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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR STONE RIDGE SUBDIVISION UNIT VII

INDEX TO SECTIONS

ARTICLE AND SECTION		PAGE NUMBER
ARTICLE I. DEFINITIONS		**2**
1.01	Association	2
1.02	City	2
1.03	(omitted)	2
1.04	Committee	2
1.05	Common Area	2
1.06	Declarant	3
1.07	Declaration	3
1.08	Improvement	3
1.09	Lot	3
1.10	Member	3
1.11	Mortgage	3
1.12	Mortgagee	3
1.13	Owner	3
1.14	Person	3
1.15	Plans and Specifications	3
1.16	Property	4
1.17	Single Family Unit	4
1.18	Subdivision	4
ARTICLE II. DEVELOPMENT OF THE PROPERTY		**4**
2.01	Addition of Land	4
2.02	Withdrawal of Land	4
ARTICLE III. PROPERTY RIGHTS		**5**
3.01	Owner's Easements of Enjoyment	5
ARTICLE IV. GENERAL RESTRICTIONS		**6**
4.01	Insurance Rates	6
4.02	Signs	6
4.03	Rubbish and Debris	6
4.04	Noise	7
4.05	Construction of Improvements and Design Restrictions	7
4.06	Sidewall Design	7
4.07	Builder Approval	7
4.08	Repair of Buildings	8
4.09	Removal of Improvements	8
4.10	Hazardous Activities	8
4.11	Mining and Drilling	8
4.12	Unsightly Articles; Vehicles	8
4.13	Mobile Homes, Travel Trailers and Recreational Vehicles	8
4.14	Animals - Household Pets	9
4.15	Maintenance of Lot and Lawns and Plantings	9

4.16 Temporary Structures... 9
4.17 Construction Materials and Debris... 10
4.18 Precedence Over Less Stringent Governmental Regulations... 10
4.19 Nuisances... 10
4.20 Water and Sewage Systems... 10
4.21 Firearms, Projectiles, and Weapons... 10
4.22 (omitted)... 10
4.23 Rentals... 10
4.24 Trees... 11
4.25 Hours During Which Construction is Permitted... 11

ARTICLE V. RESIDENTIAL RESTRICTIONS... 11
5.01 Single Family Residential Construction... 11
5.02 Construction in Place... 11
5.03 Building Materials... 11
5.04 Dwelling Size... 12
5.05 Windows... 12
5.06 Corner Lot Residences... 12
5.07 Setback Lines... 12
5.08 Driveways and Sidewalks... 12
5.09 Outbuilding Requirements... 13
5.10 Swimming Pools... 13
5.11 Athletic Facilities... 13
5.12 Foundation Exposure... 13
5.13 Governmental Rules... 14
5.14 Garages and Carports... 14
5.15 Reflective or Mirrored Glass... 14
5.16 Exterior Air Conditioning Equipment... 14
5.17 Exterior Building Materials Finishes and Colors... 14
5.18 Exterior Lighting... 15
5.19 Artificial Vegetation... 15
5.20 Antennas... 15
5.21 Roofs... 15
5.22 Mailboxes... 15
5.23 Tanks... 15
5.24 Underground Utility Lines... 16
5.25 Drainage... 16
5.26 Fences... 16
5.27 Construction Activities... 17
5.28 Unfinished Structures... 17
5.29 Compliance with Provision of this Declaration... 17

ARTICLE VI. USES OF COMMON AREAS... 18
No Common Areas... 18

ARTICLE VII. THE STONE RIDGE HOMEOWNERS' ASSOCIATION AND COVENANTS FOR MAINTENANCE ASSESSMENTS **18**
7.01 Membership and Voting 18
7.02 Turnover 19
7.03 Personal Obligation and Lien Rights Associated with Collection of Dues and Assessments 19
7.04 Purpose of Assessments 19
7.05 Initial Annual Assessment 20
7.06 Special Assessments 20
7.07 Notice and Quorum for any Action Authorized Under Sections 7.05 and 7.06 21
7.08 Uniform Rate of Assessment 21
7.09 Date of Commencement of The Annual Assessments 21
7.10 Effect of Nonpayment of Assessments: Remedies of the Association 22
7.11 Subordination of the Lien to Mortgage 22
7.12 Exempt Property 22
7.13 Option to Cure 22

ARTICLE VIII. ARCHITECTURAL CONTROL COMMITTEE **23**
8.01 Development Objectives 23
8.02 Architectural Control Committee 23
8.03 Goal of Architectural Control Committee 23
8.04 Function of the Architectural Control Committee 23
8.05 Procedures of the Architectural Control Committee 23
8.06 Design Submittal 24
8.07 Basis of Approval 24
8.08 Variances 24
8.09 Issuance of a Building Permit 24
8.10 Failure of the Committee to Act 25
8.11 Limitation of Liability 25

ARTICLE IX. ANNEXATION **25**
Annexation 25

ARTICLE X. WAIVER AND LACHES **25**
Defenses of Waiver and Laches not Applicable 25

ARTICLE XI. ASSESSMENTS BY AWARD OR JUDICIAL DECREE **26**

ARTICLE XII. NOTICE BY ASSOCIATION **26**
Notice by Association 26

ARTICLE XIII. NONJUDICIAL FORECLOSURE **26**
13.01 Creation of Special Deed of Trust 26
13.02 Breach of Special Deed of Trust 26
13.03 Appointment of Trustee 27
13.04 Creation of Tenancy 27
13.05 Applicability of Texas Property Code 27

13.06 Priority of Liens 28

ARTICLE XIV. EASEMENTS **28**
14.01 Reserved Easements 28
14.02 Drainage Easements 28
14.03 Surface Areas 29

ARTICLE XV. MISCELLANEOUS **29**
15.01 Term 29
15.02 Amendment 30
15.03 Savings Provision 30
15.04 Interpretation 30
15.05 Assignment of Declarant 30
15.06 Enforcement and Nonwaiver 30
15.07 Construction 31

ARTICLE XVI. DECLARANT'S DISCLAIMER **31**
Disclaimer 31

STONE RIDGE SUBDIVISION
UNIT VII

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THE STATE OF TEXAS §
§
COUNTY OF GILLESPIE §

KNOW ALL MEN BY THESE PRESENTS:

THAT, STONE RIDGE DEVELOPMENT CO., INC. ('Declarant"), being the owner of that certain subdivision known as STONE RIDGE SUBDIVISION, UNIT VII (hereinafter referred to as the "Subdivision"), according to the Plat (hereinafter referred to as the "Subdivision Plat") of said Subdivision as recorded in Volume 4, Page 58, of the Plat Records of Gillespie County, Texas, and, as such, desiring to create and carry out a uniform plan for the improvement, development, and sale of the subdivided lots situated within the Subdivision and for the purpose of protecting the value and desirability of the Subdivision, does hereby adopt and establish the following easements, restrictions, covenants and conditions to run with the Property and to apply in the use, occupancy, and conveyance of the aforesaid described subdivided lots therein, and shall be binding on all parties having a right, title or interest in or to the above described Property or any part thereof, and their heirs, successors and assigns, and which easements, restrictions, covenants and conditions shall inure to the benefit of each owner thereof, and each Contract or Deed which may be executed with regard to any of such Property shall be conclusively held to have been executed, delivered and accepted, subject to the following restrictions and covenants (the headings being employed for convenience only and not to be controlling over content):

ARTICLE I.
DEFINITIONS

1.01 Association. "Association" shall mean and refer to SRHA, Inc., which is the corporate non-profit homeowners' association.

1.02 City. "City" shall mean the City of Fredericksburg, Texas, and its applicable agencies, departments and committees.

1.03 (omitted).

1.04 Committee. "Committee" shall mean the Architectural Control Committee as referred to in Article VIII, Section 8.02 hereof.

1.05 Common Area. "Common Area" shall mean all real property (including the improvements thereto) leased, owned or maintained by the Association for the common use and enjoyment of the Owners, whether in existence at the time of the imposition of this Declaration, or which may be added at any time in the future. By way of illustration, Common Area may include, but not necessarily be limited to, the following: private streets, sewage system, signs, street medians, entry

gates, guardhouse, tennis courts, recreation area, landscaping, lighting, entrance signs, walls, bridges, trails, green belts, and other similar or appurtenant improvements.

1.06 Declarant. "Declarant" shall mean and refer to Stone Ridge Development Co., Inc., its successors and assigns, if such successors and assigns should acquire all of the undeveloped and unsold lots or acreage from the Declarant for the purpose of development.

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

1.08 Improvement. "Improvement" or "Improvements" shall mean every structure on the Property and all appurtenances thereto of every type and kind, including, but not limited to, buildings, outbuildings, storage sheds or buildings, guest quarters, gazebos, patios, driveways, walkways and paved areas, tennis courts, fountains, large barbecue units, green houses, barns, basements, and large visible decorative items, swimming pools, garages, fences, screening walls, retaining walls, stairs, decks, landscaping, poles, signs, exterior air conditioning, water softener fixtures or equipment, and pumps, tanks, pipes, lines, meters, antennas, satellite dishes, towers and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or other utilities.

1.09 Lot. "Lot" or "Lots" shall mean and be defined as a separate single family residential building site within the Property as the same is added to, subdivided and described pursuant to and in accordance with the plat(s) of the Property, as they may be amended from time to time and shall include any Improvements from time to time constructed, erected, placed, installed or located thereon.

1.10 Member. "Member" shall mean and refer to all those Owners who are members of the Association as provided for below.

1.11 Mortgage. "Mortgage" or "Mortgages" shall mean any mortgage or deed of trust covering any portion of the Property given to secure the payment of a debt.

