

date) prior to construction and must comply with all governmental rules and regulations.

3.35 Re-plating and Subdividing. No Tract may be subdivided into smaller tracts; except that the Developer retains the right to amend the Plat of the Subdivision to modify any Tract or portion of the Subdivision, owned by the Developer, to include a sixty-foot (60') road easement to connect the Subdivision to any additional real property annexed under these Declarations.

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

3.37 Firearms. The discharge of firearms in the Subdivision is strictly prohibited.

3.38 Highway Access. Access to FM Road 962 shall only be allowed by using the platted streets as set forth on the Plat of the Subdivision. Lots 1 and 38 may not install any driveway cuts to allow direct access to Farm to Market Road 962. Lots 39 and 40 shall only have access from FM 962 by the mutual access easement as shown on the plat.

ARTICLE IV ARCHITECTURAL CONTROL COMMITTEE

4.01 Basic Control & Applications

(a) No Improvements of any character shall be erected or placed, or the erection or placing thereof commenced, or changes made to the exterior design or appearance of any Improvement, without first obtaining the Architectural Control Committee's or Developer's (prior to the transfer control date) approval. No demolition or destruction of any Improvement by voluntary action shall be made without first obtaining the Architectural Control Committee's or Developer's (prior to the transfer control date) approval.

(b) Each application made to the Architectural Control Committee or Developer (prior to the transfer control date) for approval, shall contain an application in the form specified by the Architectural Control Committee or Developer (prior to the transfer control date), two sets of professionally drawn Plans and Specifications for all proposed Improvements, showing the location of all Improvements in the Tract, and any applicable fees or deposits together with such other reasonable necessary information as the Architectural Control Committee or Developer (prior to the transfer control date) shall request. These plans must be submitted in PDF format to the Developer, or after the Control Transfer Date, to the ACC. A non-refundable fee of \$250.00 is required at time of plan submittal to cover administrative costs

involving the home plan approval process.

4.02 Architectural Control Committee.

- (a) All ACC authority is initially vested in the Developer. The ACC authority of the Developer shall cease upon the appointment of a three (3) member Architectural Control Committee by the Developer. The Developer shall continue to have ACC authority as to any Plans and Specifications or Construction projects submitted to the Developer prior to the initial appointment of the ACC members.
- (b) After the initial members of the ACC are appointed by the developer, the developer shall cause an instrument transferring ACC authority to the Association to be recorded in the Official Public Records of Real Property Blanco County, Texas. Subsequent appointments of the ACC members shall be by the Board of Directors. The ACC members shall serve staggered terms with the first term ending on the date of the next succeeding annual meeting of Members following the Control Transfer Date. After the Control Transfer Date, each Member of the ACC must be an Owner of a Tract in the Subdivision.

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

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

4.05 Variance. The ACC or Developer may, on a case-by-case basis, authorize variances from the requirements of the Restrictions if, in the reasonable opinion of the ACC or Developer, the Restrictions unreasonably restrain the development of a Tract in accordance with the general scheme of the Subdivision. Developer will retain the right to grant variances after the Control Transfer Date so long as Developer continues to own at least one Tract in the Subdivision. All variances shall be in writing and signed by Developer or if granted by the ACC, then it must be signed by at least two (2) members of the ACC. No violation of these Restrictions shall be deemed to have occurred with respect to any matter for which a variance is granted. The granting of such a variance shall not operate to waive any of the terms and provisions of these Restrictions for any purpose except as to the particular Lot and improvements and the particular

provision covered by the variance, nor shall it affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the use of the Owner's Lot.

4.06 Construction Deposit. A deposit of \$1,000.00 must be paid at the time Plans and Specifications are submitted for the construction of a new residence, barn, or workshop. This deposit will be held for the purpose of securing a Tract Owner's performance of the obligations imposed by these Restrictions during the construction process. Upon completion of construction, the Tract Owner will be refunded the deposit less any obligations incurred as a result of any uncured violation of these Restrictions and any damage to Common Areas of the Subdivision

ARTICLE V

THE BLUFFS AT ROUND MOUNTAIN PROPERTY OWNERS' ASSOCIATION, INC.

5.01 Non-Profit Corporation. The Bluffs At Round Mountain Property Owners Association, Inc., a non-profit corporation, has been (or will be) organized and it shall be governed by the Certificate of Formation and Bylaws of said Association; and all duties, obligations, benefits, liens and rights hereunder in favor of the Association shall vest in said corporation.

5.02 Bylaws. The Association has adopted, or may adopt, whatever Bylaws it may choose to govern the organization and operation of the Association, provided that the same are not in conflict with the terms and provisions hereof.

5.03 Membership. Every person or entity who is a record Owner of any Tract shall be a "Member" of the Association. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation or those only having an interest in the mineral estate. Memberships shall be appurtenant to and may not be separated from the Tracts. Regardless of the number of persons who may own a Tract, there shall be but one membership for each Tract and one (1) vote for each Tract. Ownership of the Tracts shall be the sole qualification for Membership.

5.04 Voting Rights. The Association shall have two classes of voting memberships. Developer shall be entitled to ten (10) votes for each Lot owned. Each Tract, other than those owned by the Developer, shall have only one vote regardless of the number of Owners of the Tract. In the event that more than one person owns a Tract and the group of Owners do not have a unified vote for purposes hereunder, then the Association shall not recognize the vote for that Tract and such vote shall not be counted when the calculating membership votes. Notwithstanding the foregoing, the presence of any Owner of a Tract at a meeting of Members permits the inclusion of the Tract represented when calculating any necessary quorum.

ARTICLE VI ASSESSMENTS

6.01 Assessments. Each Tract Owner by acceptance of a deed therefore, whether or not it shall be expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association the Assessments provided herein. The Assessments shall be a charge on