25 pgs DCC 20214021

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS LOMA VISTA RANCH, PHASE I,

STATE OF TEXAS *

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF GILLESPIE *

This Declaration is made on the date hereinafter set forth by SOUTHERLAND MUY ALTO RANCH, LLC, a Delaware limited liability company authorized to do business in Texas, hereinafter referred to as "Developer" or "Declarant".

WITNESSETH:

WHEREAS, SOUTHERLAND MUY ALTO RANCH, LLC is the owner of a that certain tract of land known as LOMA VISTA RANCH, PHASE I, , being a subdivision situated in Gillespie County, Texas with the Final Plat of LOMA VISTA RANCH, PHASE I, being recorded under Clerk's Document No. 2021010020 in the Official Public Records of Gillespie County, Texas, in the office of the County Clerk of Gillespie County, Texas on the 24th day of May, 2021 after having been approved as provided by law ("Subdivision"); and,

WHEREAS, it is the desire of Developer to place certain restrictions, easements, covenants, conditions, stipulations and reservations (herein sometimes referred to as the "Restrictions" or "Declarations") upon and against LOMA VISTA RANCH, PHASE I, in order to establish a uniform plan for its development, improvement and sale, and to insure the preservation of such uniform plan for the benefit of both the present and future owners of those Lots in LOMA VISTA RANCH, PHASE I.

WHEREAS, Developer reserves and retains unto itself, the right, as it, in its sole discretion, shall determine, to (i) add to or delete areas from the Property (hereinafter defined), (ii) add or delete areas, including but not limited to Lots located in LOMA VISTA RANCH, PHASE I, from these restrictions and (iii) hereafter place and impose such restrictions, easements, covenants, conditions, stipulations and reservations on any and all remaining unrestricted properties, or portions thereof, in the Subdivision or the Property, in order to establish any plan chosen by Developer for the development, improvement and sale thereof.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that Developer hereby adopts, establishes and imposes upon LOMA VISTA RANCH, PHASE I, and declares the following reservations, easements, restrictions, covenants and conditions, applicable thereto, all of which are for the purposes of enhancing and protecting the value, desirability and attractiveness of said Subdivision, which Restrictions shall run with said Subdivision and title or interest therein, or any part thereof, and shall inure to the benefit of each owner thereof. Developer also declares that LOMA VISTA RANCH, PHASE I, shall be subject to the jurisdiction of the "Association" (as hereinafter defined).

ARTICLE I
DEFINITIONS

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

1.1 Additional Land. "Additional Land" shall mean land within three (3) miles of the Subdivision, which is now or hereafter owned by Declarant, which may be annexed and become a part of the Subdivision and subject to this Declaration as provided.

1.2 Architectural Control Committee. "Architectural Control Committee" shall mean the committee created pursuant to this Declaration to review and approve plans for the construction of Improvements upon the Lots in the Property.

1.3 Assessment. "Assessment" or "Assessments" shall mean such assessments as may be levied by the Association under the terms and provisions of this Declaration.

1.4 Association. "Association" shall mean and refer to LVR Property Owners Association, a Texas non-profit corporation, its successors and assigns. LVR Property Owner Association shall consist of members from all units or phases of the Property unless otherwise determined by the Developer.

1.5 Board. "Board" shall mean the Board of Directors of the Association.

1.6 Bylaws. "Bylaws" shall mean the Bylaws of the Association to be adopted by the Board, and as from time to time, amended.

1.7 Certificate of Formation. "Certificate of Formation" shall mean the Certificate of Formation of LVR Property Owners Association, which is filed in the office of the Secretary of State of Texas, and as from time to time amended.

1.8 Common Area. "Common Area" shall mean that portion of the Property owned or leased by the Association for the common use and enjoyment of the Members of the Association including but not limited to, all parks, recreational facilities, community facilities, landscaping, sprinkler systems, pavement, streets (to the extent not owned by appropriate governmental authorities), gates, walkways, traffic islands, open spaces, landscape buffers, easements owned by the Association, parking lots, pipes, wires, conduits and other public utility lines situated thereon (to the extent not owned by appropriate governmental authorities or by local utility companies).

1.9 Design Guidelines. "Design Guidelines" shall mean the criteria and guidelines established by the Architectural Control Committee for the design and/or construction of all Improvements, landscaping and other exterior items within the Subdivision.

1.10 Development Period. The "Development Period" is the period of time beginning on the date when the Declaration has been recorded and ending six months after the date that the Declarant no longer owns any portion of the Property, unless earlier terminated by a recorded written instrument executed by the Declarant. The Development Period is the period in which the Declarant reserves

the right to facilitate the development, construction, and marketing of the Property, and the right to direct the size, shape and composition of the Property.

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

1.13 Lot or Tract. "Lot", "Lots", "Tract" or "Tracts" shall mean any parcel or parcels of land within the Subdivision shown as a subdivided lot on a plat of the Subdivision, together with all Improvements located thereon.

1.14 Member. "Member" or "Members" shall mean any person, persons, entity or entities holding membership rights in the Association.

1.15 Mortgage. "Mortgage" shall mean any mortgage or deed of trust lien covering all or any portion of the Subdivision given to secure the payment of a debt.

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

1.17 Owner. "Owner" or "Owners" shall mean and refer to a person or persons, entity or entities holding a fee simple interest in all or any portion of the Subdivision but shall not include the Developer or a Mortgagee until such Mortgagee forecloses on one or more Lots in the Subdivision.

1.18 Person. "Person" or "Persons" shall mean any individual, individuals, entity or entities having the legal right to hold title to real property.

1.19 Plans and Specifications. "Plans and Specifications" shall mean any and all documents designed to guide or control the construction or creation of any Improvement, including but not limited to, those indicating location, size, shape, configuration, materials, site plans, excavation and grading plans, foundation plans, drainage plans, landscaping and fencing plans, signage, lighting, elevation drawings, floor plans, specifications on all building products and construction techniques, samples of exterior colors, plans for utility services, and all other documentation or information relevant to such Improvement.

1.20 Plat. "Plat" shall mean a final plat of any portion of the Property, as defined below.

1.21 Property. "Property" shall mean that real property which is subject to the terms of this or any other declaration for LOMA VISTA RANCH and subject to the jurisdiction of the Association. The Property acreage may be increased or decreased at the sole discretion of the Developer.

1.22 Supplemental Declaration. "Supplemental Declaration" shall mean and refer to any

declaration of covenants, conditions and restriction which may be recorded hereafter in order (i) to incorporate Additional Property into the Development, (ii) to subject any area of the Property to further covenants, conditions or restrictions, or (iii) to withdraw land from the Property.

ARTICLE II
ADDITIONS TO THE PROPERTY

2.1 Phased Subdivision.

(A) Incorporation and Withdrawal. The Declarant, its successors and assigns, shall have the sole right, without requiring the consent or approval of any third party, including the Owners of any Lots or lienholders on those Lots, at any time prior to June 1, 2031, to (i) annex or incorporate within the scheme of this Declaration additional lots or phases of the property (a) following the acquisition of such property, or (b) barring acquisition of such property, with the consent of the record owner of such other property; or (ii) withdraw any property owned by the Declarant from the Subdivision or (iii) remove property owned by the Declarant from the terms of these Restrictions.

(B) Filing Affidavit. To evidence the incorporation or annexation of additional property (including but not limited to additional Lots) or withdrawal of property from the Subdivision or these restrictions, Declarant shall record an Affidavit stating that such property has been incorporated into, annexed into or withdrawn from the Subdivision or these Restrictions.

(C) Phases. Declarant may develop the Property into additional phases and may, at its sole discretion, encumber each phase with similar or the same restrictions.

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

ARTICLE III
GENERAL RESTRICTIONS

All of the Lots in the Subdivision except utility lots, Common Areas and other similar areas, shall be owned, held, encumbered, leased, used, occupied and enjoyed subject to the following limitations and restrictions:

3.1 Single Family Residential Construction. All Lots shall be used solely for single family residential purposes. No building or structure shall be erected, altered, placed or permitted to remain on any Lot without the approval in writing of the Architectural Control Committee. Each lot may have one of the following:

A. A main dwelling ("Main Dwelling") meeting the following requirements:

(i) The Main Dwelling must have no less than 1400 square feet of living space
(ii)The Main Dwelling must have a covered porch and/or no less than two distinct vertical surface finishes at the front elevation of the Dwelling.
(iii) The Main Dwelling must have a garage or carport, event if the main dwelling also has a port-a-cache.
(iv) There shall be no more than one Main Dwelling on each Lot.
(v) The Main Dwelling must comply with all other restrictions and requirements set forth herein.

B. A guest house ("Guest House") meeting the following requirements:
(i) No Guest House shall contain less than five hundred (500) square feet of living space or more than one-half of the square footage of the Main Dwelling.
(ii) The Guest House must be of the same general construction and exterior as the Main Dwelling, including but not limited to exterior materials, roofing materials and color.
(iii) The Guest House must be built at a location approved by the Architectural Control Committee.
(iv) No Guest House shall have an address separate from the Main Dwelling.
(v) There shall be no more than one Guest House on each Lot.
(vi) The Guest House must comply with all other restrictions and requirements set forth herein.

All square footage calculations shall exclude porches and garages. Barns may have living quarters as set forth in Section 3.3 and 3.5. Such living quarters are in addition to those set forth in this Article 3.1.

The term "Dwelling", "Main Dwelling" and "Guest House" does not include either industrialized housing, double wide, triple wide or manufactured homes, single wide mobile homes, or prefab houses regardless of whether the same are placed upon permanent foundation, and said homes are not permitted within the Subdivision. As used herein, "Manufactured home" includes but is not limited to, any prefabricated or pre-built Dwelling which consists of one (1) or more transportable sections or components and shall also be deemed to include manufactured housing, manufactured home, HUD-code manufactured home and mobile home as defined in the Texas Occupations Code, Section 1201.003, in effect on January 2, 2008, as amended.

3.2 Lot 2, Unit 1. A dwelling, barn, above ground pool and outbuildings are currently located on Lot 2, Unit 1 in the Subdivision. These Improvements, as built, shall be grandfathered and are not required to comply with the requirements set forth herein. Notwithstanding, if more than forty percent (40%) of any improvement is damaged, destroyed or rebuilt, then such building shall no longer be exempt and all construction must comply with the requirements set forth in these Restrictions.

3.3 Driveways and Garages. The first 75 feet of all driveways beginning at the road shall be constructed of asphalt, two course chip and seal asphalt paving, exposed aggregate concrete, concrete, or brick paver materials unless otherwise approved in writing by the Architectural Control Committee. All garages and carports, including detached garages, shall be of the same general construction and exterior as the main Dwelling and located on the tract according to the Committee approved building site plan and shall be suitable for not less than two automobiles. Port-a-caches may be allowed with the Committee's approval but must be of the same or similar construction and material as the main Dwelling. All driveways, garages, and port-a-caches must be shown on the plans submitted to the Architectural Control Committee and approved prior to any action being taken.

3.4 Barns and Workshops. One permanent metal, wood, rock, and/or fibrous cement barn,

storage building, or workshop (hereinafter collectively "Barn") shall be allowed so long as such building footprint is no larger than 3000 square feet enclosed space, except as set forth in Section 3.5 below. The Barn must be built with new construction materials. The color of the Barn must be a neutral color or match the Main Dwelling. Each metal Barn shall have rock wainscoat beginning at the bottom of the building and extending three (3) feet upward on front and all sides. Such structure may be constructed on the Lot prior to the main Dwelling. Living quarters shall be allowed inside of a barn or workshop (not a portable storage building) so long as such living quarters are no less than 300 square foot and no more than fifty percent (50%) of the footprint of the Barn and approved by the Architectural Control Committee. One portable storage building may be placed on the Property after the main Dwelling is constructed provided it is approved by the Architectural Control Committee, is no larger than 400 square feet, and is located behind the main Dwelling.

3.5 Completion of Improvements. Any building, structure or Improvements commenced on any tract shall be completed as to the exterior finish and appearance within six months from the commencement date.

3.6 Drainage/Culverts. **Natural established drainage patterns of streets, tracts or roadway ditches will not be impaired by any person or persons.** Driveway culverts, where needed, must be installed and will be of sufficient size to afford proper drainage of ditches without backing water up into the ditch or diverting flow. If a culvert is required under the entry drive, it must be corrugated metal pipe culvert with concrete poured around the inlet and outlet, covering the entire culvert area with no greater than a 45 degree slope. Drainage culvert installations are subject to the inspection and approval of the Architectural Control Committee. Lot owners are responsible for the proper conveyance of storm water runoff through their Lots. Lot owners are to refrain from point discharging (collecting and directing) runoff to Lots located down gradient of their Lot.

3.5 Exterior Appearance. The exterior walls of the Main Dwelling or Guest House constructed on any Lot shall be constructed of

a. stucco
b. rock
c. timber frame so long as it has three foot rock wainscot beginning at the bottom of the building and extending three (3) feet upward on front and all sides.
d. fibrous cement
e. metal so long as the Main Dwelling is a Bardominium style and has three foot of rock wainscot beginning at the bottom of the building and extending three (3) feet upward on front and all sides. Such Bardominium shall not exceed a 4000 square foot footprint.

Brick accents may be used but shall not comprise more than 10% of the front, sides and rear of the main Dwelling. The exterior of all chimneys shall be 100% masonry of a type and color matching the exterior walls of the Dwelling.

3.7 Height. No building or structure erected, altered, or placed on, within or in the properties shall exceed the lesser of (i) thirty-five (35) feet in height (measured from the highest point of ground under the structure to the topmost part of the roof) or (ii) 2-1/2 stories in height, without the written consent of the Architectural Control Committee.

3.8 Setback Requirements. All Improvements except fences and driveways and existing water wells and well houses, shall be set back as follows:

No less than fifty (50) feet from the front Lot line, twenty-five (25) feet from the side Lot line, and sixty (60) feet from the rear Lot Line. Notwithstanding anything within this paragraph, no Lot Owner shall fence in any meter, utility pole or transformer or place a fence within ten (10) feet from any meter, utility pole or transformer.

3.9 Construction of Improvements. No Improvements shall hereafter be constructed upon any Lot without the prior written approval of the Plans and Specifications for the Improvement(s) by the Architectural Control Committee. Anything herein to the contrary notwithstanding, in the case of a Dwelling constructed on any Lot, the Architectural Control Committee, in its sole discretion, may limit its review of specific floor plans, and elevations, and upon the Architectural Control Committee's approval of such specific floor plans and elevations, a Dwelling may be constructed with the approved floor plans and elevations without the requirement of further review or approval by the Architectural Control Committee.

3.10 Roofing Materials. The roof of all improvements shall be constructed of slate, stone, concrete tile, clay tile, or other tile of a ceramic nature, dimensional shingles; or they may be metal, left natural or painted a color approved by the Architectural Control Committee, using standing or battened seams. The Architectural Control Committee shall have the authority and sole discretion to approve other roof treatments and materials if the form utilized will be harmonious with the surrounding homes and subdivision as a whole.

3.11 Color. All exterior color schemes on any improvement must be approved by the Architectural Control Committee prior to use. Acceptable color schemes include natural or neutral earth tone colors that blend with the natural surroundings. No bright, florescent or contrasting colors shall be allowed.

3.12 Fences. Walls and fences, if any, must be constructed of the following materials:

A. masonry or masonry veneer. Masonry privacy fences may only be constructed behind the front line of the main Dwelling.

B. wrought iron.

C. cedar posts with barbed wire, straight wire, rolled no climb wire and/or heavy gauge cattle/hog panel.

D. metal pipe with top rail.

E. metal pipe without top rail so long as the pipe fencing has a top rail along any portion facing a street.

The sides and rear of the fence not facing the street must have a metal pipe no less than every 50 feet with t-posts in between unless otherwise approved by the Architectural Control Committee. All t-posts must be painted the same color as the pipe. No wooden privacy fences are allowed. Barb wire, straight wire, rolled wire and 7 heavy gauge cattle/hog panel wire are allowed so long as they are in combination with the Items specified a through e and meet all other requirement set forth in this section.

Fencing shall be allowed around any tennis court or sports court; however, such fencing shall not be a part of the perimeter fencing and shall be constructed of greencoated chain link fence material, or other material approved by the Architectural Control Committee. Sports court and tennis court fencing shall not exceed ten (10) feet in height. Any such fencing on any lot shall not exceed six and one-half feet (78 inches) in height and must be a minimum of four feet (48 inches) in height.

3.13 Construction in Place. All Improvements constructed shall be built in place on the Lot.

3.14 Subdividing, Combining Two (2) or More Lots. No Lot shall be further divided or subdivided by the Owner thereof without the prior written consent of the Architectural Control Committee and Gillespie County, if required; provided, however, when Declarant is the Owner thereof, Declarant may further divide and subdivide any Lot or convey an easement or other interest less than the whole, all without the approval of the Architectural Control Committee. Lots may be combined into one Lot for building purposes and the interior common boundary line shall be extinguished by filing a recordable document of record, joined by the Declarant, or Architectural Control Committee, declaring the same to be extinguished. Thereafter, all set back lines shall refer to the exterior property lines. Portions of Lots may be combined with adjoining Lots for building purposes so long as all resulting Lots are larger than the original Lots. Combined Lots shall nevertheless be considered as separate Lots for assessment purposes, unless otherwise determined by Association. Public utility and drainage easements are exempt from this provision and each Lot owner is required to obtain any needed releases from the Public Utility companies.

3.15 Repair of Buildings. All Improvements upon any of the Subdivision shall at all times be kept in good condition and repair and adequately painted or otherwise maintained by the Owner thereof.

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

3.17 Recreational Vehicles/Campers/Motor Homes. No structure of a temporary character, whether trailer, motor home, recreational vehicle, tent, basement, shack, garage or other outbuilding shall be maintained or used on any Lot at any time as a residence, either temporarily or permanently,

except as follows:

A. Prior to the construction of a Dwelling, an Owner may use a recreational vehicle, camper or motor home (RV) for camping purposes no more than seven (7) days out of any thirty (30) day period and no more than fifty (50) days a year. The RV must be self-contained or on an approved septic. THIS PROVISIONS SHALL TERMINATE ONCE TWENTY-FIVE (25) OR MORE DWELLINGS HAVE BEEN BUILT ON THE LOTS IN THE SUBDIVISION

B. No recreational vehicle, camper or motor home may be leased to a third party.

C. No Lot shall be used as a commercial camping ground.

D. An RV may be used as a temporary residence during construction, not to exceed 12 months, provided an approved septic has been installed for the RV, the RV is placed behind construction site and the RV is not placed on the home prior to the breaking of ground.

E. After a Dwelling is built, all RVs must be parked on a Lot so as not to be visible from an adjoining property or private or public thoroughfare for more than five days.

Temporary structures, including a construction office, portable restroom facilities, or construction storage facilities may be located on a Lot while a Dwelling is actively under construction, provided that such are removed upon substantial completion of construction and are not located on a Lot for longer than the time allowed for construction of Dwelling as set forth herein. The Developer reserves the exclusive right to install and make use of a temporary office or temporary storage facilities within the Property while Developer is selling Lots or building homes in the Property.

The Developer reserves the right to maintain such structures/vehicles within the Property at any location as it, in its sole discretion, may determine to be necessary or convenient while selling Lots.

3.18 Mining and Drilling/Water Wells. Except for water wells used for domestic purposes, no portion of the Subdivision shall be used for mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel, aggregate or earth. Water wells to be used for domestic and irrigation purposes associated with the Lot may be drilled. Notwithstanding, all wells drilled shall be completed in the Trinity Hensel Aquifer, and the Edwards Aquifer shall be sealed off from any production. Each well should be drilled as deep as practical to the base of the Trinity Aquifer to provide maximum possible yield, and pumps should be set as deep as practical to protect from lower water levels during drought.

This Section does not apply to minerals, or resources that are vested in third parties. Declarant makes no warranty or representations regarding the ownership of the minerals or resources or any portion thereof.

3.19 Antennas. No exterior radio, television or computer antenna or aerial or satellite dish receiver, or other devices, designed to receive telecommunication signals, including, but not limited to, radio, television, or microwave signals which are intended for cable television, network television receptions, or entertainment purposes shall be erected or maintained, except by Declarant, without the prior written approval of the Architectural Control Committee, which shall not be unreasonably withheld. No antenna or other receiving device shall extend ten feet above the highest point of the roof. Nothing herein shall be construed to conflict with the rules and regulations set forth by the Federal Communications Commission.

3.20 Signs. Except as specifically set forth in this section, no signs, advertising, billboards or advertising structure of any kind may be erected or maintained on any Lot without the consent in writing of the Architectural Control Committee, except one (1) professionally made sign not more than twenty-four inches (24") by thirty-six inches (36") advertising Owner's Dwelling or lot for sale or rent, and one (1) professionally made sign, not more than twelve inches (12") by twenty-four inches (24") identifying the Tract owner's name or names. The term "professionally made sign" does not include store bought pre-made "for sale" or "for rent" signs. Builders, during the construction of a Dwelling, may place one sign not more than twenty-four inches (24") by thirty-six inches (36") in size on the Lot for purposes of identification of the builder. Builders of a model home may place a pre-approved sign on the tract that does not exceed four (4) feet by four (4) feet advertising the model home. No sign shall be nailed to a tree and all signs must be properly maintained. Declarant or any member of such Committee shall have the right to remove any such sign, advertisement or billboard or structure which is placed on any Tract in violation of these restrictions, and in doing so, shall not be liable, and are hereby expressly relieved from, any liability for trespass or other tort in connection therewith, or arising from such removal.

In accordance with the Texas Property Code, one or more signs advertising a political candidate or ballot item for an election may be displayed as follows:

A. On or after the 90th day before the date of the election to which the sign relates or b. before the 10th day after the election date Such signs must comply with the following: a. The signs must be ground mounted;

B. No more than one sign for each candidate or ballot item is allowed;

C. The sign shall not (i) Contain roofing material, siding, paving materials, flora, one or more balloons or lights or any other similar building, landscaping or nonstandard decorative component; (ii) Is attached in any way to plant material, a traffic control device, a light, a trailer, a vehicle or any other existing structure or object; (iii) Includes the painting of architectural surfaces (iv) threaten the public health or safety; (v) Is larger than four feet by six feet (vi) violate a law; (vii) contain language, graphics or any display that would be offensive to the ordinary person; or (viii) be accompanied by music or other sounds or by streamers or is otherwise distracting to motorists.

Rules may be established regarding the use and display of political signs so long as such rules are not in violation of the Texas statutes.

3.21 Rubbish, Debris or Unsightly Items. No rubbish, debris or other unsightly items of any kind shall be placed or permitted to accumulate upon a Lot and no odors shall be permitted to arise therefrom so as to render such Lot or any portion thereof unsanitary, unsightly, offensive or detrimental to any other property or to its occupants. Refuse, garbage and trash shall be kept at all times in covered containers and such containers shall be kept within enclosed structures or appropriately screened from view. The Architectural Control Committee shall have discretion to determine what constitutes and unsightly item.

3.22 Noise/Lighting. No exterior speakers, horns, whistles, bells or other sound devices (other than security devises used exclusively for security or public safety purposes) shall be located, used or placed on any Lot such that it becomes or will become clearly audible at the property line of adjoining property owners. No noise or other nuisance shall be permitted to exist or operate upon any portion of a Lot so as to be offensive or detrimental to any other portion of the Property or to its occupants.

All exterior lights including but not limited to sports court lighting, shall consist of fixtures that prevent light from escaping through the top and sides of the fixture. Only soft, down lighting shall be allowed.

3.23 Hazardous Activities. No activities shall be conducted in the Subdivision and no Improvements constructed in the Subdivision which are or might be unsafe or hazardous to any person or property.

3.24 Vehicles. Except as expressly allowed in other provisions of these Restrictions, recreational vehicles, campers, motor homes, trailers, graders, trucks other than pickups, boats, tractors, wagons, busses, motorcycles, motor scooters, and garden maintenance equipment shall be kept at all times, except when in actual use or as otherwise allowed herein, in an approved enclosed structure. No repair or maintenance work shall be done on any of the foregoing, or on any automobile (other than minor emergency repairs), except in enclosed garages or such other structures. No automobiles or other vehicles may be parked in excess of 5 days hours on any Road in or abutting the Property.

3.25 Animals-Household Pets. Except as specifically set forth below, no animals, including but not limited to pigs, pot-bellied pigs, hogs, swine, pigeons, poultry, fowl, wild animals, cattle, sheep, goats, or other type of animals not considered to be domestic household pets within the ordinary meaning and interpretation of such word may be kept, maintained or cared for in the Subdivision. Horses, cows, goats, sheep, llamas, alpacas and miniature animals shall be allowed so long as the number of such animals does not exceed one for every one and one-half (1.5) acres owned by a Lot owner. Up to ten (10) laying hens shall be allowed per Lot. Animals being raised for 4-H or school sponsored programs will be permitted during the term of such program. No overgrazing is permitted on any portion of a Lot. No animal shall be allowed to make an unreasonable amount of noise or to become a nuisance and no domestic pet shall be allowed on any portion of the Subdivision other than on the Lot of its Owner unless confined to a leash. No animal may be stabled, maintained, kept, cared for or boarded for hire or remuneration in the Subdivision and no kennels or breeding operation will be allowed. No animal shall be allowed to run at large, and all animals shall be kept within the enclosed areas which must be clean, sanitary and reasonably free of refuse, insects and

waste at all times. Such enclosed area, whether fences or dog runs, shall be constructed in accordance with plans approved by the Architectural Control Committee, shall be of reasonable design and construction to adequately contain such animals in accordance with the provisions hereof.

3.26 Firearms. No discharge of handguns, rifles, shotguns or other firearms, or other similar weapons are allowed in the Subdivision, except in emergency situations.

3.27 Construction Activities. Notwithstanding any provision herein to the contrary, this Declaration shall not be construed so as to unreasonably interfere with or prevent normal construction activities during the construction of Improvements by an Owner (including Declarant) upon any Lot. Specifically, no such construction activities shall be deemed to constitute a nuisance or a violation of this Declaration by reason of noise, dust, presence of vehicles or construction machinery, posting of Architectural Control Committee approved signs or similar activities, provided that such construction is pursued to completion with reasonable diligence and conforms to usual construction practices in the area. In the event of any dispute regarding such matters, a temporary waiver of the applicable provision may be granted by the Architectural Control Committee, provided that such waiver shall be only for the reasonable period of such construction.

3.28 Rentals. Notwithstanding anything herein, Dwellings may be rented to third parties so long as the following conditions are met:

(A) Only a Lot with a Dwelling may be rented and the entire Lot must be rented to the same person.
(B) The minimum age of the person renting the Dwelling is twenty-five
(C) No more than two people per bedroom plus two additional people may stay in the Dwelling. (Example; a two bedroom house may have six occupants)
(D) The renters shall have no more cars present than can fit on the driveway and/or in the garage.
(E) No autos, boats, or other vehicles shall be permitted to be parked on the street or in the yard.
(F) Owners of such Dwellings shall maintain the Lot and Dwelling and keep all trash and debris picked up.
(G) If an Owner is using an outside rental or management agency, such Owner shall provide the Board of Directors with the name of a contact person within such rental or management agency.
(H) Upon request, the Owner shall supply the Board of Directors with the current names, addresses, and phone numbers of the tenants and the Dwelling(s) being rented.
(I) The Association may require that all tenants register with the Association or the Association's representative and provide a contact person and telephone number where such tenant can be reached.
(J) Each Owners shall provide Tenants with a copy of these Restrictions together with any rules or regulations. The Owner shall be responsible for the Tenant's compliance with the same. Ant Tenant who fails to comply with the Restrictions or any rules or regulations may be evicted by the association, management group or law enforcement.
(K) All Tenants shall remove all trash and debris upon leaving a Lot and shall either take the trash and debris out of the subdivision or place the same in an association approved dumpster.
(L) The Board of Directors may enact other rules and regulations regarding rentals.

3.29 Prohibition of Offensive Activity. Except for the rental of a Dwelling as allowed herein, no activity, whether for profit or not, shall be conducted on any Lot which is not related to single family residential purposes, unless said activity meets the following criteria: (a) no additional exterior sign of activity is present, (b) no additional traffic, that would not be there normally, is created, (c) no exterior signs or machinery is visible and (d) nothing dangerous is present that should not be there. Home offices are specifically allowed so long as they meet the requirements of (a), (b), (c) and (d) above. No noxious or offensive activity shall be carried out upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood, specifically including, but not limited to the riding of dirt bikes and four wheelers. The Association shall have the sole and absolute discretion to determine what constitutes a nuisance or annoyance. Notwithstanding, this restriction is waived in regard to the customary sales activities required to sell homes or lots in the Subdivision. Further, during the Development Period, Declarant may construct and/or maintain upon portions of the Common Area, Lots or any part of the Property such signs or

facilities and conduct such activities as may be reasonably required, convenient or incidental to the sale of Lots and uses incidental thereto.

3.30 Propane Tanks, Outside Laundry Areas, etc. All Propane tanks shall be buried or screened from view by a masonry or wooden fence approved by the Architectural Control Committee. All facilities for hanging, drying or rinsing clothing or household fabrics shall be appropriately screened from view from public or private thoroughfares and adjacent properties and no lumber, grass, plant, waste, shrub or tree clippings, metals, bulk materials or scrap or refuse or trash shall be kept, stored or allowed to accumulated on any portion of a Lot except within enclosed structures or appropriately screened from view from public or private thoroughfares and adjacent properties. The Architectural Control Committee may adopt additional rules regulating the appearance and storage of articles, including but not limited to tanks, trash cans, pool equipment, etc.

3.31 Above ground pools. No above ground swimming pools shall be allowed on a Lot at any time.

3.32 Oak Wilt. If Oak Wilt is present on an Owner's Lot, the Owner shall remove all of the trees affected by the Oak Wilt and take immediate action to prevent the spread of the disease to surrounding Lots and trees.

3.33 Flags, Rainwater Harvesting Equipment and Solar Energy Devices. The Board of Directors may adopt rules to regulate the use and placement of flags, rainwater harvesting equipment and solar energy devices. Such rules shall be in compliance with all Texas statutes.

3.34 Landscaping. A minimum of twenty-five feet (25') of the front, fifteen feet (15') of the side yards shall be planted, landscaped and maintained at all times after completion of the main Dwelling. Notwithstanding, no more than 5,000 square feet of any sod (planted grass) shall be irrigated with an irrigation system. The landscaped area shall consist of a balanced mix of some of the following: trees, shrubs, decomposed granite, pervious hardscape, mulch, rock and drought tolerant lawn grass. The remainder of the Lot may consist of native plants. All landscaping shall be completed within ninety (90) days of home completion or move in, whichever is first.

3.35 Rain Barrels. Rain barrels shall be allowed but must comply with all rules set forth by the Board of Directors in the design guidelines.

3.36 Repairs and/or Restoration of Buildings. In the event of fire or other casualty causing damage to improvements on a Lot, the Owner of the Lot shall promptly remove all debris and promptly repair, restore and replace any damaged or destroyed structures to their same exterior condition existing prior to the damage or destruction thereof.

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

NEITHER DEVELOPER NOR LOMA VISTA RANCH, PHASE I MAKES ANY GUARANTEES, WARRANTIES, OR REPRESENTATIONS OF ANY KIND WHATSOEVER, INCLUDING, BUT NOT LIMITED TO THE QUALITY OF CONSTRUCTION OR MATERIALS USED AND/OR THE ABILITY OF ANY BUILDER.

3.38 Compliance with Provisions of these Declarations. Each Owner shall comply strictly with the provisions of the Declarations as the same may be amended from time to time. **Failure to comply with any of Declarations shall constitute a violation of this Declaration, and shall give rise to a cause of action to recover sums due for damages, injunctive relief, fines, or any other right granted to the Board or an aggrieved Owner in these Declarations, at common law or in equity.**

ARTICLE IV
USE RESTRICTIONS

4.1 General. Except as otherwise provided below, the Subdivision shall be improved and used solely for single family residential use, utility use, or for Common Areas. Common Areas may, subject to the approval of Declarant, be improved and used for active and passive recreational purposes for the primary benefit of Owners and occupants of portions of the Property; provided, however that, as to any specific area, Declarant may, in its sole and absolute discretion, permit other improvements and uses.