1.12 Mortgagee. "Mortgagee" or "Mortgagees" shall mean the holder or holders of any Mortgage or Mortgages, or any other interest held as security for the performance of an obligation.

1.13 Owner. "Owner" or "Owners" shall mean a person or persons, entity or entities, including Declarant, holding a fee simple interest in any portion of the Property, but shall not include a Mortgagee, unless or until Mortgagee forecloses on any lot and becomes a fee simple owner thereof.

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

1.15 Plans and Specifications. "Plans and Specifications" shall mean any and all documents designed to guide the construction, alteration or erection of any Improvement.

1.16 Property. "Property" shall mean and refer to that certain real property hereinbefore described as the 'Subdivision' and more particularly described as Stone Ridge Subdivision, Unit VII, according to the plat of said Subdivision as recorded in the Plat Records of Gillespie County. Texas noted above, or any additions thereto, as provided in Article II, Section 2.01 herein.

1.17 Single Family Unit. "Single Family Unit" shall mean and refer to any Improvements on a Lot which are designed and intended for occupancy and use as a residence by one Person, by a single family, or by Persons related by blood, marriage or adoption, who are maintaining a common household. Nothing in this section should be interpreted to prohibit occupancy of the property by a temporary guest of the occupants.

1.18 Subdivision. "Subdivision" shall mean and refer to the Property, as defined in Article I, Section 1.16 hereinabove.

ARTICLE II.
DEVELOPMENT OF THE PROPERTY

2.01 Addition of Land. Declarant hereby reserves to itself and shall hereafter have the right, but not the obligation, at any time and from time to time, in its sole and absolute discretion, and without notice to or the approval of any party or Person whomsoever or whatsoever, to impose this Declaration or a substantially similar Declaration upon additional property adjacent, contiguous or nearby to the Property. Declarant may, at any time and from time to time, add any other lands to the Property, and upon such addition, this Declaration and the covenants, conditions, restrictions and obligations set forth herein shall apply to the added land, and the rights, privileges, duties and liabilities of the Persons subject to this Declaration shall be the same with respect to the added land as with respect to the lands originally covered by this Declaration, unless such supplemental Declaration shall provide for changes to the Declaration to deal with the unique character of Declarant's overall development plans for the added property. In order to add lands to the Property hereunder, Declarant shall be required only to record in the Real Property Records of Gillespie County, Texas, a notice of addition of land (in the form of a Supplemental Declaration) containing the following provisions:

(A) A reference to this Declaration, which reference shall state the book and page numbers of the Gillespie County Real Property Records wherein this Declaration is recorded;

(B) A statement that the provisions of this Declaration shall apply to the added land;

(C) A legal description of the added land; and

(D) Any covenants, conditions or restrictions that are different or unique to the added land.

2.02 Withdrawal of Land. Declarant may, at any time and from time to time, reduce or withdraw areas owned by Declarant from the Property, and upon such withdrawal, this Declaration and the covenants, conditions, restrictions and obligations set forth herein shall no

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

(A) A reference to this Declaration, which reference shall state the book and page numbers of the Gillespie County Real Property Records wherein this Declaration is recorded;

(B) A statement that the provisions of this Declaration shall no longer apply to the withdrawn land; and

(C) A legal description of the withdrawn land.

ARTICLE III.
PROPERTY RIGHTS

3.01 Owner's Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to Common Area, which shall be appurtenant to and shall pass with the title to every lot, subject to the following provisions:

(A) the right of the Association to charge fees for the repair and maintenance of the Common Area or Areas, and to impose reasonable rules and regulations for participation in Association activities or use of the Common Areas (if any); to collect all dues, fines and/or other fees of any sort noted in these restrictions, and enforce collection of any such monies in the accordance with any and/or all terms, conditions or rights set forth within these restrictions;

(B) the right of the Association to suspend the voting rights of an owner for any period of time during which any assessment against his Lot remains unpaid;

(C) the right of the Association to suspend the voting rights of any Owner during any period of time in which an infraction of any of the rules and regulations set forth herein or later adopted by the Association has taken place, and to uphold such suspension for up to 60 days after said Owner's cure;

(D) the right of the Association to enforce any and all rules and regulations which are a part of these restrictions or adopted and promulgated hereafter; and

(E) the right of the Committee to enforce any and all rules, restrictions and/or regulations which are a part of these restrictions.

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ARTICLE IV.
GENERAL RESTRICTIONS

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

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

4.02 Signs. As a general rule, no signs of any kind shall be displayed to the public view on any single-family residential lot except one sign, commercially attractive, of not more than six (6) square feet advertising the property for sale or rent. No signs which advertise Subdivisions other than those owned by Declarant will be allowed under any circumstance.

During the construction period of the dwellings within the Subdivision, each builder may have one sign on each Lot of up to twenty-four (24) square feet advertising their particular homes and/or services (the "builder's sign"). The top of this sign may not exceed six feet (6') from grade. All signage for any lender who provides construction financing, together with all signage for any subcontractors who provide construction services on the Lot must be affixed to this "builder's sign", and may not be placed at any other location on the Lot. The "builder's sign" and those signs which are affixed to it must be removed upon completion of the dwelling.

After completion of construction of the dwelling, all signage placed on a Lot by contractors who are performing services on that Lot (such as those signs commonly used by swimming pool construction firms, landscaping firms and remodeling firms) shall be permitted during the time that such servicer is actively engaged at that Lot and for a period thereafter not to exceed ten (10) days. No more than two (2) such signs, neither of which may exceed 24" x 24", may be displayed on a lot at any one time.

Political signage shall be allowed for a reasonable period immediately before and after an election, but only to the extent required by law.

Declarant (or its agent) and/or the Association (or its agent), shall have the right to remove any sign not complying with the provisions of this section, and in so doing shall not be liable for any tort arising from such removal.

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

4.04 Noise. No exterior speakers, horns, whistles, bells or other sound devices (other than alarm devices used exclusively for security purposes) shall be located, used or placed on any of the Property. No noise or other nuisance shall be permitted to exist or operate upon any portion of the Property so as to be offensive or detrimental to any other portion of the Property or to its occupants.

4.05 Construction of Improvements and Design Restrictions. In order to protect the overall integrity of the development as well as the quality and appearance of improvements of all property owners within the Subdivision, the Architectural Control Committee established in Article VIII, Section 8.02 hereof, shall have full authority to control all construction, development and improvement activities of any kind within the Subdivision, and to insure that all such activities are properly conducted in accordance with and in good workman-like manner, and in accordance with standard industry trade practices. Traditional style architectural designs are encouraged. No geodesic, A-frames, log homes, or free-style architectural designs shall be permitted. Owners are required to submit preliminary or conceptual plans and specifications of front elevation (and side elevation on corner lots), materials specifications, and the positioning of the Single Family Unit upon the Lot to the said Architectural Control Committee for review and comment, prior to the completion of final plans and specifications. Prior to the commencement of any construction, all final plans and specifications must be approved (or not) in writing, by the said Architectural Control Committee.

4.06 Sidewall Design. The sidewall of each house on a corner lot that faces a side street will be designed and completed to create an attractive appearance that is comparable to its front elevation in terms of building materials, use of architectural trim and decor, windows, doors and other relief areas.

4.07 Builder Approval. As a portion of Declarant's desire to create a uniform plan of construction, development and improvement of the Subdivision, Declarant shall have the right to approve the identity of the builders and general contractors who shall be allowed to construct Improvements on the Property.

In the event that Declarant shall convey one or more Lots to an entity that will build the Improvements thereupon, such builders and general contractors are hereby approved. However, if any such builder and/or general contractor shall decide to thereafter convey the Property to a third party or allow another builder and/or general contractor to construct the Improvements, such additional Owner and/or builder and/or general contractor must obtain the approval of Declarant for the actual builder and/or general contractor of the Improvements.

Should any Owner desire to obtain the approval of Declarant of a certain builder and general contractor prior to purchasing any Lot, the Owner shall submit a written request identifying the builder and general contractor and providing information about the builder and general contractor the Owner desires to be considered by Declarant. Thereafter, Declarant shall provide a letter stating whether or not it approves of the builder and/or general contractor intended to be utilized by the prospective Owner of a Lot. In any event, any builder and/or general contractor of any of the Improvements on the Property shall be pre-approved by Declarant, in Declarant's absolute and sole discretion. Any Owner who purchases a Lot hereby understands and

agrees that Declarant shall have the complete and sole discretion for approving any builders and general contractors to work on any portion of the Property until Declarant releases its right to approve builders and general contractors by filing an instrument of release of such right in the Real Property Records of Gillespie County, Texas.

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

4.09 Removal of Improvements. In the event that a Single Family Unit or other Improvement on a Lot shall be damaged or destroyed by casualty, hazard or other cause, including fire or windstorm, then, within a reasonable period, not exceeding three (3) months following the occurrence of the offending incident, the Owner of the affected Improvement shall cause the damage or destroyed Improvements to be repaired, rebuilt or reconstructed, or in the alternative, to be removed and cleared from such Lot. Any such repair, rebuilding or reconstruction shall be approved and accomplished as otherwise required for new construction pursuant to the provisions of this Declaration.

4.10 Hazardous Activities. No activities shall be conducted on the Property and no Improvements shall be constructed on the Property which are or might be unsafe or hazardous to any Person or Property. Without limiting the generality of the foregoing, no firearms or fireworks shall be discharged upon the Property, no open fires shall be lighted or permitted (except within interior or exterior fireplaces designed and built according to industry standards and all applicable laws, codes and statutes, or in contained barbecue units for cooking purposes, or in properly constructed rock or brick fire pits or above-ground steel fire pits, while attended by a responsible adult).

