29 PGS 20141917
DCC

GTOT / T-14-181017-BV

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE RANCHES AT CRABAPPLE SPRINGS

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

This Declaration is made on the date hereinafter set forth by Crabapple Partners, LLC, a Texas limited liability company, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is a developer of residential communities, and as part of that business has entered into certain agreements with B&G Development Partners, LLC, which is the owner of part of that certain tract of land known as The Ranches at Crabapple Springs, being about 199.51+/- acres of land situated in Gillespie County, Texas as further described in Exhibit A attached hereto and made a part hereof for all purposes (hereinafter referred to as the "Property" or the "Subdivision"), the other portion of which is owned by Declarant;

WHEREAS, Declarant and B&G Development Partners, LLC, desire to create, impose and carry out a uniform plan for the improvement, development, and use of the Property for the benefit of the present and future owners of tracts within the Property which shall be binding upon all present and future owners of such tracts;

WHEREAS, Declarant has created a preliminary master plan for the subdivision of the Property into about 16 tracts as shown in Exhibit B attached hereto and made a part hereof; and,

WHEREAS, Declarant and B&G Development Partners, LLC., desire to provide for a mandatory property owners association for owners of tracts within the Property with the intention that such association own and maintain areas of the Property for the common benefit of tract owners and have the power of assessment and lien over tracts within the Property;

NOW, THEREFORE, it is hereby declared (i) that all of the Property shall be held, sold, conveyed, improved, used and occupied subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the Property and shall be binding on all owners of tracts within the Property, their heirs, successors, and assigns, and shall inure to the benefit of each such owner, and (ii) that each contract or deed which may hereafter be executed with regard to the Property or any portion thereof shall conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions and restrictions regardless of whether or not the same are set out or referred to in said contract or deed.

ARTICLE I
DEFINITIONS

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

1.1 Architectural Control Committee. "Architectural Control Committee" and "Committee" shall mean the committee created pursuant to this Declaration to review and approve plans for the construction of improvements upon the Property.

1.2 Certificate of Formation. "Certificate of Formation" shall mean the Certificate of Formation of The Ranches at Crabapple Springs Property Owners Association, which shall be filed in the office of the Secretary of State of Texas, and as it may from time to time be amended.

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

1.4 Association. "Association" shall mean and refer to The Ranches at Crabapple Springs Property Owners Association, a Texas non-profit corporation, its successors and assigns. Notwithstanding anything herein to the contrary, The Ranches at Crabapple Springs Property Owners Association shall consist of members from all units within the Crabapple Springs Ranch Development, unless otherwise determined by Declarant.

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

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

1.7 The Ranches at Crabapple Springs Restrictions. "The Ranches at Crabapple Springs Restrictions" shall mean collectively (i) this Declaration, together with any and all Supplemental Declarations, as the same may be amended from time to time, (ii) the Ranches at Crabapple Springs Rules, (iii) the Design Guidelines, and (iv) the Certificate of Formation and Bylaws, as the same may be amended from time to time.

1.8 The Ranches at Crabapple Springs Rules. "The Ranches at Crabapple Springs Rules" shall mean the rules and regulations adopted by the Board as the same may be amended from time to time.

1.9 Common Area. "Common Area" shall mean that portion of the Property owned, leased or maintained by the Association for the common use and enjoyment of the Members of the Association including but not limited to, entry gate and entry monumentation, signage and landscaping. Common area may also include additional items but Declarant is under no obligation to provide such additional Common Areas such as parks, recreational facilities, community facilities, pumps, landscaping, sprinkler systems, pavement, streets (to the extent not owned by appropriate governmental authorities), walkways, parking lots, pipes, wires, conduits and other public utility lines situated thereon (to the extent not owned by appropriate governmental authorities or by local utility companies). The Common Areas to be owned or maintained by Association shall include (i) those areas of land shown on any recorded plat or its

equivalent of the Property or any portion thereof filed or approved by Declarant and identified thereon as "Greenbelt" or "Amenity Area"; (ii) the unpaved and landscaped areas of the right of way for any drive within the Subdivision; and (iii) those areas of land and improvements thereon deeded to the Association by Declarant.

1.10 Declarant. "Declarant" shall mean Crabapple Partners, LLC, its duly authorized representative or their respective successors or assigns; provided that any assignment of the rights of Crabapple Partners, LLC , as Declarant must be expressly set forth in writing and the mere conveyance of a portion of the Property without express written assignment of the rights of Declarant shall not be sufficient to constitute an assignment of all or any of the rights herein reserved to Declarant

1.11 Declarations. "Declarations" shall mean this instrument and all, if any, amendments and supplements hereto at such time as they may be recorded in the Official Public Records of Real Property of Gillespie County, Texas.