4.2 Minimum Yards. The location of all Improvements on a Lot shall be subject to approval by the Architectural Control Committee. Minimum yard and setback requirements may be established in excess of those shown on the plat by the Architectural Control Committee or by Declarant through a Supplemental Declaration in order to maximize open areas, pedestrian and vehicular movement and to benefit the overall appearance of the Property.

4.3 Common Areas. No land with any Common Areas shall be improved, used, or occupied, except in such a manner as shall have been approved by the Board, in its sole and absolute discretion. Such required approval shall extend to the nature and type of use, occupancy and Improvement. Access to any Common Areas may be limited to persons currently paying Assessment fees and other charges, or otherwise conditioned or restricted, or made available to non-Owners, all on such terms and conditions as the Board may determine, in its sole discretion. Notwithstanding, the Developer shall have use of the Common Areas at all times.

ARTICLE V
LOMA VISTA RANCH, PHASE I PROPERTY OWNERS ASSOCIATION

5.1 Organization. The Declarant has caused or shall cause the formation and incorporation of the Association as a nonprofit corporation under the laws of the State of Texas. The Association shall be created for the purposes, charged with the duties, governed by the provisions, and vested with the powers prescribed by law or set forth in its Certificate of Formation and Bylaws or in this Declaration. Neither the Certificate of Formation nor Bylaws shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration. Nothing in this Declaration shall prevent the creation, by provision therefor in Supplement Declaration(s) executed and recorded by Declarant or any person or persons authorized by Declarant, of Sub-associations to own, develop, assess, regulate, operate, maintain or manage the Property subject to such Supplemental Declarations.

5.2 Membership. Every person or entity who is a record Owner of a fee or undivided fee interest in any Lot, including but not limited to the Developer but excluding any utility company, shall be a Member of the Association. The foregoing is not intended to include a person or entity holding an interest merely as security for the performance of any obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Ownership of such Lot shall be the sole qualification for membership. Any Mortgagee or Lienholder who acquired title to any Lot which is a part of the Property through judicial or non-judicial foreclosure shall be a Member of the Association. It is understood that the Development may be developed in phases or sections, and upon the completion of development of each individual section or phase by Declarant, such completed section or phase or any part thereof shall, at the option and election of Declarant, be incorporated within the scheme of the Declarations and become bound hereby and a part hereof or may be restricted under separate Declarations but still be a part of the Association.

5.3 Voting Rights. The Association shall have one class of voting memberships. Each Lot shall have one vote regardless of the number of owners of the Lot or members of the Association, even if such lot is exempt from paying dues hereunder. If two (2) or more Lots are combined into one (1) Lot, but the Lot Owner is still paying dues on all Lots (including partial dues) the resulting Lot shall have one vote for each full assessment that is being paid.

5.4 Powers and Authorities of the Association. The Association shall have the powers of the Texas Nonprofit Corporation, subject only to such limitations upon the exercise of such power(s) as are expressly set forth in this Declaration. It shall further have the power to do and perform any and all acts which may be necessary or proper for or incidental to the exercise of any of the express powers granted to it by the Laws of Texas. The Association acting through its Board, shall have the power and authority at all time as follows:

(A) Loma Vista Ranch, Phase I Rules and Company Agreement. To make, establish and promulgate, and in its discretion to amend or repeal and re-enact, such Loma Vista Ranch, Phase I Rules and Regulations not in conflict with this Declaration, as it deems proper covering any and all aspects of its functions.

(B) Insurance. To obtain and maintain in effect policies of insurance which, in the opinion of the Board are reasonably necessary or appropriate to carry out the Association functions.

(C) Records. To keep books and records of the Association's affairs.

(D) Assessments. To levy assessments as provided in Article VII below. An assessment is defined as that sum which must be levied in the manner and against the property set forth in Article VII hereof in order to raise the total amount for which the levy in question is being made.

(E) Right of entry and Enforcement. To enter at any time in an emergency (or in the case of non-emergency, after twenty-four (24) hours written notice), without being liable to any Owner, Contractor or Subcontractor, upon any Lot and into any Improvement thereon, excluding a completed, occupied Dwelling, for the purpose of enforcing Loma Vista Ranch, Phase I Restrictions or for the purpose of maintaining or repairing any area, landscaping, Improvement or other facility to conform to Loma Vista Ranch, Phase I Restrictions. The expenses Incurred by the Association in connection with such entry upon any Lot and the maintenance and repair work conducted thereon shall be a personal obligation of the Owner of the Lot entered upon, shall be due no later than the first day of the following month, shall be a lien upon the Lot entered upon and upon the Improvements thereon, and shall be enforced in the same manner and to the same extent as provided in Article VII hereof for regular and special assessments. The Association shall have the power and authority from time to time, in its own name and on its own behalf, or in the name of and on behalf of any Owner who consents thereto, to commence and maintain actions and suits to enforce, by mandatory injunction or otherwise, or to restrain and enjoin, any breach or threatened breach of Loma Vista Ranch, Phase I Restrictions. The Association is also authorized to settle claims, enforce liens, file suit to recover damages, fees and costs, request injunctive relief and take any action as it may deem necessary or expedient to enforce Loma Vista Ranch, Phase I Restrictions; provided, however, that the Board shall never be authorized to expend any Association funds for the purpose of bringing suit against Declarant, its successors or assigns.

The Association is hereby granted a perpetual easement to enter Lots for the purposes set forth above and shall in no event be liable for a trespass action or any damages, losses or expenses caused by such entry.

(F) Legal and Accounting Services. To retain and pay for legal and accounting services necessary or proper in the operation of the Association.

(G) Conveyances. To grant and convey to any person or entity the real property and/or other interest therein, including fee title, leasehold estates, easements, rights-of-way, or mortgages out of, in, on, over, or under any Common Areas for the purpose of constructing, erecting, operating, repairing or maintaining the following:

(1) Parks, open spaces, parkways or other recreational facilities or structures;

(2) Roads, streets, walks, driveways, trails and paths;

(3) Lines, cables, wires, conduits, pipelines or other devices for utility purposes;

(4) Sewers, water systems, storm water drainage systems, sprinkler systems and pipelines;

(5) Drainage easements; and/or

(6) Any similar public, quasi-public or private improvements or facilities; provided, however, that the Association shall not convey fee simple title in and to, or mortgage all or any portion of any Common Area without the consent of at least sixty-seven (67%) of the Owners (excluding Declarant).

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

(H) Manager. To retain and pay for the services of a person or firm (the "Manager") to manage and operate the Association, including its property, to the extent deemed advisable by the Board. Additional personnel may be employed directly by the Association or may be furnished by the Manager. To the extent permitted by law, the Association and the Board may delegate any other duties, powers and functions to the Manager. The members of the Association hereby release the Association and the members of the Board from liability for any omission or improper exercise by the Manager of any such duty, power or function so delegated.

(I) Association Property Services. To pay for water, sewer, garbage removal, landscaping, gardening and all other utility services for all Common Areas and to maintain and repair all easements, roads, parks, median strips and other areas in the Property not otherwise dedicated and/or accepted by a governmental entity..

(J) Other Services and Properties. To obtain and pay for any other property and services, and to pay any other taxes or assessments which the Association or the Board is required to secure or to pay for pursuant to applicable law, the terms of this Declaration, or the Certificate of Formation or Bylaws of the Association.

(K) Construction on Association Property. To construct new Improvements or additions to Common Areas as provided in this Declaration.

(L) Contracts. To enter into contracts with Declarant and other persons on such terms and provisions as the Board shall determine, to operate and maintain any Common Area or to provide any service or perform any function on behalf of Declarant or any Person.

(M) Property Ownership. To acquire and own and to dispose of all manner of real and personal property, whether by grant, lease, gift or otherwise and to own and operate any and all types of facilities for both active and passive recreation.

(N) Fines. To levy fines in order to enforce compliance with Loma Vista Ranch, Phase I Restrictions.

5.5 Maintenance and Landscape Authority. The Association shall maintain and repair easements, entrances, gates, roads, roadways, rights-of-way, parks, parkways, swimming pools, landscaped median or median strips, sidewalks, paths, trails, ponds, lakes and other areas of the Property, as appropriate, and all streets and roadways within the Property, which are owned by the Association or have been completed but not accepted by the appropriate governmental entity for maintenance. In addition, the Association shall be authorized to landscape all easements, access easements, rights-of-way, median strips, sidewalks, paths, trails, detention ponds and other areas of the Property, as appropriate. During the Development Period, the Association, shall maintain all Common Areas dedicated to the Association and not maintained by Developer. The Association shall also maintain any landscaped medians and boulevard areas, not fronting lots, located in any public right-of-way.

5.6 Lighting. The Association shall pay for any electrical service and for all other costs and expenses necessary to operate and maintain the lighting on Common Areas.

5.7 Common Areas. Subject to and in accordance with this Declaration, the Association, acting through the Board, shall have the following duties:

(A) To accept, own, operate and maintain all Common Areas which may be conveyed or leased to it by Declarant, together with all Improvements of whatever kind and for whatever purpose which may be located in said area; and to accept, own, operate and maintain all other Common Areas, real and personal, conveyed or leased to the Association by the Declarant and to maintain in good repair and condition all lands improvements and other Association property owned by or leased to the Association. Such maintenance shall include, but not be limited to, mowing and removal of rubbish or debris of any kind.

(B) To construct, maintain, repair and replace landscape improvements and irrigation

systems which lie within public rights-of-way, pursuant to any agreement with Gillespie County or other appropriate governmental authority.

(C) To pay all real and personal property taxes and other taxes and assessments levied upon or with respect to any property owned by or leased to the Association, to the extent that such taxes and assessments are not levied directly upon the members of the Association. The Association shall have all rights granted by law to contest the legality and the amount of such taxes and assessments.

(D) Upon the approval of two-thirds (2/3rds) of the Owners, to execute mortgages, both construction and permanent, for construction of facilities, including improvements on property owned by or leased to the Association. Additionally, the Association may accept lands in Common Areas, whether or not improved, from Declarant subject to such mortgages or by assuming such mortgages. Financing may be effected through conventional mortgages or deeds of trust, the issuance and sale of development or other bonds, or in any other form or manner as may be deemed appropriate by the borrower, whether Declarant or the Association. The mortgage or other security interest given to secure repayment of any debt may consist of a first, second or other junior lien as shall be deemed appropriate by borrower, whether Declarant or the Association, on the improvement or other facility to be constructed, together with such underlying and surrounding lands as the borrower deems appropriate. The debt secured by such mortgage or other security instrument may be retired from and secured by the revenues generated by dues, use fees or Assessment paid by the members of the Association, as the case may be, but subject to the limitations imposed by this Declaration.

(E) To take out and maintain a current policy of liability insurance coverage to cover accidental bodily injury and/or death caused by the use and enjoyment of the Common Area, as well as casualty coverage on all real and personal property owned by the Association, and in such amounts as determined by the Board, if the Board shall deem the same appropriate.

(F) To make any rules or regulations it deems necessary for such Common Areas.

5.8 Indemnification. The Association shall defend and indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he is or was director, officer, committee member, employee, servant or agent of the Association against expenses, including attorney's fees, reasonably incurred by him in connection with such action, suit or proceeding if it is found and determined by the Board or a Court that he (1) acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interest of the Association, and (2) with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceedings by settlement, or upon a plea of Nolo Contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith or in a manner which he reasonably believed to be in, or not opposed to, the best interests of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful. The Board may purchase and maintain insurance on behalf of any person who is or was a director, officer, committee member, employee, servant or agent of the Association, against any liability asserted against him or incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability hereunder or otherwise.

5.9 Protection of Declarant's Interests. Despite any assumption of control of the Board by Owners, until the expiration or termination of the Development Period, the Board is prohibited from taking any action which would discriminate against Declarant or which would be detrimental to the sale of Lots within the Property.

ARTICLE VI
ARCHITECTURAL CONTROL COMMITTEE

6.1 Approval of Plans and Specifications. All Dwellings constructed on any portion of the Properties shall be designed by and built in accordance with the plans and specifications of a licensed architect or professional designer unless otherwise approved by the Committee. All fill brought onto the Lot must be approved by the Committee prior to placing on Lot. No Improvement shall be commenced, erected, constructed, placed or maintained upon any Lot, no site or dirt work shall be commenced, and no exterior addition to or change or alteration shall be made until the Plans

and Specifications therefor shall have been submitted to and approved by the Architectural Control Committee. Construction of any structure approved by the Committee shall be commenced within six months of such approval or the approval shall be null and void and of no further effect and such plans and specifications must then be resubmitted for approval.

6.2 Membership of Architectural Control Committee. The Architectural Control Committee shall consist of not less than three nor more than five voting members ("Voting Members") and such additional nonvoting members serving in an advisory capacity ("Advisory Members") as the voting members of the Committee deem appropriate. The members of the Architectural Control Committee are not required to be Lot Owners or Members of the Association.

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

6.4 Term. The Declarant shall appoint the initial members of the Architectural Control Committee. Such members shall serve until the termination of the Development Period or until Developer delegates its rights by execution of a written document filed with the records of the Association. If any member resigns during the Development Period, the Declarant shall appoint its replacement. Such members are not required to be a Lot Owner. The Architectural Control Committee will act solely in the Declarant's interest and will owe no duty to any other Owner or the Association until the earlier of the termination of the Development Period or the Declarant delegates its rights, in writing, to the Members.

6.5 Adoption of Rules. The Architectural Control Committee may adopt such procedural and substantive rules, not in conflict with this Declaration, as it may deem necessary or proper for the performance of its duties, including but not limited to, a building code, a fire code, a housing code, and other similar codes as it may deem necessary and desirable. The Architectural Control Committee shall adopt Design Guidelines which shall be incorporated herein for all purposes.

6.6 Review of Proposed Construction. Whenever in this Declaration, or in any Supplemental Declaration, the approval of the Architectural Control Committee is required, it shall consider all of the Plans and Specifications for the Improvement or proposal in question and all other facts and information which, in its sole discretion, it considers relevant, and may require an Owner to provide such other information as it deems relevant. Except as otherwise specifically provided herein, prior to the commencement of any construction of any Improvement on the Lot or any portion thereof, the Plans and Specifications therefor shall be submitted to the Architectural Control Committee, and construction thereof may not commence unless and until the Architectural Control Committee has approved such Plans and Specifications in writing. The Architectural Control Committee may postpone review of the Plans and Specifications until such time as the Architectural Control Committee has received all information reasonably requested. If the Architectural Control Committee fails to approve or disapprove in writing any plans and specifications within thirty days following the submission or plans, or the receipt of any requested additional information, such plans and specifications shall be deemed approved and the construction of any such building and other improvements may be commenced and proceeded with in compliance of such plans and specifications. The Architectural Control Committee shall perform such other duties assigned to it by this Declaration or as from time to time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with Plans and Specifications approved by the Architectural Control Committee. The Architectural Control Committee's approval of any Plans and Specifications shall not be deemed approval thereof from the standpoint of structural safety, engineering soundness, or conformance with building or other codes. All decisions of the Architectural Control Committee may be appealed to the Board of Directors of the Association. The appeal process shall be established by the Board of Directors but shall be similar to the process set forth in Section 209.006 and 209.007 of the Texas Property Code.

Simultaneously with the submission of any plans and specifications, the Builder or Owner of the Lot shall submit $1,000.00 for a construction deposit to the Association. Such amount may be increased by the Board of Directors and set forth in the Design Guidelines so long as it is not increased by more than 10% in any one year. This deposit shall be to guarantee that the Owner of the Lot, as well as any Contractor or Subcontractor, adheres to the provisions of this Declaration. If the Committee

or the Association must remedy a violation, the cost of such remedy shall be charged against these funds. This provision does not limit any other relief to which the Association or Committee is entitled to under this Declaration, at law or in equity or limit the amount of damages for which the Owner is liable. If, upon the completion of the Dwelling and all landscaping, the covenants have been complied with, the lesser of one-half of the deposit or any amount not used for remedying a violation shall be returned to the person or entity which deposited the funds. No interest shall accrue on such funds.

6.7 Variances. The Committee and/or the Developer (prior to the termination of the Development Period) may, on a case by case basis, authorize variances from compliance with any of the provisions of either (i) the Restrictions or (ii) minimum acceptable construction standards, regulations and Design Guidelines as promulgated from time to time by the Developer or the Committee. Notwithstanding, after the termination of the Development Period, both the Developer and the Committee shall have the right to grant a variance from the Building set-back line restrictions. Either party may grant this variance as it determines, in its sole discretion is needed, without the consent of the other. Such variances must be evidenced in writing and shall become effective when signed by the Developer or by at least a majority of the members of the Committee. If any such variances are granted, no violation of the provisions of this Declaration shall be deemed to have occurred with respect to the matter for which the variance is granted; provided, however, that the granting of a variance shall not operate to waive any of the provisions of these Restrictions for any purpose except as to the particular Lot and particular provisions hereof covered by the variance, nor shall the granting of any variance affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the Lot concerned.

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

6.9 Work in Progress. The Architectural Control Committee, at its option, may, but shall not be required to, inspect all work in progress to ensure compliance with approved Plans and Specifications. For this purpose, the Committee shall have a nonexclusive easement for ingress and egress across each Lot.

6.10 Certificate of Compliance. Upon completion of any Improvement approved by the Architectural Control Committee and upon written request by the Owner of the Lot, the Architectural Control Committee shall issue a "Certificate of Compliance With Approved Plans and Specifications" in a form suitable for recordation. The Certificate shall identify the Lot and the Improvements, the use or uses to be conducted thereon, and the Plans and Specifications on file with the Architectural Control Committee pursuant to which the Improvements were made and shall specify that the Improvements comply with the approved Plans and Specifications. The Certificate shall not be construed to certify the acceptability, sufficiency or approval by the Architectural Control Committee of the actual consideration of the Improvements or of the workmanship or material thereof.

The Owner is hereby notified that the Certificate in no way warrants, except as set forth above, the sufficiency, acceptability or approval by the Architectural Control Committee of the construction workmanship, material and or equipment of the Improvements. Preparation and recordation of such a Certificate shall be at the expense of the Owner of the Lot.

6.11 Non-Liability of Committee Members. NEITHER DECLARANT, THE BOARD, THE ARCHITECTURAL CONTROL COMMITTEE, NOR ANY MEMBER WILL BE LIABLE TO ANY OTHER PERSON FOR ANY LOSS, DAMAGE OR INJURY ARISING OUT OF THE PERFORMANCE OF THE ARCHITECTURAL CONTROL COMMITTEE'S DUTIES UNDER THIS DECLARATION.

ARTICLE VII
FUNDS AND ASSESSMENTS

7.1 Assessments.

(A) Developer shall not be required to pay an Assessment on any Lot owned by Developer. All other Assessments established hereunder or by the Board pursuant to the provisions of this Article VII shall be levied on a uniform basis against each Lot within the Property. Lots which have been re-platted to create a larger lot shall continue to pay assessments at a rate equal to one assessment for Each Lot. The Developer shall determine the assessments against each Lot until the end of the Development Period.

(B) Each unpaid Assessment together with such interest thereon and costs of collection thereof as hereinafter provided, shall be the personal obligation of the Owner of the Lot against which the Assessment falls due, and shall become a lien against each such Lot and all Improvements thereon. The Developer and/or the Association may enforce payment of such assessments in accordance with the provisions of this Article.

(C) Where the obligation to pay an Assessment first arises after either the commencement of the year or other period for which the Assessment was levied, the Assessment shall be prorated as of the date when said obligation first arose to the duration of the Assessment year or other period remaining after said date.

7.2 Maintenance Fund. The Developer shall initially establish, and the Board shall thereafter continue, a maintenance fund into which shall be deposited all monies paid the Association and from which disbursements shall be made in performing the functions of the Association under this Declaration. The funds of the Association must be used solely for purposes authorized by this Declaration, as it may from time to time be amended. Nothing contained herein shall limit, preclude or impair the establishment or other maintenance funds by a Sub-association pursuant to any Supplement *Declaration.*

7.3 Regular Annual Assessments. Prior to the beginning of each fiscal year the Board shall estimate the expenses to be incurred by the Association during such year in performing its functions under Loma Vista Ranch, Phase I Restrictions, including but not limited to, the cost of all maintenance, the cost of enforcing Loma Vista Ranch, Phase I Restrictions, and a reasonable provision for contingencies and appropriate replacement reserves. Assessments sufficient to pay such estimated net expenses and the level of Assessment set by the Board shall be final and binding so long as it is made in good faith. All such regular Assessments shall be due and payable to the Association at the beginning of the fiscal year or during the fiscal year in equal quarterly installments on or before the first day of each quarter, or in such other manner as the Board may designate in its sole and absolute discretion. In no event shall the regular Assessment per Lot for the year 2021 exceed the sum of $595.00 per year.

7.4 Special Assessments. In addition to the Regular Annual Assessment, the Association may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Any such Special Assessment may be levied against all Lots and may be enforced in the same manner as the Regular Annual Assessment.

7.5 Owner's Personal Obligation for Payment of Assessments. The regular Assessments provided for herein shall be the personal and individual debt of the Owner of the Lot covered by such Assessments. No Owner may exempt himself from liability for such Assessments by nonuse of the Common Areas or sale of his Lot. In the event of default in the payment of any such Assessment, the Owner of the Lot shall be obligated to pay interest on the amount of the Assessment from the due date at a percentage rate of twelve percent (12.0%) per annum, or the highest amount allowed by law, whichever is lower, together with all costs, and expenses of collection, including reasonable attorney's fees.

7.6 Creation of Lien and Personal Obligation. In order to secure the payment of the assessments, fees and other charges hereby levied, each Owner of a Lot in the Subdivision, by such party's acceptance of a deed thereto, hereby grants to the Association a contractual lien on such Lot which may be foreclosed on, either judicially or non-judicially, in compliance with the applicable law, such as Section 51 of the Texas Property Code (and any successor statute) and Section 209 of the Texas Property Code and each such owner hereby expressly grants the Association a power of

sale in connection with such statute. The Association shall, whenever it proceeds with foreclosure pursuant to the provisions of the Texas Property Code and said power of sale, designate in writing a Trustee to post or cause to be posted all required notices of such foreclosure sale and to conduct such foreclosure sale. The Trustee may be changed at any time and from time to time by the Association by means of a written instrument executed by the President or any Vice-President of the Association and filed for record in the Real Property Records of Gillespie County, Texas. In the event that the Association has determined to foreclose the lien pursuant to the provisions of the Texas Property Code and to exercise the power of sale hereby granted, the Association, or the Association's agent, shall give notice of foreclosure sale as provided by the Texas Property Code as then amended. Upon request by the Association, the Trustee shall give any further notice of foreclosure sale as may be required by the Texas Property Code as then amended and shall convey such Lot to the highest bidder for cash by Deed. Out of the proceeds of such sale, if any, there shall first be paid all expenses incurred by the Association in connection with such default, including reasonable attorney's fees and a reasonable trustee's fee; second, from such proceeds there shall be paid to the Association an amount equal to the amount in default; and third, the remaining balance shall be paid to such Owner. Subject to Section 51 and 209 of the Texas Property Code, following any such foreclosure, each occupant of any such Lot foreclosed on and each occupant of any improvements thereon shall be deemed to be a tenant at sufferance and may be removed from possession by any and all lawful means, including a judgment for possession in an action of forcible detainer and the issuance of a writ of restitution thereunder. In the event of non-payment by any Owner of any assessment, fee or other charge levied hereunder, the Association may, in addition to foreclosing the lien and exercising the remedies provided, upon ten (10) days prior written notice to such non-paying Owner, exercise all other rights and remedies available at law or in equity.

It is the intent of the provisions of this Section 7.6 to comply with the provisions of Section 51 and 209 of the Texas Property Code and Rules 735 and 736 of the Texas Rules of Civil Procedure relating to non-judicial foreclosure sales by power of sale and, in the event of the amendment of Sections 51, or 209 of the Texas Property code, or Rules 735 or 736 of the Texas Rules of Civil Procedures hereafter, the President or any Vice-President of the Association, acting without joinder of any other Owner or mortgagee or other person may, by amendment to this Declaration file in the Real Property Records of Gillespie County, Texas, amend the provisions hereof so as to comply with said amendments to said Sections.

7.7 Notice of Lien. In addition to the right of the Association to enforce the assessments, fees or other charge levied hereunder, the Association may file a claim or lien against the Lot of the delinquent Owner by recording a notice ("Notice of Lien") setting forth (a) the amount of the claim of delinquency, (b) the interest thereon, (c) the costs of collection which have accrued thereon, (d) the legal description and street address of the Lot against which the lien is claimed and (e) the name of the Owner thereof. Such Notice of Lien shall be signed and acknowledged by an officer of the Association or other duly authorized agent of the Association. The lien shall continue until the amounts secured hereby and all subsequently accruing amounts are fully paid or otherwise satisfied. When all amounts claimed under the Notice of Lien and all other costs and assessments which may have accrued subsequent to the filing of the Notice of Lien have been fully paid or satisfied, the Association shall execute and record a notice releasing the lien upon payment by the Owner of a reasonable fee as fixed by the Board of Directors to cover the preparation and recordation of such release of lien instrument.

7.8 Liens Subordinate to Mortgages. The lien described in this Article VII shall be deemed subordinate to a first lien or other liens of any bank, insurance company, savings and loan association, university, pension and profit sharing trusts or plans, or any other third party lender, including Developer, which may have heretofore or may hereafter lend money in good faith for the purchase or improvement of any Lot and any renewal, extension, rearrangement or refinancing thereof, including home equity loans. Each such Mortgagee of a Mortgage encumbering a Lot who obtains title to such Lot pursuant to the remedies provided in the deed of trust or Mortgage or by judicial foreclosure shall take title to the Lot free and clear of any claims for unpaid assessments, fees or other charges against such Lot which accrued prior to the time such holder acquired title to such Lot. No such sale or transfer shall relieve such holder from liability for any assessments, fees or other charges thereafter becoming due or from the lien thereof. Any other sale or transfer of a Lot shall not affect the Association's lien for assessments, fees or other charges. The Association shall make a good faith effort to give each such Mortgagee sixty (60) days advance written notice of the Association's proposed foreclosure of lien described herein, which notice shall be sent the nearest office of such Mortgagee by prepaid United States registered or Certified mail, return receipt requested, and shall contain a statement of delinquent assessments, fees or other charges upon which

the proposed action is based provided, however, the Association's failure to give such notice shall not impair or invalidate any foreclosure conducted by the Association pursuant to the provisions of this Article VII.

ARTICLE VIII
EASEMENTS

8.1 Reserved Easements. All dedications, limitations, restrictions and reservations shown on a Plat and all grants and dedications of easements, rights-of-way, restrictions and related rights, made by Declarant prior to the Property becoming subject to this Declaration, are incorporated herein by reference and made a part of this Declaration for all purposes, as if fully set forth herein, and shall be construed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant conveying any part of the Property. Declarant reserves the right to make changes in and additions to the said easements and rights-of-way for the purpose of most efficiently and economically developing the Property. Further, Declarant reserves the right, without the necessity of the joinder of any Owner or other person or entity, to grant, dedicate, reserve otherwise create, at any time or from time to time, rights-of-way and easements for public utility purposes (including without limitation, gas, water, cable television, electricity, telephone and drainage), in favor of Person, along and on either or both sides of any Lot line, which said easement shall have a maximum width of 10.0 feet on each side of such Lot line.

8.2 Installation and Maintenance. There is hereby created an easement upon, across, over and under all of the easement area affecting the Property for ingress and egress in connection with installing, replacing, repairing and maintaining all utilities, including, but not limited to, water, sewer, gas, cable television, telephones, electricity and appurtenances thereto. By virtue of this easement, it shall be expressly permissible for the utility companies and other entities supplying service to install and maintain pipes, wires, conduits, service lines or other utility facilities or appurtenances thereto, under the Property, within the public utility easements from time to time existing and from service lines situated within such easements to the point of service on or in any Improvement. Notwithstanding any provision contained in this section, no sewer, electrical lines, water lines or other utilities or appurtenances thereto may be relocated on the Property until approved by Declarant or the Architectural Control Committee. Additionally, it shall be expressly permissible for the utility companies and other entities supplying service to trim overhanging trees and shrubs which are located on portions of the Property abutting such easements in the event it shall be determined that such overhanging limbs and shrubs shall interfere with the maintenance of the utilities.

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

8.4 Surface Areas. Each Owner shall maintain the surface area of all easements located within his Lot and all improvements located therein except for such improvements for which a public authority or utility company is responsible. The surface of easement areas for underground utility services may be used for planting of shrubbery, trees, lawns or flowers. However, neither the Declarant nor any supplier of any utility or service using any easement shall be liable to any owner or to the Association for any damage done by them or either of them or their respective agents, employees, servants or assigns, to any of the aforesaid vegetation as a result of any activity relating to the construction, maintenance, operation or repair of any facility in any such easement area.

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

8.6 Common Areas. Each Owner shall have an easement of use and enjoyment in and to all Common Areas which shall be appurtenant to and shall with title to such Owner's Lot, subject to the following restrictions:

(A) The right of the Association to suspend the Owner's voting rights and right to use the Common Areas for any period, during which any Assessment against such Owner's Lot remains unpaid, and for any period during which the Owner is in violation of the rules and regulations of the Association;

(B) The right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as may be approved by a majority vote of the Members;

(C) The right of the Association to borrow money for the purpose of improving the Common Areas and, in furtherance thereof, to Mortgage the Common Areas, all in accordance with the Certificate of Formation and Bylaws;

(D) The right of the Association to make reasonable rules and regulations regarding the use of the Common Areas and any facilities thereon, including but not limited to the number of guests allowed; and

(E) The right of the Association to contract for services with third parties on such terms as the Association may determine.

8.7 Road Easement. The roads within Loma Vista Ranch, Phase I have been or will be conveyed to the Association for use as a road. Each Lot Owner is hereby granted a nonexclusive easement for vehicular or pedestrian ingress and egress to and from their Lot(s), any public right-of-way and all Common Areas over and across said roads. The Association shall, at all times, allow Lot Owners access over such easements, regardless of whether such Lot Owner is current with his dues or in compliance with these restrictions. Except as specifically set forth herein, no improvement shall be constructed on or over such easement by any Lot Owner and no action shall be taken by any Lot Owner on or over this easement which would prevent other Lot Owners to have access to their individual properties. The Association shall be responsible for the maintenance of such road. Developer reserves the right to grant easements over the roads to third parties who are not Owners within the Property.

8.8 Drainage Easement. The easements located on the plat as drainage easements shall be maintained by the Lot Owner. The Lot owner shall not fence this area or place any other obstructions within such area that would prevent drainage along this area for the benefit of the subdivision.

8.9 Access Easement. Access easements are located within the private roads for the purpose of providing public safety services, policy, fire and medical services, utility meter reading and other similar services as more fully set forth on the plat.

8.10 Easements to Serve Additional Land. The Declarant hereby reserves for itself and its duly authorized agents, representatives and employees, successors, assigns, licensees and mortgagees, an easement over the roadways within the Subdivision and/or the Property and any other roadways or access easements and Common Areas for the purposes of enjoyment, use, access, and development of Additional Land, whether or not such property is made subject to this Declaration. This easement includes, but is not limited to, a right of ingress and egress over the Common Area for construction of the roads, for the posting of signs and for connecting and installing utilities serving the Additional Land. Declarant agrees that it and its successors or assigns shall be responsible for any damage caused to the Common Areas as a result of vehicular traffic connected with development of Additional Land. Declarant reserves the right to convey this non-exclusive easement to any current or successive owner or owners of any part of the Additional Lands.