4.11 Mining and Drilling. No portion of the Property shall be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, rocks, stones, sand, gravel, aggregate, or earth. No tank for the storage of oil, gasoline, or other hazardous products may be maintained on any Lot.

4.12 Unsightly Articles; Vehicles. No unsightly article shall be permitted to remain on any Lot so as to be visible from adjoining Property or public streets. Without limiting the generality of the foregoing, trailers, trucks (other than pickups not to exceed one ton capacity), boats, tractors, vans, recreational vehicles and other vehicles used or designed for use as commercial vehicles, campers, wagons, buses, motorcycles and similar two (2) and four (4) wheel motorized vehicles, motor scooters, golf carts, and garden maintenance equipment shall be kept at all times, except when in actual use, in enclosed structures or screened from view and no repair or maintenance work shall be done on any of the foregoing, or on any automobile (other than minor emergency repairs), except in fully enclosed garages or other structures, screened from public view. No commercial vehicle owned by an owner or any resident within the Property shall be parked on the driveway or street within the Subdivision.

4.13 Mobile Homes, Travel Trailers and Recreational Vehicles. No mobile homes shall be parked or placed on any Lot at any time, and no travel trailers or recreational vehicles owned by

guests of Owners, shall be parked on or near any Lot so as to be visible from adjoining Property or public streets for more than forty-eight (48) hours.

4.14 Animals - Household Pets. No animals, including pigs (except as permitted by city ordinances), hogs, swine, poultry or fowl (although birds which are commonly kept as household pets, including but not limited to Parrots, Cockatiels, Canaries, etc., shall be permitted), wild animals, reptiles (except, turtles, lizards and non-venomous snakes kept and contained solely within the residence), horses, cattle, sheep, goats or any other type of animal not considered to be a domestic household pet within the ordinary meaning and interpretation of such words may be kept or maintained on the Property. No domestic household pet shall be allowed to make an unreasonable amount of noise, or to become a nuisance, and no domestic pets will be allowed on the Property other than on the Lot of its Owner unless confined to a leash. The household within each Lot shall not keep more than two (2) dogs and/or two (2) cats at any one time, or two (2) of any other type of domestic animal of any one (1) kind. No animal may be stabled, maintained, kept, caged for or boarded for hire or remuneration on the Property and no kennels or breeding operations of animals will be allowed on any Lot. No domestic household pet shall be allowed to run at large and pets shall be kept within enclosed areas on the Property which must be clean, sanitary and reasonably free of refuse, insects and waste at all times. Such enclosed area shall be of reasonable design and construction to adequately contain such animals in accordance with the provisions hereof, and shall be screened so as not to be visible from the front side of the Lot at street level. Dog runs shall not be visible from any portions of the Property at street level. No vicious or dangerous animals shall be allowed on the Property.

4.15 Maintenance of Lot and Lawns and Plantings. Each Owner shall keep all shrubs, trees, grass and plantings of every kind on such Owner's Lot cultivated, pruned or mowed, and free of trash, weeds and other unsightly material. Prior to the construction of a residence on a Lot, the Lot Owner shall regularly mow such unimproved Lot and keep it neatly trimmed and free of trash and other unsightly material. Commensurate with the completion of construction, front yards (and side yards on corner lots) shall be fully sodded, seeded or planted in other ground cover within six (6) months of completion the of residence.

All front yards (and side yards on corner lots) must be landscaped with vegetation upon no less than 50% of the surface area, hereby prohibiting "xeriscape" or yards that are essentially covered by cement, gravel, crushed granite or other hard surface or impervious materials.

4.16 Temporary Structures. No structure of a temporary character, such as a trailer, mobile home, manufactured home, tent, shack, garage, barn or other outbuilding shall be used on any lot at any time as a residence, either temporarily or permanently. No dwelling previously constructed elsewhere may be moved (in whole or in part) onto any lot in the Subdivision. All structures to be used as a residence must be built on-site. This covenant specifically excludes the use of a mobile home or manufactured home in which the axle and wheels have been removed and placed upon a concrete slab or left attached, and also specifically excludes manufactured homes; which said mobile home and/or manufactured home is hereby specifically prohibited as a residence, either temporarily or permanently. A portable building or enclosed trailer may be permitted for use as a builder's storage facility (subject to approval of the Declarant), however, any such building or structure shall be removed immediately upon completion of construction.

4.17 Construction Materials and Debris. No building material of any kind shall be placed or stored upon a lot until the owner thereof is ready to commence construction of improvements, and has obtained a building permit, and then the material shall be placed within the property lines of the lot upon which the improvements are erected and shall not be placed on the street. During construction of dwellings or other improvements, as herein permitted, all lots must be cleaned of unnecessary debris/trash or waste material and placed in an orderly condition by 6 p.m. on each Friday. Each lot owner/builder is responsible for such lot maintenance regardless of how the material arrived on the lot. Builders are required to contain in a small defined area, all trash and debris at all times during construction, same to be maintained in a sanitary and orderly manner and disposed of as hereinabove provided.

4.18 Precedence Over Less Stringent Governmental Regulations. In those incidences where the covenants, conditions and restrictions set forth in this Declaration set or establish minimum standards or limitations or restrictions on use in excess of any governmental regulations, rules or ordinances, the covenants, conditions and restrictions set forth in this Declaration shall take precedence and prevail over any less stringent governmental regulations, rules and ordinances. Similarly, when any governmental regulations, rules and ordinances are more stringent than those set forth in this Declaration, the more stringent governmental regulations, rules and ordinances shall control.

4.19 Nuisances. No noxious, offensive or dangerous activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. This includes builders and construction workers working after daylight hours. Welding is prohibited, except in connection with the construction of or repairs to Improvements. No owner shall do any act or any work that will impair the structural soundness or integrity of another residence or impair any easement or hereditament, or do any act or allow any condition to exist which will adversely effect the other residences of their owners.

4.20 Water and Sewage Systems. No individual water supply system or sewage disposal system shall be permitted on any lot, including, but not limited to, water wells, cesspools or septic tanks. Each dwelling on a Lot must utilize the City water system and City sewage disposal systems provided to the Subdivision.

4.21 Firearms, Projectiles, and Weapons. The discharge of any firearm, including BB guns and pellet guns, and the discharge of any fireworks within the Subdivision or adjacent lands owned in whole or in part by the Association or by Declarant is strictly prohibited, and each Owner shall ensure that his guests and family members do not violate such prohibition. Additionally, the use of any bow and arrow, slingshot, or other launching or catapulting device is strictly prohibited.

4.22 (omitted).

4.23 Rentals. Nothing in this Declaration shall prevent the rental of any Lot and the Improvements thereon by the Owner thereof for residential purposes; provided however, all lessees shall be and are hereby bound to comply fully with the terms, covenants and restrictions of this Declaration. During any period when a Lot or Improvements are rented or leased, the Owner of the Lot shall remain liable for complying with all terms of this Declaration. No Single

Family Unit may be rented or leased for any single period of less than twelve (12) months. No "time-share plan" or any similar plan of fragmented or interval ownership of said Single Family Unit shall be permitted on the Property.

4.24 Trees. Preservation and maintenance of the trees within the Subdivision is strongly encouraged. Prudence, care, and discretion should be used in the positioning of all Improvements in order to preserve as many trees as possible within the subdivision. Replacement of trees that are removed or die is also encouraged.

All precautions shall be taken in connection with the pruning and trimming of trees, in order to prevent the spread of Oak Wilt and Oak decline within the Subdivision. Such precautions shall include, but not be limited to minimal trimming and pruning of Oak trees, trimming and pruning during dormant months only (normally January and February), and painting all fresh cuts with appropriate dressing or paint.

4.25 Hours during which construction is permitted. No construction activity, including the delivery of materials, shall be permitted on any of the Lots in the Subdivision except during the hours between 7:00 a.m., and 9:00 p.m.

ARTICLE V.
RESIDENTIAL RESTRICTIONS

5.01 Single Family Residential Construction. All Lots shall be improved and used solely for a Single Family Unit. Except the use of a room within a residence as an in-house office, which office use is secondary to the residential use on the Lot, no business, commercial, industrial, trade, professional or other nonresidential activity or use of any nature, type, kind or description shall be conducted upon or from any Single Family Unit or within any Improvement located or constructed on any Lot. No signs of any type advertising or describing in any way the in-home office use or business is permitted to be placed anywhere on the Lot or within or upon the Single Family Unit. The activities or business conducted at the in-home office shall not be such as to generate traffic by customers, vendors or the like through the Subdivision or to the Single Family Unit. Notwithstanding anything to the contrary in this Declaration, a builder shall have the right to build and maintain on a Lot owned by builder and subject to all other requirements of this Declaration one (1) model home to be maintained by each builder. The model home shall be held open to the public on a regular basis and shall be utilized by said builder to sell other homes on Lots owned by said builder in the Subdivision. Once a builder no longer owns more than one (1) Lot in the Subdivision, said builder shall no longer have the privilege of maintaining a model home or temporary/sales construction office pursuant to this section 5.01, but shall market, sell, or operate a construction office for said builder's homes anywhere outside of the Subdivision.

5.02 Construction in Place. All Improvements constructed on the Property shall be built in place on the Lot, and the use of prefabricated or modular buildings are prohibited.