1.12 Design Guidelines. "Design Guidelines" shall mean all, if any, written criteria and guidelines established by the Architectural Control Committee for the construction of improvements and landscaping within the Property.

1.13 Development. "Development" shall mean and refer to the Subdivision and to all, if any, additional property which shall be annexed to the terms of this Declaration and to the assessments, liens, and membership of the Association in the manner herein provided.

1.14 Improvement. "Improvement" shall mean every structure and all appurtenances thereto of every type and kind located on the Property, including but not limited to, buildings, outbuildings, storage sheds, patios, tennis courts, below ground swimming pools, garages, storage buildings, fences, trash enclosures, screening walls, retaining walls, stairs, decks, signs, landscaping, flatwork, grading, antennas and towers.

1.15 Master Plan. "Master Plan" shall mean the subdivision and development map or plan prepared by Declarant for the Property from time to time and maintained in Declarant's office and available for inspection by all Owners and prospective Owners. The initial Master Plan is attached hereto as Exhibit B but Declarant reserves the right to amend the Master Plan from time to time and any conveyance of a Tract by Declarant configured other than shown on the most current Master Plan shall be deemed an amendment to the Master Plan.

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

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

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

1.19 Owner. "Owner" or "Owners" shall mean and refer to a person or persons, entity or entities holding a fee simple interest in all or any portion of a Tract except for Declarant.

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

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

1.22 Plat. "Plat" shall mean a recorded subdivision plat of any portion of the Property, if any.

1.23 Subdivision. "Subdivision" shall mean and refer to The Ranches at Crabapple Springs, and such other property which has been brought within the scheme of this Declaration in accordance with the provisions of Article II of this Declaration.

1.24 Supplemental Declaration. "Supplemental Declaration" shall mean and refer to any declaration of covenants, conditions and restriction which may be recorded hereafter in order (i) to incorporate additional property into the Development, (ii) to subject any area of the Property to further covenants, conditions or restrictions, or (iii) to withdraw land from the Property.

1.25 Tract. "Tract" shall mean each parcel of land within the Property as shown on the Master Plan, subject to Declarant's right to amend the boundary lines of the Tracts and thereby amend the Master Plan. Conveyance of a parcel of the Property by Declarant shall define such parcel as a Tract within the meaning of this Declaration. Notwithstanding the foregoing, no portion of the Property conveyed to a governmental entity shall be subject to any assessments otherwise applicable to a Tract hereunder.

ARTICLE II
ADDITIONS TO AND SUBTRACTIONS FROM THE PROPERTY

2.1 Additions by Declarant. For a period of ten years following the recording of this Declaration, Declarant, its successors and assigns, shall have the right and authority to annex to the scheme of this Declaration additional property located within one mile of the Property or any part thereof ("Annexation Area") upon the recording of an instrument in the Official Public Records of Real Property of Gillespie County, Texas which properly identifies such annexed property and expressly extends the terms of this Declaration to such annexed property, provided (a) the owner of such annexed property shall be required to expressly consent to such annexation and (b) the terms of this Declaration may be amended or supplemented as determined appropriate by Declarant, so long as the general scheme of this Declaration shall apply to such annexed property.

2.2 Additions by the Association. The Association shall have the right to Annex to this Declaration any tract or tracts of Property with the written consent of the owner thereof provided the Association shall obtain the affirmative vote of fifty-one percent of the votes of all Members of the Association and the written consent of the owner of any annexed tracts and further provided that any such annexation made within ten years from the date of recordation of this Declaration shall require the written consent of Declarant, if Declarant owns any Tract at the time of such annexation. Any annexation by the Association shall require recordation of an instrument in the Official Public Records of Real Property of Gillespie County, Texas and shall extend the covenants of the Declaration with such amendment or supplementation to such terms as the Association shall determine appropriate for the property so annexed.

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

2.4 Withdrawal of Property by Declarant. For a period of ten years from the date of recording of this Declaration, Declarant shall have the right to withdraw from the terms of this Declaration any portion of the Property owned by Declarant upon recordation of an instrument in the Official Public Records of Real Property of Gillespie County, Texas properly identifying the area of Property so withdrawn and further provided that all such withdrawals by Declarant shall not exceed more than two hundred acres of the Property in the aggregate nor reduce the number of Tracts subject to Assessments of the Association below thirty.