8.11 Oak Wilt. All Owners are advised to secure from the Texas Forest Service, the Texas Extension Forester at Texas A & M University or its local county agent information on oak wilt and other diseases which may infect their trees and possibly spread to trees on other Lots. Each Owner is responsible for taking such actions as may be necessary on his property to ensure that oak wilt and other diseases are not spread to the trees of other Owners. Because there is no known cure for oak wilt and oak wilt almost always spreads from a diseased tree to its neighboring oak trees, each Owner shall properly treat or destroy all infected oak trees, avoid unnecessary pruning, and shall

immediately apply dressing to all wounds on all oak trees. If oak wilt is detected, a trench of 48 inches in depth should be established a minimum of 100 feet from the last symptomatic tree so as to prevent the oak wilt from spreading through connecting roots. Oak trees are most susceptible to oak wilt from February 1 to June 1. As a precaution, Owners should (i) avoid using firewood from infected oak trees, (ii) dispose of unused oak firewood after one heating season, and (iii) cut firewood only in the summer. Owners should use fungicide propiconazale to treat uninfected oaks when first informed of oak wilt being present on nearby trees. The foregoing information regarding oak wilt is provided to alert Owners and neither Declarant nor the Association shall be liable to any Owner in connection with the existence of spread of oak wilt on any Lot.

8.12 Geological Features: Caves and Sinkholes. Natural caves, sinkholes and/or other geological features may exist on some of the Lots in the Property. Each prospective Owners should personally inspect the Lot in which he is interested and/or seek the advice of a professional engineer and/or geologist to assure himself of the location of any such caves, sinkholes and/or other geological features which may be located thereon.

ARTICLE IX
MISCELLANEOUS

9.1 Term. This Declaration, including all of the covenants, conditions and restrictions hereof, shall run until June 1, 2041, unless amended as herein provided. After June 1, 2039, this Declaration, including all such covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years each, unless amended or extinguished by a written instrument executed by no less than 66 2/3 of the Lots within the Property then members of the Association.

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

9.3 Amendment.

(A) By Declarant. This Declaration or any Supplemental Declaration may be amended by the Declarant acting alone until August 1, 2031, or until termination of the Development Period, whichever occurs first, by Declarant filing such Amendment in the Official Public Records of Gillespie County, Texas. No amendments by Declarant after August 1, 2031, shall be effective until there has been recorded in the Official Public Records of Gillespie County, Texas, an instrument approved and executed and acknowledged by Declarant and setting forth the amendment, and an instrument executed and acknowledged by the President and Secretary of the Board certifying that the Declarant had the requisite number of votes to amend the Restrictions. Notwithstanding the foregoing, Declarant may amend this Declaration at any time (i) to correct typographical and grammatical errors, and (ii) in order to comply with VA or FHA requirements for approval of the Property.

(B) By Owners. In addition to the method in Section 9.3(A), after August 1, 2031 or after the termination of the Development Period whichever occurs first, or at any other time with the consent of the Developer this Declaration may be amended by the recording in the Official Public Records of Gillespie County, Texas, an instrument approved, executed and acknowledged by the President and Secretary of the Association, setting forth the amendment and certifying that such amendment has been approved by at least sixty-six and two thirds percent (66 2/3%)of Lots in the Property (i.e. in all phases developed or to be developed). There shall be one vote per lot, regardless of the number of Owners of such Lot. Notwithstanding anything herein, the Design Guidelines may be amended as set forth in said Design Guidelines.

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

changed from time to time by notice in writing given by such person to the Association.

9.5 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate the purposes of creating a uniform plan for the development and operation of the Property and of promoting and effectuating the fundamental concepts of the Property set forth in this Declaration. This Declaration shall be construed and governed under the laws of the State of Texas.

9.6 Exemption of Declarant. Notwithstanding any provision in this Declaration to the contrary, neither Declarant nor any of Declarant's activities shall in any way be subject to the control of or under the jurisdiction of the Architectural Control Committee or the Association. Without in any way limiting the generality of the preceding sentence, this Declaration shall not prevent or limit the right of Declarant to excavate and grade, to construct and alter drainage patterns and facilities to construct any and all other types of improvements anywhere within the Property, however, the construction of sales and leasing offices and the posting of signs advertising the sale and leasing of Lots by Declarant shall be limited to Lots owned by the Declarant.

9.7 Assignment by Declarant. Notwithstanding any provision in this Declaration to the contrary, Declarant may assign, in whole or in part, any of its privileges, exemptions, rights and duties under this Declaration to any other person or entity and may permit the participation, in whole or in part, by any other person or entity in any of its privileges, exemptions, rights and duties hereunder.

9.8 Enforcement and Nonwaiver.

(A) Right of Enforcement. Except as otherwise provided herein, any Owner at his own expense, Declarant and/or the Board shall have the right to enforce all of the provisions of the Loma Vista Ranch, Phase I Restrictions.

(B) Nonwaiver. The failure to enforce any provision of the Loma Vista Ranch, Phase I Restrictions at any time shall not constitute a waiver of the right thereafter to enforce any such provision or any other provision of said restrictions.

(C) Liens. The Association shall have the right, when appropriate in its judgment, to claim or impose a lien upon any Lot or Improvement constructed thereon in order to enforce any right or effect compliance with this Declaration.

9.9 Construction.

(A) Restrictions Severable. The provisions of Loma Vista Ranch, Phase I Restrictions shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision or portion thereof.

(B) Singular Includes Plural. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine or neuter shall each include the masculine, feminine and neuter.

(C) Captions. All captions and titles used in this Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise effect that which is set forth in any of the paragraphs, sections or articles hereof.

These Restrictions may be executed in several counterparts, each of which shall be fully effective as an original and all of which together shall constitute one and the same instrument.

This Declaration may be executed in multiple counterparts.

[The remainder of this page is intentionally left blank. Signature Page follows.]

EXECUTED on the date of acknowledgement to be EFFECTIVE as of the 27th day of May, 2021.

SOUTHERLAND MUY ALTO RANCH, LLC
A Delaware Limited Liability Company

By: American Land Partners, Inc.,
A Delaware Limited Liability Company
Manager

By: _____
Jay Patterson, Authorized Agent

STATE OF TEXAS §

COUNTY OF Kerr §

This instrument was acknowledged before me on the 27th day of May, 2021, by Jay Patterson, Authorized Agent of American Land Partners, Inc., Manager of SOUTHERLAND MUY ALTO RANCH, LLC, a Delaware Limited Liability Company, in the capacity therein stated.

LISA A DESILETS NOTARY PUBLIC STATE OF TEXAS NOTARY ID 836836-7 MY COMM. EXP. 07-22-2022

_____
Notary Public, State of Texas

RATIFICATION

The undersigned is the lender under that certain Deed of Trust recorded under Clerk's Document No. 00240991, Vol 1202, Page 247 in the Official Public Records of Gillespie County affecting the Subdivision (together with any amendments, renewals, extensions, or modifications thereto, the "Deed of Trust"). By executing this instrument, the undersigned hereby consents to the execution, delivery and recording of the Declaration of Covenants, Conditions and Restrictions for Loma Vista Ranch, Phase I, (the "Declaration") to which this page is attached and hereby agrees that the liens, security interests, terms and provisions of the Deed of Trust are hereby subordinated and made subject to the terms, provisions and conditions of the Declaration, such that from and after the effective Date of this consent and subordination, the terms, provisions and conditions of the Declaration are and shall be prior and superior to the liens, security interests, terms and provisions of the Deed of Trust.

Executed by Frost Bank on the date of acknowledgement, to be effective as of the date set forth above.

FROST BANK

By: _____
Printed Name: Stephanie Carbajal
Title: Assistant Vice President

THE STATE OF TEXAS *
COUNTY OF BEXAR *

This instrument was acknowledged before me on the 27th day of MAY, 2021, by STEPHANIE CARBAJAL, AVP of FROST BANK, in the capacity therein stated on behalf of said bank.

ROBYN MCGARR
Notary Public
STATE OF TEXAS
My Comm. Exp. [illegible]
ID# [illegible]

_____
NOTARY PUBLIC, STATE OF _____

AFTER RECORDING RETURN TO:
Kristen Quinney Porter, LLC
P.O. Box 312643
New Braunfels, Texas, 78131-2643

PREPARED IN THE LAW OFFICE OF:
Kristen Quinney Porter, LLC
P.O. Box 312643
New Braunfels, Texas 78131-2643

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Mary Lynn Rusche

Mary Lynn Rusche, County Clerk
Gillespie County Texas
May 27, 2021 03:01:50 PM
FEE: $122.00 LBROWN **20214021**
DCC

4 pgs
AFF

20235521

ANNEXATION AFFIDAVIT
AND
AMENDED DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
LOMA VISTA RANCH
GILLESPIE COUNTY, TEXAS

STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS

COUNTY OF GILLESPIE

This Annexation Affidavit and Supplemental Declaration of Covenants, Conditions and Restrictions for LOMA VISTA RANCH (hereinafter referred to as the "First Supplement") is made effective on the 14 day of September, 2023 by SOUTHERLAND MUY ALTO RANCH, LLC, a Texas Limited Liability Company (hereinafter referred to as the "Declarant") with the consent of Southerland Canyons, LLC.

WITNESSETH:

WHEREAS, Southerland Canyons, LLC is the owner of certain property more fully described on the attached Exhibit A, which exhibit is incorporated herein for all purposes ("Annexed Property"); and,

Whereas, Declarant is the developer of the real property known as **LOMA VISTA RANCH, PHASE 1**, a subdivision situated in Gillespie County, Texas with the Final Plat of LOMA VISTA RANCH, PHASE 1, being recorded under Clerk's Document No. 2021010020 in the Official Public Records of Gillespie County, Texas, in the office of the County Clerk of Gillespie County, Texas on the 24th day of May, 2021 after having been approved as provided by law ("LOMA VISTA"); and,

; and,

WHEREAS, Declarant has heretofore subjected LOMA VISTA to certain covenants, conditions, restrictions, easements, charges and liens set for the in the Declaration of Covenants, Conditions and Restrictions for LOMA VISTA RANCH, PHASE 1 recorded in Document No. 2021402, Official Public Records, Gillespie County, Texas, (collectively "Declaration"); and

WHEREAS, the Declaration allows for annexation of additional land into the LOMA VISTA RANCH SUBDIVISION, and further provides for recording of supplemental declarations with respect to the Annexed Property; and

WHEREAS, Declarant desires to annex the Annexed Property into LOMA VISTA SUBDIVISION and thereby impose upon the present and future owner of land within the Annexed Property binding covenants, as amended herein, to run with the ownership of all land within the Annexed Property and to make the Annexed Property a member of the Loma Vista Property Owners Association; and

NOW, THEREFORE, Declarant hereby annexes the Annexed Property into the scheme of the covenants, conditions and restrictions of the Declaration as herein amended, the Annexed Property shall be subject to and controlled by the LOMA VISTA PROPERTY OWNERS ASSOCIATION (the "Association") and shall be held, transferred, sold, conveyed, used and occupied subject to Declaration.

All provisions of the Declarations shall be applied as written except for Section 3.14 which, as it is applied to the Annexed Property, shall read as follows:

3.14 Subdividing, Combining Two (2) or More Lots. The Annexed Property may be divided or subdivided by the Owner thereof into no more than two Lots without the prior written consent of the Architectural Control Committee; provided, however, the conveyance of an easement or other interest less than the whole shall not be considered a division and may be done without the approval of the Architectural Control Committee.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed as of the date set forth in the first paragraph of this Supplemental Declaration.

[Remainder of Page Intentionally left blank.]

SOUTHERLAND MUY ALTO RANCH, LLC

A Delaware Limited Liability Company

By: American Land Partners, LLC, a Delaware limited liability company, successor in interest to American Land Partners, Inc., Manager

By: _____

~~Jay Patterson~~, Authorized Agent
Dan Mullins

STATE OF TEXAS §
COUNTY OF Hays §

This instrument was acknowledged before me on the 14 day of September, 2023, by Jay Patterson, Authorized Agent of American Land Partners, LLC, a Delaware limited liability company, successor in interest to American Land Partners, Inc., Manager of SOUTHERLAND MUY ALTO RANCH, LLC, a Delaware Limited Liability Company, in the capacity therein stated.

COURTNEY COCHRAN
My Notary ID # 129877169
Expires July 8, 2026

C. Cochran

Notary Public, State of Texas

AFTER RECORDING RETURN TO:
KRISTEN QUINNEY PORTER, LLC
P.O. Box 312643
New Braunfels, Texas 78131-2643

PREPARED IN THE LAW OFFICE OF:
KRISTEN QUINNEY PORTER, LLC
P.O. Box 312643
New Braunfels, Texas 78131-2643

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Lindsey Brown
Lindsey Brown, County Clerk
Gillespie County Texas
September 15, 2023 02:58:32 PM
FEE: $38.00 JCOSTON 20235521
AFF

tral angle is 52° 00' for a distance of 520 feet (the long chord bearing S 27° 45' E 502.4 ft.); THENCE S 53° 45' E 397 feet to Engineers Station 728/73 and containing 2.42 acres of which 2.19 acres are in the present road. NOW, THEREFORE, for a valuable consideration the receipt of which is hereby acknowledged, The Federal Land Bank of Houston, acting herein by its duly authorized officers, does by these presents release from the lien(s) which said bank has or may be entitled to by virtue of said deed of trust and note(s) above mentioned, ONLY the above described 0.23 acre tract unto the said mortgagor(s), his (their) heirs and assigns. It is, however, distinctly stipulated, agreed, and understood that this release shall not and does not in any manner whatsoever release, change, modify, or affect the above described deed of trust, lien or liens, contracts, covenants and powers of sale existing in favor of said bank upon and against the remaining portion of the land therein described; but as to such deed of trust, lien or liens, contracts, covenants and powers of sale on the remaining portion of the land therein described, the same shall exist and continue in full force and effect and to the extent and for the purposes therein set forth, the same as if this release had not been executed. IN WITNESS WHEREOF, THE FEDERAL LAND BANK OF HOUSTON has caused these presents to be executed by its Vice-President, thereunto duly authorized, and its corporate seal to be affixed this the 22nd day of September A.D. 1949.

ATTEST: A C Hargis Secretary (Seal) Approved for Execution CJW. THE FEDERAL LAND BANK OF HOUSTON By R.D. Johnson Vice President

THE STATE OF TEXAS)
(BEFORE ME, the undersigned notary public, on this day personally appeared R.D. Johnson, Vice President of THE FEDERAL LAND BANK OF HOUSTON, a corporation, known to
COUNTY OF HARRIS)
me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as the act and deed of said corporation, for the purposes and consideration therein expressed and in the capacity therein stated. GIVEN under my hand and seal of office, on this the 22 day of September A.D. 1949.

R.R. Brown
(SEAL) 2912 R.R. Brown, Notary Public in and for Harris County, Texas

Filed for record in my office the 25th. day of October A.D. 1949 at 4:01 o'clock P.M. and duly recorded the 31st. day of October A.D. 1949 at 10:00 o'clock A.M. in Vol. 65, pages 602-603.

Felix Schoenig, Clk.Co.Ct., Gillespie County, Texas.

CHAS. L. BRANDON & B.M. KUHLMANN to THE STATE OF TEXAS

Channel EASEMENT

STATE OF TEXAS)
(KNOW ALL MEN BY THESE PRESENTS:
County of Gillespie)

THAT Chas. L. Brandon & Bernard Kuhlmann of Kerrville, Texas, in consideration of the sum of ____ and other good and valuable consideration in hand paid by the State of Texas, acting through the State Highway Commission, receipt of which is hereby acknowledged, do by these presents grant, bargain, sell and convey unto the State of Texas, the free and uninterrupted use, liberty and privilege of the passage in, along, upon and across the following lands in Gillespie County, Texas, owned by them, and being subject to: (Important Note: If no liens, easements or leases exist, insert the word, "None.") lien(s) held by ____ (Name) ____ (Address), easement(s) held by ____ (Name) ____ (Address), lease(s) held by ____ (Name) ____ (Address), and being particularly described as follows, to-wit: Being a strip of land 20 feet wide and 50 feet long adjacent to a point 40 feet from and right angles to F.M. 783 center line Station 648/50. The center line

of said strip bearing N 29° 57' E and containing 0.029 Acres. For the purpose of opening, constructing and maintaining a permanent drainage channel in, along, upon and across said premises, with the right and privilege at all times of the grantee herein, his or its agents, employees, workmen and representatives having ingress, egress, and regress in, along, upon and across said premises for the purpose of making additions to, improvements on and repairs to the said channel, or any part thereof. TO HAVE AND TO HOLD unto the said State of Texas as aforesaid for the purposes aforesaid the premises above described. Witness our hands, this the 10th day of September, A.D. 1949.

Chas. L. Brandon
Bernard Kuhlmann

THE STATE OF TEXAS,)
County of KERR.) Before me, Ethel Williams, a notary public in and for said County and State, on this day personally appeared Chas. L. Brandon and Bernard Kuhlmann, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they executed the same for the purposes and consideration therein expressed. Given under my hand and seal of office, this the 10th day of September 1949.

(Seal) #3005

Ethel Williams
(Ethel Williams)
Notary Public in and for Kerr County, Texas.

Filed for record in my office the 25th. day of October A.D. 1949 at 4:02 o'clock P.M. and duly recorded the 31st. day of October A.D. 1949 at 10:35 o'clock A.M. in Vol. 65, pages 603-604.

Irene Schaeg, Clk.Co.Ct., Gillespie County, Texas.

CHAS. L. BRANDON ET AL TO THE STATE OF TEXAS

RIGHT-OF-WAY DEED

THE STATE OF TEXAS)
County of Gillespie) KNOW ALL MEN BY THESE PRESENTS:

That we, Chas L. Brandon and wife Maude A. Brandon, and B.K. Kuhlmann and wife Lucy B. Kuhlmann of the County of Gillespie, State of Texas, for and in consideration of the sum of One DOLLARS, to us in hand paid by the State of Texas, acting by and through the State Highway Commission, receipt of which is hereby acknowledged, have this day sold, and do by these presents grant, bargain, sell and convey unto the State of Texas, all that certain tract or parcel of land, situate in the County of Gillespie, State of Texas, and being a part of Sect. 22 S.B. Turner, Sect 24c Seale-Morris & Seale Sur No 241 Wm. Bierschwale Sur No 152 L A Patillo conveyed by Robert Wolfmueller to Chas L Brandon et al by deed dated the 17th day of April, 1948, and recorded in Volume 64 Page 65 of Deed Records of Gillespie County, Texas; said tract or parcel of land herein conveyed, being subject to: (Important Note: If no liens, leases or easements exist, insert the word "None.") lien(s) held by Leroy Tolle Kerrville, Texas, easement(s) held by ____ (Name) (Address), lease(s) held by ____ (Name) (Address), and being more particularly described as follows, to-wit: Being a strip of land 80 feet wide and 2119.0 feet long, 40 feet each side of the centerline survey of F.M. Highway 783 in Gillespie County. Said centerline being described as follows: Beginning at Engineer's Station 633+84, Thence S 28° 25' E 193.0 feet; Thence along a 7° curve to the left whose central angle is 31° 38' for a distance of 451.9 feet (the long chord bearing S 44° 14' E 446.2 feet); Thence S 60° 03' E 967.4 feet; Thence along a 1° 30' curve to the right whose central angle is 5° 39' for a distance of 376.7 feet (the long chord bearing S 57° 13.5' E 376.5 feet); Thence S 54° 24' E 130.0 feet to Engineer's Station 655+03 and containing 3.89 acres of which 2.16 acres are in the present road. TO HAVE AND TO HOLD the above described premises, together with all and singular the

SALLY McCULLOUGH FUTCH, ET UX; ET AL AND THORN'S PROPERTIES, INC.

THE STATE OF TEXAS)
)
COUNTY OF GILLESPIE) LEASE AGREEMENT

THIS AGREEMENT, upon the terms and conditions stated herein, for the leasing of the below-described land between SALLY McCULLOUGH FUTCH, joined by her husband, E. D. FUTCH, MARJORIE McCULLOUGH BROWN, joined by her husband, C. A. BROWN, JOHN W. McCULLOUGH, JR., JOHN W. McCULLOUGH and his wife, MARJORIE W. McCULLOUGH, hereinafter called Lessors (which includes their heirs, executors and/or administrators) and THORN'S PROPERTIES, INC., a corporation, hereinafter called Lessee, (which includes its successors and assigns):

W I T N E S S E T H:

I.

The heretofore existing lease of the land described in Paragraph II hereof between the same Lessors named herein and Jack Thorn, Lessee, by mutual consent is terminated as of August 1, 1974.

II.

For and in consideration of the sum of ONE AND NO/100THS ($1.00) DOLLARS cash in hand paid, receipt of which is acknowledged and confessed, and the further payment of ONE AND NO/100THS ($1.00) DOLLARS on or before August 1 of each calendar year of the term of this lease, and other good and valuable considerations, does hereby lease to Thorn's Properties, Inc. of Kerr County, Texas, that certain tract of land, located in Gillespie County, Texas, and described below, for twenty-five (25) years, the same to be used for the purpose of operating a livestock feed lot operation and related livestock operations, which tract of land is a part of that tract of land conveyed to John W. McCullough on May 8, 1959, by Earnest Geistwiedt, et ux and Gordon Geistwiedt, et ux, and recorded in the Deed Records of Gillespie County, Texas in Volume 77, at Pages 560-564, inclusive, and said leased tract herein being more particularly described as follows:

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STARTING at a fence corner in the Southwest line of 80 foot wide right of way of Texas F.M. Highway No. 783, where the west line of said Original Survey No. 244, W. A. Peril, Abstract No. 1764 intersects said highway right of way line, 5.0° 25' E for a distance of 1294.8 feet to a fence corner which marks the northeast corner of Original Survey No. 152, L. A. Patillo, Abstract No. 1749, which corner is the southwest corner of the tract herein leased, which is the beginning point;

HENCE with the southwest right of way line of said Texas F. M. Highway No. 783, for a distance of 1734 feet for a fence corner;

HENCE 113° northwest for a distance of 264 feet to a corner;

HENCE southeast 118° for a distance of 506 feet for another corner;

HENCE southeast 157° for a distance of 1208 feet for another corner;

HENCE southwest 155° for a distance of 841 feet for another corner;

HENCE northeast 67° for a distance of 938 feet to the place of beginning,

including any of the improvements thereon which Lessee may be permitted to use by Lessors, such permission and the terms and conditions thereof to be set forth in a separate written document between Lessee and John W. McCollough, one of the Lessors herein, which said separate written document shall be binding upon the remaining Lessors as if they had each signed each separate written document.

III.

It is understood and agreed that Lessee agrees to operate a feed lot operation on the premises leased herein and further agrees to keep the leased premises, including any improvements thereon permitted to be used by Lessee by Lessors (acting by and through Lessor John W. McCullough), in a good and efficient state of repairs and, at the expiration of this lease shall return the leased premises, together with such of the improvements thereon as Lessee is permitted to use, to Lessors in as good condition as at the commencement of this lease, but it is further understood and agreed:

That Lessee has the additional right, but no obligation to, at its own expense, make major and/or minor improvements as deemed desirable by Lessee, but Lessee shall have no right to remove any of such improvements, including those that have been

constructed in such way as to become a part of the real property being leased under the Constitution, statutory law and court decisions of the State of Texas, upon termination of this lease for whatsoever cause, unless authorized by Lessors in writing prior to such removal.

IV.

Lessee agrees to pay all taxes or assessments levied against said leased premises and improvements located thereon by any State, County or School District, and Lessee shall comply with all government laws, rules and regulations pertaining to the herein leased premises, including those which now and/or during the term of this lease apply to feed lot operations such as Lessee will conduct thereon.

V.

Lessee shall obtain and keep in full force and effect property, personal injury, workmen's compensation, comprehensive and liability insurance on the herein leased premises and improvements thereon including any additional improvements made during the term of this lease and Lessee agrees to have Lessors named as additional Insureds in any and all of such insurance policies. Lessee further agrees to hold harmless Lessors from any expenses, claim, or suit by anyone whomsoever arising out of or connected in any manner with Lessee's use of this property leased herein, including use of any improvements thereon at the time this lease or any improvements placed on said leased premises during the duration of this lease.

VI.

The Lessee shall assume all liability and hold and save harmless each of Lessors for any and all claims, damages, expense, costs and attorneys' fees for personal injuries, property damages or any and all other claims of whatsoever character, including those based on any negligence on the part of Lessees, arising out of or in connection, (and by whomsoever caused) with the use of the leased premises and any and all improvements therein and equipment etc. used in connection with the operation and business of a feed lot operation on said leased premises.

VII.

Lessors have the right at any time, but upon reasonable notice to Lessee, to enter upon the herein leased premises to make inspections and insure that the terms of this lease are being complied with, and to use any roadways or other access ways to a tract or tracts of land not leased herein to Lessee.

VIII.

Lessors shall also have the right to lease said leased premises for oil, gas and other mineral operations, without the approval of Lessee, and Lessee shall look only to the Lessee of any oil, gas or other mineral operations lease for any damages it sustains to its feed lot operations caused by any such oil, gas or other mineral lease.

IX.

Lessee shall have the right to assign this lease or sublease the leased premises and improvements thereon to Thorn Feed Lot, Inc., without the prior consent of Lessors or to such other person, firm, organization or corporation to whom such an assignment or sublease has been given prior written consent by Lessors; but in the event of any assignment or sublease, the Lessee herein shall continue to be responsible to Lessors for all the terms, provisions, and obligations set forth in this lease between Lessors and Lessee. If the interests of Lessee or any assignee or sub-lease hereunder should be mortgaged, hypothecated, pledged or otherwise placed as collateral, or in the event Lessee or any assignee or sublessee hereunder should mortgage, hypothecate, pledge or otherwise place as collateral any personal property on the leased premises owned by Lessee or any assignee or sublessee hereunder, Lessors by these presents do hereby subordinate all rights which they may have under this lease or at law to such mortgage or other lender, or each of them.

X.

In the event all or part of the leased premises herein together with the improvements thereon which Lessee has been permitted to use and/or has constructed during the term of this lease are taken through the exercise of the power of eminent domain, or legal threat thereof, the entire condemnation payment, including damages for adjacent land, shall be the sole property of Lessors, except that Lessee shall be entitled to such portion of such condemnation payment as accurately reflects the fair market value attributed to any improvements made on said leased premises on or after the effective date of this lease. However, Lessee, shall remove promptly any cattle, hogs, and lambs or similar type livestock and any other personal property owned by Lessee in the conduct of a feed lot operation, prior to the exercise of such power of eminent domain or legal threat thereof.

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IN EXECUTION WHEREOF, Lessors and Lessee have signed the above lease, which lease becomes effective on the First day of August, 1974, regardless of any date set forth in any notary acknowledgement in respect to any Lessor or Lessee.

THORN'S PROPERTIES, INC.

BY: Jack A Thorn

ITS President

Lessee

John W. McCullough and wife

Marjorie W. McCullough

Marjorie McCullough Brown and husband

C. A. Brown

Sally McCullough Futch and husband

E. D. Futch

John W. McCullough, Jr.

Lessors

THE STATE OF TEXAS)
)
COUNTY OF Kerr)

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Jack S. Thorn known to me to be the President of THORN'S PROPERTIES, INC., whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

Given under my hand and seal of office this the 11th day of September, 1974.

Notary Public, Kerr County, Texas

CHARLES D. HUDSON
NOTARY PUBLIC, KERR CO., TEXAS

THE STATE OF TEXAS)
)
COUNTY OF Galveston)

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared JOHN W. McCULLOUGH and MARJORIE W. McCULLOUGH, his wife, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed, and the said MARJORIE W. McCULLOUGH, wife of the said JOHN W. McCULLOUGH, having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said MARJORIE W. McCULLOUGH, acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

Given under my hand and seal of office this the 16th day of September, 1974.

Notary Public, Galveston County, Texas
BARBARA L. WEBB

NOTARY PUBLIC COUNTY OF GALVESTON TEXAS

THE STATE OF TEXAS)
COUNTY OF Kerr)

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared C. A. BROWN and MARJORIE McCULLOUGH BROWN, his wife, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowleged to me that they each executed the same for the purposes and consideration therein expressed, and the said MARJORIE McCULLOUGH BROWN, wife of the said C. A. BROWN, having the same fully explained to her, she, the said MARJORIE McCULLOUGH BROWN, acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

Given under my hand and seal of office this the 11th day of September, 1974.

Charles D. Hudson
Notary Public, Kerr County, Texas
CHARLES D. HUDSON
NOTARY PUBLIC, KERR CO., TEXAS

THE STATE OF TEXAS)
COUNTY OF GALVESTON)

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared E. D. FUTCH and SALLY McCULLOUGH FUTCH, his wife, both known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they each executed the same for the purposes and consideration therein expressed, and the said SALLY McCULLOUGH FUTCH, wife of the said E. D. FUTCH, having been examined by me privily and apart from her husband, and having the same fully explained to her, she, the said SALLY McCULLOUGH FUTCH, acknowledged such instrument to be her act and deed, and she declared that she had willingly signed the same for the purposes and consideration therein expressed, and that she did not wish to retract it.

Given under my hand and seal of office this the 18th day of September, 1974.

Jean E. Riley
Notary Public, Galveston County, Texas
JEAN E. RILEY

THE STATE OF TEXAS)
COUNTY OF Kerr)

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared JOHN W. McCULLOUGH, JR., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this the 11th day of September, 1974.

Charles D. Hudson
Notary Public, Kerr, County, Texas
CHARLES D. HUDSON
NOTARY PUBLIC, KERR CO., TEXAS

-7-

Filed for record in my office the 23rd. day of September A.D. 1974 at 8:00 o'clock A .M. and duly recorded the 25th. day of September A.D. 1974 at 8:20 o'clock A .M. in Volume 111 , pages 57-63.

Ella Schuessler, Clk. Co. Ct., Gillespie County, Texas.

JOHN W. McCULLOUGH AND THORN'S PROPERTIES, INC.

LEASE AGREEMENT

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THE STATE OF TEXAS)
)
COUNTY OF GILLESPIE)

This agreement, upon the terms and conditions stated herein, for the leasing of the hereinafter mentioned improvements between Thorn's Properties, Inc. JOHN W. McCULLOUGH, herein called Lessor, and ~~JACKXXXXXXXXXXX~~ hereinafter called Lessee:

W I T N E S S E T H

I.

For and in consideration of the sum of $1,560.00 per annum, such sum being payable monthly in the sum of $130.00 per month, the first such monthly payment being due and payable upon the execution hereof, and a like monthly payment being due and payable on the first day of each and every successive month thereafter during the term hereof, Lessor does hereby lease unto Lessee for a term of twenty-five (25) years, the following described improvements: Residence, feed mill, livestock scale and grain tanks, said improvements being located upon the following described real property in Gillespie County, Texas, to-wit:

STARTING at a fence corner in the Southwest line of 80 foot wide right of way of Texas F. M. Highway No. 783, where the west line of said Original Survey No. 244, W. A. Peril, Abstract No. 1764 intersects said highway right of way line, 5.0° 25' E for a distance of 1294.8 feet to a fence corner which marks the northeast corner of Original Survey No. 152, L. A. Patillo, Abstract No. 1749, which corner is the southwest corner of the tract herein leased, which is the beginning point;

HENCE with the southwest right of way line of said Texas F. M. Highway No. 783, for a distance of 1734 feet for a fence corner;

HENCE 113° northwest for a distance of 264 feet to a corner;

HENCE southeast 118° for a distance of 506 feet for another corner;

HENCE southeast 157° for a distance of 1208 feet for another corner;

HENCE southwest 155° for a distance of 841 feet for another corner;

HENCE northeast 67° for a distance of 938 feet to the place of beginning,

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II.

It is understood and agreed that Lessee agrees to use the aforesaid improvements in conjunction with the operation of a feed lot operation on the above described land, and Lessee agrees to keep the aforesaid improvements in a good and efficient state of repairs and, at the expiration of this lease shall return said improvements to Lessor in as good condition as at the commencement of this lease, normal wear and tear excluded.

III.