5.03 Building Materials. All Single Family Units shall be constructed of recognized standard construction quality. New construction materials (except stone) shall be used in constructing any dwelling or outbuilding situated on a lot. The exterior walls of all one-story residential buildings

and the lower story and entire (both first and second stories) front of all two-story residential buildings shall be composed of 75% masonry or masonry veneer. In addition, the exterior walls of all two-story residential buildings shall be composed of masonry or masonry veneer for 75% or more of the total exterior wall area. The minimum masonry percentage shall apply to the aggregate area of all exterior walls but be exclusive of door, window and similar openings. Masonry or masonry veneer includes, stucco, ceramic tile, clay, brick, and rock.

Notwithstanding the foregoing, the Architectural Control Committee is empowered to waive or modify this restriction and that contained in the preceding paragraph if, in its sole discretion, such waiver or modification is advisable in order to accommodate a new or a unique or advanced building concept, design, or material, and the resulting structure will not detract from the general appearance of the Property. Any such waiver, variance, or modification must be in the form of a recordable written instrument, and must signed by a majority of the persons then serving as members of the Architectural Control Committee, and becomes effective upon its recording amongst the official Real Property Records of Gillespie County, Texas, as same are maintained by the Gillespie County Clerk.

5.04 Dwelling Size. All Single Family Units shall contain not less than 2,250 square feet of enclosed, air conditioned and heated living space, exclusive of porches (open or covered), decks and garages. Additionally, all two-story dwellings shall contain not less than 2,600 total square feet, of which a minimum of 1,800 square feet shall be first floor living area. The Architectural Control Committee is hereby permitted to approve deviations in the dwelling size (on a floor-by-floor basis) in instances where, in the judgement of said Committee, such deviation will result in a more beneficial use of the Lot and will not distract from the general appearance and quality of the Property.

5.05 Windows. All windows must be of all wood construction, or of all wood vinyl clad, aluminum or other metal. Mill finish aluminum colored window and door frames on Improvements in the Subdivision are hereby expressly prohibited.

5.06 Corner Lot Residences. Residences constructed upon corner lots shall be oriented so that the front of the residence shall face the street as approved by the Architectural Control Committee.

5.07 Setback Lines. All Single Family Units must be constructed, placed and maintained in conformity with platted setback lines, if any, and in no event shall any such building or other structure be constructed, placed or maintained within twenty five feet (25') of the front boundary of a lot, five feet (5') of the side boundary of a lot or fifteen feet (15') [for single story residences] and thirty feet (30') [for two-story residences] of the rear boundary of a lot, provided, however, that (a) with respect to corner lots, no structure may be constructed, placed or maintained within fifteen feet (15') of the side boundary abutting any street; (b) detached garage and all other Improvements may be located as allowed by City Code regulations, provided that no encroachment occurs with respect to utility easements.

5.08 Driveways and Sidewalks. All driveways and any sidewalk running from the street to the front entry of the residence shall be of concrete or masonry construction, brick pavers or a

combination of other decorative masonry materials that has been approved by the Architectural Control Committee. No asphalt driveways or sidewalks are permitted.

5.09 Outbuilding Requirements. Every outbuilding, inclusive of such structures as a storage building, greenhouse, servants quarters, guest quarters, art or craft studio, cabana, gazebo, patio or children's playhouse, and Improvements as further defined in Article I, Section 1.08, shall be compatible with the dwelling to which it is appurtenant in terms of its design and material composition. In no instance shall an outbuilding exceed fourteen feet (14') in height, unless the prior written approval of the Architectural Control Committee has been received. All such outbuildings must comply with lot size and other requirements set forth in the city ordinances, and must be approved by the Architectural Control Committee, in writing, prior to the commencement of construction of same.

5.10 Swimming Pools. Movable, above-ground swimming pools in excess of six feet (6') in diameter are strictly prohibited. All swimming pools in excess of six feet (6') in diameter must be of a permanent nature built into the ground and in a fenced enclosure with self-closing and self-latching gates, in accordance with any applicable ordinances, regulations, or statutes. No swimming pools shall be constructed in front or side yards.

5.11 Athletic Facilities. Tennis courts, tennis court lighting and fencing shall be allowed and may be constructed on any Lot contiguous to the Owner's Lot upon which the primary residence is situated, provided same is constructed with the same setback requirements as hereinafter set forth. All fencing must be screened by appropriate landscaping. All tennis court lighting must be turned off by 11:00 p.m. No basketball goal backboards or any other similar sporting equipment of either a permanent or temporary nature shall be placed more than five feet (5') forward of the front building line. In addition, any basketball goals and backboards shall be of the black and grey color combination or be constructed of a transparent material. Any other color combination is prohibited.

5.12 Foundation Exposure.

(A) All Stucco Finishes. All foundation sides on any Improvement with an exterior stucco finish shall be covered with stucco which matches the texture and color of the exterior stucco walls of such Improvement and shall be a continuation of such stucco walls so that there is no defined horizontal relief line between the foundation and such walls.

(B) All Stone, Masonry, Brick Veneer Finishes. The foundation of any Improvement with a stone, masonry, masonry veneer (other than stucco) exterior finish shall not be exposed more than twenty-four (24) inches above final grade. If floor level is more than twenty-four (24) inches above final grade, the foundation shall be built to accommodate a finished wall matching the exterior wall of the Improvement to within twenty-four (24) inches of final grade. The exposed foundation shall be trowel finished. Landscaping to screen exposed foundation is encouraged.

5.13 Governmental Rules. All Improvements located, erected, constructed and installed upon any Lot shall conform to and comply with all applicable governmental regulations, rules and ordinances, including, without limitation, all building and zoning requirements of the City. All activities of the Owners, and those of their tenants, invitees, agents, employees and contractors on or about the Property shall comply with all applicable governmental regulations, rules and ordinances.

5.14 Garages and Carports. No carports or porte cochere open to street frontage shall be placed, erected, constructed, installed or maintained on the Property. All garages shall be designed, erected, constructed, installed or maintained as side entry/load in such manner that the garage doors thereof shall not face the front of any residence. Garages may also contain appropriately sized storage rooms, recreational workshops and tool rooms. All garages must have garage doors that are operated by electric door openers kept in operable condition; No garage shall be converted to another use (e.g. living space). Notwithstanding the foregoing provisions of this Section 5.14, because of the peculiarities of the size, shape, configuration, location and other physical characteristics of Lots within the Property, it may be impossible or impractical to design, erect, construct, install or maintain garages in such a manner that the garage doors thereof do not face and are not visible from the front of any residence. Accordingly, it is expressly provided that The Architectural Control Committee in its sole and absolute discretion, shall be entitled, and is hereby authorized, to grant waivers of and/or variances from such side entry restriction in any particular instance and with respect to any particular Lot or Improvement. In such event however, the front of the garage shall be set back a minimum of five feet (5') from the front wall line of the main structure. To the extent that any such waiver and/or variance is granted by the Architectural Control Committee, as aforesaid, the same shall not be deemed to be a precedent for the granting of such or any similar waiver or variance in any other particular instance or with respect to any other particular Lot or Improvement.

5.15 Reflective or Mirrored Glass. No reflective or mirrored glass shall be used on, in or for the exterior windows or doors of any buildings or other Improvements constructed upon the Property.

5.16 Exterior Air Conditioning Equipment. All air conditioning compressors and other equipment located outside of residential dwelling shall be screened from the view of streets in the Subdivision by opaque walls attached to and made a part of each residence. Alternatively, vegetative screening or a short fence or wall of an adequate height and density to completely screen the equipment may be used for this purpose, provided that said screening must be within five (5) feet of the equipment. Absolutely no window or roof mounted air conditioning units are permitted in the Subdivision.

5.17 Exterior Building Materials Finishes and Colors. All exterior building materials, finishes and colors shall be approved in writing by The Architectural Control Committee and shall be of such texture and color to provide a pleasant appearance throughout the Subdivision. Bright colors, such as red, orange, bright or mustard yellow, aqua, bright pink, purple, fuchsia, lime green and royal blue are expressly prohibited. Uncovered or exposed (whether painted or not) concrete or concrete block shall not be permitted as the exterior finish of any building structure or wall. The

foregoing restriction shall be equally applicable to the initial as well as any subsequent painting or any Improvements located on the Property.

5.18 Exterior Lighting. Exterior lighting or illumination of buildings, yards, parking areas, sidewalks and driveways on a Lot shall be designed and installed so as to avoid visible glare (direct or reflected) on to streets and road right-of-way, and other portions of the Property. Conventional mercury vapor, halogen, or other similar types of wide-area security lamps are prohibited. Holiday lighting on any Single Family unit during the calendar month of December shall be removed from the exterior of said Lot no later than the 15th of January of the following year.

5.19 Artificial Vegetation. No artificial vegetation shall be permitted on the portion of any Lot or outside of any building on the Lot.

5.20 Antennas. No radio or television aerial wires, antennae or other special television apparatus or equipment shall be maintained on any portion of any lot forward of the rear building line of the main structure. Furthermore, no radio or television aerial wires or antennae shall be placed or maintained on any lot which extends higher than the highest part of the roof of the main residence on said lot and must be attached to the ground. All satellite dishes, discs, or other cable related apparatus or equipment must be screened from the view of streets

5.21 Roofs. The roofs of the main body of all buildings and other structures on the Property, including the Single Family unit, shall be pitched. No flat roofs shall be permitted. The Architectural Control Committee may, in its discretion, approve flat roofs on part of the main body of a building if such roof is architecturally compatible with the remainder of the roof structure, the particular building on which it is to be constructed and all adjacent residences and other structures. All roofs shall be constructed of clay tile, cement tile, slate, cedar shingle, cedar shake, standing seam metal or copper, or composition shingle. All composition roofing color must be approved by the Architectural Control Committee. No windmills, appliances, rooftop attic ventilators, fans, solar collector panels or other rooftop installations or structure of any type shall be placed, located, erected, constructed, installed or maintained upon the exterior roof of any building or structure unless it is erected, constructed, installed and maintained on the rear yard side of the roof or otherwise in such manner and at such location that the same shall not be visible from any street. Notwithstanding the foregoing, The Architectural Control Committee may waive any part of the requirements herein set forth upon written approval of alternate plans and specifications which will not detract from the general appearance of the Property.

