recorded in Volume 4838, Page 425, Official Public Records of Real Property of Bell County, Texas
Phase I Restrictive Covenants Amendment and Modification recorded in Document #2007-00019376, Official Public Records of Real Property of Bell County, Texas
Phase II Restrictive Covenants recorded in Volume 8951, Page 867, Official Public Records of Real Property of Bell County, Texas

7. Recording Data for Records Production and Copying Policy of High Crest Property Owners' Association, Inc., a Texas nonprofit property owners' association:

Document #2015-00029023, Official Public Records of Real Property of Bell County, Texas

8. Recording Data for Document Retention Policy of High Crest Property Owners' Association, Inc., a Texas nonprofit property owners' association:

Document #2015-00029023, Official Public Records of Real Property of Bell County, Texas

9. Recording Data for Guidelines for Alternative Payment Plans of High Crest Property Owners' Association, Inc., a Texas nonprofit property owners' association:

Document #2015-00029023, Official Public Records of Real Property of Bell County, Texas

10. Recording Data Policy for Manual of High Crest Property Owners' Association, Inc., a Texas nonprofit property owners' association:

Document #2015-00029023, Official Public Records of Real Property of Bell County, Texas

11. Mailing Address of Association or Name and Mailing Address of Managing Agent, telephone number of Managing Agent:

HIGH CREST PROPERTY OWNERS' ASSOCIATION INC
ATTN: BILL JONES
c/o Accent Real Estate Services
2400 S 57th Street
Temple, Texas 76504
Telephone: (254) 773-0900

Facsimile: (254) 773-1299
Email: hoamanager@accentres.com

HIGH CREST PROPERTY OWNERS' ASSOCIATION INC
a Texas non-profit property owners' association

By:_____
Bill Jones Broker /Manager

ACKNOWLEDGEMENT

STATE OF TEXAS §
COUNTY OF BELL §

This instrument was acknowledged and signed before me on October 19, 2017, by Bill Jones, in his capacity as Manager/ Broker of High Crest Property Owners' Association, a Texas nonprofit property owners association, on behalf of said property owners' association.

AUTUMN BAZILIUS
Commission # 131135653
My Commission Expires
March 17 2021

Notary Public
Autumn Bazilius

70 2017 00048481

Bell County
Shelley Coston
County Clerk
Belton, Texas 76513

Instrument Number: 2017-00048481

As

Recordings

Recorded On: November 20, 2017

Parties: HIGH CREST POA INC

To **EX PARTE**

Billable Pages: 3

Number of Pages: 4

Comment:

(Parties listed above are for Clerks reference only)

**** Examined and Charged as Follows: ****

Recordings	19.00
Total Recording:	**19.00**

*************** DO NOT REMOVE. THIS PAGE IS PART OF THE INSTRUMENT **************

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 2017-00048481

Receipt Number: 319359

Recorded Date/Time: November 20, 2017 09:05:31A

User / Station: M Harr - Cash Station 1

Record and Return To:

ACCENT REAL ESTATE
2400 S 57TH ST
TEMPLE TX 76504

THE STATE OF TEXAS
BELL COUNTY

I hereby certify that this instrument was filed on the date and time stamped hereon and was duly recorded in the Real Property Records in Bell County, Texas

Shelley Coston
Bell County Clerk

Shelley Coston

2021041533
06/30/2021 09:49AM

After Recording Return To;
Accent Real Estate Services
2400 S 57th St.
Temple, TX 76504

MANAGEMENT CERTIFICATE FOR HIGH CREST POA Inc.

a Texas nonprofit property owners' association, and of
HIGH CREST PROPERTY OWNERS ASSOCIATION, Inc.
a subdivision in Bell County, Texas
[pursuant to Texas Property Code, Section 209.004]

STATE OF TEXAS §
COUNTY OF BELL §

1. Legal Description of Property affected by this Management Certificate:

All lots in all blocks of the High Crest , Phase I & II Property Owners Association, Inc. a subdivision in Bell County, Texas, according to the map or plat of record in Plat D, Slide 394-B the Plat Records of Bell County, Texas; and Volume 08567 Page 616, Official Public Records of Bell County, Texas

2. Name of Subdivision:

High Crest

3. Name of Property Owners Association:

High Crest POA, Inc.