Lessee agrees to pay all taxes or assessments levied against the aforesaid improvements by any state, county, or school district, and Lessee shall comply with all governmental laws, rules and regulations pertaining to the use of the aforesaid improvements, including those which now and/or during the term of this lease may apply with feedlot operation such as Lessee shall conduct upon the above described property in conjunction with his use of the improvements leased hereby.

IV.

Lessee agrees to hold harmless Lessor from any expenses, claim, or suit by anyone whomsoever arising out of or connected in any manner with Lessee's use of the improvements leased hereby.

V.

Lessee shall assume all liability and hold and save harmless Lessor for any and all claims, damages, expense, costs and attorney's fees for personal injuries, property damages or any and all other claims of whatsoever character, including those based on any negligence on the part of Lessee, arising out of or in connection, and by whomsoever caused, with the use of the herein described improvements.

VI.

Lessor shall have the right of at any time, but upon reasonable notice to Lessee, to make inspections of the improvements hereby leased and insure that the terms of this lease are being complied with.

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VII.

In the event all or part of the improvements leased hereby are taken through the exercise of the power of eminent domain, or legal threat thereof, the entire condemnation payment for the improvements leased hereby shall be the sole property of the Lessor, except that all rent as herein specified for the use of such improvements shall be abated as of the date of such taking or condemnation.

VIII.

This agreement shall inure to the benefit of and be binding upon the respective heirs, representatives, administrators and assigns of the parties hereto.

In execution whereof, Lessor and Lessee have signed the above lease which lease becomes effective on the first day of August, 1974, regardless of any date set forth in any notary acknowledgement in respect to either Lessor or Lessee.

John W. McCullough
JOHN W. McCULLOUGH, Lessor

Thorn's Properties, Inc.
by Jack D. Thorn
JACK D. THORN, President

THE STATE OF TEXAS)
COUNTY OF Kerr)

Before me, the undersigned authority on this day personally appeared JOHN W. McCULLOUGH, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this the 30th day of August, 1974.

Charles D. Hudson
Notary Public, Kerr County, Texas
CHARLES D. HUDSON
NOTARY PUBLIC, KERR CO. TEXAS

THE STATE OF TEXAS)
COUNTY OF Kerr) President, Thorn's Properties, Inc.

Before me, the undersigned authority on this day personally appeared JACK D. THORN, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

Given under my hand and seal of office this the 30th day of August, 1974.

Charles D. Hudson
Notary Public, Kerr County, Texas
CHARLES D. HUDSON
NOTARY PUBLIC, KERR CO. TEXAS

Filed for record in my office the 31st. day of October A.D. 1974 at 9:35 o'clock A.M. and duly recorded the 31st. day of October A.D. 1974 at 11:35 o'clock A.M. in Volume 111, pages 434-436.

Julie Schiesser, Clk. Co. Ct., Gillespie County, Texas.

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TITLE PAGE

Filed 20th day of April A.D. 19 88 at 1:35 o'clock P .M.
and recorded 4th day of May A.D. 1988 at 8:05 o'clock A .M..
in Volume 186 , pages 20-29 , Official Public Records of Real
Property Deed. DORIS LANGE, Clk. Co. Ct., Gillespie County, Texas.

Filmed by Dolores Linville Deputy.
Dolores Linville

PARTITION DEED

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

THAT the undersigned, JOHN W. McCULLOUGH, JR., of the County of Kerr, State of Texas, and MARJORIE McCULLOUGH BROWN, of the County of Kerr, State of Texas, and SALLY McCULLOUGH FUTCH, of the County of Galveston, State of Texas, now have and hold and own together in common that certain tract of land situated on the Harper Road (F.M. 783) in Gillespie County, Texas comprised of approximately 1834.2 acres of land, more or less, (herein called the "MUY ALTO RANCH"), and now desire to partition the aforesaid MUY ALTO RANCH, said MUY ALTO RANCH being part of 1838 acres conveyed from John W. McCullough, et ux, to Marjorie McCullough Brown, et al, by a deed executed the 14th day of March, 1962 and recorded in Volume 81 at Page 416, and all of 25.5 acres conveyed from Hazel Vivian Rogers, et vir, to John W. McCullough, et al, by a deed executed the 9th day of September, 1970 and recorded in Volume 98 at Page 687, both recorded in the Deed Records of Gillespie County, Texas, to which instruments and the record thereof reference is here made for all purposes;

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, including the Partition Deed simultaneously executed by the undersigned conveying part of the ROCKY RIDGE RANCH in Kerr County, Texas to MARJORIE McCULLOUGH BROWN, and in order to effect this partition of the aforesaid MUY ALTO RANCH, it is hereby COVENANTED, GRANTED, CONCLUDED AND AGREED by and between the said parties, and each of them COVENANTS, GRANTS, CONCLUDES AND AGREES, for himself, herself, themselves, his, hers and/or their heirs, successors and assigns, that a partition of said MUY ALTO RANCH be made and said partition is in fact hereby made as follows, to-wit:

FIRST

The said JOHN W. McCULLOUGH, JR. shall from henceforth have, hold, possess and enjoy, in severalty as his separate property

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and estate, by himself and to himself and his heirs, successors and assigns, for his part, share and proportion of said lands and premises, free from any and all claims of the other parties hereto, all of the real property situated in Gillespie County, Texas, comprising 924.1 acres of land, more or less, and being more particularly described in Exhibit "A" attached hereto and made a part hereof for all purposes, and hereafter referred to as TRACT ONE, and all other parties hereto have GRANTED, RELEASED, CONFIRMED, and CONVEYED, and by these presents do GRANT, RELEASE CONFIRM, and CONVEY unto the said JOHN W. McCULLOUGH, JR. as his separate property and estate the premises above described as TRACT ONE, together with all improvements now situated thereon and including all rights of ingress and egress to and from said TRACT ONE, subject to the reservation hereinafter made;

SAVE AND EXCEPT, and there is hereby reserved from this conveyance, as a royalty interest as herein defined and described,unto each of the undersigned Grantors, JOHN W. McCULLOUGH, JR., MARJORIE McCULLOUGH BROWN, and SALLY McCULLOUGH FUTCH, (and their respective heirs and assigns), in three respective equal undivided shares, all of the landowners royalty interest (which may be provided under any future lease) in and to all of the oil, gas and other minerals of every kind and character (including fissionable materials and any minerals recovered by strip or pit mining) in and under and that may be produced from the above described TRACT ONE property, together with the right of ingress and egress at all times for the purpose of mining, drilling, exploring, operating and developing said lands for oil, gas and other minerals and removing the same therefrom. This reservation shall run, and the rights, titles and privileges hereby excepted and reserved shall extend to Grantors and to Grantors' heirs, legal representatives and assigns, as a perpetual, non-participating royalty interest.

It is understood and agreed that the Grantors, their heirs and assigns, do not by these presents reserve any right to participate in the making or execution of any future oil, gas and

mineral lease upon the hereinabove described TRACT ONE property or any part thereof, but on the contrary, it is agreed that the Grantee, and Grantee's heirs and assigns, shall have the exclusive right and power to execute any such oil, gas and mineral lease, in their own names, without the joinder of the Grantors herein, provided that any such oil, gas and mineral lease shall provide for a royalty on oil, gas or other minerals of not less than an undivided one-eighth (1/8th) of all oil, gas, and other minerals. It is understood and agreed that the Grantors do not, by virtue of said reservation and exception, acquire any right to participate in any bonus to be made for any such leases or to participate in any rental to be paid for the privilege of deferring the commencement of any well or drilling operations under the terms of any such leases; but, to the contrary, all such rights shall belong to the Grantee, and to Grantee's heirs and assigns. In the event that the Grantee, Grantee's heirs, legal representatives or assigns, in the status of fee owner or fee owners of the land and minerals hereinabove referred to, or any portion thereof, shall develop or operate said land or any portion thereof for the production of oil, gas or other minerals therefrom, then the holders of the royalty excepted and reserved from this conveyance shall own and be entitled to receive as a free royalty, free and clear of all costs and expenses (other than production taxes, severance taxes or other similar taxes) said reserved and excepted interest in such production. It is further agreed that sand, gravel, caliche, stone and other common earth materials (which are not rare and exceptional in character and do not possess a peculiar value which would give them a special value or classification), are not "minerals" within the scope of the foregoing reservation, even though the same may contain mineral trace elements.

It is the intent of Grantors that (i) an undivided one-third of all of the landowner's royalty (as described in any future lease of such property) in and to all of the oil, gas, and other minerals in and under and that may be produced from said TRACT

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ONE property is specifically hereby reserved unto JOHN W. McCULLOUGH, JR., as his separate property and estate and to his heirs and assigns, (ii) an undivided one-third of all of the landowner's royalty (as described in any future lease of such property) in and to all of the oil, gas, and other minerals in and under and that may be produced from said TRACT ONE property is specifically hereby reserved unto MARJORIE McCULLOUGH BROWN, as her separate property and estate and to her heirs and assigns, and (iii) an undivided one-third of all of the landowner's royalty (as described in any future lease of such property) in and to all of the oil, gas, and other minerals in and under and that may be produced from said TRACT ONE property is specifically hereby reserved unto SALLY McCULLOUGH FUTCH, as her separate property and estate and to her heirs and assigns.

TO HAVE AND TO HOLD in severalty the above described TRACT ONE, with all and singular the rights and hereditaments, easements, and appurtenances thereunto belonging, (but subject to all existing ad valorem real property taxes, liens, mortgages, encumbrances, easements, restrictions, reservations, including the aforesaid mineral reservation as to TRACT ONE, covenants, and conditions which are valid and affect the said TRACT ONE), unto the said JOHN W. McCULLOUGH, JR., his heirs, successors and assigns, forever. And we do hereby bind ourselves, our heirs, executors and administrators, to WARRANT and FOREVER DEFEND all and singular the said TRACT ONE premises unto the said JOHN W. McCULLOUGH, JR., his heirs, successors and assigns, against every person whomsoever lawfully claiming or to claim the same, or any part thereof.

SECOND

The said SALLY McCULLOUGH FUTCH shall from henceforth have, hold, possess and enjoy, in severalty as her separate property and estate, by herself and to herself and her heirs, successors and assigns, for her part, share and proportion of said lands and premises, free from any and all claims of the other parties hereto, all of the real property situated in Gillespie County,

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Texas, comprising 910.1 acres of land, more or less, and being more particularly described in Exhibit "B" attached hereto and made a part hereof for all purposes, and hereafter referred to as TRACT TWO, and all other parties hereto have GRANTED, RELEASED, CONFIRMED, and CONVEYED, and by these presents do GRANT, RELEASE CONFIRM, and CONVEY unto the said SALLY McCULLOUGH FUTCH as her separate property and estate the premises above described as TRACT TWO, together with all improvements now situated thereon and including all rights of ingress and egress to and from said TRACT TWO, subject to the reservation hereinafter made;

SAVE AND EXCEPT, and there is hereby reserved from this conveyance, as a royalty interest as herein defined and described,unto each of the undersigned Grantors, JOHN W. McCULLOUGH, JR., MARJORIE McCULLOUGH BROWN, and SALLY McCULLOUGH FUTCH, (and their respective heirs and assigns), in three respective equal undivided shares, all of the landowners royalty interest (which may be provided under any future lease) in and to all of the oil, gas and other minerals of every kind and character (including fissionable materials and any minerals recovered by strip or pit mining) in and under and that may be produced from the above described TRACT TWO property, together with the right of ingress and egress at all times for the purpose of mining, drilling, exploring, operating and developing said lands for oil, gas and other minerals and removing the same therefrom. This reservation shall run, and the rights, titles and privileges hereby excepted and reserved shall extend to Grantors and to Grantors' heirs, legal representatives and assigns, as a perpetual, non-participating royalty interest.

It is understood and agreed that the Grantors, their heirs and assigns, do not by these presents reserve any right to participate in the making or execution of any future oil, gas and mineral lease upon the hereinabove described TRACT TWO property or any part thereof, but on the contrary, it is agreed that the Grantee, and Grantee's heirs and assigns, shall have the exclusive right and power to execute any such oil, gas and

mineral lease, in their own names, without the joinder of the Grantors herein, provided that any such oil, gas and mineral lease shall provide for a royalty on oil, gas or other minerals of not less than an undivided one-eighth (1/8th) of all oil, gas, and other minerals. It is understood and agreed that the Grantors do not, by virtue of said reservation and exception, acquire any right to participate in any bonus to be made for any such leases or to participate in any rental to be paid for the privilege of deferring the commencement of any well or drilling operations under the terms of any such leases; but, to the contrary, all such rights shall belong to the Grantee, and to Grantee's heirs and assigns. In the event that the Grantee, Grantee's heirs, legal representatives or assigns, in the status of fee owner or fee owners of the land and minerals hereinabove referred to, or any portion thereof, shall develop or operate said land or any portion thereof for the production of oil, gas or other minerals therefrom, then the holders of the royalty excepted and reserved from this conveyance shall own and be entitled to receive as a free royalty, free and clear of all costs and expenses (other than production taxes, severance taxes or other similar taxes) said reserved and excepted interest in such production. It is further agreed that sand, gravel, caliche, stone and other common earth materials (which are not rare and exceptional in character and do not possess a peculiar value which would give them a special value or classification), are not "minerals" within the scope of the foregoing reservation, even though the same may contain mineral trace elements.

It is the intent of Grantors that (i) an undivided one-third of all of the landowner's royalty (as described in any future lease of such property) in and to all of the oil, gas, and other minerals in and under and that may be produced from said TRACT TWO property is specifically hereby reserved unto JOHN W. McCULLOUGH, JR., as his separate property and estate and to his heirs and assigns, (ii) an undivided one-third of all of the landowner's royalty (as described in any future lease of such

property) in and to all of the oil, gas, and other minerals in and under and that may be produced from said TRACT TWO property is specifically hereby reserved unto MARJORIE McCULLOUGH BROWN, as her separate property and estate and to her heirs and assigns, and (iii) an undivided one-third of all of the landowner's royalty (as described in any future lease of such property) in and to all of the oil, gas, and other minerals in and under and that may be produced from said TRACT TWO property is specifically hereby reserved unto SALLY McCULLOUGH FUTCH, as her separate property and estate and to her heirs and assigns.

VOL 186 PAGE 26

TO HAVE AND TO HOLD in severalty the above described TRACT TWO, with all and singular the rights and hereditaments, easements, and appurtenances thereunto belonging, (but subject to all existing ad valorem real property taxes, liens, mortgages, encumbrances, easements, restrictions, reservations, including the aforesaid mineral reservation as to TRACT TWO, covenants, and conditions which are valid and affect the said TRACT TWO), unto the said SALLY McCULLOUGH FUTCH, her heirs, successors and assigns, forever. And we do hereby bind ourselves, our heirs, executors and administrators, to WARRANT and FOREVER DEFEND all and singular the said TRACT TWO premises unto the said SALLY McCULLOUGH FUTCH, her heirs, successors and assigns, against every person whomsoever lawfully claiming or to claim the same, or any part thereof.

IN WITNESS WHEREOF, we have hereunto set our hands as of the 15th day of April, 1988.

JOHN W. McCULLOUGH, JR.

MARJORIE McCULLOUGH BROWN

SALLY McCULLOUGH FUTCH

GRANTEES' NAME
AND ADDRESS:

John W. McCullough, Jr.
601 Overhill
Kerrville, TX 78028

Sally McCullough Futch
1021 Harbor View Drive
Galveston, Texas 77550

THE STATE OF TEXAS §

COUNTY OF KERR §

This instrument was acknowledged before me on this 18th day of April, 1988 by JOHN W. McCULLOUGH, JR.

Edgar A. Wallace
Notary Public, State of Texas
My commission expires: 6/10/89
Edgar A. Wallace
(Print or Type Name of Notary)

THE STATE OF TEXAS §

COUNTY OF KERR §

This instrument was acknowledged before me on this 18th day of April, 1988 by MARJORIE McCULLOUGH BROWN.

Edgar A. Wallace
Notary Public, State of Texas
My commission expires: 6/10/89
Edgar A. Wallace
(Print or Type Name of Notary)

THE STATE OF TEXAS §

COUNTY OF KERR §

This instrument was acknowledged before me on this 18th day of April, 1988 by SALLY McCULLOUGH FUTCH.

Edgar A. Wallace
Notary Public, State of Texas
My commission expires: 6/10/89
Edgar A. Wallace
(Print or Type Name of Notary)

FIELD NOTES DESCRIPTION FOR 924.1 ACRES OF THE
JOHN W. McCULLOUGH LAND IN GILLESPIE COUNTY, TEXAS

EXHIBIT "B"

VOL 186 PAGE 28

Being all of a certain tract or parcel of land comprising, approximately, 3.9 acres out of S. B. Turner Survey No. 22, Abstract No. 1750, 640.7 acres out of L. A. Patillo Survey No. 152, Abstract No. 1749, 154 acres out of Seale, Morris and Seale Survey No. 240, Abstract No. 1751, 100 acres out of Wm. Bierschwale Survey No. 241, Abstract No. 1800, and 25.5 acres out of W. A. Peril Survey No. 244, Abstract No. 1764 in Gillespie County, Texas; part of 1838 acres conveyed from John W. McCullough, et ux, to Marjorie McCullough Brown, et al, by a deed executed the 14th day of March, 1962 and recorded in Volume 81 at Page 416, and all of 25.5 acres conveyed from Hazel Vivian Rogers, et vir, to John W. McCullough, et al, by a deed executed the 9th day of September, 1970 and recorded in Volume 98 at Page 687, both recordings in the Deed Records of Gillespie County, Texas; and being more particularly described by metes and bounds as follows:

BEGINNING at a fence cornerpost for the southerly southeast corner of the herein described tract, the southeast corner of said 1838 acres, said to occupy the southeast corner of said Survey No. 152;

THENCE, with or near a fence along the east line of said 1838 acres, N.00°00'17"W. 2729.44 ft. to a cornerpost for a reentrant corner of the herein described tract, the southwest corner of said 25.5 acres;

THENCE, with or near a fence along the south line of said 25.5 acres, S.89°45'17"E. 702.00 ft. to an iron stake for the easterly southeast corner of the herein described tract, the southeast corner of said 25.5 acres;

THENCE, along the east line of said 25.5 acres, N.00°29'43"E. 1379.20 ft. to an iron stake for the easterly northeast corner of the herein described tract, the northeast corner of said 25.5 acres, in a 10°28' curve concave to the northeast having a radius of 547.55 ft. along the southwest right-of-way line of F. M. Highway No. 783;

THENCE, along the north line of said 25.5 acres, the southwest right-of-way line of said F. M. Highway No. 783: 218.50 ft. along an arc of said 10°28' curve subtended by a central angle of 22°51'50" (long chord = N.65°50'52"W. 217.05 ft.) to its end; and N.54°24'57"W. 634.50 ft. to the northwest corner of said 25.5 acres in the east line of said 1838 acres;

THENCE, upon, over and across said 1838 acres, continuing along the southwest right-of-way line of said F. M. Highway No. 783: N.54°24'57"W. 160.40 ft. to the beginning of a 01°31' curve concave to the southwest having a radius of 3780 ft.; 373.86 ft. along an arc of said 01°31' curve subtended by a central angle of 05°40'01" (long chord = N.57°14'57"W. 373.71 ft.) to its end; N.60°04'58"W. 961.98 ft. to the beginning of a 06°40' curve concave to the northeast having a radius of 858.6 ft.; 475.44 ft. along an arc of said 06°40' curve subtended by a central angle of 31°43'37" (long chord = N.44°13'09"W. 469.39 ft.) to its end; and N.28°21'21"W. 212.96 ft. to the north line of said 1838 acres;

THENCE, with or near a fence along the north line of said 1838 acres: N.89°46'24"W. 3652.37 ft. to a cornerpost for a reentrant corner of the herein described tract and said 1838 acres; N.00°00'17"W. 1662.38 ft. to a cornerpost for the northerly northeast corner of the herein described tract and said 1838 acres; and S.89°43'36"W. 2287.11 ft. to the northwest corner of the herein described tract;

THENCE, upon, over and across said 1838 acres: S.00°16'24"E. 40.00 ft.; and S.02°55'57"E. 5104.70 ft. to a fence cornerpost in the south line of said 1838 acres for the southerly southwest corner of the herein described tract, a reentrant corner of said 1838 acres;

THENCE, with or near a fence along the south line of said 1838 acres: N.89°46'24"E. 2043.72 ft. to a cornerpost for a reentrant corner of the herein described tract and said 1838 acres; S.00°09'43"E. 892.86 ft. to a cornerpost; N.89°51'24"E. 1383.50 ft. to a cornerpost for a reentrant corner of the herein described tract and said 1838 acres; S.00°09'43"E. 1519.23 ft. to a cornerpost for the southerly southwest corner of the herein described tract; and N.89°51'24"E. 3951.62 ft. to the PLACE OF BEGINNING containing 924.1 acres of land, more or less, within these metes and bounds.

These field notes were prepared from a deed of record and do not represent an actual survey made on the ground by me.

Dated this 15th day of April, 1988

Don W. Voelkel
Registered Public Surveyor No. 3990

EXHIBIT "A"

FIELD NOTES DESCRIPTION FOR 910.1 ACRES OF THE
JOHN W. McCULLOUGH LAND IN GILLESPIE COUNTY, TEXAS

Being all of a certain tract or parcel of land comprising, approximately, 731.1 acres out of S. B. Turner Survey No. 22, Abstract No. 1750, and 179.0 acres out of Seale, Morris and Seale Survey No. 240, Abstract No. 1751, in Gillespie County, Texas; part of 1838 acres conveyed from John W. McCullough, et ux, to Marjorie McCullough Brown, et al, by a deed executed the 14th day of March, 1962 and recorded in Volume 81 at Page 416 of the Deed Records of Gillespie County, Texas; and being more particularly described by metes and bounds as follows:

BEGINNING at a fence cornerpost for the northerly northwest corner of the herein described tract and said 1838 acres, said to occupy the northwest corner of said Survey No. 240;

THENCE, with or near a fence along the north line of said 1838 acres: S.00°14'43"E. 3034.29 ft. to a cornerpost for a reentrant corner of the herein described tract and said 1838 acres; and S.89°43'36"W. 2643.00 ft. to a cornerpost for the westerly northwest corner of the herein described tract and said 1838 acres;

THENCE, with or near a fence along the west line of said 1838 acres, S.00°30'16"W. 5926.30 ft. to a cornerpost for the southwest corner of the herein described tract and said 1838 acres;

THENCE, with or near a fence along the south line of said 1838 acres: N.89°21'23"E. 4946.52 ft. to an anglepost; N.61°21'05"E. 419.89 ft. to an anglepost; N.35°40'35"E. 255.46 ft. to an anglepost; and N.00°20'17"W. 3382.52 ft. to a cornerpost for a reentrant corner of said 1838 acres;

THENCE, upon, over and across said 1838 acres: N.02°55'57"W. 5104.70 ft.; and N.00°16'24"W. 40.00 ft. to the northeast corner of the herein described tract in a fence along the north line of said 1838 acres;

THENCE, with or near a fence along the north line of said 1838 acres, S.89°43'36"W. 2500.23 ft. to the PLACE OF BEGINNING containing 910.1 acres of land, more or less, within these metes and bounds.

These field notes were prepared from a deed of record and do not represent an actual survey made on the ground by me.

Dated this 15th day of April, 1988

Don W. Voelkel

Don W. Voelkel
Registered Public Surveyor No. 3990

VOELKEL ENGINEERING & SURVEYING • PHONE 512-257-3313 • 212 CLAY STREET, KERRVILLE, TEXAS 78028

CERTIFICATE OF LEGALITY AND AUTHENTICITY

I, Certify that the discrete numbered microfilm images between the Title Page and the Certificate of Legality and Authenticity have been made in strict accordance with Article 1941 (a) V.T.C.S., and that each image is a true, correct, and exact copy of the page or pages of the identified instrument of writing, legal document, paper or record which had been filed for record on the date and at the time stamped on each; that no microfilm image or images were substituted for any original discrete microfilm image or images between the Title Page and this Certificate. Official Public Records of Real Property--Deed, Volume 186 pages 20-29 , filmed on the 4th day of May , A.D. 1988 .

DORIS LANGE, Clerk, by Dolores Linville Deputy.

Dolores Linville

****

012366

CENTRAL TEXAS ELECTRIC COOPERATIVE, INC.

P.O. BOX 553, FREDERICKSBURG, TEXAS 78624-0553

LINE NO. 00-2470ER

EASEMENT NO. 55-41-80-17-71

NAME

RIGHT OF WAY EASEMENT

(Distribution)

STATE OF TEXAS KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF Gillespie

That the undersigned John McCullough hereinafter called "Grantor" (whether one or more) for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby grant unto the Central Texas Electric Cooperative, Inc., a corporation, whose post office address is P.O. Box 553, Fredericksburg, Texas 78624-0553, and its successors, or assigns, the right to enter upon the lands of the undersigned, situated in the County of Gillespie, State of Texas and more particularly described as follows:

A tract of land located approximately 8 miles North (Show Direction Above) from the town of Kerrville;

and bounded on the north by land owned by: C. W. Sunday Jr

on the south by land owned by: Bear Hollow Ranch

on the east by land owned by: FM 783

on the west by land owned by: Otis Wayne Rogers

The right-of-way easement, rights and privileges herein granted shall be used for the purpose of providing electric utility service (overhead or underground) including placing, constructing, operating, repairing, inspecting, rebuilding, replacing, removing, relocating, electric lines, distribution facilities or equipment, as well as reading any meter or performing any act related to the provision of electric utility service. The Cooperative is specifically granted pedestrian and vehicular ingress and egress over my (our) land to or from said right-of-way.

The width of the easement shall be 20 feet, one-half (1/2) of such distance on either side of Cooperative's lines, poles, or other facilities.

The easement, right, and privilege herein granted shall be perpetual, unless abandoned or the easement is not used for a period of ten (10) years, appurtenant to the land and shall insure to the beneficiary of the Cooperative's successors and assigns. Grantor represents that he is the owner of the above described tract of land and binds himself, his heirs, assigns, and legal representatives to warrant and forever defend the easement and rights described herein to the Cooperative, its successors and assigns, except those held by the following persons:

The Cooperative shall have the right to use so much of the surface of the hereinbefore described property of Grantor as may be reasonably necessary to construct and install within the right-of-way granted hereby the facilities that may at any time be necessary for the purposes herein specified.

The Cooperative shall have the right to clear, cut and trim trees and shrubbery to the extent necessary to keep them clear of said electric line or system and to clear, cut and trim from time to time all dead, weak, leaning or dangerous trees that are tall enough to strike the wires in falling.

Grantor further covenants that Grantor, his heirs, successors and assigns shall facilitate and assist Cooperative personnel in exercising their rights and privileges herein described at all reasonable times and shall not build, construct or cause to be erected any building or other structure that may interfere with the provision of electric service or the exercise of the rights granted to the Cooperative herein.

IN WITNESS WHEREOF, the undersigned has set his hand and seal this _____ day of

Jan 2001.

Kenneth W. Kruse
Kenneth W. Kruse

John McCullough L.S.
John McCullough

DATE: 24 Jan 01

L.S.

For the single acknowledgment of one person, man or woman, married or unmarried, use:

The State of Texas

County of

Before me, the undersigned authority, on this day personally appeared

known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this _____ day of , 19_____.

Notary Public, County, Texas

For the joint acknowledgment of man and wife, use:

The State of Texas

County of

Before me, the undersigned authority, on this day personally appeared

and wife, , known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that they each executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this _____ day of , 19_____.

Notary Public, County, Texas

For the acknowledgment of a person who has signed in a representative capacity, corporate officer, independent executor, or whatever, use:

The State of Texas

County of

Before me, the undersigned authority, on this day personally appeared

known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office, this _____ day of , 19_____.

Notary Public, County, Texas

WITNESS ACKNOWLEDGMENT

The State of Texas

County of Gillespie

Before me, the undersigned authority in and for said County and State, on this day personally appeared Kenneth W. Kruse, known to me to be the person whose name is subscribed as a witness to the foregoing instrument of writing, and, after being duly sworn by me, stated on oath that he saw John McCullough, the Grantor, subscribe the same and that he/she signed the same as a witness at the request of the Grantor.

Given under my hand and seal of office, this 22 day of March, 2001.

JANELLE NEFFENDORF
Notary Public
STATE OF TEXAS
My Comm. Exp. 08/21/2003

Janelle Neffendorf
Notary Public, Gillespie County, Texas

EASEMENT

From

To CENTRAL TEXAS ELECTRIC COOPERATIVE, INC.

Filed

The _____ day of
19____ at _____ o'clock ____M. in
County Records.

I, the Clerk of said County, do hereby certify that the foregoing is recorded in Volume _____, pages

County Clerk

By: , Deputy

After Recording Return To:
CENTRAL TEXAS ELECTRIC COOPERATIVE, INC.
P.O. Box 553
Fredericksburg, Texas 78624-0553

012366

700
600

FILED FOR RECORD
AT 2:54 O'CLOCK P. M

MAY 29 2001

DEBBIE WAHL
CLERK COUNTY COURT
GILLESPIE COUNTY, TEXAS
By _____ Deputy

THE STATE OF TEXAS }
County of Gillespie } I, DEBBIE WAHL, Clerk of the County Court of said County,

do hereby certify that the foregoing instrument of writing with its certificate of authentication was filed for record on date stamped hereon and duly recorded this 30th day of May A.D. 20 01, at 9:39 o'clock a M., in the Official Public records of said County, in Volume 422, on Pages 248-250.

Witness my hand and seal of the County Court of said County, at office in Fredericksburg, Texas, the day and year last above written.

DEBBIE WAHL
Clerk, County Court, Gillespie County, Texas
By Colleen Ketron Deputy
Colleen Ketron

MIN 20092820
6 PGS

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

ROYALTY AND MINERAL DEED

Date: June 11, 2009

Grantor: JOHN W. MCCULLOUGH, JR. and THEODORA HARRISON MCCULLOUGH

Grantor's Mailing Address (including county):

JOHN W. MCCULLOUGH, JR. and THEODORA HARRISON MCCULLOUGH
601 Overhill Drive
Kerrville, Texas 78028
Kerr County

Grantee: MUY ALTO MANAGEMENT, LLC, a Texas limited liability company

Grantee's Mailing Address (including county):

MUY ALTO MANAGEMENT, LLC, a Texas limited liability company
601 Overhill Drive
Kerrville, Texas 78028
Kerr County

Consideration: TEN AND NO/100 DOLLARS and other good and valuable consideration.

Property:

BEING an **undivided ONE PERCENT (1%) interest** in and to all of Grantor's interest in oil, gas and other minerals in and under and that which may be produced, both mineral and royalty interests, in those certain lots, tracts or parcels of land situated in Gillespie County, Texas, more particularly described in Exhibits A and B attached hereto and made a part hereof for all purposes.

Reservations from Conveyance:

None

Exceptions to Conveyance and Warranty:

None

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee **AN UNDIVIDED ONE PERCENT (1%) OF GRANTOR'S INTEREST IN AND TO ALL OF THE OIL, GAS AND OTHER MINERALS IN AND UNDER AND THAT WHICH MAY BE PRODUCED, BOTH GRANTOR'S MINERAL AND ROYALTY INTERESTS** from the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever.

Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor but not otherwise, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.

JOHN W. MCCULLOUGH, JR.

THEODORA HARRISON MCCULLOUGH

This instrument was administratively prepared by Granstaff, Gaedke & Edgmon, P.C. from information provided by the Grantor. No opinion as to title is made or should be construed from this instrument. Granstaff, Gaedke & Edgmon, P.C. has not examined the title to the subject property or otherwise investigated the accuracy of the information provided.

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF KERR §

This instrument was acknowledged before me on June 11, 2009, by JOHN W. MCCULLOUGH, JR.

CINDY L. TATE
Notary Public, State of Texas
My Commission Expires
February 24, 2011

Cindy L. Tate
Notary Public, State of Texas

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF KERR §

This instrument was acknowledged before me on June 11, 2009, by THEODORA HARRISON MCCULLOUGH.