5.22 Mailboxes. All mail boxes on the property shall conform to the requirements of and be located as directed by the U. S. Postal Service. Each individual mail box shall be subject to Architectural Control Committee approval.

5.23 Tanks. No Butane, propane, or other type of elevated tanks of any kind shall be erected, placed or permitted on any Lot. Swimming pool filter tanks shall be placed inside walls, fences or similar type enclosures or buried in conformity with applicable governmental rules and regulations.

5.24 Underground Utility Lines. No utility lines, including, but not limited to, wires or other devices for the communication or transmission of telephone or electric current or power, cable television or any other type of line or wire shall be erected, placed or maintained anywhere in or upon any portion of the Property, unless the same shall be contained in conduit or cables installed and maintained underground or concealed in, under or on buildings or other Improvements. Provided, however, that no provision hereof shall be deemed to forbid the erection of temporary power or telephone structures incident to the construction of buildings of other Improvements.

5.25 Drainage. All storm water from any Lot shall drain into or onto contiguous or adjacent street rights-of-way, drainage easements, or retention areas. Storm water from any Lot shall not be permitted or allowed to drain or flow unnaturally onto, over, under or across any contiguous or adjacent Lot unless a drainage easement shall exist for same and same is done in accordance with any and all applicable governmental permits and approvals. All work done on any Lot affecting or pertaining to the Lot grade, the flow of surface water drainage, the alteration or removal of any drainage or environmental berm or swale or any storm berm or swale, must be in accordance with the site grading and drainage plans prepared by an engineer selected by The Architectural Control Committee to prepare such plan or plans and also in accordance with all applicable laws, codes and regulations.

5.26 Fences.

(A) All fences within the Subdivision shall be of the following composition:
- (1) all masonry (if concrete tile block, must be plastered and painted); or
- (2) all wrought iron; or
- (3) any combination of wrought iron and masonry; or
- (4) a combination of masonry and cedar; or
- (5) all cedar or wood; or
- (6) cedar stockade fences (wire wrap posts or staves) which must be cut evenly across the top, and for which all metal posts, pipes and/or other support members must be painted on the outside.

Cedar or wood fences shall be constructed of galvanized or painted pipe posts, 9' maximum on center, set in concrete. Three 2X4 wolmanized or metal rails are required (top, middle and bottom). The cedar facing must be to the "outside" of the lot when adjacent to streets.

(B) No fence, wall, or hedge to the rear of the front wall line of the main structure, may be higher than six (6) feet. Hedges may not be installed or maintained forward of the front building line of the main structure in excess of four feet (4') in height. No fence or wall shall be built forward of the front wall line of the main structure, except for decorative walls or fences which shall not exceed three feet (3') in height. Side fences on corner lots shall not be constructed within the building setback line established from any side street.

(C) Notwithstanding the foregoing, the Architectural Control Committee is empowered to waive the aforesaid composition requirements for fences and the aforesaid height or set-back limitation in connection with retaining walls and decorative walls if,

in its sole discretion, such waiver is advisable in order to accommodate a unique, attractive or advanced building concept design or material or to accommodate unusual slopes or topography of a particular lot, and the resulting fence, decorative wall and/or retaining wall (whichever is applicable) will not detract from the general appearance of the neighborhood.

(D) No chain-link fences may be built or maintained on any lot, other than to enclose a tennis court which must be screened and landscaped as provided in section 5.11, or to enclose a dog or pet enclosure, provided that the chain link fencing is not visible from the street.

(E) No fence, wall, or hedge or shrub planting which obstructs sight lines shall be placed or permitted to remain on any corner lot within the area as designated by the building regulations of the City of Fredericksburg code. No tree shall be permitted to remain within such distance of such intersections, unless the foliage is maintained at sufficient height to prevent obstruction of such sight lines.

5.27 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 within the Property. Specifically, no such construction activities shall be deemed to constitute a nuisance or a violation of this Declaration by reason of noise, dust, presence of vehicles or construction machinery, or similar activities, provided that such construction is pursued to completion with reasonable diligence and as hereinafter provided, takes place only between the hours of 7:00 a.m. and 9:00 p.m., and conforms to usual construction practices in the Fredericksburg, Texas area.

5.28 Unfinished Structures. No house or other structure shall remain unfinished for more than eight (8) months after the issuance of a building permit by the City.

5.29 Compliance with Provisions of this Declaration. Each Owner shall comply strictly with the provisions of these restrictions as the same may be amended from time to time. Failure to comply with any of this Declaration shall constitute a violation of this Declaration, and shall give rise to a cause of action to recover sums due for damages or injunctive relief or both, maintainable by an aggrieved Owner or Declarant. Declarant makes no warranty or representation as to the present or future validity or enforceability of this Declaration, its terms or provisions. Any Owner acquiring a Lot in reliance on this Declaration, its terms and provisions shall assume all risks of the possible amendment, validity and enforceability thereof and, by acquiring the Lot, agrees to hold Declarant harmless from any damages resulting from any amendment to or invalidity or unenforceability of the Declaration.

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ARTICLE VI.
USES OF COMMON AREAS

Other than in connection with the entry to the Subdivision (as depicted on the Plat of Unit I of the Subdivision) there are no Common Areas planned to be developed within UNIT VII of the Stone Ridge development for recreational purposes at the time of the preparation and filing of this Declaration. It is possible that later phases of the development will have additional common areas which are intended to be shared with the owners of lots within Unit I and/or Unit II and/or Unit III and/or Unit IV and/ or Unit V and/or Unit VI and/or Unit VII (and subsequent Units which may be developed). If such possibility occurs, the Declarant will file a supplemental Declaration providing rules and regulations for use of such Common Areas by owners of Lots within Units I, II, III, IV, V, VI and VII, and such other subsequent Units as may be developed.

ARTICLE VII.
THE STONE RIDGE HOMEOWNERS' ASSOCIATION AND COVENANTS FOR MAINTENANCE ASSESSMENTS

7.01 Membership and Voting. Declarant has created SRHA, Inc., which is the non-profit corporate homeowner's association for the Subdivision, which is also known as *The Stone Ridge Homeowner's Association*. The Declarant may assign to said Association, on a permanent or temporary basis, one or more of the rights, powers, obligations and duties of the Declarant under these restrictions. Every Owner of a Lot within the Properties shall be a member of the Association.

(A) The Association shall have three classes of voting membership.

(1) Class A: Class A members shall be all owners of lots with a dwelling thereon with the exception of the Declarant and shall be entitled to one vote for each lot owned. When more than one person owns an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any one lot hereunder.

(2) Class B: Class B members shall be all the Owners of lots without a dwelling thereon with the exception of the Declarant. Each Class B member shall be entitled to one (1) vote for each developed unimproved lot owned. When more than one person owns an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any one lot hereunder.

(3) Class C: All lots and/or acreage owned by Declarant. Declarant shall be entitled to three (3) votes for each developed lot and twelve (12) votes per acre of undeveloped land.

7.02 Turnover.

(A) At any time after commencement of operations of the Association, at Declarant's sole discretion, the property owners may be required to take over the management of the Association and relieve Declarant of all duties associated therewith. Upon such "Turnover" by the Declarant, the property owners within the Subdivision will be required to choose their own Board of Directors to represent them and to manage the Association in accordance with the terms and conditions of these restrictions and to establish any and all bylaws, procedures and other management devices by which the Association shall operate. After "turnover", any Board Members/Directors must be Owners within the Subdivision.

(B) Notwithstanding anything to the contrary, until such "Turnover" has taken place, the management of the Association shall be by Declarant and its staff, and any expenses incurred in such management shall be reimbursed to Declarant by the Association. Said reimbursable expenses shall include the cost of Declarant' s staff for the time spent in the management thereof of this Association. From and after the time of such turnover, the Association shall indemnify and hold Declarant harmless from and against any and all claims or damages of every kind arising out of the development and operations of the Association, or Common Areas, if any.

7.03 Personal Obligation and Lien Rights Associated with Collection of Dues and Assessments.

(A) Each lot owner, by acceptance of a deed, whether or not it shall be so expressed in such deed, is deemed to agree to pay to the Association regular annual assessments and all other Association dues, fees, fines, assessments or charges of any kind, including special assessments for capital improvements, which may be established and collected as hereinafter provided.

(B) The annual and special assessments, together with interest, costs, and reasonable costs of collection (including, but not limited to attorney' s fees), shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney' s fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment became due and payable. The personal obligation for delinquent assessments shall not pass to any successors or assigns in title unless assumed by them.

7.04 Purpose of Assessments. The assessments levied by the Association shall be used to promote the recreation, health, safety, and welfare of the residents and/or owners of the Properties and for the improvement and maintenance of the Common Area. These expenses may include, but shall not necessarily be limited to, payment of taxes and insurance, construction, repair or replacement of improvements to the Common Area, cost of trash and debris clean-up, irrigation, mowing and landscaping, street and lot cleaning, cost of professional or other outside services, and labor, equipment, materials, outside management and supervision necessary to carry out its authorized functions. Additionally, any other expenses which, in Declarant' s or Association' s

sole discretion, are deemed necessary to uphold the Subdivision's property values and/or are for the overall betterment of the development and its appearance, shall be the responsibility of the Association and shall be paid out of assessments including, but not necessarily limited to, cost of security, covenant enforcement, lot cleaning, general maintenance and road cleaning.