ARTICLE III
GENERAL USE RESTRICTIONS

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

3.01 Single Family Residential Construction. Except as provided below, no building shall be erected, altered, placed or permitted to remain on any Tract other than not more than two dwelling units per each Tract to be used for a primary or recreational residence. Detached garages are allowed and may be constructed on a Tract prior to construction of a dwelling on such Tract. All Improvements must be approved by the Committee in writing, prior to being erected, altered or placed on the Tract. The term "dwelling", as used in this Declaration, does not include manufactured, mobile, or prefab homes regardless of whether the same are placed upon permanent foundation, and said homes and structures are not permitted within the Subdivision.

All single story dwellings must have at least one thousand six hundred square feet of living area and must be built of new construction material. All two-story dwellings must have at least two thousand square feet of living area and must be built of new construction material. Living area does not include porches, breezeways, or garages. One guest/servant's house may be built of new construction material on each Tract in addition to the dwellings thereon, must be no less than five hundred square feet, and shall require approval by the Architectural Control Committee as to location, materials, and all plans. The foundation of any dwelling must be concrete slab, or a combination of concrete slab and piers.

There is no restriction determining when a dwelling must be started, but once said dwelling, outbuilding, structures or improvements are commenced on any Tract, they shall be completed as to the exterior finish and appearance within one year of the commencement date.

Barring exceptions listed below, all garages, including detached garages will be of the same general construction and exterior finish as the main dwelling, and located on the Tract according to the Committee approved building site plan. Outbuildings, including but not limited to barns, barndominiums, storage buildings, green houses, workshops, well houses, gazebos, cabanas, decks, car ports or pavilions, must be constructed of new quality materials and the

location, design, materials, and plans approved by the Architectural Control Committee prior to construction. These types of outbuildings shall be built on a "secondary" location as opposed to the "primary" location for the main residence.

3.02 Location of Improvements upon Tracts. No building or stored motor vehicle of any kind shall be located on any Tract nearer than one hundred feet to any Tract line, provided however, as to any Tract, the Architectural Control Committee may waive or alter any such set-back line, if the Architectural Control Committee in the exercise of the Architectural Control Committee's sole discretion, such waiver, or alteration is necessary to permit effective utilization of a Tract. Any such waiver or alteration must be in writing. All dwellings will be served with electricity and telephone through the front of their Tract.

3.03 Use of Temporary Structures. No structure of a temporary character, whether trailer, motor home, basement, shack, garage or other outbuilding shall be maintained or used on any Tract at any time as a residence, either temporarily or permanently, except as provided below. Guest/servant's quarters may be built prior to the main dwelling provided guest quarters are not used as a permanent residence and are not rented for income. A motor home or camper may be used as a weekend getaway or for camping. Homebuilders may have the option of erecting a job-site trailer during construction of the dwelling on a Tract. The Committee may require that any structure or object placed on a Tract be screened from view, if, in the Committee's sole and absolute discretion, same will be necessary to preserve the value or avoid a detriment to the appearance of the Property. Once the dwelling is complete, the job-site trailer must be removed. The Declarant reserves the right to erect, place and maintain a mobile home, camper, or motor home in or upon any portion of the Subdivision as in its sole discretion may be necessary or convenient while selling Tracts, selling or constructing residences and constructing other improvements within the Subdivision. The Declarant is not restricted by any of the above time constraints in this provision.

3.04 Repair of Buildings. All Improvements upon any Tract shall at all times be kept in good condition and repair, and adequately painted or otherwise maintained by the owner thereof.

3.05 Alteration or Removal of Improvements. Any construction which alters the exterior appearance of any Improvement, or the removal of any Improvement, shall be performed only with prior written approval of the Architectural Control Committee.

3.06 Exterior Masonry. The exterior walls of any dwelling constructed on any Tract shall be at least seventy-five percent masonry, or masonry veneer, excluding window and door openings. Masonry or masonry veneer includes stucco, ceramic tile, brick, Hardi-plank, clay and stone. The exterior of all chimneys shall be one hundred percent masonry of a type and color matching the exterior walls of the dwelling. All outbuildings and temporary structures are subject to the approval of the Architectural Control Committee.