CINDY L. TATE
Notary Public, State of Texas
My Commission Expires
February 24, 2011

Cindy L. Tate
Notary Public, State of Texas

PREPARED IN THE OFFICE OF:

GRANSTAFF, GAEDKE & EDGMON, P.C.
5535 Fredericksburg Rd., Ste. 110
San Antonio, Texas 78229
Tel: (210) 348 - 6600
Fax: (210) 366 - 0892

AFTER RECORDING RETURN TO:

GRANSTAFF, GAEDKE & EDGMON, P.C.
5535 Fredericksburg Rd., Ste. 110
San Antonio, Texas 78229
Tel: (210) 348 - 6600
Fax: (210) 366 - 0892

FIELD NOTES DESCRIPTION FOR 924.1 ACRES OF THE
JOHN W. McCULLOUGH LAND IN GILLESPIE COUNTY, TEXAS

EXHIBIT "A"

Being all of a certain tract or parcel of land comprising, approximately, 3.9 acres out of S. B. Turner Survey No. 22, Abstract No. 1750, 640.7 acres out of L. A. Patillo Survey No. 152, Abstract No. 1749, 154 acres out of Seale, Morris and Seale Survey No. 240, Abstract No. 1751, 100 acres out of Wm. Bierschwale Survey No. 241, Abstract No. 1800, and 25.5 acres out of W. A. Peril Survey No. 244, Abstract No. 1764 in Gillespie County, Texas; part of 1838 acres conveyed from John W. McCullough, et ux, to Marjorie McCullough Brown, et al, by a deed executed the 14th day of March, 1962 and recorded in Volume 81 at Page 416, and all of 25.5 acres conveyed from Hazel Vivian Rogers, et vir, to John W. McCullough, et al, by a deed executed the 9th day of September, 1970 and recorded in Volume 98 at Page 687, both recordings in the Deed Records of Gillespie County, Texas; and being more particularly described by metes and bounds as follows:

BEGINNING at a fence cornerpost for the southerly southeast corner of the herein described tract, the southeast corner of said 1838 acres, said to occupy the southeast corner of said Survey No. 152;

THENCE, with or near a fence along the east line of said 1838 acres, N.00°00'17"W. 2729.44 ft. to a cornerpost for a reentrant corner of the herein described tract, the southwest corner of said 25.5 acres;

THENCE, with or near a fence along the south line of said 25.5 acres, S.89°45'17"E. 702.00 ft. to an iron stake for the easterly southeast corner of the herein described tract, the southeast corner of said 25.5 acres;

THENCE, along the east line of said 25.5 acres, N.00°29'43"E. 1379.20 ft. to an iron stake for the easterly northeast corner of the herein described tract, the northeast corner of said 25.5 acres, in a 10°28' curve concave to the northeast having a radius of 547.55 ft. along the southwest right-of-way line of F. M. Highway No. 783;

THENCE, along the north line of said 25.5 acres, the southwest right-of-way line of said F. M. Highway No. 783: 218.50 ft. along an arc of said 10°28' curve subtended by a central angle of 22°51'50" (long chord = N.65°50'52"W. 217.05 ft.) to its end; and N.54°24'57"W. 634.50 ft. to the northwest corner of said 25.5 acres in the east line of said 1838 acres;

THENCE, upon, over and across said 1838 acres, continuing along the southwest right-of-way line of said F. M. Highway No. 783: N.54°24'57"W. 160.40 ft. to the beginning of a 01°31' curve concave to the southwest having a radius of 3780 ft.; 373.86 ft. along an arc of said 01°31' curve subtended by a central angle of 05°40'01" (long chord = N.57°14'57"W. 373.71 ft.) to its end; N.60°04'58"W. 961.98 ft. to the beginning of a 06°40' curve concave to the northeast having a radius of 858.6 ft.; 475.44 ft. along an arc of said 06°40' curve subtended by a central angle of 31°43'37" (long chord = N.44°13'09"W. 469.39 ft.) to its end; and N.28°21'21"W. 212.96 ft. to the north line of said 1838 acres;

THENCE, with or near a fence along the north line of said 1838 acres: N.89°46'24"W. 3652.37 ft. to a cornerpost for a reentrant corner of the herein described tract and said 1838 acres; N.00°00'17"W. 1662.38 ft. to a cornerpost for the northerly northeast corner of the herein described tract and said 1838 acres; and S.89°43'36"W. 2287.11 ft. to the northwest corner of the herein described tract;

THENCE, upon, over and across said 1838 acres: S.00°16'24"E. 40.00 ft.; and S.02°55'57"E. 5104.70 ft. to a fence cornerpost in the south line of said 1838 acres for the southerly southwest corner of the herein described tract, a reentrant corner of said 1838 acres;

THENCE, with or near a fence along the south line of said 1838 acres: N.89°46'24"E. 2043.72 ft. to a cornerpost for a reentrant corner of the herein described tract and said 1838 acres; S.00°09'43"E. 892.86 ft. to a cornerpost; N.89°51'24"E. 1383.50 ft. to a cornerpost for a reentrant corner of the herein described tract and said 1838 acres; S.00°09'43"E. 1519.23 ft. to a cornerpost for the southerly southwest corner of the herein described tract; and N.89°51'24"E. 3951.62 ft. to the PLACE OF BEGINNING containing 924.1 acres of land, more or less, within these metes and bounds.

These field notes were prepared from a deed of record and do not represent an actual survey made on the ground by me.

Dated this 15th day of April, 1988

Don W. Voelkel

EXHIBIT "A"

Don W. Voelkel
Registered Public Surveyor No. 3990

Exhibit B

FIELD NOTES DESCRIPTION FOR 910.1 ACRES OF THE
JOHN W. McCULLOUGH LAND IN GILLESPIE COUNTY, TEXAS

Being all of a certain tract or parcel of land comprising, approximately, 731.1 acres out of S. B. Turner Survey No. 22, Abstract No. 1750, and 179.0 acres out of Seale, Morris and Seale Survey No. 240, Abstract No. 1751, in Gillespie County, Texas; part of 1838 acres conveyed from John W. McCullough, et ux, to Marjorie McCullough Brown, et al, by a deed executed the 14th day of March, 1962 and recorded in Volume 81 at Page 416 of the Deed Records of Gillespie County, Texas; and being more particularly described by metes and bounds as follows:

BEGINNING at a fence cornerpost for the northerly northwest corner of the herein described tract and said 1838 acres, said to occupy the northwest corner of said Survey No. 240;

THENCE, with or near a fence along the north line of said 1838 acres: S.00°14'43"E. 3034.29 ft. to a cornerpost for a reentrant corner of the herein described tract and said 1838 acres; and S.89°43'36"W. 2643.00 ft. to a cornerpost for the westerly northwest corner of the herein described tract and said 1838 acres;

THENCE, with or near a fence along the west line of said 1838 acres, S.00°30'16"W. 5926.30 ft. to a cornerpost for the southwest corner of the herein described tract and said 1838 acres;

THENCE, with or near a fence along the south line of said 1838 acres: N.89°21'23"E. 4946.52 ft. to an anglepost; N.61°21'05"E. 419.89 ft. to an anglepost; N.35°40'35"E. 255.46 ft. to an anglepost; and N.00°20'17"W. 3382.52 ft. to a cornerpost for a reentrant corner of said 1838 acres;

THENCE, upon, over and across said 1838 acres: N.02°55'57"W. 5104.70 ft.; and N.00°16'24"W. 40.00 ft. to the northeast corner of the herein described tract in a fence along the north line of said 1838 acres;

THENCE, with or near a fence along the north line of said 1838 acres, S.89°43'36"W. 2500.23 ft. to the PLACE OF BEGINNING containing 910.1 acres of land, more or less, within these metes and bounds.

These field notes were prepared from a deed of record and do not represent an actual survey made on the ground by me.

Dated this 15th day of April, 1988

Don W. Voelkel

Don W. Voelkel
Registered Public Surveyor No. 3990

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Mary Lynn Rusche

Mary Lynn Rusche, County Clerk

Gillespie County TEXAS

June 18, 2009 02:39:57 PM

FEE: $31.00 20092820

KC

MIN 20092821
6 PGS

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

ROYALTY AND MINERAL DEED

Date: June 11, 2009

Grantor: MUY ALTO MANAGEMENT, LLC, a Texas limited liability company

Grantor's Mailing Address (including county):

MUY ALTO MANAGEMENT, LLC, a Texas limited liability company
601 Overhill Drive
Kerrville, Texas 78028
Kerr County

Grantee: MUY ALTO RANCH, LP, a Texas limited partnership, by and through MUY ALTO MANAGEMENT, LLC, a Texas limited liability company, its general partner

Grantee's Mailing Address (including county):

MUY ALTO RANCH, LP, a Texas limited partnership
601 Overhill Drive
Kerrville, Texas 78028
Kerr County

Consideration: TEN AND NO/100 DOLLARS and other good and valuable consideration.

Property:

BEING all of Grantor's **undivided ONE PERCENT (1%) interest** in and to the oil, gas and other minerals in and under and that which may be produced, both mineral and royalty interests, in those certain lots, tracts or parcels of land situated in Gillespie County, Texas, more particularly described in Exhibits A and B attached hereto and made a part hereof for all purposes.

Reservations from Conveyance:

None

Exceptions to Conveyance and Warranty:

None

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee **Grantor's UNDIVIDED ONE PERCENT (1%) INTEREST IN AND TO ALL OF THE OIL, GAS AND OTHER MINERALS IN AND UNDER AND THAT WHICH MAY BE PRODUCED, BOTH GRANTOR'S MINERAL AND ROYALTY INTERESTS** from the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever.

Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor but not otherwise, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.

MUY ALTO MANAGEMENT, LLC, a Texas limited liability company

By: _____
JOHN W. MCCULLOUGH, JR., Manager

This instrument was administratively prepared by Granstaff, Gaedke & Edgmon, P.C. from information provided by the Grantor. No opinion as to title is made or should be construed from this instrument. Granstaff, Gaedke & Edgmon, P.C. has not examined the title to the subject property or otherwise investigated the accuracy of the information provided.

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF KERR §

This instrument was acknowledged before me on June 11, 2009, by JOHN W. MCCULLOUGH, JR., Manager of Muy Alto Management, LLC, a Texas limited liability company, on behalf of said Company.

CINDY L. TATE
Notary Public, State of Texas
My Commission Expires
February 24, 2011

Notary Public, State of Texas

PREPARED IN THE OFFICE OF:

GRANSTAFF, GAEDKE & EDGMON, P.C.
5535 Fredericksburg Rd., Ste. 110
San Antonio, Texas 78229
Tel: (210) 348 - 6600
Fax: (210) 366 - 0892

AFTER RECORDING RETURN TO:

GRANSTAFF, GAEDKE & EDGMON, P.C.
5535 Fredericksburg Rd., Ste. 110
San Antonio, Texas 78229
Tel: (210) 348 - 6600
Fax: (210) 366 - 0892

P:\WP2\Clients G-M\McCullough, John\Muy Alto Ranch, LP\Royalty and Mineral Deed 2.wpd

FIELD NOTES DESCRIPTION FOR 924.1 ACRES OF THE
JOHN W. McCULLOUGH LAND IN GILLESPIE COUNTY, TEXAS

EXHIBIT "A"

Being all of a certain tract or parcel of land comprising, approximately, 3.9 acres out of S. B. Turner Survey No. 22, Abstract No. 1750, 640.7 acres out of L. A. Patillo Survey No. 152, Abstract No. 1749, 154 acres out of Seale, Morris and Seale Survey No. 240, Abstract No. 1751, 100 acres out of Wm. Bierschwale Survey No. 241, Abstract No. 1800, and 25.5 acres out of W. A. Peril Survey No. 244, Abstract No. 1764 in Gillespie County, Texas; part of 1838 acres conveyed from John W. McCullough, et ux, to Marjorie McCullough Brown, et al, by a deed executed the 14th day of March, 1962 and recorded in Volume 81 at Page 416, and all of 25.5 acres conveyed from Hazel Vivian Rogers, et vir, to John W. McCullough, et al, by a deed executed the 9th day of September, 1970 and recorded in Volume 98 at Page 687, both recordings in the Deed Records of Gillespie County, Texas; and being more particularly described by metes and bounds as follows:

BEGINNING at a fence cornerpost for the southerly southeast corner of the herein described tract, the southeast corner of said 1838 acres, said to occupy the southeast corner of said Survey No. 152;

THENCE, with or near a fence along the east line of said 1838 acres, N.00°00'17"W. 2729.44 ft. to a cornerpost for a reentrant corner of the herein described tract, the southwest corner of said 25.5 acres;

THENCE, with or near a fence along the south line of said 25.5 acres, S.89°45'17"E. 702.00 ft. to an iron stake for the easterly southeast corner of the herein described tract, the southeast corner of said 25.5 acres;

THENCE, along the east line of said 25.5 acres, N.00°29'43"E. 1379.20 ft. to an iron stake for the easterly northeast corner of the herein described tract, the northeast corner of said 25.5 acres, in a 10°28' curve concave to the northeast having a radius of 547.55 ft. along the southwest right-of-way line of F. M. Highway No. 783;

THENCE, along the north line of said 25.5 acres, the southwest right-of-way line of said F. M. Highway No. 783: 218.50 ft. along an arc of said 10°28' curve subtended by a central angle of 22°51'50" (long chord = N.65°50'52"W. 217.05 ft.) to its end; and N.54°24'57"W. 634.50 ft. to the northwest corner of said 25.5 acres in the east line of said 1838 acres;

THENCE, upon, over and across said 1838 acres, continuing along the southwest right-of-way line of said F. M. Highway No. 783: N.54°24'57"W. 160.40 ft. to the beginning of a 01°31' curve concave to the southwest having a radius of 3780 ft.; 373.86 ft. along an arc of said 01°31' curve subtended by a central angle of 05°40'01" (long chord = N.57°14'57"W. 373.71 ft.) to its end; N.60°04'58"W. 961.98 ft. to the beginning of a 06°40' curve concave to the northeast having a radius of 858.6 ft.; 475.44 ft. along an arc of said 06°40' curve subtended by a central angle of 31°43'37" (long chord = N.44°13'09"W. 469.39 ft.) to its end; and N.28°21'21"W. 212.96 ft. to the north line of said 1838 acres;

THENCE, with or near a fence along the north line of said 1838 acres: N.89°46'24"W. 3652.37 ft. to a cornerpost for a reentrant corner of the herein described tract and said 1838 acres; N.00°00'17"W. 1662.38 ft. to a cornerpost for the northerly northeast corner of the herein described tract and said 1838 acres; and S.89°43'36"W. 2287.11 ft. to the northwest corner of the herein described tract;

THENCE, upon, over and across said 1838 acres: S.00°16'24"E. 40.00 ft.; and S.02°55'57"E. 5104.70 ft. to a fence cornerpost in the south line of said 1838 acres for the southerly southwest corner of the herein described tract, a reentrant corner of said 1838 acres;

THENCE, with or near a fence along the south line of said 1838 acres: N.89°46'24"E. 2043.72 ft. to a cornerpost for a reentrant corner of the herein described tract and said 1838 acres; S.00°09'43"E. 892.86 ft. to a cornerpost; N.89°51'24"E. 1383.50 ft. to a cornerpost for a reentrant corner of the herein described tract and said 1838 acres; S.00°09'43"E. 1519.23 ft. to a cornerpost for the southerly southwest corner of the herein described tract; and N.89°51'24"E. 3951.62 ft. to the PLACE OF BEGINNING containing 924.1 acres of land, more or less, within these metes and bounds.

These field notes were prepared from a deed of record and do not represent an actual survey made on the ground by me.

Dated this 15th day of April, 1988

EXHIBIT "A"

Don W. Voelkel
Registered Public Surveyor No. 3990

Exhibit B

FIELD NOTES DESCRIPTION FOR 910.1 ACRES OF THE
JOHN W. McCULLOUGH LAND IN GILLESPIE COUNTY, TEXAS

Being all of a certain tract or parcel of land comprising, approximately, 731.1 acres out of S. B. Turner Survey No. 22, Abstract No. 1750, and 179.0 acres out of Seale, Morris and Seale Survey No. 240, Abstract No. 1751, in Gillespie County, Texas; part of 1838 acres conveyed from John W. McCullough, et ux, to Marjorie McCullough Brown, et al, by a deed executed the 14th day of March, 1962 and recorded in Volume 81 at Page 416 of the Deed Records of Gillespie County, Texas; and being more particularly described by metes and bounds as follows:

BEGINNING at a fence cornerpost for the northerly northwest corner of the herein described tract and said 1838 acres, said to occupy the northwest corner of said Survey No. 240;

THENCE, with or near a fence along the north line of said 1838 acres: S.00°14'43"E. 3034.29 ft. to a cornerpost for a reentrant corner of the herein described tract and said 1838 acres; and S.89°43'36"W. 2643.00 ft. to a cornerpost for the westerly northwest corner of the herein described tract and said 1838 acres;

THENCE, with or near a fence along the west line of said 1838 acres, S.00°30'16"W. 5926.30 ft. to a cornerpost for the southwest corner of the herein described tract and said 1838 acres;

THENCE, with or near a fence along the south line of said 1838 acres: N.89°21'23"E. 4946.52 ft. to an anglepost; N.61°21'05"E. 419.89 ft. to an anglepost; N.35°40'35"E. 255.46 ft. to an anglepost; and N.00°20'17"W. 3382.52 ft. to a cornerpost for a reentrant corner of said 1838 acres;

THENCE, upon, over and across said 1838 acres: N.02°55'57"W. 5104.70 ft.; and N.00°16'24"W. 40.00 ft. to the northeast corner of the herein described tract in a fence along the north line of said 1838 acres;

THENCE, with or near a fence along the north line of said 1838 acres, S.89°43'36"W. 2500.23 ft. to the PLACE OF BEGINNING containing 910.1 acres of land, more or less, within these metes and bounds.

These field notes were prepared from a deed of record and do not represent an actual survey made on the ground by me.

Dated this 15th day of April, 1988

Don W. Voelkel

Don W. Voelkel
Registered Public Surveyor No. 3990



FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Mary Lynn Rusche

Mary Lynn Rusche, County Clerk

Gillespie County TEXAS

June 18, 2009 02:39:57 PM

FEE: $31.00 20092821

KC

MIN 20092822
6 PGS

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

ROYALTY AND MINERAL DEED

Date: June 11, 2009

Grantor: JOHN W. MCCULLOUGH, JR. and THEODORA HARRISON MCCULLOUGH

Grantor's Mailing Address (including county):

JOHN W. MCCULLOUGH, JR. and THEODORA HARRISON MCCULLOUGH
601 Overhill Drive
Kerrville, Texas 78028
Kerr County

Grantee: MUY ALTO RANCH, LP, a Texas limited partnership, by and through MUY ALTO MANAGEMENT, LLC, A Texas limited liability company, its general partner

Grantee's Mailing Address (including county):

MUY ALTO RANCH, LP, a Texas limited partnership
601 Overhill Drive
Kerrville, Texas 78028
Kerr County

Consideration: TEN AND NO/100 DOLLARS and other good and valuable consideration.

Property:

BEING an **undivided NINETY-NINE PERCENT (99%) interest** in and to all of Grantor's interest in oil, gas and other minerals in and under and that which may be produced, both mineral and royalty interests, in those certain lots, tracts or parcels of land situated in Gillespie County, Texas, more particularly described in Exhibits A and B attached hereto and made a part hereof for all purposes.

Reservations from Conveyance:

None

Exceptions to Conveyance and Warranty:

None

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee **AN UNDIVIDED NINETY-NINE PERCENT (99%) OF GRANTOR'S INTEREST IN AND TO ALL OF THE OIL, GAS AND OTHER MINERALS IN AND UNDER AND THAT WHICH MAY BE PRODUCED, BOTH GRANTOR'S MINERAL AND ROYALTY INTERESTS** from the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever.

Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor but not otherwise, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.

JOHN W. MCCULLOUGH, JR.

THEODORA HARRISON MCCULLOUGH

This instrument was administratively prepared by Granstaff, Gaedke & Edgmon, P.C. from information provided by the Grantor. No opinion as to title is made or should be construed from this instrument. Granstaff, Gaedke & Edgmon, P.C. has not examined the title to the subject property or otherwise investigated the accuracy of the information provided.

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF KERR §

This instrument was acknowledged before me on June 11, 2009, by JOHN W. MCCULLOUGH, JR.

CINDY L. TATE
Notary Public, State of Texas
My Commission Expires
February 24, 2011

Notary Public, State of Texas

ACKNOWLEDGMENT

STATE OF TEXAS §
§
COUNTY OF KERR §

This instrument was acknowledged before me on June 11, 2009, by THEODORA HARRISON MCCULLOUGH.

CINDY L. TATE
Notary Public, State of Texas
My Commission Expires
February 24, 2011

Notary Public, State of Texas

PREPARED IN THE OFFICE OF:

GRANSTAFF, GAEDKE & EDGMON, P.C.
5535 Fredericksburg Rd., Ste. 110
San Antonio, Texas 78229
Tel: (210) 348 - 6600
Fax: (210) 366 - 0892

AFTER RECORDING RETURN TO:

GRANSTAFF, GAEDKE & EDGMON, P.C.
5535 Fredericksburg Rd., Ste. 110
San Antonio, Texas 78229
Tel: (210) 348 - 6600
Fax: (210) 366 - 0892

P:\WP2\Clients G-M\McCullough, John\Muy Alto Ranch, LP\Royalty and Mineral Deed 3 cs.wpd

FIELD NOTES DESCRIPTION FOR 924.1 ACRES OF THE
JOHN W. McCULLOUGH LAND IN GILLESPIE COUNTY, TEXAS

EXHIBIT "A"

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BEGINNING at a fence cornerpost for the southerly southeast corner of the herein described tract, the southeast corner of said 1838 acres, said to occupy the southeast corner of said Survey No. 152;

THENCE, with or near a fence along the east line of said 1838 acres, N.00°00'17"W. 2729.44 ft. to a cornerpost for a reentrant corner of the herein described tract, the southwest corner of said 25.5 acres;

THENCE, with or near a fence along the south line of said 25.5 acres, S.89°45'17"E. 702.00 ft. to an iron stake for the easterly southeast corner of the herein described tract, the southeast corner of said 25.5 acres;

THENCE, along the east line of said 25.5 acres, N.00°29'43"E. 1379.20 ft. to an iron stake for the easterly northeast corner of the herein described tract, the northeast corner of said 25.5 acres, in a 10°28' curve concave to the northeast having a radius of 547.55 ft. along the southwest right-of-way line of F. M. Highway No. 783;

THENCE, along the north line of said 25.5 acres, the southwest right-of-way line of said F. M. Highway No. 783: 218.50 ft. along an arc of said 10°28' curve subtended by a central angle of 22°51'50" (long chord = N.65°50'52"W. 217.05 ft.) to its end; and N.54°24'57"W. 634.50 ft. to the northwest corner of said 25.5 acres in the east line of said 1838 acres;

THENCE, upon, over and across said 1838 acres, continuing along the southwest right-of-way line of said F. M. Highway No. 783: N.54°24'57"W. 160.40 ft. to the beginning of a 01°31' curve concave to the southwest having a radius of 3780 ft.; 373.86 ft. along an arc of said 01°31' curve subtended by a central angle of 05°40'01" (long chord = N.57°14'57"W. 373.71 ft.) to its end; N.60°04'58"W. 961.98 ft. to the beginning of a 06°40' curve concave to the northeast having a radius of 858.6 ft.; 475.44 ft. along an arc of said 06°40' curve subtended by a central angle of 31°43'37" (long chord = N.44°13'09"W. 469.39 ft.) to its end; and N.28°21'21"W. 212.96 ft. to the north line of said 1838 acres;

THENCE, with or near a fence along the north line of said 1838 acres: N.89°46'24"W. 3652.37 ft. to a cornerpost for a reentrant corner of the herein described tract and said 1838 acres; N.00°00'17"W. 1662.38 ft. to a cornerpost for the northerly northeast corner of the herein described tract and said 1838 acres; and S.89°43'36"W. 2287.11 ft. to the northwest corner of the herein described tract;

THENCE, upon, over and across said 1838 acres: S.00°16'24"E. 40.00 ft.; and S.02°55'57"E. 5104.70 ft. to a fence cornerpost in the south line of said 1838 acres for the southerly southwest corner of the herein described tract, a reentrant corner of said 1838 acres;

THENCE, with or near a fence along the south line of said 1838 acres: N.89°46'24"E. 2043.72 ft. to a cornerpost for a reentrant corner of the herein described tract and said 1838 acres; S.00°09'43"E. 892.86 ft. to a cornerpost; N.89°51'24"E. 1383.50 ft. to a cornerpost for a reentrant corner of the herein described tract and said 1838 acres; S.00°09'43"E. 1519.23 ft. to a cornerpost for the southerly southwest corner of the herein described tract; and N.89°51'24"E. 3951.62 ft. to the PLACE OF BEGINNING containing 924.1 acres of land, more or less, within these metes and bounds.

These field notes were prepared from a deed of record and do not represent an actual survey made on the ground by me.

Dated this 15th day of April, 1988

Don W. Voelkel

EXHIBIT "A"

Don W. Voelkel
Registered Public Surveyor No. 3990

Exhibit B

FIELD NOTES DESCRIPTION FOR 910.1 ACRES OF THE
JOHN W. McCULLOUGH LAND IN GILLESPIE COUNTY, TEXAS

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BEGINNING at a fence cornerpost for the northerly northwest corner of the herein described tract and said 1838 acres, said to occupy the northwest corner of said Survey No. 240;

THENCE, with or near a fence along the north line of said 1838 acres: S.00°14'43"E. 3034.29 ft. to a cornerpost for a reentrant corner of the herein described tract and said 1838 acres; and S.89°43'36"W. 2643.00 ft. to a cornerpost for the westerly northwest corner of the herein described tract and said 1838 acres;

THENCE, with or near a fence along the west line of said 1838 acres, S.00°30'16"W. 5926.30 ft. to a cornerpost for the southwest corner of the herein described tract and said 1838 acres;

THENCE, with or near a fence along the south line of said 1838 acres: N.89°21'23"E. 4946.52 ft. to an anglepost; N.61°21'05"E. 419.89 ft. to an anglepost; N.35°40'35"E. 255.46 ft. to an anglepost; and N.00°20'17"W. 3382.52 ft. to a cornerpost for a reentrant corner of said 1838 acres;

THENCE, upon, over and across said 1838 acres: N.02°55'57"W. 5104.70 ft.; and N.00°16'24"W. 40.00 ft. to the northeast corner of the herein described tract in a fence along the north line of said 1838 acres;

THENCE, with or near a fence along the north line of said 1838 acres, S.89°43'36"W. 2500.23 ft. to the PLACE OF BEGINNING containing 910.1 acres of land, more or less, within these metes and bounds.

These field notes were prepared from a deed of record and do not represent an actual survey made on the ground by me.

Dated this 15th day of April, 1988

Don W. Voelkel

Don W. Voelkel
Registered Public Surveyor No. 3990

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Mary Lynn Rusche

Mary Lynn Rusche, County Clerk

Gillespie County TEXAS

June 18, 2009 02:39:57 PM

FEE: $31.00 20092822

KC

3 pgs
MC
20233902

PROPERTY OWNERS' ASSOCIATION MANAGEMENT CERTIFICATE

for

LVR PROPERTY OWNERS ASSOCIATION

STATE OF TEXAS §
§
COUNTY OF GILLESPIE §

WHEREAS section 209.004 of the Texas Property Code (the "Code") requires that a property owners' association file a management certificate in the real property records of the county in which the property is located, and

WHEREAS LVR Property Owners Association., a non-profit corporation (the "Association"), is a property owners' association as defined in section 209.003 of the Code and has property located in Gillespie County, Texas,

NOW THEREFORE, the undersigned, being the Managing Agent for the Association, submits the following information pursuant to Section 209.004 of the Code which supersedes any prior Management Certificate filed by the Association.

1. **Name of the subdivision.**
The name of the subdivisions collectively known as Loma Vista Ranch are as follows:

Subdivision Name
Loma Vista Ranch Section 1
Loma Vista Ranch Section 2
Loma Vista Ranch Section 3
Loma Vista Ranch Section 4

2. **Name of the association.**
LVR Property Owners Association

3. **Recording data for the subdivision.**
The recording data in the Plat Records of Gillespie County, Texas are as follows:

Plat Name	Filing Date	Clerk File Number
Loma Vista Ranch Phase 1	05/24/2021	2021010020
Loma Vista Ranch Phase 2	09/14/2021	2021010044
Loma Vista Ranch Phase 3	07/07/2022	2022010038
Loma Vista Ranch Phase 4	10/05/2022	2022010054

4. **Recording data for the declaration and any amendments to the declaration.**
The recording data in the Real Property Records of Gillespie County, Texas are as follows:

Document Name	Filing Date	Clerk File Number
Declaration of Covenants, Conditions and Restrictions for Loma Vista Ranch, Phase 1	05/27/2021	20214021
Declaration of Covenants, Conditions and Restrictions for Loma Vista Ranch, Phase 2	09/14/2021	20217042
Declaration of Covenants, Conditions and Restrictions for Loma	07/08/2022	20224831

Vista Ranch, Phase 3		
Declaration of Covenants, Conditions and Restrictions for Loma Vista Ranch, Phase 4	10/10/2022	20227029

5. **Name and mailing address for the association.**
LVR Property Owners Association
c/o C.I.A. Services, Inc.
465 Bear Springs Road
Pipe Creek, TX 78063-3178

6. **Name, mailing address, telephone number and email address of the person managing the association or its designated representative.**
C.I.A. Services, Inc.
465 Bear Springs Road
Pipe Creek, TX 78063-3178

Telephone: 713-981-9000
Email: CustomerCare@ciaservices.com

7. **Website address of any internet website on which the association's dedicatory instruments are available.**
www.ciaservices.com

8. **Amount and description of a fee or fees charged by the association relating to a property transfer in the subdivision.**
The following fees may be charged relating to a property transfer. Those marked as optional are only required if the document or service is requested by the buyer, seller or their agents, the lender, title company or other associated with the property transfer.

Fee	Amount	Description
Transfer Fee	$175	Collected at closing if the property actually transfers
Assessment Quote	$104	Verification of fees due to Association
Quote Update	$35	Optional: update to assessment quote within 30 days
Resale Certificate	$375	Optional: package in compliance with Code
Resale Certificate Update	$75	Optional: update to resale certificate within 180 days
Compliance Inspection	$100	Optional: onsite inspection for resale certificate, if required
Compliance Reinspection	$100	Optional: reinspection for initial non-compliance, if needed
Lender Questionnaire	$240	Optional: document requested by some lenders for loan
Standard Response Time	$0	No later than 10 business days – additional cost for assessment quotes/updates, resale certificates/updates, compliance inspections/reinspection's & lender questionnaires
Rush Request	$75	Optional: within 5 business days – additional cost for assessment quotes/updates, resale certificates/updates, compliance inspections/reinspection's & lender questionnaires
Expedited	$150	Optional: within 2 business days – additional cost for assessment quotes/updates, resale certificates/updates, compliance inspections/reinspection's & lender questionnaires

9. **Other information the association considers appropriate.**
   - New owners are encouraged to provide email addresses and/or cell phone numbers to Association representative in #6 above in order to receive emails and/or text messages with Association news, alerts and meeting announcements. Communication preferences may be updated at any time.

Prospective purchasers are advised to independently examine all dedicatory instruments and governing documents for the association, as well as performing a physical inspection of the property and common areas, prior to purchase. This Management Certificate does not purport to identify every publicly recorded document affecting the subdivision/association. No person should rely on this Management Certificate for anything other than for identifying and contacting the Association.

EXECUTED on this 17 day of June, 2023.

LVR Property Owners Association
By: C.I.A. Services, Inc., Managing Agent

Brandi Brack, Community Manager

STATE OF TEXAS §
§
COUNTY OF GILLESPIE §

BEFORE ME, the undersigned notary public, on this 17 day of June, 2023 personally appeared Brandi Brack, Community Manager for C.I.A. Services, Inc., Managing Agent for LVR Property Owners Association, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purpose and in the capacity therein expressed.