7.05 Initial Annual Assessment. Until adjusted pursuant to the terms as noted in this document, the maximum annual assessments shall be as follows:

Class A: $ 36.00 per individual lot;
Class B: $ 36.00 per individual lot;
Class C: $ 6.00 per individual lot and no assessment for undeveloped acreage.

(A) Unless an increase in the annual assessment is necessitated because of the addition of Common Areas, the following formulae shall govern the amount of the allowable increase:

(1) From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum annual assessment may be increased each year by not more than 15% above the maximum assessment for the previous year without a vote of membership.

(2) From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum annual assessment may be increased above 15% by a vote of two-thirds (⅔) of the members who are voting in person or by proxy at a meeting duly called for this purpose.

(3) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

(4) In no event will Class C assessments stated above be altered or adjusted.

(B) In the event Common Areas (or amenities) are created, improved, and made available for use by the Owners of residential dwellings situated in Unit I and/or Unit II and/or Unit III and/or Unit IV and/or Unit V and/or Unit VI and/or Unit VII of the Stone Ridge Subdivision, the annual assessment may be increased upon each Lot by the proportionate share of that Lot's ownership interest in said common area, multiplied by the projected annualized cost for maintenance and upkeep of such amenity. Such increase may be calculated and experienced each time a new amenity is created and made available for use by the Owners of Lots in Unit I and/or Unit II and/or Unit III and/or Unit IV and/or Unit V and/or Unit VI and/or Unit VII of the Stone Ridge Subdivision.

7.06 Special Assessments. In addition to the annual assessment authorized in Section 7.05 hereof, the Board of Directors of the Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of a capital improvement on or which is a part of the Common Areas, or for carrying

out other purposes of the Association as stated herein or in the Articles of Incorporation of the Association.

7.07 Notice and Quorum for any Action Authorized Under Sections 7.05 and 7.06. Written notice of any meeting called for the purpose of taking any action authorized under Section 7.05 or 7.06 above and the "Annexation" portion of these restrictions shall be sent to all members not less than 30 days nor more than 60 days in advance of any meeting. At the first such meeting called, the presence of members or proxies entitled to cast (thirty) percent (30%) of all the votes of the membership shall constitute a quorum. If the required quorum is not present, another meeting may be called by the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (½) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

7.08 Uniform Rate of Assessment. Any and all dues of the Association or special assessments must be fixed at a uniform rate for all classes of lots and may be collected on a monthly basis in lieu of annually. This decision may be made by the Declarant until turnover occurs, and thereafter may be made by a majority of the Board of Directors. In these restrictions pertaining to the Association dues or special assessments, it shall be construed to mean "monthly" whenever the above event occurs.

7.09 Date of Commencement of The Annual Assessments. The annual assessment by the Owners' Association provided for herein for any particular Lot covered by this Declaration shall not commence until January 1, 2008. For Class C lots, dues shall not commence until January 1, 2009.

(A) Class B memberships will automatically convert to Class A memberships on the substantial completion of construction of any dwelling built on such Lot, except in cases where a builder purchased the lot from Declarant for the sole purpose of building a dwelling to offer for sale, then the said conversion shall take place when any of the following events occur; (a) 6 months have passed since substantial completion of the dwelling, (b) any person or family (including builder) moves into the dwelling or (c) a sale of the Lot to any other party takes place. For purposes of clarification, the term "substantial completion", as used herein, shall be considered as the time when the construction of any building or dwelling has reached the point that it can be approved for final hook-up and activation of utilities.

(B) For billing purposes, the annual assessment period will be the 1st day of each January and shall commence as to each Lot on the first day of the month following the time of commencement, as noted above, and shall be prorated accordingly with all dues payable in advance at the closing (or by billing if the Lot has already been sold) up to the time of the next future billing. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto.

(C) The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

(D) Notwithstanding any other terms or conditions set forth in these restrictions, any expenses which are incurred by Declarant prior to the establishment of the Association, or prior to sufficient income being received from assessment billings, and which would normally be the responsibility of the Association, shall be reimbursed to Declarant from proceeds of the Association as funds become available from dues and assessments, but, in any case not later than one (1) year after the time of establishment of the Association and/or the expense was incurred.

7.10 Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the highest legal rate. The Owners' Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against such Owners' Lot. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot. (See Article XIII entitled "Non-Judicial Foreclosure.")

7.11 Subordination of the Lien to Mortgage. The lien of the assessments provided for herein shall be automatically subordinate to the lien of any first mortgage (i.e., purchase money mortgage), but shall not be subordinate to any home equity loan or refinance unless a specific subordination agreement is approved by the majority of the Board of Directors, which such approval is not required by is in their sole discretion. Such subordination agreement, if approved, is to be filed of record in the County real property records contemporaneously with the recording of the security instrument for the equity loan or mortgage refinance. The sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of the Lot pursuant to a mortgage foreclosure shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

7.12 Exempt Property. All Common Areas and other portions of the Properties, if any, which are dedicated to public authorities shall be exempt from Assessment.

7.13 Option to Cure. Declarant and/or the Association, has the option, but not the obligation to perform any action required of any owner by these restrictions. In the event that the Declarant or the Association elects to do so, all sums incurred by the Declarant or the Association in performing the required action shall be charged against the Owner, and if not paid within thirty (30) days after it is due said sums shall bear interest at the highest legal rate and shall be secured by a lien (the same as if said sums were due and/or assessments) on all Lots(s) owned by said Owner. The Declarant or the Association may bring an action at law against the Owner of the lot subject to the assessment for payment thereof and/or bring an action to foreclose the lien which secures the assessment.

ARTICLE VIII.
ARCHITECTURAL CONTROL COMMITTEE

8.01 Development Objectives. The aesthetic and ecological quality of the Property requires that all improvements be compatible with other Improvements and be in harmony with the natural surroundings. To this end, an Architectural Control Committee (sometimes hereinafter called "the Committee") has been created as described in Section 8.02 of this Article. The Architectural Control Committee has the responsibility to carry out the goals and functions that have been adopted, and are described below, and which may be amended from time to time.

8.02 Architectural Control Committee. The Architectural Control Committee shall be composed of four (4) members selected and appointed by the Board of Directors of SRHA, Inc., which is the corporate non-profit homeowners' association for the Subdivision, and may include members of such Board. Once appointed, the members of the Committee shall serve for so long as they desire, and may not be removed from office for so long as they exhibit good behavior. The Board of Directors shall have the exclusive right and power at any time, and from time to time, to fill vacancies on the Architectural Control Committee. The Committee reserves the right from time to time to file instruments in the Real Property Records of Gillespie County, Texas designating its then current composition.

8.03 Goal of Architectural Control Committee. The goal of the Committee is to encourage the construction of improvements of good architectural design, quality and proper size compatible with Declarant's conceptual plan for the Properties. Improvements should be planned and designed with particular attention to the design and aesthetic appearance of the exterior and the use of such materials as will, in the judgment of the Committee, create an attractive and harmonious blend with existing Dwellings and the natural surroundings. The Committee may disapprove the construction or design of an improvement on purely aesthetic grounds where, in its judgment, such disapproval is required to protect the continuity of design or values of the neighborhood and of other homeowners, or to preserve the serenity and natural beauty of any surroundings. Prior judgments regarding such matters of design or aesthetics shall not be deemed binding upon the Architectural Control Committee if such Committee feels that the repetition of such matters will have an adverse effect on the properties.

8.04 Function of the Architectural Control Committee. The Committee shall function as the representative of the Owners for the purposes herein set forth as well as for all purposes consistent with the creation and preservation of a first class development. No improvement, as that term is defined in Article I of this Declaration, shall be erected, constructed, placed, altered (either by addition or deletion), maintained or permitted to remain on any portion of The Properties until plans and specifications, in such form and detail as the Committee may deem necessary, shall have been submitted to and approved in writing by such Committee. The Architectural Control Committee shall have the power to employ professional consultants to assist it in discharging its duties. The decision of the Architectural Control Committee shall be final, conclusive, and binding upon the applicant.

8.05 Procedures of the Architectural Control Committee. The Committee may establish and publish from time to time reasonable administrative procedures and separate building guidelines covering residential and non-residential Improvements.

8.06 Design Submittal. The Owner must submit a design plan, which must adequately reflect to the Committee the true design quality of the proposed work. Final plans and specifications shall be submitted in complete form in duplicate and shall include a floor plan and all elevations of any proposed structure(s) (including walls, signs, pools, pool buildings, etc.), roof height, specification of materials, textures and shapes. All exterior measurements and dimensions must be shown. (1/4" = 1' minimum) Description of materials and finishes must be clearly indicated.

8.07 Basis of Approval. Approval of preliminary design plans and final plans and specifications shall be based upon the following:

(A) The architectural and structural integrity of the design.

(B) Harmony and conformity of the design with the surroundings both natural and built.

(C) Adequacy of the design to conditions of the site.

(D) Conformity to specific and general intent of the Protective Covenants covering. The particular platted unit of which the Lot in question forms a part.