4. Recording Data for Dedication of Subdivision:

Phase I Dedication is recorded in Volume 6160, Page 217, Official Public Records of Real Property of Bell County, Texas
Phase II Dedication is recorded in Document #2013-00021553, Official Public Records of Real Property of Bell County, Texas

5. Recording Data for By Laws:

Document is recorded in Volume 6212, Page 267, Official Public Records of Real Property of Bell County, Texas

6. Recording Data for Restrictive Covenants:

Phase I Restrictive Covenants recorded in Volume 6212, Page 229, Official Public Records of Real Property of Bell County, Texas
Phase I Restrictive Covenants recorded in Volume 4838, Page 425, Official Public Records of Real Property of Bell County, Texas
Phase I Restrictive Covenants Amendment and Modification recorded in Document #2007-00019376, Official Public Records of Real Property of Bell County, Texas

7. Recording Data for Declaration of Covenants, Conditions and Restrictions of High Crest POA., a nonprofit property owners' association, and of High Crest Property Owners' Association, Inc., a subdivision in Bell County, Texas:

Phase I Restrictive Covenants recorded in Volume 6212, Page 229, Official Public Records of Real Property of Bell County, Texas
Phase I Restrictive Covenants recorded in Volume 4838, Page 425, Official Public Records of Real Property of Bell County, Texas
Phase I Restrictive Covenants Amendment and Modification recorded in Document #2007-00019376, Official Public Records of Real Property of Bell County, Texas
Phase II Restrictive Covenants recorded in Volume 8951, Page 867, Official Public Records of Real Property of Bell County, Texas

8. Recording Data for Records Production and Copying Policy of High Crest Property Owners' Association, Inc., a Texas nonprofit property owners' association:

Document #2015-00029023, Official Public Records of Real Property of Bell County, Texas

9. Recording Data for Document Retention Policy of High Crest Property Owners' Association, Inc., a Texas nonprofit property owners' association:

Document #2015-00029023, Official Public Records of Real Property of Bell County, Texas

10. Recording Data for Guidelines for Alternative Payment Plans of High Crest Property Owners' Association, Inc., a Texas nonprofit property owners' association:

Document #2015-00029023, Official Public Records of Real Property of Bell County, Texas

11. Recording Data Policy for Manual of High Crest Property Owners' Association, Inc., a Texas nonprofit property owners' association:

Document #2015-00029023, Official Public Records of Real Property of Bell County, Texas

12. Mailing Address of Association or Name and Mailing Address of Managing Agent, telephone number of Managing Agent:

HIGH CREST PROPERTY OWNERS' ASSOCIATION INC
ATTN: BILL JONES
c/o Accent Real Estate Services
2400 S 57th Street
Temple, Texas 76504
Telephone: (254) 773-0900
Facsimile: (254) 773-1299
Email: hoamanager@accentres.com

HIGH CREST PROPERTY OWNERS' ASSOCIATION INC
a Texas non-profit property owners' association

By:_____
Bill Jones (Manager) ACKNOWLEDGEMENT

STATE OF TEXAS §
COUNTY OF BELL §

This instrument was acknowledged and signed before me on January 1, 2021, by Bill Jones, in his capacity as Manager/ Broker of High Crest Property Owners' Association, a Texas nonprofit property owners association, on behalf of said property owners' association.

_____
Notary Public

AUTUMN BAZILIUS
Notary Public, State of Texas
Comm. Expires 05-17-2021
Notary ID 13113565-3

Bell County
Shelley Coston
County Clerk
Belton, Texas 76513

Instrument Number: 2021041533
As
CERTIFICATE

Recorded On: June 30, 2021
Parties: HIGH CREST POA INC
To HIGH CREST
Comment:

Billable Pages: 4
Number of Pages: 5

(Parties listed above are for Clerks' reference only)

**** Examined and Charged as Follows ****

CLERKS RMF:	$5.00
COURT HOUSE SECURITY:	$1.00
RECORDING:	$17.00

Total Fees:

********** DO NOT REMOVE. THIS PAGE IS PART OF THE INSTRUMENT **********

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information

Instrument Number: 2021041533
Receipt Number: 207891
Recorded Date/Time: 06/30/2021 9:49:53 AM
User / Station: zbranead - BCCCD0735

Record and Return To:

ACCENT REAL ESTATE SERVICES
2400 S 57TH STREET
TEMPLE, TX 76504

THE STATE OF TEXAS * BELL COUNTY *

I hereby certify that this instrument was filed on the date and time stamped hereon and was duly recorded in the Real Property Records in Bell County, Texas

Shelley Coston
Bell County Clerk

Doc# 00052042

After Recording Return To;
Accent Real Estate Services
2400 S 57th St.
Temple, TX 76504

MANAGEMENT CERTIFICATE FOR
HIGH CREST POA Inc.
a Texas nonprofit property owners' association, and of
HIGH CREST PROPERTY OWNERS ASSOCIATION, Inc.
a subdivision in Bell County, Texas
[pursuant to Texas Property Code, Section 209.004]

STATE OF TEXAS §
COUNTY OF BELL §

1. Legal Description of Property affected by this Management Certificate:

All lots in all blocks of the High Crest , Phase I & II Property Owners Association, Inc. a subdivision in Bell County, Texas, according to the map or plat of record in Plat D, Slide 394-B the Plat Records of Bell County, Texas; and Volume 08567 Page 616, Official Public Records of Bell County, Texas

2. Name of Subdivision:

High Crest

3. Name of Property Owners Association:

High Crest POA, Inc.