CYNTHIA DIANNE STRICKLAND
Notary Public, State of Texas
Comm. Expires 08-27-2025
Notary ID 124870069

Notary Public in and for the State of Texas

After recording, please return to:
C.I.A. Services, Inc.
PO Box 63178
465 Bear Springs Road
Pipe Creek, TX 78063-3178

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Lindsey Brown, County Clerk
Gillespie County Texas
July 03, 2023 01:28:51 PM
FEE: $34.00 JCOSTON **20233902**
MC

32 pgs
BY
20233947

BYLAWS OF
LVR PROPERTY OWNERS ASSOCIATION

ARTICLE I – DEFINITIONS

1. Association. "Association" shall mean and refer to LVR PROPERTY OWNERS ASSOCIATION, a non-profit corporation organized under the laws of Texas, its successors and assigns.

2. Board of Directors. "Board of Directors" shall refer to the board of directors elected by the members of the Association.

3. Common Facilities. "Common Facilities" shall mean the parks, and entrance features of the Subdivision, landscaped areas established by the Developer for use as Common Facilities, and other areas owned by or dedicated to the Association.

4. County Clerk. "County Clerk" shall mean the County Clerk of LVR Property Owners Association County, Texas.

5. Declarations and/or Restrictions. "Declaration" and/or "Restrictions" shall mean the Declarations and restrictions filed of record with the County Clerk for the Subdivision.

6. Dedicatory Instrument. "Dedicatory Instrument" shall mean each instrument governing the establishment, maintenance, and operation of the LVR PROPERTY OWNERS ASSOCIATION, and includes a declaration or similar instrument subjecting real property to restrictive covenants, certificate of formation, bylaws, or similar instruments governing the administration or operation of a property owners association, to properly adopted rules and regulations of the property owners' association, or to all lawful amendments to the covenants, bylaws, instruments, rules, or regulations, including but not limited to those identified above under "Declaration". Dedicatory Instrument further shall mean the Certificate of Formation, Bylaws, and other rules, regulations, and resolutions filed of record with the County Clerk.

7. Developer's Control Period the period set forth and defined in the Restrictions.

8. Directors. "Directors" shall mean and refer to any duly elected or appointed member of the Board of Directors.

9. Electronic ballot. "Electronic ballot" means a ballot: (a) given by: (1) e-mail; (2) facsimile; or (3) posting on an Internet website; (b) for which the identity of the

property owner submitting the ballot can be confirmed; and (c) for which the property owner may receive a receipt of the electronic transmission and receipt of the owner's ballot.

10. Lot. "Lot" shall mean any residential lot in the Subdivision, and identified in the documents filed of record, identified herein, and on record with the County Clerk.

11. Maintenance Charge. "Maintenance Charge" shall mean the periodic charge collected by the Association, (also known as maintenance fee or assessment) for each Lot in the Subdivision for the purpose of maintaining and improving the Subdivision.

12. Maintenance Fund. "Maintenance Fund" shall mean the amounts collected from time to time by the Association, upon payment of assessments by the Owners.

13. Member. "Member" or "Members" shall mean and refer to all those Owners who are members of the Association as provided for in the Restrictions and/or in these Bylaws.

14. Owner. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

15. Plats. "Plats" shall mean the plat of the subdivision recorded in the County Clerk's office.

16. Record Date. "Record Date" shall mean the date that the notice of any annual or special meeting is mailed.

17. Regular Assessment. "Regular Assessment" shall mean the annual amount that each owner of property within a residential subdivision is required to pay to the Association, which is designated for use by the Association for the benefit of the property owners of the Subdivision, as provided by the Restrictions.

18. Special Assessment. "Special Assessment" shall mean any fee and/or due, other than a regular assessment, that each Member is required to pay to the Association, as more fully set forth in the Restrictions.

19. Subdivision. "Subdivision" shall mean the LOMA VISTA RANCH Subdivision in LVR Property Owners Association County, Texas

ARTICLE II - Location

1. Principal Office Location. The principal office of the Association shall be located at 110 River Crossing Blvd., Ste. 100, Spring Branch, Texas 78070, or at such other address the Board of Directors shall determine.

2. Mailing Address. The mailing address of the Association is 110 River Crossing Blvd., Ste. 100, Spring Branch, Texas 78070, or at such other address the Board of Directors shall determine.

ARTICLE III - Membership

1. Membership Qualification. Every person or entity who is an Owner of a Lot shall be a Member of the Association, provided that any such person or entity who holds such interest merely as security for the performance of obligation shall not be a Member.

2. Membership Rights Dependent on being in Good Standing. Subject to any Texas law to the contrary, the rights of membership are subject to the payment of assessments and special assessments required by the Restrictions and/or as may be levied by the Association. The obligation of payments thereof is imposed against each Owner and becomes a lien upon the property against which such assessments are made as provided in the Restrictions.

3. Suspension of Membership Rights. Except as otherwise provided by Texas law, the membership rights of any person whose interest in the Subdivision is subject to assessments under the Restrictions may be suspended by action of the Board of Directors during the period when the assessments remain unpaid; but, upon payment of such assessments, such member's rights and privileges shall be automatically restored.

4. Voting Rights of Members. Subject to the provisions of Section 209.0059, Texas Property Code as amended, if such Member is not current by the Record Date of any year, then that Member shall not be entitled to vote at the annual meeting of the members and shall be deemed to have his/her rights and privileges automatically suspended until such member has paid all assessments current.

ARTICLE IV - Membership and Voting Rights

1. One Class of Members. The Association shall have one class of voting members as set forth in the Restrictions.

2. Ballots.

(a) Any vote cast in an election or vote by a member of a property owners' association must be in writing and signed by the member or by the member's proxy.

(b) Electronic votes cast as provided by these Bylaws, constitute written and signed ballots.

(c) In an association-wide election, written and signed ballots are not required for uncontested races.

3. Number of Votes. All class A members, shall have the right to cast one (1) vote per Lot owned. Either the husband, wife, or bona fide head of the household may cast the vote(s) to which the Member is entitled to vote. Proxy votes may be cast pursuant to the provisions concerning same delineated in these Bylaws.

4. Eligibility to Vote. Subject to the provisions of Section 209.0059, Texas Property Code, to be entitled to vote, a member must be current in payment of all maintenance fees due by the Record Date.

5. Record Date. For the purpose of determining members entitled to notice or to vote at any meeting of the members or any adjournment thereof, the Record Date shall be the business date preceeding the date on which notice of the meeting is mailed.

6. Voting Members' List for Meeting. (a) After fixing a record date for the notice of a meeting, the Board shall prepare an alphabetical list of the names of all of the Association's voting members who are entitled to notice of the meeting. The list must show the address and number of votes each voting member is entitled to cast at the meeting. The Association shall maintain, through the time of the members' meeting, a list of members who are entitled to vote at the meeting but are not entitled to notice of the meeting. This list shall be prepared on the same basis and be part of the list of voting members.

(b) Not later than two (2) business days after the date notice is given of a meeting for which a list was prepared, as provided by (a) of this Section, and continuing through the meeting, the list of voting members must be available for inspection by any member entitled to vote at the meeting for the purpose of communication with other members concerning the meeting at the Association's principal office or at a reasonable place identified in the meeting notice in the city where the meeting will be held. A voting member or voting member's agent or attorney is entitled on written demand to inspect and, subject to the limitations of Article VII of these Bylaws, to

copy the list at a reasonable time and at the member's expense during the period it is available for inspection.

(c) The Association shall make the list of voting members available at the meeting, and any voting member or voting member's agent or attorney is entitled to inspect the list at any time during the meeting or any adjournment.

7. Voting in Person or by Proxy. Subject to the provisions of Section 209.00592, Texas Property Code, the voting rights of a member may be cast or given:

(a) in person or by proxy at a meeting of the property owners' association;

(b) by absentee ballot in accordance with these Bylaws;

(c) by electronic ballot in accordance with these Bylaws; or

(d) by any method of representative or delegated voting provided by a dedicatory instrument.

8. Absentee or electronic ballot. An absentee or electronic ballot:

(a) may be counted as an owner present and voting for the purpose of establishing a quorum only for items appearing on the ballot;

(b) may 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 a property owner supersedes any vote submitted by absentee or electronic ballot previously submitted for that proposal; and

(c) may not be counted on the final vote of a proposal if the motion was amended at the meeting to be different from the exact language on the absentee or electronic ballot.

9. Solicitation for votes by absentee ballot. A solicitation for votes by absentee ballot must include:

(a) an absentee ballot that contains each proposed action and provides an opportunity to vote for or against each proposed action;

(b) instructions for delivery of the completed absentee ballot, including the delivery location; and

(c) 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."

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

11. Proxies. If a member elects to vote by proxy, the proxy must be executed in writing by the member or the member's attorney-in-fact, setting forth such member's designation of his attorney and proxy to act in his behalf at any meeting designated therein. Each such proxy shall be filed with the Secretary prior to or at the commencement of the meeting at which said proxy is to be used. Unless otherwise provided by the proxy, a proxy is revocable and expires 11 months after the date of its execution. A proxy may not be irrevocable for longer than 11 months.

12. Voting by Facsimile Transmission. If authorized by resolution of the Board of Directors for any specific matter that can be voted on, a member vote on any matter may be conducted by facsimile transmission.

13. Tabulation of and Access to Ballots.

(a) A person who is a candidate in a property owners' 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, as determined under Chapter 573, Government Code, may not tabulate or otherwise be given access to the ballots cast in that election or vote except as provided by this section;

(b) A person other than a person described by Subsection (a) may tabulate votes in an association election or vote but may not disclose to any other person how an individual voted.

(c) Notwithstanding any other provision of this chapter or any other law, a person other than a person who tabulates votes under Subsection (b), including a person described by Subsection (a), may be given access to the ballots case in the election or vote only as part of a recount process authorized by law.

14. Notice of Election of Association Vote.

(a) Not later than the 10th day or earlier than the 60th day before the date of an election or vote, a property owners' association shall give written notice of the election or vote to:

(l) each owner of property in the property owners' association, for purposes of an association-wide election or vote; or

(2) each owner of property in the property owners' association entitled under the dedicatory instruments to vote in a particular representative election, for purposes of a vote in a particular representative election, for purposes of a vote that involves election of representatives of the association who are vested under the dedicatory instruments of the property owners' association with the authority to elect or appoint board members of the property owners' association.

15. Recount of Votes.

(a) Any owner may, not later than the 15th 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:

(1) by certified mail, return receipt requested, or by delivery by the United States Postal Service with signature confirmation to the property owners' association's mailing address as reflected on the latest management certificate filed under Section 209.004, Texas Property Code; or

(2) in person to the property owners' association's managing agent as reflected on the latest management certificate filed under Section 209.0041, Texas Property Code, or to the address to which absentee and proxy ballots are mailed.

(b) The property owners' association shall, at the expense of the owner requesting the recount, retain for the purpose of performing the recount, the services of a person qualified to tabulate votes under this Subsection. The association shall enter into a contract for the services of a person who:

(1) is not a member of the association or related to a member of the association board within the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code; and

(2) is:

(A) a current or former:

(I) county judge;
(II) county elections administrator;
(III) justice of the peace; or
(IV) county voter registrar; or

(B) a person agreed on by the association and the persons requesting the recount.

(c) Any recount under this Bylaw must be performed on or before the 30th day after the date of receipt of a request and payment for a recount in accordance with this Bylaw. If the recount changes the results of the election, the property owners' association shall reimburse the requesting owner for the cost of the recount. The property owners' association shall provide the results of the recount to each owner who requested the recount. 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.

ARTICLE V - Property Rights and Rights of Enjoyment of Common Property

1. Right to use Common Facilities. Each Member shall be entitled to the use and enjoyment of the Common Facilities, subject to the Restrictions and any rules and regulations governing the use of the Common Facilities.

2. Delegation of Rights of Enjoyment. Any member's right of enjoyment in the Common Facilities may be delegated to the members of his or her family who reside in the Subdivision and such guests as are allowed by any rules and regulations of the Association concerning such rights of enjoyment. Such Member shall notify the Secretary in writing of the name of any such person and of the relationship of the Member to such person. The rights and privileges of such person are subject to suspension under Article III, Paragraph 3 hereof, to the same extent as those of the Member.

ARTICLE VI - Association Purposes and Powers

1. Purpose of Association. In addition to the purposes set forth in the Certificate of Formation for the Association, the purposes for which the Association is organized are:

(a) To be a property owners association as defined by the Texas Property Code, and shall discharge the duties and obligations of a property owners association in interpreting and enforcing the Restrictions applicable to the Subdivision, according to the plats of said subdivision recorded in the Official Public Records of the County Clerk; and the entire income and principal of the endowment. and assets of this corporation shall be held and distributed solely for such purposes, except for the modest amount needed for the expenses of administration of this corporation in order to effectuate the said purposes; and the making of distributions to organizations having the same purpose qualifying as exempt organizations under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue law);

(b) To promote the safety, welfare and enjoyment of the residents of and owners of property within the Subdivision;

(c) To promote the safety, welfare and enjoyment of the residents of and owners of property within the Subdivision;

(d) To the extent authorized by the Restrictions, to compute, assess, collect and enforce the payment of all charges to which the property within the Subdivision is subjected or may be subjected hereby and/or under or by virtue of any reservations, restrictions and covenants applicable to the Subdivision on file in the Official Records of the County Clerk;

(e) To operate, maintain, supervise and protect all areas and facilities owned by or conveyed to the corporation from time to time for the common use of its members, and to install or construct improvements upon such areas and facilities;

(f) To the extent authorized by the Restrictions, to approve or disapprove plans, specifications and elevations for any building, structure or improvement and for any structural alterations or additions, or other alterations or additions affecting exterior appearance, in or to any building, fence, structure or other improvement within the Subdivision, and to establish design and construction criteria and requirements in connection therewith;

(g) To exercise and perform any and all other rights, powers, duties and remedies granted to or imposed upon the corporation by the Restrictions, by any easement granted to the corporation, or by any other instrument granted to or for the benefit of the corporation; and

(h) To do or cause to be done all things and acts permitted by the laws of the State of Texas incident to, necessary, or proper to carry out the purposes for which non-profit corporations may be formed and to have all the powers enumerated in the Texas Property Code for property owners associations and in the Texas Business Organizations Code for non-profit corporations, including but not limited to for any lawful purpose or purposes not expressly prohibited under chapters 2 or 22 of the Texas Business Organizations Code, including any purpose described by section 2.002 of the Code.

2. Limitations on Distributions and Activities. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its members, Directors, Officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in the furtherance of the purposes set forth in Article Four hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda or otherwise attempting to influence Legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these Articles, the corporation shall not carry any other activities not permitted to be carried on (a) by an organization exempt from Federal Income Tax under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue law) or (b) by an organization, contributions to which are deductible under Section 170 of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue law).

3. Mortgage of Association Properties. The Association shall have power to mortgage its properties with the assent of a majority of the votes of the Members who are voting in person or by proxy at a meeting called for such purpose, written notice of which shall be mailed to all Members as least thirty (30) days in advance and shall set forth the purpose of the meeting.

ARTICLE VII - Board of Directors

1. Management of Association. The business and affairs of the Association shall be managed by its Board of Directors which may exercise all such powers of the Association and do all such lawful acts and things as are allowed by statute, the Articles of Incorporation, these Bylaws or the Restrictions directed or required to be exercised or done by the Members.

2. Powers of the Board of Directors. Notwithstanding anything to the contrary contained in any provision of these Bylaws, the Association shall act through its Board of Directors, which shall manage the affairs of the Association. By way of illustration, but not in limitation, the Board of Directors shall have the power to:

   a. Adopt and publish rules and regulations governing use of the common area and facilities, including but not limited to solar panels, roofing, architectural control matters, and the personal conduct of the members and their guests thereon, and to establish penalties for infraction thereof;

   b. Suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association, as hereinbefore stated. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

   c. Charge fines for violations of the Declarations;

   d. Exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws or the Certificate of Formation, or the Restrictions;

   e. Declare the office of a member of the Board of Directors to be vacant in the event each such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

   f. Employ a manager, secretary, attorneys, independent contractors, and/or such other employees as they deem necessary, and to prescribe and oversee their duties.

3. Number of Directors. The number of directors shall be three (3), and may be enlarged or decreased by the members of the Association by amendment to this Bylaw, provided that, in no event, shall the number of directors be reduced to be less than three (3).

4. Terms of Directors. The Initial Board of Directors shall serve until the 120 days after the date 75 percent of the lots that may be created and made subject to the declaration are conveyed to owners other than a declarant or builders in the business of constructing homes who purchased the lots from the developer for the purpose of selling completed homes built on the lots. Thereafter, one-third of the Directors shall be elected by the membership and the remaining two-thirds shall be appointed by the Developer until the Developer owns no more lots in the Subdivision.

Notwithstanding, the Developer may, in Developer's sole discretion, allow additional Board Members to be elected by the membership or may decrease the number of Board Members appointed by the Developer by executing a document and delivering said document to the Board President.

5. Election of Board Members. Except as set forth in Paragraph 4, any board member whose term has expired must be elected by owners who are members of the property owners' 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.

6. Initial Directors. The Initial Directors are as follows:

Place One: JAY PATTERSON
Place Two: CHARLES D. PATTERSON
Place Three: STEVE BRENTS

7. Schedule for Election/Appointment of Directors. The following Schedule is established for the annual election/appointment of directors, starting with the annual meeting of the members when the Developer no longer appoints a majority of the Board Members:

(a) At the annual meeting of the members of the Association, the members shall elect a director for Place One, Place Two and Place Three. The Place One director shall serve for a term of one year. The Place Two director shall serve for a term of two years and the Place Three director shall serve for a term of Three years. If more than three directors are serving, the Board shall assign terms to the additional directors.

(b) At each succeeding annual meeting of the members of the Association, the members shall elect a Director to replace the Directors whose term is expiring. Such newly elected director shall serve for three (3) years

8. Nominating Committee: The Board of Directors shall appoint a Nominating Committee of three (3) members of the Association, one of which can be a Director provided that such Director is not up for re-election. A person appointed to the committee cannot become a candidate for the Board of Directors. Said Committee shall have the responsibility of soliciting at least two (2) persons to become candidates for each of the vacancies on the Board of Directors of the Association, of preparing and mailing ballots and voting instructions to each member entitled to vote, notifying each elected director of his election, and such other related duties as the

Board of Directors may direct. The Nominating Committee shall present the list of candidates to the Secretary prior to the election.

9. Call for Election: The Secretary shall examine the list of candidates, certifying them as eligible to vote and to hold office, and shall issue the call for the election to be held at the discretion of the Board. The Board may have ballots prepared and mailed to each qualified voter, according to the then records of the Association, in which event said ballot will be so mailed no later than ten (10) days or earlier than sixty (60) days next preceding the election. The Board shall prescribe and organize the mechanics of the actual balloting giving particular consideration to the qualifications and/or eligibility of those voting. None of the foregoing shall operate to deprive qualified voters to write in the candidate of their choice, subject to certification by the Secretary of such write-in candidate's eligibility and willingness to serve, or to vote by proxy.

10. The Ballot. When ballots are used, the ballot shall be printed, and shall clearly describe the office, position, or vacancies for which the candidates are running, and the names of the candidates to be voted upon. No ballot will be considered which is not received at the office of the Association prior to the election. Ballots received by said time, either by mail or in person, shall by counted, subject to voter and candidate eligibility; all other ballots shall by declared void. Election to the Board of Directors shall be written ballot; the ballots shall show the name of the member voting and the number of lots owned. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to cast under the provisions of these Bylaws. The person receiving the largest number of votes shall be elected. Cumulative voting shall not be permitted.

11. Removal of Director.

(a) No Director appointed by the Developer may be removed by anyone other than the Developer. Any Director elected by the Members may be removed either for or without cause, at any special meeting of the Members of the Association by the affirmative vote of a majority, in number of votes present in person or by proxy at such meeting and entitled to vote for the election of Directors, if notice of the intention to act upon such matter shall have been given in the notice calling such meeting.

(b) If the Board of Directors is presented with written, 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 immediately ineligible to serve on the board of the Association, automatically considered removed from the board, and prohibited from future service on the board.

12. Vacancies on Board of Directors. After the Initial Board Term expires:

(a) Any board member whose term has expired and who is elected must be elected by owners who are members of the property owners' association.

(b) A board member may be appointed by the board only to fill a vacancy caused by a resignation, death, or disability.

(c) A board member appointed to fill a vacant position shall serve the unexpired term of the predecessor board member.

(d) If any vacancy occurs in the Board of Directors, caused by death, resignation, retirement, disqualification or removal from office of any Directors or otherwise, a majority of the Directors then in office, though less than a quorum, may choose a successor or successors, or a successor or successors may be chosen at a special meeting called for that purpose, and each successor Director so chosen shall be elected for the unexpired term of his or her predecessor in office.

(e) Any Directorship to be filled by reason of the retirement, disqualification or removal shall be filled by election at an annual meeting of Members or at a special meeting called for that purpose.

(f) Any Directorship to be filled by reason of any increase in the number of Directors shall be filled by election at an annual meeting of Members or at a special meeting called for that purpose.

13. No Compensation for Directors. The Directors shall serve without compensation. Upon resolution by the Board of Directors, any Director may be reimbursed for any out of pocket expenses approved by the Board of Directors, with the Director to whom such reimbursement is to be made shall excuse himself or herself and abstaining from any vote on such reimbursement of out of pocket expenses.

14. Services. No Director of the Association shall be required to devote his/her time or render services exclusively to the Association. Each Director shall be free to engage in any and all other business and activities either similar or dissimilar to the business of this Association. Likewise, each and every Officer shall be free to act for and service any other Association or Associations, entity or entities, in any capacity,

whether or not the purposes, business and activities thereof are similar or dissimilar to those of this Association, without breach of any duty to this Association or its Members. No contract or other transaction of this Association shall ever be affected by the fact that any Director of this Association is interested in, or connected with any party to such contract or transaction, provided that such contract or transaction shall be approved by a majority of the Officers not so interested or connected.

ARTICLE VIII - Meetings of the Board of Directors

1. Place of Meeting. The Directors of the Association shall hold their meetings, both regular and special, within or without the State of Texas.

2. Annual Meeting of Directors. The first meeting of each newly constituted Board of Directors shall be held without further notice immediately following the annual meeting of Members of the Association, and at the same place, unless by unanimous consent of the Directors then elected and serving such time or place shall be changed.

3. Regular Meetings of Directors. Except as otherwise provided by these Bylaws, regular meetings of the Board of Directors may be held without notice at such time and place as shall from time to time be determined by the Board of Directors.

4. Special Meetings of Directors. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each Director, either personally or by mail, electronic message (i.e. e-mail), or by telegram; special meetings shall be called by the President or Secretary in like manner and on like notices on the written request of two (2) Directors. Except as may be otherwise expressly provided by Texas law, the Articles of Incorporation, these Bylaws or the Restrictions, neither the business to be transacted at, nor the purpose of, any special meeting need be specified in a notice or waiver of notice.

5. Quorum. At all meetings of the Board of Directors, the presence of a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the Directors, when present at any meeting at which there is a quorum, shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute, the Restrictions, Certificate of Formation, or these Bylaws. If a quorum shall not be present at any meeting of the Board of Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

6. Manner of Acting. The act of a majority of directors present at a meeting or voting through proxy at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these Bylaws.

7. Action Without Meeting. Any action required by law to be taken at a meeting of the directors, or any action which may be taken at a meeting of the directors, may be taken without a meeting if a consent in writing setting forth the action to be taken, shall be signed by all the directors.

8. Open Board Meetings.

(a) "Board Meeting" (1) means a deliberation between a quorum of the voting board of the Association, or between a quorum of the voting Board of Directors and another person, during which the Association's business is considered and the Board of Directors takes formal action; and (2) does not include the gathering of a quorum of the Board of Directors at a social function unrelated to the business of the Association or attendance by a quorum of the Board of Directors 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.

(b) Regular and special meetings of the Board of Directors must be open to owners, subject to the right of the Board of Directors to adjourn a Board of Directors meeting and reconvene in closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the property owners' association's attorney, matters that are to remain confidential by request of the affected parties and agreement of the Board of Directors. Following an executive session, any decision made in the executive session must be summarized orally and placed in the minutes, in general terms, 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.

(c) Except for a meeting held by electronic or telephonic means a Board of Directors meeting must be held in a county in which all or part of the property in the subdivision is located or in a county adjacent to that county.

The Board of Directors shall keep a record of each regular or special Board of Directors meeting in the form of written minutes of the meeting. The Board of Directors shall make

meeting records, including approved minutes, available to a member for inspection and copying on the member's written request to the property owners' 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 of Directors.

Members shall be given notice of the date, hour, place, and general subject of a regular or special Board of Directors 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 10th day or earlier than the 60th day before the date of the meeting; or provided at least 72 hours before the start of the meeting by:

(A) posting the notice in a conspicuous manner reasonably designed to provide notice to property owners' association members:

(i) in a place located on the association's common property or,

(ii) with the property owner's consent, on other conspicuously located privately owned property within the subdivision; or on any Internet website maintained by the association or other Internet media; and sending the notice by email to each owner who has registered an e-mail address with the association.

It is an owner's duty to keep an updated e-mail address registered with the property owners' association.

If the Board of Directors recesses a regular or special Board of Directors meeting to continue the following regular business day, the Board of Directors 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 of Directors meeting is continued to the following regular business day, and on that following day the Board of Directors continues the meeting to another day, the Board of Directors shall give notice of the continuation in at least one manner prescribed by Subsection 2(A) within two hours after adjourning the meeting being continued.

A Board of Directors may meet by any method of communication, including electronic and telephonic, without prior notice to owners under, if each director may hear and be heard by every other director, or the Board of Directors 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 of Directors 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 of Directors meeting. The Board of Directors may not, without prior notice to owners, consider or vote on:

(1) fines;

(2) damage assessments;

(3) initiation of foreclosure actions;

(4) initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety;

(5) increases in assessments;

(6) levying of special assessments;

(7) appeals from a denial of architectural control approval; or

(8) a suspension of a right of a particular owner before the owner has an opportunity to attend a Board of Directors meeting to present the owner's position, including any defense, on the issue.

ARTICLE IX - Committees and Managing Agents

1. Appointment of Committees Consisting of Directors. The Board of Directors may, by resolution passed by a majority of the entire board, designate one or more committees, to consist of two or more of the Directors of the Association. Any such committee, to the extent provided in said resolution, shall have and may exercise all of the authority of the Board of Directors in the management of the business and affairs of the Association, except where action of the full Board of Directors is required by structure, the Restrictions or by the Certificate of Formation

2. Appointment of Committees Not Limited to Directors or Members. Other committees not having and exercising the authority of the Board of Directors in the management of the affairs of the Association may be designated and appointed by a resolution adopted by a majority of the Directors at a meeting at which a quorum is present, or by like resolution of the Board of Directors. Membership on such committee, may, but need not be, limited to Directors or members of the Association.

3. The "Architectural Committee" shall exercise the functions required of such a committee under the recorded Restrictive covenants applicable to the Subdivision. The Architectural Committee is not limited to, but shall have at least three (3)

Members from the Association and or employees of the Developer of the Subdivision. The Initial Architectural Committee shall be appointed by the Developer and shall serve until the termination of the Development Period (as defined in the Restrictions). After that time, the Board of Directors shall appoint the members. After the Development Period any member of such committee may be removed by a majority vote of the Board of Directors when in the Board of Directors' judgment, the best interest of the Association and the Lot Owners in the Subdivision shall be served by each removal. The Board of Directors shall appoint one of the members of the Architectural Committee as the chairperson of this committee unless deemed otherwise by the Board.

4. Other committees. Other committees may be formed or disbanded as desired by the Association Board of Directors. The Membership of other committees is at the discretion of the Association Board of Directors.

5. Minutes of Committee Proceeding All committees shall keep regular minutes of their proceedings and shall report the same to the Board of Directors when required.

6. Employment of Management Agent. The Board of Directors may employ for the Association a management agent at a compensation established by the Board of Directors and such management agents shall perform such duties and services as the Board of Directors shall authorize. The Board of Directors may employ as management agent the Developer, its subsidiaries or affiliates, provided that the compensation to the Developer, its subsidiaries or affiliates shall not exceed the fair market rate for such services.

ARTICLE X - Officers

1. Officers Elected by Board. The officers of the Association shall be elected by the Directors and shall be a President, a Secretary and a Treasurer. The Board of Directors may also choose one or more Vice Presidents. Any two or more offices may be held by the same person except that the offices of President and Secretary shall not be held by the same person.

2. Election at Annual Meeting of Board. The Board of Directors, at its first meeting after each annual meeting of Members, shall choose a President, a Secretary, and a Treasurer, anyone or all of whom may be members of the Board. The Board of Directors may also elect such Vice Presidents, Assistant Secretaries and Assistant Treasurer as it may determine.

3. Additional Officers and Agents. The Board of Directors may appoint such other officers and agents as it shall deem necessary, who shall be appointed for such terms and shall exercise powers and perform such duties as shall be determined from time to time by the Board of Directors.

4. Compensation of Officers and Agents. The salaries (if any) of all officers and agents of the Association shall be fixed by the Board of Directors.

5. Term of Office. Each officer of the Association shall hold office until the annual meeting of the Board of Directors next following his election and thereafter until his successor is chosen and qualified in his stead or until his death or until his resignation or removal from office.

6. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed from office at any time by the affirmative vote of a majority of the entire Board of Directors whenever in their judgment the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

7. Vacancies. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Board of Directors for the unexpired portion of the term.

8. President. The President shall be the Chief Executive Officer of the Association, and shall in general, supervise and control all of the business and affairs of the Association. The President shall preside at all meetings of the Members and the Board of Directors, shall have general and active management of the business and affairs of the Association, shall see that all orders and resolutions of the Board of Directors are carried into effect, and shall perform such other duties as the Board of Directors shall from time to time prescribe. He may sign, with the Secretary, or any other proper officer of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, checks drawn against the Association, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors, or by these Bylaws, or by statute to some other officer or agent of the Association.

9. Vice-President. Each Vice President shall have such powers and perform such duties as the Board of Directors may from time to time prescribe or as the President may from time to time delegate to him. In the absence of the President or in the event of his inability or refusal to act, the Vice- President shall perform the duties of the

President, and when so acting, shall have all of the power of, and be subject to all the restrictions upon the President.

10. Secretary. The Secretary shall attend all sessions of the Board of Directors and all meetings of the Members and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for any committees when required. He shall give, or cause to be given, notice of all meetings of the Members and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or the President, under whose supervision he shall be. Each Assistant Secretary shall have such powers and perform such duties as the Board of Directors may from time to time prescribe or as the President may from time to time delegate to him.

11. Treasurer. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accounts of receipts and disbursements and shall deposit all moneys and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Association as may be ordered by the Board of Directors, taking proper vouchers for such disbursement, and shall render to the President and Directors, at the regular meetings of the Board of Directors, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Association, and shall perform such other duties as the Board of Directors may prescribe. If required by the Board of Directors, he shall give the Association a bond in such form, in such sum, and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his office and for the restoration to the Association, in case of his death, resignation, retirement or removal from office, of all books, paper, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Association. Each Assistant Treasurer shall have such powers and perform such duties as the Board of Directors may from time to time prescribe.

ARTICLE XI - Meetings of the Members

1. Annual Meetings. The annual meeting of the Members shall be held at a date and time set by the Board of Directors. Failure to hold the annual meeting at the designated time shall not work a dissolution of the Association.

2 Failure to Hold Annual Meeting.

(a) In the event the Board of Directors does not call an annual meeting of the association members, an owner may demand that a meeting of the association members be called not later than the 30th day after the date of the owner's demand.

(b) The owner's demand must be made in writing and sent by certified mail, return receipt requested, to the registered agent of the property owners' association and to the association at the address for the association according to the most recently filed management certificate. A copy of the notice must be sent to each property owner who is a member of the association.