8.08 Variances. Upon submission of a written request for same, the Architectural Control Committee may, from time to time, in its sole discretion, permit Owners to construct, erect, or install Improvements which are in variance from the covenants, restrictions, or architectural standards which are provided in this Declaration or the applicable Protective Covenants or these which may be promulgated in the future. In any case, however, such variances must, in the Committee's sole discretion, blend effectively with the general architectural style and design of the community and must not detrimentally affect the integrity of The Properties nor harmony with the natural surroundings. No member of the Committee shall be liable to any Owner for claims, causes of action or damages arising out of the grant of any variance to an Owner. Each request for a variance submitted hereunder shall be reviewed separately and apart from other such requests and the grant of a variance to any Owner shall not constitute a waiver of the Committee's right to strictly enforce the Covenants, Restrictions and architectural standards provided hereunder, against any other Owner. If granted, variances shall comply with the conditions set forth in Section 5.03, above. Any putative or alleged "variance" which is not in writing and which is not recorded as set forth in such section shall be deemed ineffective, and shall not be accorded any credence or given any effect. The defenses of "waiver", "estoppel" and "laches" are specifically abandoned by any person or entity owning an interest in any Lot to which these covenants are applicable, with respect to any contention that a variance has been granted in an manner which is inconsistent with the requirements of Section 5.03 herein.

8.09 Issuance of a Building Permit. Upon approval of final submittals, a building permit will be issued and construction may begin. All such permits must be prominently displayed at the job site. The issuance and acceptance of the building permit assures that:

(A). Construction of an approved building will be completed within eight months from start of construction.

(B). Construction will be in accordance with approved plans.

(C) Any exterior changes after final approval of plans by the Architectural Control Committee must be approved in writing by the Committee prior to Construction of those changes.

(D) Regular inspections may be made by a representative of the Committee.

8.10 Failure of the Committee to Act. If the Architectural Control Committee fails to approve or to disapprove either the preliminary design plans or the final plans and specifications or to reject them as being inadequate within thirty (30) days after submittal thereof, it shall be conclusively presumed that such Committee has approved such preliminary design plan or such final plans and specifications, to the extent such plans and specifications are in compliance with the provisions contained herein. Should any variance or waiver to the covenants, conditions and restrictions contained in this instrument be required by such plans or proposal, no presumption of approval shall attach. If preliminary design plans or final plans and specifications are not sufficiently complete or are otherwise inadequate, the Architectural Control Committee may reject them as being inadequate or may approve or disapprove part, conditionally or unconditionally, and reject the balance.

8.11 Limitation of Liability. Neither the Declarant, the Association, the Architectural Control Committee, nor any of the members of such Committee shall be liable in damages or otherwise to anyone submitting plans and specifications for approval or to any owner of land affected by this Declaration by reason of mistake of judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or to disapprove any plans and specifications.

ARTICLE IX.
ANNEXATION

Other properties or units owned or developed by Declarant may (at Declarant's sole discretion) be annexed into or added on to the Association by Declarant at any time prior to "Turnover" of the Association to the lot owners. Additional residential property and Common Area may thereafter be annexed to the Properties with the consent of two-thirds (⅔) of the lot owners.

ARTICLE X.
WAIVER AND LACHES

The obligation to abide by the provisions contained in this Declaration shall be deemed to be of a continuing and continual basis. Each and every day an Owner allows a condition to exist on his or her Lot which is not in compliance with the requirements contained herein shall constitute a separate and individual violation hereof, and shall give rise to a new cause of action for such breach. The intended effect and express purpose of this provision shall be that every Owner, by accepting title to a Lot, hereby waives the affirmative defenses of the statute of limitations, waiver and laches with respect to covenant violations. Noncompliant conditions shall

be allowed to exist on a Lot only upon the Owner obtaining a written variance in accordance with the applicable provisions herein. (See Section 5.03 herein.) Failure of Declarant, the Association, the Committee, or of any Owner to enforce the terms of this Declaration shall in no event be deemed a waiver of the right to do so thereafter.

ARTICLE XI.
ASSESSMENTS BY AWARD OR JUDICIAL DECREE

In the event arbitration or litigation is necessary to enforce any provision contained within this Declaration, any and all awards granted by the arbitrator, or damages, penalties, fees, costs, and/or any other charges awarded in the decree shall also constitute an assessment, which shall likewise run with the land, and which shall have the same priority as the lien created in Article V herein. Failure to pay assessments imposed under this Article shall constitute an event which may give rise to the remedies provided in Article VII, Section 7.10 herein.

ARTICLE XII.
NOTICE BY ASSOCIATION

Whenever written notice to a member (or members) of the Association is permitted or required hereunder, such shall be given by the mailing of such to the address of such member appearing on the records of the Association, unless such member has given written notice to the Association of a different address, in which event such notice shall be sent to the member at the address so designated. In such event, such notice shall conclusively be deemed to have been given by the Association by placing same in the United States Mail, properly addressed, whether received by the addressee or not.

ARTICLE XIII.
NONJUDICIAL FORECLOSURE

13.01 Creation of Special Deed of Trust. To secure the payment of maintenance assessments and to ensure compliance with the applicable covenants, conditions, restrictions and easements set forth herein, each Owner, upon acceptance of his or her deed to a Lot governed by this Declaration conveys the Lot to the Trustee hereinafter named, in trust, for so long as these covenants, conditions, restrictions and easements shall remain in effect, such conveyance operating as a Special Deed of Trust. If an Owner fails to tender payment of maintenance assessments or reimbursements when due, or if an Owner fails to perform any of the Obligations under or maintain any condition required by this Declaration, the Association may perform those obligations, advance whatever funds may be required, and then be reimbursed by the Owner on demand for any sums so advanced, including attorney's fees, plus interest on those sums from the dates of payment at the highest legal rate. The sum to be reimbursed shall be secured by this Special Deed of Trust.

13.02 Breach of Special Deed of Trust. If the Owner fails on demand to reimburse the Association for the sums advanced or for the assessments owed, and such failure continues after the Association gives the Owner notice of the failure and the time within which it must be cured,

as may be required by law or by written agreement, then the Association, as the Beneficiary of this Special Deed of Trust, may:

(A) Request the Trustee appointed herein, or his successor, to foreclose the liens created herein, in which case the Association shall give notice of the foreclosure sale as provided by Section 51.002 et seq of the Texas Property Code then in effect or any successor statute thereto; and

(B) Purchase the Lot at any foreclosure sale by offering the highest bid and then have the bid credited to the reimbursement or satisfaction of the outstanding indebtedness owed to the Association.

If requested by the Association to foreclose this lien, the Trustee shall:

(A) Either personally or by agent give notice of the foreclosure sale as required by Section 51.002 et seq. of the Texas Property Code then in effect (or any successor statute thereto);

(B) Sell and convey the Lot to the highest bidder for cash with a general warranty binding the Owner, subject to prior liens and to other exceptions to conveyance and warranty; and

(C) From the proceeds of the sale, pay, in this order:

(1) expenses of foreclosure, including a commission to Trustee of five percent (5%) of the successful bid;

(2) to the Association, the full amount advanced, attorney's fees, and other charges due and unpaid;

(3) any amounts required by law to be paid before payment to the Owner; and

(4) to the Owner, any remaining balance.

13.03 Appointment of Trustee. Christopher J. Weber, Attorney at Law, is appointed Trustee for the purpose of enforcing the covenants, conditions and restrictions imposed by this Declaration, and also for the collection of maintenance assessments. The Association, as Beneficiary, may appoint a substitute or successor trustee, succeeding to all rights and responsibilities of the Trustee appointed herein, by filing an appropriate designation of substitute trustee among the Real Property Records of Gillespie County, Texas.

13.04 Creation of Tenancy. From and after any such foreclosure, the occupants of such Lot shall be required to pay a reasonable rent for the use of such Lot and such occupancy shall constitute a tenancy-at-sufferance. The purchaser at such foreclosure shall be entitled to the appointment of a receiver to collect such rents and, further, shall be entitled to sue for recovery of possession of such Lot by forcible detainer without further notice.

13.05 Applicability of Texas Property Code. It is the intent of the provisions of this Section to comply with the provisions of Texas Property Code Section 51.002 as may be amended hereafter, and, which amendment is applicable hereto. Likewise, it is the intent of the Declarant that all collection efforts be in strict compliance with the requirements of Texas Property Code Chapter 209, et seq., as same may be amended hereafter, which such amendments shall be applicable hereto. The President of the Association, acting without joinder of any Owner or mortgagee of any Owner, may, by amendment to this Declaration filed in the office of the County Clerk of Gillespie County, Texas, amend the provisions hereof so as to comply with said amendments to said Section 51.002 and/or Chapter 209.

13.06 Priority of Liens. Any liens created by Article VII or Article XI hereof shall be superior to all other liens and charges against any Lot covered hereby except only for tax liens and all sums secured by a first-priority mortgage or deed of trust lien of record, securing in either instance sums borrowed for the purchase or improvement of the Lot in question.

ARTICLE XIV.
EASEMENTS

14.01 Reserved Easements. All dedications, limitations, restrictions and reservations shown on any plat covering all or any portion of the Property 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 is 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. Further, Declarant hereby creates, declares, grants and reserves for the benefit of Declarant, Gillespie County, the City, and all Owners and any public or private providers of utility services to the subject Property and their respective successors and assigns, a nonexclusive easement for utility purposes over, under, within and upon other easement areas shown on the plats of the Property, as hereafter amended, for the purposes of constructing, installing, inspecting, maintaining, repairing and replacing from time to time any and all utility lines, systems and facilities from time to time deemed necessary or appropriate by Declarant for development of the Property. Further, Declarant reserves the right, and all Owners agree to cooperate to grant, dedicate, reserve or otherwise create, at any time or from time to time, rights-of-way and easements for public utility purposes (include, without limitation, gas, water, electricity, telephone, sanitary, sewer and drainage), in favor of any Person or entity across any Lot or on any portion of the Property as is necessary or efficient to supply all utilities to all Lots.