4. Recording Data for Dedication of Subdivision:

Phase I Dedication is recorded in Volume 6160, Page 217, Official Public Records of Real Property of Bell County, Texas
Phase II Dedication is recorded in Document #2013-00021553, Official Public Records of Real Property of Bell County, Texas

5. Recording Data for By Laws:

Document is recorded in Volume 6212, Page 267, Official Public Records of Real Property of Bell County, Texas

6. Recording Data for Restrictive Covenants:

Phase I Restrictive Covenants recorded in Volume 6212, Page 229, Official Public Records of Real Property of Bell County, Texas
Phase I Restrictive Covenants recorded in Volume 4838, Page 425, Official Public Records of Real Property of Bell County, Texas
Phase I Restrictive Covenants Amendment and Modification recorded in Document #2007-00019376, Official Public Records of Real Property of Bell County, Texas

7. Recording Data for Declaration of Covenants, Conditions and Restrictions of High Crest POA., a nonprofit property owners' association, and of High Crest Property Owners' Association, Inc., a subdivision in Bell County, Texas:

Phase I Restrictive Covenants recorded in Volume 6212, Page 229, Official Public Records of Real Property of Bell County, Texas
Phase I Restrictive Covenants recorded in Volume 4838, Page 425, Official Public Records of Real Property of Bell County, Texas
Phase I Restrictive Covenants Amendment and Modification recorded in Document #2007-00019376, Official Public Records of Real Property of Bell County, Texas
Phase II Restrictive Covenants recorded in Volume 8951, Page 867, Official Public Records of Real Property of Bell County, Texas

8. Recording Data for Records Production and Copying Policy of High Crest Property Owners' Association, Inc., a Texas nonprofit property owners' association:

Document #2015-00029023, Official Public Records of Real Property of Bell County, Texas

9. Recording Data for Document Retention Policy of High Crest Property Owners' Association, Inc., a Texas nonprofit property owners' association:

Document #2015-00029023, Official Public Records of Real Property of Bell County, Texas

10. Recording Data for Guidelines for Alternative Payment Plans of High Crest Property Owners' Association, Inc., a Texas nonprofit property owners' association:

Document #2015-00029023, Official Public Records of Real Property of Bell County, Texas

11. Recording Data Policy for Manual of High Crest Property Owners' Association, Inc., a Texas nonprofit property owners' association:

Document #2015-00029023, Official Public Records of Real Property of Bell County, Texas

12. Mailing Address of Association or Name and Mailing Address of Managing Agent, telephone number of Managing Agent:

HIGH CREST PROPERTY OWNERS' ASSOCIATION INC
ATTN: BILL JONES
c/o Accent Real Estate Services
2400 S 57th Street
Temple, Texas 76504
Telephone: (254) 773-0900
Facsimile: (254) 773-1299
Email: hoamanager@accentres.com

HIGH CREST PROPERTY OWNERS' ASSOCIATION INC
a Texas non-profit property owners' association

By:_____
Bill Jones (Manager) ACKNOWLEDGEMENT

STATE OF TEXAS §
COUNTY OF BELL §

This instrument was acknowledged and signed before me on December 14, 2018, by Bill Jones, in his capacity as Manager/ Broker of High Crest Property Owners' Association, a Texas nonprofit property owners association, on behalf of said property owners' association.

_____
Notary Public

AUTUMN BAZILIUS
Commission # 131135853
My Commission Expires
March 17, 2021

Bell County
Shelley Coston
County Clerk
Belton, Texas 76513

70 2018 00052042

Instrument Number: 2018-00052042

As

Recorded On: December 18, 2018 **Recordings**

Parties: HIGH CREST POA INC **Billable Pages: 4**

To HIGH CREST **Number of Pages: 5**

Comment:

(Parties listed above are for Clerks reference only)

**** Examined and Charged as Follows: ****

Recordings	23.00
Total Recording:	**23.00**

************** DO NOT REMOVE. THIS PAGE IS PART OF THE INSTRUMENT **************

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 2018-00052042
Receipt Number: 355717
Recorded Date/Time: December 18, 2018 08:45:25A

User / Station: M Ramirez - Cash Station 3

Record and Return To:

ACCENT REAL ESTATE SERVICES
2400 S 57TH STREET
TEMPLE TX 76504

THE STATE OF TEXAS BELL COUNTY

I hereby certify that this instrument was filed on the date and time stamped hereon and was duly recorded in the Real Property Records in Bell County, Texas

Shelley Coston
Bell County Clerk