(c) If the board does not call a meeting of the members of the property owners' association on or before the 30th day after the date of a demand under Subsection (b), three or more owners may form an election committee. The election committee shall file written notice of the committee's formation with the county clerk of each county in which the subdivision is located.

(d) A notice filed by an election committee must contain:

(1) A statement that an election committee has been formed to call a meeting of owners who are members of the property owners' association for the sole purpose of electing board members;
(2) the name and residential address of each committee member; and
(3) the name of the subdivision over which the property owners' association has jurisdiction under a dedicatory instrument.

(e) Each committee member must sign and acknowledge the notice before a notary or other official authorized to take acknowledgments.

(f) The county clerk shall enter on the notice the date the notice is filed and record the notice in the county's real property records.

(g) Only one committee in a subdivision may operate under this section at one time. If more than one committee in a subdivision files a notice, the first committee that files a notice, after having complied with all other requirements of this section, is the committee with the power to act under this section. A committee that does not hold or conduct a successful election within four months after the date the notice is filed with the county clerk is dissolved by operation of law. An election held or conducted by a dissolved committee is ineffective for any purpose under this section.

(h) The election committee may call meetings of the owners who are members of the property owners' association for the sole purpose of electing board members. Notice, quorum, and voting provisions contained in the bylaws of the property owners' association apply to any meeting called by the election committee.

3. Special Meetings. Special meetings of the Members for any purpose may be called at any time by the President, or by any two (2) or more Members of the Board of Directors, or upon written request of the Members who have a right to vote one-fourth (l/4th) of all of the votes of the entire membership.

4. Notice of Meetings. Written notice of any meetings shall be given to the Members by the Secretary. Notice may be given to the Members either personally, or by sending a copy of the notice through the mail, postage thereon fully prepaid to his address appearing on the books of the Association. Notice of any meeting, regular or special, be mailed not less than ten (10) nor more than sixty (60) days in advance of the meeting and shall set forth in general the nature of the business to be transacted; provided, however, that if the business of any meeting shall involve any action governed by the Certificate of Formation or by the Restrictions, notice of such meeting shall be given or sent as therein provided.

5. Member Contact Information. Each member shall register his address with the secretary, and notices of meetings, regular or special, shall be mailed to him at such address. It is the responsibility of the Member to provide the Association with current mailing and email addresses, and the Association assumes no responsibility should any notices not be received by the Member provided that the Association forwards such notice to the address provided the Association by the Member.

6. Notice e-mail. Any Member may request that notice be transmitted electronically by providing the Association's Secretary a valid e-mail address. Upon providing such e-mail address the Association may transmit any and all notices to such member at such email address. Members are encouraged to provide an e-mail address to help reduce the operational cost of postage and mail-out required by these Bylaws and Texas Law.

7. Waiver of Notice. Notice may be waived in writing signed by the person or persons entitled to such notice. Such waiver may be executed at any time before or after the holding of such meeting. Attendance at a meeting shall constitute a waiver of notice, except where the person attends for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

8. Location of Meetings. Meetings of members shall be held at the office of the Association, if one is established in the Subdivision, or at such other place, within or without the State of Texas, as may be stated in the notice of the meeting or in a duly executed waiver of notice thereof. Meetings may also be held electronically so long as all members in attendance can hear and be heard.

9. Quorum. The presence at the meeting of Members entitled to cast ten (10 %) of the votes entitled to be voted at such meeting, shall constitute a quorum for any action governed by these Bylaws.

10. Action Required. At a meeting at which a quorum is present, the vote of the majority of the members in person or represented by proxy shall decide any question brought before the meeting, unless the question is one upon which the vote of a greater number is required by law, the Certificate of Formation or these Bylaws. The members present or represented at a meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum. If a quorum is not present at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, with notice as for any other meeting. At the reconvening of a meeting adjourned previously due to lack of quorum, the percentage of votes required to be present in person or by proxy in order to constitute a quorum will be one-half of the percentage required at the preceding meeting.

ARTICLE XII - Notices

1. Type of Notice. Whenever under the provisions of the statute, the Certificate of Formation, these Bylaws or the Restrictions, notice is required to be given to any Directors or Member and no prevision is made as to how such notice shall be given, it shall not be construed to mean personal notice, but any such notice may be given in writing, electronic message (i.e, e-mail), by mail, postage prepaid, addressed to such Directors or Member at such address as appears on the records of the Association. Any notice required or permitted to be given by mail shall be deemed to be given at the time the same is deposited in the United States mail as aforesaid.

2. Waiver of Notice. Whenever any notice is required to be given to any Member or Directors of the Association under the provisions of any applicable statute, the Certificate of Formation, these Bylaws of the Restrictions, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated in such notice, shall be deemed equivalent to the giving of such notice.

ARTICLE XIII - Books and Records

1. The Association adopts this Article XIII of these Bylaws to comply with Section 209.005, Texas Property Code. In the event of a conflict between this Article XIV and Section 209.005, Section 209.005 shall control.

2. The Association shall make the books and records of the Association, including financial records, open to and reasonably available for examination by an owner, or a person designated in writing signed by the owner or the owner's agent, attorney, or certified public accountant, in accordance with this section. An owner is entitled to obtain from the Association copies of information contained in the books and records, except as provided herein.

3. An attorney's files and records relating to the Property Owner's Association, excluding invoices requested by an owner under Section 209.008 (d) of the Texas Property Code, are not records of the Association and are not subject to inspection by the owner; or 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. This Bylaw does not require production of a document that constitutes attorney work product or that is privileged as an attorney-client communication.

4. An owner or the owner's authorized representative described by Section 2 of this Bylaw must submit a written request for access or information under Section 2 by certified mail, with sufficient detail describing the Property Owners' Association's books and records requested; to the mailing address of the Association or authorized representative as reflected on the most current management certificate filed with the County Clerk. The request must contain an election either to inspect the books and records before obtaining copies or have the Property Owners' Association forward copies of the requested books and records and if an inspection is requested, the Association, on or before the 10th business day after the date the Association receives the request; except as otherwise provided by this section.

5. If the Association is unable to produce the books or records requested under Article XIII, Section 4 on or before the 10 business day after the date the Association receives the request, the Association will provide to the requestor written notice that:

(a) informs the requestor that the Association is unable to produce the information on or before the 10th business day after the date the Association received the request; and

(b) states a date by which the information will be sent or made available for inspection to the requesting party that is not later than the 15th business day after the date notice under this subsection is given.

6. If an inspection is requested or required, the inspection shall take place at a mutually agreed on time during normal business hours, and the requesting party shall identify the books and records for the Property Owners' Association to copy and forward to the requesting party.

7. The Association may produce books and records requested under this section in hard copy, electronic, or other format reasonably available to the Association.

8. The Board of Directors shall adopt a records production and copying policy that prescribes the costs the Association will charge for the compilation, production, and reproduction of information requested under this section. The prescribed charges may include all reasonable costs of materials, labor, and overhead but may not exceed costs that would be applicable for an item under 1 T.A.C. Section 70.3. The policy required by this subsection shall be recorded as a dedicatory instrument in accordance with Section 202.006, Texas Property Code. The Association may not charge an owner for the compilation, production, or reproduction of information requested under this section unless the policy prescribing those costs has been recorded as required by the Association's Records Policy filed with the County Clerk. An owner is responsible for costs related to the compilation, production, and reproduction of the requested information in the amounts prescribed by the policy adopted under this Bylaw. The Association may require advance payment of the estimated costs of compilation, production, and reproduction of the requested information. If the estimated costs are lesser or greater than the actual costs, the Association shall submit a final invoice to the owner on or before the 30th business day after the date the information is delivered. If the final invoice includes additional amounts due from the owner, the additional amounts, if not reimbursed to the Association before the 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 30th business day after the date the invoice is sent to the owner.

9. A Property Owners' Association must estimate costs under this section using amounts prescribed by the policy adopted under Section 8 of this Article XIII.

10. Except as provided by this Article XIII, and to the extent the information is provided in the meeting minutes, the Association is not required to release or allow inspection of any books or records that identify the dedicatory instrument violation history of an individual owner of an association, an owner's personal financial information, including records of payment or nonpayment of amounts due to the Association, an owner's contact information, other than the owner's address, or information related to an employee of the Association, including personnel files. Information may be released in an aggregate or summary manner that would not identify an individual property owner.

11. The books and records described by Section 10 of this Article XIII shall be released or made available for inspection if:

    (a) the express written approval of the owner whose records are the subject of the request for inspection is provided to the property owners' Association; or

    (b) a court orders the release of the books and records or orders that the books and records be made available for inspection.

12. The Board shall adopt and comply with a document retention policy that includes, at a minimum, the following requirements:

    (a) certificates of formation, bylaws, restrictive covenants, and all amendments to the certificates of formation, bylaws, and covenants shall be retained permanently;
    (b) financial books and records shall be retained for seven years;
    (c) account records of current owners shall be retained for five years;
    (d) contracts with a term of one year or more shall be retained for four years after the expiration of the contract term;
    (e) minutes of meetings of the owners and the board shall be retained for seven years; and
    (f) tax returns and audit records shall be retained for seven years.

13. A member of the Association who is denied access to or copies of Association books or records to which the member is entitled under this Article XIII of these Bylaws may file a petition with the justice of the peace of a justice precinct in which all or part of the property that is governed by the Association is located requesting relief in

accordance with Article XIII of these Bylaws. If the justice of the peace finds that the member is entitled to access to or copies of the records, the justice of the peace may grant one or more of the following remedies:

(a) a judgment ordering the Property Owners' Association to release or allow access to the books or records;

(b) a judgment against the Property Owners' Association for court costs and attorney's fees incurred in connection with seeking a remedy under this section; or

(c) a judgment authorizing the owner or the owner's assignee to deduct the amounts awarded under Subdivision (2) from any future regular or special assessments payable to the Property Owners' Association.

14. If the Property Owners' Association prevails in an action under Section 13 of this Article XIII of the Bylaws, the Association is entitled to a judgment for court costs and attorney's fees incurred by the Association in connection with the action.

15. On or before the 10th business day before the date a person brings an action against the Association under this section, the person must send written notice to the Association of the person's intent to bring the action. The notice must:

(a) be sent certified mail, return receipt requested, or delivered by the United States Postal Service with signature confirmation service to the mailing address of the Association or authorized representative as reflected on the most current management certificate filed under Section 209.004; and

(b) describe with sufficient detail the books and records being requested.

16. For the purposes of this Article XIII of these Bylaws, "business day" means a day other than Saturday, Sunday, or a state or federal holiday.

17. Annual Audit. If requested by three or more members, a review of books and records shall be made by a Certified Public Accountant selected by the Board of Directors. Such review shall not be required more than annually

ARTICLE XIV - Miscellaneous; Fiscal Matters

1. Charges. The Board of Directors shall compute, assess, collect and enforce the payment of all charges to which the Subdivision is subjected or may be subjected under or by virtue of the Restrictions and Bylaws.

2. Dividends. No dividends shall be paid and no part of the income of the Association shall be disbursed to its Members, Directors, or Officers. The Association may pay compensation in a reasonable amount to its Members or Officers for services rendered, but only as permitted by the applicable statutes.

3. Agreements. All agreements, contracts, deeds, leases, and other instruments of the Association shall be executed by at least two (2) officers of the board or such other person or persons as may be designated by resolution of the Board. Such authority may be general or confined to specific instances.

4. Checks. All checks or demands for money and notes of the Association shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Checks and Drafts. All checks, drafts, or orders for payment of money, notes or other evidences of indebtedness issued in the name of Association shall be signed by such Officer or Officers of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors. Such instruments shall be signed by two (2) of the officers designated by the Board to sign the documents.

Deposits. All funds of the Association shall be deposited to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may select.

Gifts. The Directors may accept on behalf of the Association any contributions, gifts, bequests or items for the general purposes or for any special purpose of the Association.

5. Fiscal Year. The fiscal year of the Association shall be fixed by resolution of the Board of Directors.

6. Seal. The corporate seal, if any, shall be in such form as may be determined by the Board of Directors. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

7. Indemnification. Except as may otherwise be provided by Article 1396-2.22A, Texas Non-Profit Corporations Act, and/or Section 8.051, Texas Business Organizations Code, or as may be ordered by a court pursuant to Section 8.052, Texas Business Organizations Code, or by Article 1396-2.22A, Texas Non-Profit Corporations Act, the Association shall indemnify any Directors, Officer, or employee of the

Association, against expenses actually and necessarily incurred by him and any amount paid in satisfaction of judgments in connection with any action, suit or proceedings, whether civil or criminal in nature, in which he is made a party by reason of being or having been such a Director, Officer, or employee (whether or not a Director, Officer, or employee at the time such costs or expenses are incurred by or imposed upon him) except in relation to matters as to which he shall be judged in such action, suit, or proceedings to be liable for gross negligence or willful misconduct in the performance of duty. The Association may also reimburse to any Director, Officer or employee the reasonable costs of settlement of any such action, suit or proceedings, if it shall be found by a majority of a committee of the Directors not involved in the matter in controversy, whether or not a quorum, that it was in the interest of the Association that such settlement be made and that such Director, Officer or employee was not guilty of gross negligence or willful misconduct. Such rights of indemnification and reimbursement shall not be deemed exclusive of any other rights to which such Director, Officer, or employee may be entitled by law or under any Bylaw, agreement, vote of Members or otherwise. Nothing in this Section shall prevent permissive indemnification as authorized by Section 8.01 through 8.152, Texas Business Organizations Code, or by Article 1396-2.22A, Texas Non-Profit Corporations Act.

8. Online Subdivision Information. The Association shall make dedicatory instruments relating to the association or subdivision and filed with the County Clerk records available on a website if the association has, or a management company on behalf of the association maintains, a publicly accessible website.

9. Texas Property Code Controls. To the extent that any of these Bylaws conflict with the provisions of the Texas Property Code and/or the Texas Non-Profit Corporations. Act and/or the Texas Business Organizations Code, as may be amended from time to time by the Texas Legislature, the Texas Property Code and/or the Texas Non-Profit Corporations Act and/or the Texas Business Organizations Code shall control.

ARTICLES XV - Amendment of Bylaws

These Bylaws may be altered, amended, or repealed and new Bylaws may be adopted (a) by a majority of the Directors present at any meeting or special meeting of the Directors, where a quorum is present, if at least ten (10) days written notice is given of the intent to alter, amend, repeal, or adopt at such meeting, and/or (b) by a majority of the members

entitled to vote, present at any annual meeting or any special meeting called for that purpose, where a quorum is present, if at least ten (10) days written notice is given on the intent to alter, amend, or repeal, or adopt new Bylaws at such meeting.

THESE BYLAWS have been voted on and adopted by the Board of Directors of the Association at a special meeting held on July 19th ~~2022~~ 2021.

Printed Name: JAY PATTERSON

Printed Name: CHARLES D. PATTERSON

Printed Name: STEVE BRENTS

STATE OF TEXAS §
COUNTY OF Comal §

This instrument was acknowledged before me on this the 31st day of May, 2022, by JAY PATTERSON, Director of the LVR PROPERTY OWNERS ASSOCIATION.

NATALIE STUEVER
Notary ID #132682024
My Commission Expires
September 17, 2024

NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS §
COUNTY OF Comal §

This instrument was acknowledged before me on this the 31st day of May, 2022, by CHARLES D. PATTERSON, Director of the LVR PROPERTY OWNERS ASSOCIATION.

NATALIE STUEVER
Notary ID #132682024
My Commission Expires
September 17, 2024

NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS §
COUNTY OF Comal §

This instrument was acknowledged before me on this the 31st day of May, 2022, by STEVE BRENTS, Director of the LVR PROPERTY OWNERS ASSOCIATION.

NATALIE STUEVER
Notary ID #132682024
My Commission Expires
September 17, 2024

NOTARY PUBLIC, STATE OF TEXAS

AFTER RECORDING RETURN TO:
KRISTEN QUINNEY PORTER, LLC
P.O. Box 312643
New Braunfels, Texas 78131-2643

PREPARED IN THE LAW OFFICE OF:
KRISTEN QUINNEY PORTER, LLC
P.O. Box 312643
New Braunfels, Texas 78131-2643

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Lindsey Brown
Lindsey Brown, County Clerk
Gillespie County Texas
July 06, 2023 11:04:23 AM
FEE: $150.00 JCOSTON
BY
20233947

3 pgs
MC

20237547

PROPERTY OWNERS' ASSOCIATION MANAGEMENT CERTIFICATE

for

LVR PROPERTY OWNERS ASSOCIATION

STATE OF TEXAS §
§
COUNTY OF GILLESPIE §

WHEREAS section 209.004 of the Texas Property Code (the "Code") requires that a property owners' association file a management certificate in the real property records of the county in which the property is located, and

WHEREAS LVR Property Owners Association., a non-profit corporation (the "Association"), is a property owners' association as defined in section 209.003 of the Code and has property located in Gillespie County, Texas,

NOW THEREFORE, the undersigned, being the Managing Agent for the Association, submits the following information pursuant to Section 209.004 of the Code which supersedes any prior Management Certificate filed by the Association.

1. **Name of the subdivision.**
The name of the subdivisions collectively known as Loma Vista Ranch are as follows:

Subdivision Name
Loma Vista Ranch Section 1
Loma Vista Ranch Section 2
Loma Vista Ranch Section 3
Loma Vista Ranch Section 4

2. **Name of the association.**
LVR Property Owners Association

3. **Recording data for the subdivision.**
The recording data in the Plat Records of Gillespie County, Texas are as follows:

Plat Name	Filing Date	Clerk File Number
Loma Vista Ranch Phase 1	05/24/2021	2021010020
Loma Vista Ranch Phase 2	09/14/2021	2021010044
Loma Vista Ranch Phase 3	07/07/2022	2022010038
Loma Vista Ranch Phase 4	10/05/2022	2022010054

4. **Recording data for the declaration and any amendments to the declaration.**
The recording data in the Real Property Records of Gillespie County, Texas are as follows:

Document Name	Filing Date	Clerk File Number
Declaration of Covenants, Conditions and Restrictions for Loma Vista Ranch, Phase 1	05/27/2021	20214021
Declaration of Covenants, Conditions and Restrictions for Loma Vista Ranch, Phase 2	09/14/2021	20217042
Declaration of Covenants, Conditions and Restrictions for Loma	07/08/2022	20224831

Vista Ranch, Phase 3		
Declaration of Covenants, Conditions and Restrictions for Loma Vista Ranch, Phase 4	10/10/2022	20227029

5. **Name and mailing address for the association.**
LVR Property Owners Association
c/o C.I.A. Services, Inc.
465 Bear Springs Road
Pipe Creek, TX 78063-3178

6. **Name, mailing address, telephone number and email address of the person managing the association or its designated representative.**
C.I.A. Services, Inc.
465 Bear Springs Road
Pipe Creek, TX 78063-3178

Telephone: 713-981-9000
Email: CustomerCare@ciaservices.com

7. **Website address of any internet website on which the association's dedicatory instruments are available.**
www.ciaservices.com

8. **Amount and description of a fee or fees charged by the association relating to a property transfer in the subdivision.**
The following fees may be charged relating to a property transfer. Those marked as optional are only required if the document or service is requested by the buyer, seller or their agents, the lender, title company or other associated with the property transfer.

Fee	Amount	Description
Transfer Fee	$250	Collected at closing if the property actually transfers
Transfer Fee - Refinance	$100	Collected at closing if the property loan is refinanced
Assessment Quote	$104	Verification of fees due to Association
Quote Update	$35	Optional: update to assessment quote within 30 days
Resale Certificate	$375	Optional: package in compliance with Code
Resale Certificate Update	$75	Optional: update to resale certificate within 180 days
Compliance Inspection	$120	Optional: onsite inspection for resale certificate, if required
Compliance Reinspection	$120	Optional: reinspection for initial non-compliance, if needed
Lender Questionnaire	$275	Optional: document requested by some lenders for loan
Standard Response Time	$0	No later than 10 business days – additional cost for assessment quotes/updates, resale certificates/updates, compliance inspections/reinspection's & lender questionnaires
Rush Request	$100	Optional: within 5 business days – additional cost for assessment quotes/updates, resale certificates/updates, compliance inspections/reinspection's & lender questionnaires
Expedited	$200	Optional: within 2 business days – additional cost for assessment quotes/updates, resale certificates/updates, compliance inspections/reinspection's & lender questionnaires

9. **Other information the association considers appropriate.**
   - New owners are encouraged to provide email addresses and/or cell phone numbers to Association representative in #6 above in order to receive emails and/or text messages with Association news, alerts and meeting announcements. Communication preferences may be updated at any time.

Prospective purchasers are advised to independently examine all dedicatory instruments and governing documents for the association, as well as performing a physical inspection of the property and common areas, prior to purchase. This Management Certificate does not purport to identify every publicly recorded document affecting the subdivision/association. No person should rely on this Management Certificate for anything other than for identifying and contacting the Association.

EXECUTED on this 20th day of December, 2023.

LVR Property Owners Association
By: C.I.A. Services, Inc., Managing Agent

Brandi Brack, Community Manager

STATE OF TEXAS §
§
COUNTY OF GILLESPIE §

BEFORE ME, the undersigned notary public, on this 20th day of December, 2023 personally appeared Brandi Brack, Community Manager for C.I.A. Services, Inc., Managing Agent for LVR Property Owners Association, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purpose and in the capacity therein expressed.

CYNTHIA DIANNE STRICKLAND
Notary Public, State of Texas
Comm. Expires 08-27-2025
Notary ID 124870069

Notary Public in and for the State of Texas

After recording, please return to:
C.I.A. Services, Inc.
PO Box 63178
465 Bear Springs Road
Pipe Creek, TX 78063-3178

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS

Lindsey Brown, County Clerk
Gillespie County Texas
December 27, 2023 03:54:53 PM
FEE: $34.00 SANTCZAK **20237547**
MC

11 pgs 20240710
DECLARATION

LVR PROPERTY OWNERS ASSOCIATION
POLICY FOR COMPLIANCE AND ENFORCEMENT ACTION

STATE OF TEXAS §
§ KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF GILLESPIE §

WHEREAS, the LVR Property Owners Association ("Association") is charged with administering and enforcing those certain covenants, conditions, and restrictions contained in the recorded Declarations for the various sections of the community (referred to collectively as "Declarations") including:

Declaration of Covenants, Conditions and *Restrictions Loma Vista Ranch, Phase I,* recorded under Clerk Document Number 2021010020 in the Official Public Records of Gillespie County, Texas, in the office of the County Clerk of Gillespie County, Texas on the 24th day of May 2021.

Declaration of Covenants, Condition and Restrictions Loma Vista Ranch, Phase 2, recorded under Clerk Document Number 2021010044 in the Official Public Records of Gillespie County, Texas, in the office of the County Clerk of Gillespie County, Texas on the 14th day of September 2021.

Declaration of Covenants, Condition and Restrictions Loma Vista Ranch, Phase 3, recorded under Clerk Document Number 2022010038 in the Official Public Records of Gillespie County, Texas, in the office of the County Clerk of Gillespie County, Texas on the 7th day of July 2022.

Declaration of Covenants, Condition and Restrictions Loma Vista Ranch, Phase 4, recorded under Clerk Document Number 2022010054 in the Official Public Records of Gillespie County, Texas, in the office of the County Clerk of Gillespie County, Texas on the 5th day of October 2022.

WHEREAS, Article III and Article IX in each Declaration authorizes the Board to enforce all of the provisions of the Declarations against any Owner who fails to comply with the Declarations; and

WHEREAS, Sections 209.006 and 209.007 of the Texas Property Code ("TPC") provide various procedures and notifications which must occur prior to enforcement action; and

WHEREAS, the Board of Directors ("Board") of the Association desires to establish this *Policy for Compliance and Enforcement Action* in compliance with the Declarations and the Texas Property Code in order to provide clear and definitive guidance to property owners.

NOW, THEREFORE, at a meeting on this date, the Board has duly adopted this *Policy for Compliance and Enforcement Action.*

1 – Criteria

The Declarations and various guidelines, policies, and rules adopted by the Association provide the restrictions and covenants for the Association. Certain conditions or activities require a judgment as to whether the degree of the issue warrants follow-up by the Association with the owner. Such items requiring follow-up are considered violations. The Association will endeavor to use uniform criteria across all properties so that notifications are issued on a consistent basis. On an ongoing basis, the Board will examine inspection reports and provide feedback to the management company to ensure the inspection criteria matches the expectations of the Board. Conditions or activities judged to be out of compliance with the restrictions or covenants are referred to as "violations".

2– Inspections

Inspections will occur on the frequency specified by the Board in the management contract but no less than once per month. During each inspection, the management company will view each property from the street or streets adjacent to each property. The purpose of the inspections is: (1) to find any violations which have arisen since the last inspection; (2) to check the status of previously noted violations; and (3) to follow-up on communications, such as updates or complaints, since the last inspection.

3 – Complaints

Complaints about alleged violations of restrictions or covenants will be investigated on the next scheduled inspection to determine if an actual violation exists under the Declarations, guidelines and established criteria. The Association will keep complaints anonymous. Once verified, the record will normally show that the Association observed the violation that was initiated from an anonymous source. The Association will take all practical and reasonable actions to protect and conceal the identity of the complainant, and under no circumstances will that identity be released from any employee or representative of the management company or the Association unless required by law.

4 – Unverified Complaints

At times complaints may be received which cannot easily be verified. These might include conditions not visible from the adjacent street (such as on the rear of the home or within an enclosed back yard) or activities that do not occur during regular inspections (such as barking dogs or overnight street parking, if prohibited). The Association will generally not pursue alleged violations which cannot be verified during the normal inspection process. The Association may agree to send a letter to the owner if the complaining party provides photographic evidence of the alleged violation. The Association may also agree to send a courtesy letter to an owner regarding minor items relating to pets.

5 – Notifications

The management company will send written notifications regarding violations to the owner and tenant, if any. The notifications will generally be sent by mail.

Each notification will describe the violation, the expected resolution, the deadline for addressing the issue and provide a contact for questions. Deadlines will vary based on the type of violation and step in the enforcement process. The types of notifications are shown in Exhibit A.

6 – Extensions

Communication is encouraged, and owners may need additional time beyond the deadline to cure the violation. If an owner requests additional time verbally or in writing, the management company will consider the request using its best judgment and approve the additional time or present the request to the Board for their decision. The owner will receive confirmation of the decision verbally (if requested verbally and approved immediately); approval of all requests shall be confirmed in writing. The management company will notify the Board of all owner requests for additional time and approval of same made by the management company.

In addition, the management company may delay follow-up after a deadline expires if, in its best judgment, additional time is warranted. For example, the management company may delay follow-up if it the owner has partially cured the violation or if inclement weather would reasonably delay a cure. The management company may also decide to resend a 1st letter instead of moving the violation to the next notification level for certain violations. The objective is to use common sense in evaluating the next step for each violation.

7 – Hearings

An owner who disagrees with a violation is encouraged to contact the management company for clarification. At any point in the process, an owner may also visit a board meeting to address the Board.

A formal hearing in front of the Board is offered at the point a "2nd Letter" is sent to the owner. The 2nd letter is sent by both certified mail and regular first-class mail. The purpose of a hearing is to provide an opportunity to discuss and verify facts and to attempt to resolve the issue. The 2nd letter contains the following text in compliance with the TPC.

Important Notice of Your Rights

Per Section 209.007 of the Texas Property Code, you have a right to a hearing in front of the Board of Directors or a committee appointed by the Board. If you desire a hearing, written notice of your request must be received at our office within 30 days of the date of this letter. Upon receipt of your written request, you will be furnished with notice of the date, time and place of the hearing.

If you are serving on active military duty, you may have special rights or relief related to this enforcement action under federal law, including the Servicemembers Civil Relief Act (50 U.S.C. app. Section 501 et seq.).

If an owner makes a written request for a hearing, the hearing will be scheduled with the Board using the procedures and within the timeframe set forth in the TPC. The hearing will be held within an Executive Session at the Board meeting.

Under the TPC, the Association is not obligated to offer a hearing on an uncorrected or duplicate violation for which the owner has previously been given notice in the preceding six (6) months. This most often applies to periodic issues such as prohibited parking and items stored in view. In addition, under the TPC, the Association is not required to offer a hearing or to follow this Policy and the procedures herein if the Association files suit seeking a temporary restraining order or temporary injunctive relief, files suit to recover money damages, is seeking unpaid assessments and is pursuing judicial or non-judicial foreclosure, is pursuing a self-help remedy, or in the event the Association temporarily suspends an Owner's right to use the Common Area based upon a violation that occurred on the Common Area and involved a significant and immediate risk of harm to others in the community.

8 – Fines

The Declarations allow the imposition of fines.

Exhibit B lists the fines associated with various categories of violations.

Prior to the imposition of a fine, the Association will send the owner a "2nd Letter" using the language shown above. If the violation is "curable" as defined by the TPC (something that may be cured with affirmative action), the owner will be given a reasonable period to cure the violation. A fine will not be imposed if the owner cures the violation before the expiration of the cure period. If the owner requests a hearing, the fine will not be imposed until after the hearing and only if the owner had not cured the violation before the expiration of the cure period.

If the violation is a threat to public health or safety (as defined in the TPC 209 Hearings Procedure) or if the violation is "uncurable" as defined by the TPC (something that already occurred and is not ongoing), a fine may be imposed if the owner does not request a hearing using the procedures and within the timeframe set forth in the TPC or after the hearing, if requested.

9 – Right to Cure

The Declarations provide the Association with the right to cure or abate any violation, including the right to enter any Lot upon which the violation exists without liability for trespass, and to charge the expense thereof, if any, to such Owner, plus attorney's fees incurred by the Association with respect to the exercise of such remedy. All charges assessed against an Owner shall constitute a continuing lien upon the Lot of such Owner as fully as if such charge were an unpaid annual or special assessment.

Prior to initiating action to abate or cure a violation, the Association will send the owner a "Forced Maintenance Letter" which describes the problem, the required resolution, a deadline for cure and a statement of the Association's intent to cure.

If the owner does not cure or abate the violation by the deadline, the Association may issue a work order to a contractor to cure or abate the violation. Once the work is complete, the owner will be

billed for the full cost of the work plus a reasonable administrative fee for issuing the work order and coordinating the violation cure or abatement.

The Association is not obligated to send another Forced Maintenance Letter on a violation for which the owner has previously been given notice in the preceding six (6) months. This most often applies to periodic issues such as landscape maintenance.

10 – Attorney Action

The Board may choose to refer violations to the Association's attorney for legal action at any time. All referrals to the attorney shall be done at a called Board meeting.

When considering referral to an attorney, the Board may authorize a "Last Chance Letter" to be mailed to the owner in a final attempt to encourage the owner to cure the violation. In such case, the Board will authorize the management company to send the last chance letter and, if the violation is not cured by the deadline, to promptly send the violation to the attorney with no further Board review.

If the violation is not cured by the deadline stated in the attorney demand letter and upon recommendation by the Association's attorney, the Board will consider filing a lawsuit against the owner seeking an injunction to cure and a monetary judgment including civil penalties.

A reasonable administrative fee shall be imposed on the owner's account for preparing and transmitting the violations to the attorney for an initial demand letter. All subsequent attorney fees and costs will be charged back to the owner's account.

11 – Privacy

All communications with an owner regarding a violation are considered private. Such communications are not available under another owner's right to access Association records. Hearings shall be conducted in Executive Session. An owner may waive privacy by providing written authorization for another to view such owner's records or by discussing such owner's violations at an open meeting.

EXHIBIT A
TYPES OF NOTIFICATIONS

1st Letter

- This is the first letter mailed on most violations.
- It is sent by regular 1st class mail to the property owner and tenant, if any.
- It states the problem, requested solution, deadline for action, and a contact for questions.
- Deadlines vary depending on violation – landscape maintenance, trash and signage are typically 10 days, minor repairs are typically 21 days, major repairs are 45 days or more.
- 1st letters are typically mailed after the 1st observation after verification of complaints, for landscape issues and unapproved modifications. They are mailed after two consecutive observations on most other violations.
- On future observations, a 1st letter may be resent on "minor" or recurring violations rather than sending a 2nd letter by certified mail.