14.02 Drainage Easements. Easements for drainage throughout the Subdivision are reserved as shown on the aforementioned recorded plats, such easements being depicted thereon as "drainage easement". No owner of any lot in the Subdivision may perform or cause to be performed any act which would alter or change the course of such drainage easements in a manner that would divert, increase accelerate or impede the natural flow of water over and across such easements. More specifically, and without limitation, no owner may:

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

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

(C) construct, erect or install a fence or other structure of any type or nature within or upon drainage easements. However, upon approval by the City of Fredericksburg, fencing shall be allowed across drainage easements only such that the bottom of the fence shall be a minimum of the flow depth plus free board above the design flow line of any channel or drain, it being understood that in no case shall the flow of drainage be hampered;

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

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

The failure of any owner to comply with the provisions of this Article shall in no event be deemed or construed to impose liability of any nature on the Declarant. Declarant shall not be charged with any affirmative duty to police, control or enforce such provisions. The drainage easements provided for in this provision shall in no way affect any other recorded easement in the Subdivision.

14.03 Surface Areas. The surface of easement areas for underground utility services may be used for planting of shrubbery, trees, lawns or flowers and for paving of driveways, unless otherwise specifically prohibited by the plat or any other recorded easement. However, neither Declarant nor any supplier of any utility service using any easement area shall be liable to any Owner for any damage done by them or either of them, or their respective agents, employees, servants or assigns, to any of the aforesaid vegetation or driveways as a result of any activity relating to the construction, maintenance, operation or repair of any facility in any such easement area.

ARTICLE XV.
MISCELLANEOUS

15.01 Term. This Declaration including all of the covenants, conditions and restrictions hereof, shall run until December 31, 2025, unless amended as herein provided. After December 31, 2025, 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 seventy five percent (75%) of the Owners of the Property, then subject to this Declaration and filed of record in the Real Property Records of Gillespie County, Texas.

15.02 Amendment.

(A) By Declarant. This Declaration may be amended by the Declarant, acting alone, until December 31, 2008.

(B) By Owners/Declarant. After December 31, 2008, this Declaration may be amended by Declarant and seventy five percent (75%) of the Owners of the Property then subject to this Declaration, and filed of record in the Real Property Records of Gillespie County, Texas.

15.03 Savings Provision. Notwithstanding anything to the contrary, Declarant shall have the right at any time, at its sole discretion and without any joinder or consent of any other party, to amend this Declaration for the purposes of correcting any error, ambiguity or inconsistency appearing herein or for any reason whatsoever deemed necessary for the benefit of the overall development as determined by Declarant, it is sole discretion. Said amendment shall be effective immediately upon filing the said amended restrictions with the County Clerk of Gillespie County, Texas.

15.04 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 development of the Property set forth in this Declaration. This Declaration shall be construed and governed under the laws of the State of Texas.

15.05 Assignment of Declarant. Notwithstanding any provision in this Declaration to the contrary, Declarant may in writing filed of record referring to this Declaration by volume and page number, expressly 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. Upon assignment by Declarant of any or all of Declarant's rights, the Declarant shall no longer be liable for performance of such assigned rights provided that the assignee expressly assumes in the recorded assignment the obligations of Declarant that are assigned.

15.06 Enforcement and Nonwaiver

(A) Right of Enforcement. Except as otherwise provided herein, any owner at his own expense, and/or the Declarant, and/or the Association shall have the right to enforce all of the provisions of this Declaration. Such right of enforcement shall include both damages for, and injunctive relief against, the breach of any such provision.

(B) Nonwaiver. The failure to enforce any provision of this Declaration 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) No Duty to Enforce. Neither the Architectural Control Committee, the Association, nor Declarant shall be charged with any affirmative duty to police, control, or enforce any of the provisions herein contained.

(D) Applicable Law. It is the intent of the provisions of this Section to strictly comply with the provisions of Texas Property Code Chapter 209, et seq., as same may be amended hereafter, which such amendments shall be applicable hereto. The President of the Association, acting without joinder of any Owner or mortgagee of any Owner, may, by amendment to this Declaration filed in the office of the County Clerk of Gillespie County, Texas, amend the provisions hereof so as to comply with said amendments to said Chapter 209.

15.07 Construction.

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

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

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

ARTICLE XVI.
DECLARANT'S DISCLAIMER

While Declarant has planned to eventually complete construction of additional units, it is specifically understood that Declarant, its successors and/or assigns, are not under any obligations to complete any portion thereof other than the phase currently under construction. Further, it is understood that there are no time limitations on the length of time that said construction may take.

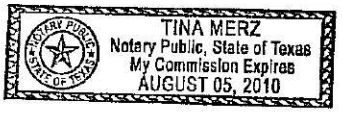
Executed by said Declarant on this, the 18th day of October, 2007.

STONE RIDGE DEVELOPMENT CO., INC.

By: _____
Levi Ellebracht, President

STATE OF TEXAS §
§
COUNTY OF GILLESPIE §

This instrument was acknowledged before me on the 18th day of October, 2007, by Levi Ellebracht, President of STONE RIDGE DEVELOPMENT CO., INC., Declarant.



Notary Public in and for
The State of Texas

AFTER RECORDING PLEASE RETURN TO:

Gordon E. Sauer
Attorney at Law
P.O. Box 836
Fredericksburg, Texas 78624

LEINHOLDER'S CONSENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR STONE RIDGE SUBDIVISION UNIT VII

STATE OF TEXAS §
§
COUNTY OF GILLESPIE §

The undersigned, AMERICAN BANK OF TEXAS, N.A., (hereinafter, "Lienholder") being the sole owner and holder of an existing mortgage and lien recorded in Volume 20066772, of the Official Public Records of Gillespie County, Texas, upon and against the real property described in the Plat recorded in Volume 4, Page 58, of the Plat Records of Gillespie County, Texas, which is known as STONE RIDGE SUBDIVISION UNIT VII, and is governed by a dedicatory instrument entitled "Declaration of Covenants, Conditions and Restrictions for Stone Ridge Subdivision UNIT VII", (hereinafter, the "Declaration") which is filed under Register No. 20075850, of the Official Public Records of Gillespie County, Texas, and defined as the "Property" in said Declaration, as such mortgagee and lienholder, does hereby consent to and join in said Declaration.

The undersigned hereby executes this instrument for the sole purpose of subordinating the liens held by the undersigned to all of the provisions of the said Declaration, save and except Article VII, Section 7.11, on page 21 of the said Declaration. Any Owner who accepts title to any of the properties subject to the said Declaration specifically acknowledges that Lienholder is not a party to the Said Declaration except for the sole purpose of subordinating the Liens as set out above, and each Owner who accepts title to any of the Lots hereby specifically and unconditionally releases and discharges said Lienholder from any claims or liability with respect to, or arising out of said Declaration, except as to actions which may hereafter be taken by Lienholder as a successor to the interest of Declarant.

DATE: October 18, 2007

AMERICAN BANK OF TEXAS, N.A.

By: _____,

Brad Hardin, President - Fredericksburg
(Printed Name and Title)

STATE OF TEXAS §
§
COUNTY OF GILLESPIE §

This instrument was acknowledged before me on the 18th day of October, 2007, by Brad Hardin, known to me to be the President - Fredericksburg of AMERICAN BANK OF TEXAS, N.A., on behalf of said Bank.

_____
NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

MELODY D. KLEIN
Notary Public, State of Texas
My Commission Expires
AUG. 30, 2011

LEINHOLDER'S CONSENT TO THE
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR STONE RIDGE SUBDIVISION UNIT VII

STATE OF TEXAS §
§
COUNTY OF GILLESPIE §

The undersigned, LEVI ELLEBRACHT, (hereinafter, "Lienholder") being the sole owner and holder of an existing mortgage and lien recorded in Volume 20066771, of the Official Public Records of Gillespie County, Texas, upon and against the real property described in the Plat recorded in Volume 4, Page 58, of the Plat Records of Gillespie County, Texas, which is known as STONE RIDGE SUBDIVISION UNIT VII, and is governed by a dedicatory instrument entitled "Declaration of Covenants, Conditions and Restrictions for Stone Ridge Subdivision UNIT VII", (hereinafter, the "Declaration") which is filed under Register No. 20075850, of the Official Public Records of Gillespie County, Texas, and defined as the "Property" in said Declaration, as such mortgagee and lienholder, does hereby consent to and join in said Declaration.

The undersigned hereby executes this instrument for the sole purpose of subordinating the liens held by the undersigned to all of the provisions of the said Declaration, save and except Article VII, Section 7.11, on page 21 of the said Declaration. Any Owner who accepts title to any of the properties subject to the said Declaration specifically acknowledges that Lienholder is not a party to the Said Declaration except for the sole purpose of subordinating the Liens as set out above, and each Owner who accepts title to any of the Lots hereby specifically and unconditionally releases and discharges said Lienholder from any claims or liability with respect to, or arising out of said Declaration, except as to actions which may hereafter be taken by Lienholder as a successor to the interest of Declarant.

DATE: October 18, 2007

LEVI ELLEBRACHT

STATE OF TEXAS §
§
COUNTY OF GILLESPIE §

This instrument was acknowledged before me on the 18th day of October, 2007, by LEVI ELLEBRACHT.

TINA MERZ
Notary Public, State of Texas
My Commission Expires
AUGUST 05, 2010

NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

HCT

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Mary Lynn Rusche

Mary Lynn Rusche, County Clerk

Gillespie County TEXAS

October 18, 2007 10:08:33 AM

FEE: $163.00 20075850

KC