ACC Letter

- This letter is used for minor unapproved modifications in progress (e.g., repainting in an originally approved color).
- It is sent by regular 1st class mail to the property owner and tenant, if different.
- It describes the observed modification and asks that plans be submitted for ACC review. The deadline to submit the required plans is typically set at 14 days.
- ACC letters are mailed after the 1st observation.
- A link is provided for submitting an online Home Improvement Request through www.ciaservices.com.

2nd Letter

- This is typically the second letter mailed on most violations.
- It is sent by regular 1st class mail and by certified mail to the property owner.
- It states the problem, requested solution, deadline for action, and a contact for questions.
- This letter contains language required by the Texas Property Code regarding the property owner's right to a hearing in front of the Board and protections available to active-duty military personnel.
- The deadlines on 2nd letters are usually 30 days because the Texas Property Code gives property owners 30 days to request a hearing in front of the Board. Generally, no further enforcement action should be taken in that period.
- 2nd letters are mailed after the 1st observation following the expiration of a 1st letter deadline.

Last Chance Letter

- This is typically the third letter mailed on most violations.
- It is sent by regular 1st class mail to the property owner.
- It states the problem, requested solution, and deadline for action, and a contact for questions. The letter states that this violation will be turned over to the Association's attorney if not corrected by the deadline.
- Deadlines vary depending on violation – landscape maintenance, trash, signage, and minor repairs are typically 10 days, major repairs are up to 21 days.

- Last chance letters are only mailed after the Board approves turning this violation over to an attorney if it is not corrected by the deadline. Board members or authorized committee members would have viewed this violation in advance. Upon expiration of the deadline, Manager has already been authorized to turn this violation over to the Attorney.

Thank You Letter

- This is generally sent after a violation has been corrected to provide feedback to the property owner and/or tenant. The Manager uses discretion as to whether this letter is appropriate in a particular case.
- It is sent by regular 1st class mail to the property owner and/or tenant depending on who received the prior letters.

Expiration Letter

- This may be sent to an owner if they have requested an extension to resolve a violation, but the violation continues to exist after the extension expired.
- It is sent by regular 1st class mail to the property owner and/or tenant depending on who requested the extension.

Forced Maintenance Letter

- This letter provides notice to the property owner that a contractor will be sent to the property to correct the violation if the property owner does not take care of the problem by the specified deadline. This is typically used for landscape maintenance violations but can also be used for any other maintenance violations where the Association has the authority to do forced maintenance.
- It is sent by regular 1st class mail and by certified mail to the property owner.
- It states the problem, requested solution, and deadline for action, and a contact for questions.
- A 30-day deadline is used in compliance with the Texas Property Code. Note that this letter does not need to be resent before maintenance if the problem recurs within 180 days.
- Forced maintenance letters are mailed when a violation reaches the criteria established by the Board for using this letter.

Cease & Desist Letter

- This letter is used for major unapproved modifications in progress (e.g., room addition, roof or siding replacement).
- It is hand delivered to the property or posted on the front door and sent by certified and first-class mail to the property owner and property address.
- It describes the observed modification and asks that all work be stopped immediately and plans be submitted for ACC review. The deadline is typically set at one day to stop work and ten days to submit required plans.
- Cease & desist letters are delivered and mailed immediately upon verification of the modification.
- A link is provided for submitting an online Home Improvement Request through www.ciaservices.com.

Lawn Care Postcard

- This is a friendly, pre-printed postcard mailed within one day of the inspection for lawn care violations.

- It is sent by regular 1st class mail to the "Resident" of the property.
- It is used during the rapid growing season (April-September) as a quick response alternative to the standard 1st letter.

Courtesy Letter

- This letter is sometimes sent to cover a concern that is not a violation of the deed restrictions or not an enforceable violation. The concern typically arises from a complaint from a neighbor such as a barking dog or loud neighbor.
- It is sent by regular 1st class mail to the property owner or resident of the property.
- Although we keep track of courtesy letters mailed out, no follow-up action is taken after a courtesy letter unless the event or action continues and results in additional complaints.

EXHIBIT B
FINE SCHEDULE

The Board reserves the right to vary from this fine schedule on a case-by-case basis depending on the nature and severity of any Violation. An Owner's conduct may violate more than one provision of the Association's governing documents in which case the Association may levy a fine for each category of Violation. Fines may double for repeat offenders of the same or similar Violation.

Violation Type	**Trigger Point**	**Fine Amount**
Unmaintained structures (home, fencing, outbuildings, play equipment, etc.)	After 2nd Letter, after hearing if requested, if violation not cured	$50 minimum
Unmaintained landscaping or hardscape (lawn, trees, shrubbery, beds, pathways, ornamentation, lighting, irrigation, etc.)	After 2nd Letter, after hearing if requested, if violation not cured	$50 minimum
Construction without ACC approval	After 2nd Letter, after hearing if requested, if application not submitted and approved	$1,000 minimum
Construction inconsistent with ACC approval	After 2nd Letter, after hearing if requested, if application changed not approved and revisions not made	$1,000 minimum
Violation of ACC rules (construction times, worksite appearance, etc.)	After 2nd Letter, after hearing if requested, if violation not cured	$100 per occurrence
Prohibited parking in view – boats, trailers, campers, RVs or similar	After 2nd Letter, after hearing if requested, if violation not cured	$25 per day
Prohibited storage in view – trash, trash cans, recycle bins other than from 6 p.m. prior to collection day to end of collection day	After 2nd Letter, after hearing if requested, if violation not cured	$25 per day
Prohibited signs in view – advertising and contractor signs	After 2nd Letter, after hearing if requested, if violation not cured	$25 per day

This Policy is effective upon recordation in the Public Records of Gillespie County and supersedes any policy regarding compliance and enforcement action which may have previously been in effect. Except as affected by the Texas Property Code or Policy, all other provisions contained in the Declarations, or any other dedicatory instruments of the Association shall remain in full force and effect.

Approved and adopted by the Board on this 15TH day of NOVEMBER, 2023.

Mark G. Sessions, President
Board of Directors
LVR Property Owners Association

STATE OF TEXAS §
§
COUNTY OF GILLESPIE §

Before me, the undersigned authority, on this day personally appeared Mark G. Sessions, President, Board of Directors of LVR Property Owners Association, a Texas corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he had executed the same as the act of said corporation for the purpose and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this 7th day of February, 2024.

JENNIFER M PEREA
NOTARY PUBLIC STATE OF TEXAS
MY COMM. EXP. 12/12/2025
NOTARY ID 13137805-2

Notary Public, State of Texas

Jennifer M. Perea
Printed Name

My commission expires: 12/12/2025

After recording, please return to:

LVR Property Owners Association
c/o C.I.A. Services, Inc.
PO Box 63178
Pipe Creek, TX 78063-3178

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
Lindsey Brown
Lindsey Brown, County Clerk
Gillespie County Texas
February 15, 2024 01:25:44 PM
FEE: $65.00 JCOSTON 20240710

3 pgs 20240711
DECLARATION

LVR PROPERTY OWNERS ASSOCIATION
GUIDELINES FOR RESIDENTIAL USE

STATE OF TEXAS §
§ KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF GILLESPIE §

WHEREAS, the LVR Property Owners Association ("Association") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declarations for the various sections of the community (referred to collectively as "Declarations"); and

WHEREAS, the Declarations contain certain restrictions prohibiting the use of property for business, professional, commercial, or manufacturing purposes; and

WHEREAS, the Board of Directors (the "Board") of the Association desires to establish clear and definitive guidance regarding conditions and activities which would detract from the value, desirability or attractive of the community; and

NOW, THEREFORE, the Board has duly adopted the following *Guidelines for Residential Use* within the community.

Except for the rental of a Dwelling as allowed under Article III, Section 3.28 of the Declarations, all properties in the community are for single family residential use and no lot is to be used for business, professional, commercial or manufacturing use of any kind, whether the activity is for profit or not, unless the activity meets the following criteria: (i) no additional exterior sign of activity is present; (ii) no additional traffic, that would not be there normally, is created; (iii) no exterior signs or machinery is visible; and (iv) nothing dangerous is present that should not be there. The following guidelines are established to determine whether a use of a lot is in violation of any one of the above criteria. A use shall be considered in violation if any one of the conditions listed below materially exists:

(a) Signs are placed on or around the lot or at any location in the LVRPOA indicating a business (whether or not for profit) is being conducted from the lot.

(b) The lot is being used in such a manner to routinely cause an increase in the flow of traffic to the lot over what the Board determines to be normal or an increased amount of parking on or around the lot.

(c) Dangerous chemicals or materials are being used, produced, or stored at the lot which are not generally for residential use.

(d) Quantities of dangerous chemicals or materials are being used, produced, or stored at the lot in excess of normal residential requirements.

(e) Excessive amounts of waste materials which are dangerous to the public health are being stored or generated from the lot.

(f) An activity or condition exists at the lot that is dangerous to the public health of the community by reason of odor, fumes, dust, smoke, noise, or pollution.

(g) An activity or condition exists at the lot that is hazardous by reason of excessive danger of fire or explosion.

(h) Employees, contractors, or other agents associated with the Owner or resident of the lot travel to the lot and conduct business or carry out their business activities at the lot such that traffic is increased over what is normal.

(i) The lot is being used for an activity that is illegal or immoral and poses a danger to the community.

(j) An activity or condition exists at the lot which attracts an undesirable element to the community that would not normally visit the community thus increasing traffic.

This Policy is effective upon recordation in the Public Records of Gillespie County and supersedes any policy regarding compliance and enforcement action which may have previously been in effect. Except as affected by the Texas Property Code or Policy, all other provisions contained in the Declarations, or any other dedicatory instruments of the Association shall remain in full force and effect.

Approved and adopted by the Board on this 15TH day of NOVEMBER, 2023.

Mark G. Sessions, President
Board of Directors
LVR Property Owners Association

STATE OF TEXAS §
§
COUNTY OF GILLESPIE §

Before me, the undersigned authority, on this day personally appeared Mark G. Sessions, President, Board of Directors of LVR Property Owners Association, a Texas corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he had executed the same as the act of said corporation for the purpose and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this 7th day of February, 2024.

JENNIFER M PEREA
NOTARY PUBLIC STATE OF TEXAS
MY COMM. EXP. 12/12/2025
NOTARY ID 13137805-2

Jennifer M. Perea
Notary Public, State of Texas

Jennifer M. Perea
Printed Name

My commission expires: 12/12/2025

After recording, please return to:
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c/o C.I.A. Services, Inc.
PO Box 63178
Pipe Creek, TX 78063-3178

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Lindsey Brown
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Gillespie County Texas
February 15, 2024 01:25:44 PM
FEE: $33.00 JCOSTON **20240711**

5 pgs 20240712
DECLARATION

LVR PROPERTY OWNERS ASSOCIATION
RECORDS PRODUCTION POLICY

STATE OF TEXAS §
§ KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF GILLESPIE §

WHEREAS, Section 209.005 of the Texas Property Code ("Code") requires that property owners' associations make the books and records of the association ("Records") open and reasonably available to owners; and

WHEREAS, LVR Property Owners Association ("Association") is the property owners' association charged with charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declarations for the various sections of the subdivision (referred to collectively as "Declarations") as listed in the most recent management certificate for the Association filed in the official public records of Gillespie County; and

WHEREAS, the Board of Directors ("Board") of the Association desires to establish a policy for records production with definitive guidance to property owners in compliance with the Code.

NOW, THEREFORE, the Board has duly adopted the following *Records Production Policy.*

(1) Association Records shall be reasonably available to every property owner. An owner may also provide access to Records to any other person they designate in writing as their proxy for this purpose. To ensure a written proxy is from the owner, the owner must include a copy of his/her photo ID.

(2) An owner, or their proxy as described in section 1, must submit a written request for access to Records. The letter must:

a. Be sent by certified mail to the Association's address as reflected in its most recent management certificate filed in the Public Records of Gillespie County; and

b. Contain sufficient detail to identify the specific Records being requested; and

c. Indicate whether the owner or proxy would like to inspect the Records before possibly obtaining copies of the specified Records that should be forwarded. If forwarded, the letter may indicate the format, delivery method and address:

(1) Format: electronic files or paper copies;

(2) Delivery method: email, certified mail, or pick-up.

In the absence of an indication, the Records will be sent electronically to the Owner's registered email address as shown on the Association's Records.

(3) Within ten (10) business days of receipt of the request specified in section 2 above, the Association shall provide:

a. The requested Records if any required advance payment had been made; or

b. A written notice that the requested Records are available for delivery once a specific required payment is made; or

c. A written notice that the Records are available and offer dates and times when the Records may be inspected by the owner or their proxy during normal business hours at the office of the Association; or

d. A written notice that a request for delivery does not contain sufficient information to specify the Records desired, the format, the delivery method, and the delivery address; or

e. A written notice that the requested Records cannot be produced within ten (10) business days but will be available within fifteen (15) additional business days from the date of the notice.

(4) The following Association Records are <u>not</u> available for inspection by owners or their proxies:

a. The financial records associated with any owner other than the requesting owner;

b. Deed restriction violation details for any owner other than the requesting owner;

c. Personal information, including contact information (other than the owner's address), for any owner other than the requesting owner;

d. Attorney-client privileged information; and

e. Attorney files and records (other than invoices requested under Section 209.008(d) of the TPC)

(5) Association Records may be maintained in paper format or in an electronic format. If a proper request is made to inspect Records and certain Records are maintained in electronic format, the Association shall not be required to transfer such electronic records to paper format unless the owner or their proxy agrees to purchase such copies.

(6) If an owner or proxy inspecting Records requests copies of certain Records during or after the on-site inspection that complies with Paragraph (2) above, Association shall provide the requested Records in accordance with Paragraph (3) above.

(7) The owner is responsible for payment of all costs associated with a request under this Policy, including but not limited to copies, postage, supplies, labor, overhead and third-party fees (such as archive document retrieval fees from off-site storage locations) as listed below:

a. Copy charges.
   (1) Standard paper copy. The charge for standard paper copies reproduced by means of an office machine copier or a computer printer is $0.10 per page or part of a page. Each side that contains recorded information is considered a page.
   (2) Nonstandard copy. The charges in this subsection are to cover the materials onto which information is copied and do not reflect any additional charges, including labor, that may be associated with a particular request. The charges for nonstandard copies are:
      (A) Diskette--$ 1.00;
      (B) Magnetic tape--actual cost;
      (C) Data cartridge--actual cost;
      (D) Tape cartridge--actual cost;
      (E) Rewritable CD (CD-RW) --$ 1.00;
      (F) Non-rewritable CD (CD-R) --$ 1.00;
      (G) Digital video disc (DVD)--$ 3.00;
      (H) JAZ drive--actual cost;
      (I) Other electronic media--actual cost;
      (J) VHS video cassette--$ 2.50;
      (K) Audio cassette--$ 1.00;
      (L) Oversize paper copy (e.g.: 11 inches by 17 inches, greenbar, and bluebar, not including maps and photographs using specialty paper) --$0.50;
      (M) Specialty paper (e.g.: Mylar, blueprint, blueline, map, photographic) – actual cost.

b. Labor charge for locating, compiling, manipulating data, and reproducing information.
   (1) The charge for labor costs incurred in processing a request for information is $15.00 an hour. The labor charge includes the actual time to locate, compile, manipulate data, and reproduce the requested information.
   (2) When confidential information is mixed with non-confidential 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 information. A labor charge shall not be made for redacting confidential information for requests of fifty (50) or fewer pages.
   (3) If the charge for providing a copy of information includes costs of labor, the Requesting Party may require that the Association provide a written statement as to the amount of time that was required to produce and provide the copy, signed by an officer of the Association. A charge may not be imposed for providing the written statement to the requestor.

c. Overhead charge.
   (1) Whenever any labor charge is applicable to a request, the Association 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 and repair, utilities, and administrative overhead. If the Association chooses to recover such costs, a charge shall be made in accordance with the methodology described in paragraph (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.

(2) An overhead charge shall not be made for requests for copies of fifty (50) or fewer pages of standard paper records.

(3) The overhead charge shall be computed at twenty percent (20%) of the charge made to cover any labor costs associated with a particular request (example: if one hour of labor is used for a particular request, the formula would be as follows: Labor charge for locating, compiling, and reproducing, $15.00 x .20 = $ 3.00).

d. Postal and shipping charges. The Association may add any related postal or shipping expenses which are necessary to transmit the reproduced information to the Requesting Party.

(8) Any costs associated with a Records request must be paid in advance of delivery by the owner or their proxy. An owner who makes a request for Records, by proxy or otherwise, will be liable for payment of all costs under this policy regardless of acceptance of delivery of any records.

(9) On a case-by-case basis and with concurrence of the owner, the Board of Directors may agree to invoice the cost of the Records request to the owner's account. Owner agrees to pay the total amount invoiced within thirty (30) days. Any unpaid balance will accrue interest as an assessment as allowed under the Declarations.

(10) On a case-by-case basis where an owner request for Records is deemed to be minimal, the Board of Directors reserves the right, in their sole and absolute discretion, to waive notice under section 2 and/or fees under section 7.

(11) All costs associated with fulfilling a request under this policy will be paid by the Association's managing agent. All fees paid to the Association under this policy will be reimbursed to the Association's managing agent or paid directly to the Association's managing agent.

This Policy is effective upon recordation in the Public Records of Gillespie County and supersedes any policy regarding compliance and enforcement action which may have previously been in effect. Except as affected by the Texas Property Code or Policy, all other provisions contained in the Declarations, or any other dedicatory instruments of the Association shall remain in full force and effect.

Approved and adopted by the Board on this 15TH day of NOVEMBER, 2024.

Mark G. Sessions, President
Board of Directors
LVR Property Owners Association

STATE OF TEXAS §
§
COUNTY OF GILLESPIE §

Before me, the undersigned authority, on this day personally appeared Mark G. Sessions, President, Board of Directors of LVR Property Owners Association, a Texas corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he had executed the same as the act of said corporation for the purpose and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this 7th day of February, 2024.

JENNIFER M PEREA
NOTARY PUBLIC STATE OF TEXAS
MY COMM. EXP. 12/12/2025
NOTARY ID 13137605-2

Notary Public, State of Texas

Jennifer M. Perea
Printed Name

My commission expires: 12/12/2025

After recording, please return to:
LVR Property Owners Association
c/o C.I.A. Services, Inc.
PO Box 63178
Pipe Creek, TX 78063-3178

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Gillespie County Texas
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4 pgs 20240713
DECLARATION

LVR PROPERTY OWNERS ASSOCIATION
POLICY FOR CONTRACTED SERVICES

STATE OF TEXAS §
§ **KNOW ALL PERSONS BY THESE PRESENTS:**
COUNTY OF GILLESPIE §

WHEREAS, Section 209.0052 of the Texas Property Code ("Code") addresses certain issues and requirements related to association contracts; and

WHEREAS, LVR Property Owners Association ("Association") is the property owners' association which enters into contracts for carrying out its responsibilities under those certain covenants, conditions and restrictions contained in the recorded Declarations for the various sections of the subdivision (referred to collectively as "Declarations") as listed in the most recent management certificate for the Association filed in the official public records of Gillespie County; and

WHEREAS, the Board of Directors ("Board") of the Association desires to create a policy for bidding, negotiating and entering into contracts for services on behalf of the Association in compliance with the Code;

NOW, THEREFORE, the Board has duly adopted this *Policy for Contracted Services*:

(1) **Contracting.** The Association may enter into any enforceable contract for services on behalf of the Association provided it is in compliance with the Code and the provisions of this Policy for Contracted Services.

(2) **Related Party Contracts.** The Association may enter into an enforceable contract with a current Board member ("Member"), a person related to a current Board member within the third degree by consanguinity or affinity ("Relative"), or a company in which a Member or Relative has a financial interest in at least 51 percent of profits ("Related Company"), only if the following conditions are satisfied:

a. the Member, Relative or Related Company bids on the proposed contract and the Association has received at least two other bids for the contract from companies not associated with the Member, Relative or Related Company, if reasonably available; and
b. the material facts regarding the relationship or interest with respect to the proposed contract are disclosed to or known by the Association Board; and
c. the Member
    i. is not given access to the other bids; and
    ii. does not participate in any board discussion regarding the contract; and
    iii. does not vote on the award of the contract; and
d. the Board, in good faith and with ordinary care, authorizes the contract by an affirmative vote of the majority of the Board members not associated with the Member, Relative or Related Company; and
e. the Association Board certifies that the other requirements of this section have been satisfied by a resolution approved by an affirmative vote of the majority of the Board

members not associated with the Member, Relative or Related Company.

(3) **Contract Performance.** If the Association enters into a contract with a Member, Relative or Related Company pursuant to section 2 above, then as long as the contract is in place and such Member remains on the Association Board, the Member must abstain from any Board discussion or vote regarding the contract, proposals, goods or services provided under the contract or any other matter relating to the contract. The Member may present information or proposals to the Board in the same manner in which any other contractor would communicate.

In addition, if Board members other than the Member feel it is necessary to discuss the contract in private in executive session, those Board members may ask the Member to leave the executive session while discussion of the contract occurs and, if requested, the Member shall comply with the Board's request.

(4) **Contract Bidding.** If a contract is proposed for services expected to exceed $50,000, the Association must solicit bids based on these parameters:

a. the Board's obligation to solicit bids under this Policy is based on their reasonable expectation that the cost of services will exceed $50,000; and
b. the Board may solicit bids, in their sole and absolute discretion, on contracts where the cost of services is expected to be less than $50,000; and
c. for projects, such as clubhouse repainting, the $50,000 cost is based on the full cost of the project or the current phase of a multi-phase project; and
d. for ongoing contracted services, such as a grounds maintenance contract, the $50,000 cost is based on the annual base cost of the contract excluding any optional services or incremental expenses; and
e. where bids are required under this Policy, the Association shall solicit bids from three (3) qualified contractors for the services desired; and
f. if bids are solicited from qualified bidders and one or more do not respond or decline to bid, the Board shall not be obligated to solicit additional bids, and the Board may consider the proposals received and award the contract; and
g. the Association is not required to do public bidding and may invite bidders based on any non-discriminatory factors; and
h. the Association may, but is not obligated to, meet with bidders before proposals are submitted to review the contract requirements or to interview bidders after proposals are submitted to assist in the Board's decision making; and
i. multiple bids are not required for service contracts where there is a single provider such as utility contracts or for replacing equipment with a single source such as manufacturer's parts.

(5) **Awarding Contracts.** In awarding contracts, the following factors apply:

a. the Board is not obligated to award contracts to the lowest bidder but must use due diligence in considering all relevant factors regarding the contractor and their proposal; and

b. all contracts and any amendments to contracts of $50,000 or more must be in writing and signed by the authorized representative(s) of the contractor and the authorized representative(s) of the Association; and
c. unless otherwise limited by the Association's governing documents, contracts may have a term of up to five (5) years including all automatic renewals; and
d. in negotiating contracts for ongoing services under this Policy, the Board should address early termination and, where possible, allow the Association to terminate the contract at any time, without cause and without penalty for early termination, by providing a reasonable cure or notice period to contractor.

This Policy is effective upon recordation in the Public Records of Gillespie County and supersedes any policy regarding compliance and enforcement action which may have previously been in effect. Except as affected by the Texas Property Code or Policy, all other provisions contained in the Declarations, or any other dedicatory instruments of the Association shall remain in full force and effect.

Approved and adopted by the Board on this 15TH day of NOVEMBER, 2023.

Mark G. Sessions, President
Board of Directors
LVR Property Owners Association

STATE OF TEXAS §
§
COUNTY OF GILLESPIE §

Before me, the undersigned authority, on this day personally appeared Mark G. Sessions, President, Board of Directors of LVR Property Owners Association, a Texas corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he had executed the same as the act of said corporation for the purpose and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this 7TH day of February, 2024.

Notary Public, State of Texas

JENNIFER M PEREA
NOTARY PUBLIC STATE OF TEXAS
MY COMM. EXP. 12/12/2025
NOTARY ID 13137805-2

Jennifer M. Perea
Printed Name

My commission expires: 12/12/2025

After recording, please return to:

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c/o C.I.A. Services, Inc.
PO Box 63178
Pipe Creek, TX 78063-3178

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3 pgs 20240714
DECLARATION

LVR PROPERTY OWNERS ASSOCIATION
GUIDELINES FOR SECURITY MEASURES

STATE OF TEXAS §
§ **KNOW ALL PERSONS BY THESE PRESENTS:**
COUNTY OF GILLESPIE §

WHEREAS, Section 202.023 of the Texas Property Code ("Code") allows property owners to install security measures on their property and authorizes the property owners' association to regulate such items in compliance with the Code; and

WHEREAS, LVR Property Owners Association ("Association") is the property owners' association charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declarations for the various sections of the subdivision (referred to collectively as "Declarations") as listed in the most recent management certificate for the Association filed in the official public records of Gillespie County; and

WHEREAS, the Board of Directors ("Board") of the Association desires to regulate security measures by establishing regulations and guidelines relating to such measures in compliance with the Code; and

WHEREAS, this Dedicatory Instrument is a Restrictive Covenant as defined by the Code Section 202.001 et seq. and the Association may exercise discretionary authority with respect to these Restrictive Covenants.

NOW, THEREFORE, the Board has duly adopted these *Guidelines for Security Measures* which shall be reasonably applied and enforced:

(1) Security measures under these guidelines may include, but not be limited to:

a. security cameras and associated signal transmission and recording equipment, and
b. motion detectors and associated activated devices, and
c. perimeter fences.

(2) Security cameras may be installed solely on the property owner's property. Cameras may face into any portion of the owner's property or of a public area adjacent to the owner's property, such as a street or greenbelt.

(3) Motion detectors may be installed to detect motion anywhere on the property owner's property. The motion detector must not be directed or turned to detect motion in public areas such as streets, public sidewalks, and greenbelts. To avoid false detections, motion detectors should be placed away from vegetation or decorative embellishments that move with the wind.

(4) Motion detectors may be used to trigger devices which provide security enhancements such as cameras, lights, or sounds. The Association may adopt or amend this policy with regard

to lights or sounds triggered by motion detectors. Motion detectors must not be used to trigger any device which could cause physical harm to other persons, animals, or property.

(5) Any perimeter fence must meet all Association requirements in its dedicatory instruments relative to design, appearance, materials, and other parameters as permitted under the Code or as otherwise specified in any rule, policy, or guideline of the Board or the ACC.

(6) Lighting may be used as a security measure. Any such lighting must be directed onto the property owner's property without excess illumination of, or spillover onto, adjacent properties, public areas, or common areas. Spillover may be minimized with placement, screening and/or shielding on the fixture. Any such lighting must be of a type and design permitted by the Association and must meet all Association requirements in its dedicatory instruments relative to design, appearance, materials, and other parameters as permitted under the Code or as otherwise specified in any rule, policy, or guideline of the Board or the ACC.

(7) For life safety reasons, burglar bars are not permitted on the exterior of windows or doors. Security bars with quick-release mechanisms may be installed on the interior of homes if allowed under local municipal regulations.

(8) Any such security measures must comply with all applicable state and local building, safety, permitting or licensing requirements which may exceed the requirements under these guidelines.

(9) All new and replacement security measures must be submitted to the Association for review using the application process provided to property owners. No work may be initiated until written approval is provided to the property owner from the Association.

These guidelines are effective upon recordation in the Public Records of Gillespie County and supersede any *Guidelines for Security Measures* which may have previously been in effect. Except as affected by the Code Section 202.023 and/or by these guidelines, all other provisions contained in the Declarations, or any other dedicatory instruments of the Association remain in full force and effect.

This Policy is effective upon recordation in the Public Records of Gillespie County and supersedes any policy regarding compliance and enforcement action which may have previously been in effect. Except as affected by the Texas Property Code or Policy, all other provisions contained in the Declarations, or any other dedicatory instruments of the Association shall remain in full force and effect.

Approved and adopted by the Board on this 15TH day of NOVEMBER, 2023.

Mark G. Sessions, President
Board of Directors
LVR Property Owners Association

STATE OF TEXAS §
§
COUNTY OF GILLESPIE §

Before me, the undersigned authority, on this day personally appeared Mark G. Sessions, President, Board of Directors of LVR Property Owners Association, a Texas corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he had executed the same as the act of said corporation for the purpose and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this 7th day of February, 2024.

JENNIFER M PEREA
NOTARY PUBLIC STATE OF TEXAS
MY COMM. EXP. 12/12/2025
NOTARY ID 13137605-2

Notary Public, State of Texas

Jennifer M. Perea
Printed Name

My commission expires: 12/12/2025

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Pipe Creek, TX 78063-3178

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3 pgs 20240715
DECLARATION

LVR PROPERTY OWNERS ASSOCIATION
DOCUMENT RETENTION POLICY

STATE OF TEXAS §
§ KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF GILLESPIE §

WHEREAS, the LVR Property Owners Association ("Association") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declarations for the various sections of the community (referred to collectively as "Declarations"); and

WHEREAS, chapter 209 of the Texas Property Code was amended effective January 1, 2012, to add Section 209.005(m) ("Section 209.005") thereto regarding retention of Association documents and records ("Documents"); and

WHEREAS, the Board of Directors ("Board") of the Association desires to establish a policy for document retention consistent with Section 209.005 and to provide clear and definitive guidance to property owners.

NOW, THEREFORE, the Board has duly adopted the following *Document Retention Policy*.

1. Association Documents may be maintained in paper format or in an electronic format which can be readily transferred to paper.
2. Association Documents shall be retained for the durations listed below:
   a. certificate of formation or articles of incorporation, bylaws, restrictive covenants, other dedicatory instruments, and any amendments to same shall be retained permanently; and
   b. financial books and records, including annual budgets, reserve studies, monthly financial statements, and bank statements, shall be retained for seven (7) years; and
   c. account records of current owners shall be retained for five (5) years subject to section (d) below; and
   d. account records of former owners shall be retained as a courtesy to that former owner for one (1) year after they no longer have an ownership interest in the property; and
   e. contracts with a term of one year or more shall be retained for four (4) years after the expiration of the contract term; and
   f. minutes of meetings of the owners and the Board shall be retained permanently; and
   g. tax returns and CPA audit records shall be retained for seven (7) years after the last date of the return or audit year; and

h. decisions of the Architectural Control Committee ("ACC") or Board regarding applications, variances, waivers, or related matters associated with individual properties shall be retained permanently.

3. Any Documents not described above may be retained for the duration deemed to be useful to the purpose of the Association, at the discretion of the Board.

4. Upon expiration of the retention period listed above, the Documents shall no longer be considered Association records and may be destroyed, discarded, deleted, purged, or otherwise eliminated.

5. In the event the Association is served with any subpoena or request for documents or the Association becomes aware of a governmental investigation or audit concerning the Association or the commencement of any litigation against or concerning the Association, all documents relating or pertaining to such investigation, claim or litigation shall be retained indefinitely, and any further disposal of documents shall be suspended and shall not be reinstated until conclusion of the investigation or lawsuit, or until such time as the Board, with the advice of legal counsel, determines otherwise.

This Policy is effective upon recordation in the Public Records of Gillespie County and supersedes any policy regarding compliance and enforcement action which may have previously been in effect. Except as affected by the Texas Property Code or Policy, all other provisions contained in the Declarations, or any other dedicatory instruments of the Association shall remain in full force and effect.

Approved and adopted by the Board on this 15TH day of NOVEMBER, 2024~~.~~ 23

Mark G. Sessions, President
Board of Directors
LVR Property Owners Association

STATE OF TEXAS §
§
COUNTY OF GILLESPIE §

Before me, the undersigned authority, on this day personally appeared Mark G. Sessions, President, Board of Directors of LVR Property Owners Association, a Texas corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he had executed the same as the act of said corporation for the purpose and consideration therein expressed, and in the capacity therein stated.

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