3.07 Roofing Materials. The roof surface of all principal and secondary structures including garages and outbuildings shall be of slate, stone, metal (using standing or battened seams), minimum thirty year composition shingles, concrete tile, clay tile, or other tile of a ceramic nature. Said roofing material may be, left natural or painted a color approved by the Architectural Control Committee. Also, The ACC shall approve roofing shingles made of other materials that:

(1) are designed primarily to:

(A) be wind and hail resistant;

(B) provide heating and cooling efficiencies greater than those provided by

customary composite shingles; or

(C) provide solar generation capabilities; and

(2) when installed:

(A) resemble the shingles used or otherwise authorized for use on property in the Subdivision;

(B) are more durable than and are of equal or superior quality to the shingles used or otherwise authorized for use on property in the Subdivision; and

(C) match the aesthetics of the property surrounding the Owner's property.

The Architectural Control Committee shall have the authority and sole discretion to approve other roof treatments and materials if the form utilized will be harmonious with the surrounding homes and Subdivision as a whole.

3.08 Colors. All exterior colors of any structures must be natural or earth tones and must complement the surrounding landscape. The Committee may, in its sole discretion, approve other color schemes so long as such colors complement the Subdivision.

3.09 Model Homes. Notwithstanding anything herein contained, Builders shall be allowed to construct model or speculative homes so long as such model or speculative home conforms to these restrictions.

3.10 Walls, Fences. Walls, fences and gates, if any, must be approved prior to construction by the Architectural Control Committee. Unless otherwise approved by the Architectural Control Committee, all fences must be constructed of metal, masonry, masonry veneer, wrought iron, wood, pipe, ranch fencing with t-posts or a combination thereof. Chain link fencing shall not be permitted for use as perimeter fencing for a Tract, but can be used on the interior for animal or bird containment only if such fencing is not visible from any street or adjacent property. All walls, fences, and gates must be maintained in good condition.

3.11 Antennas, Towers, and Satellite Dishes. Antennas, towers, or satellite dishes of any kind shall not exceed five feet above the roof of the dwelling or outbuilding whichever is higher. Any antennae, tower or satellite dish must be located to the side or rear of the dwelling or outbuilding and not within one hundred feet of any property line. Ham radio operators and other antennae shall not exceed thirty five feet in height. The Committee must approve all antennas, towers or satellite dishes prior to installation. Nothing here shall be construed to conflict with the latest rules and regulations set forth by the Federal Communications Commission; specifically, there shall be no act or decision that impairs installation, maintenance, or use of an antenna that:

(i) Unreasonably delays or prevents installation, maintenance, or use;

(ii) Unreasonably increases the cost of installation, maintenance, or use; or

(iii) Precludes reception or transmission of an acceptable quality signal.

3.12 Light Pollution. Exterior lights such as those for security, safety, and decorative reasons are allowed, with prior written approval of the Committee, provided all exterior lighting is hooded or the main beam of light is at no greater than a thirty degree angle from the ground.

3.13 Regulation of Other Activities. The Association shall have the right to define, prohibit and/or regulate activities which it determines, in its sole discretion, to be (a) hazardous or potentially hazardous to persons and property within the Subdivision, (b) a nuisance or potential nuisance to Owners, (c) or contrary or potentially contrary to the common good of Owners or property values by virtue of increased traffic within the Subdivision or otherwise.

Without limitation, the Association may elect to ban, limit, or otherwise regulate any activity which it determines may significantly increase traffic within the Subdivision, increase the

risk of hazard of fire within the Subdivision, or tend to emit offensive odors, noise or light, or which might unreasonably interfere with the use and enjoyment of Tracts within the Subdivision. Such Association regulations may include the number of times within a month, year or other period an Owner may engage in a garage sale, auction or other activities tending to attract non-Owners to the Subdivision, regulation of open fires and burning on a Tract, regulation and location of blasting on Tracts, and other matters. All regulations published by the Association shall be deemed to supplement all applicable governmental regulations and each Owner is required to comply with all governmental regulations in addition to Association regulations.

The use of a portion of a residence as a home office which does not increase traffic within the Subdivision shall not be subject to ban by the Association.

3.14 Hunting. Hunting with bows, crossbows, pistols and shotguns shall be allowed provided any feeders or hunting stands are located no closer than one hundred feet to any property line on any Tract. All other weapons and firearms are expressly prohibited from use within the Subdivision. All hunting activities shall be conducted in accordance with state law and county regulations.

3.15 Garbage and Trash Disposal. Garbage, trash and other refuse accumulated in this Subdivision shall not be permitted to be dumped at any place upon adjoining land where a nuisance to any Owner is or may be created. No Tract shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be allowed to accumulate, shall be kept in sanitary containers and shall be disposed of regularly. All equipment for the storage and disposal of such material shall be kept in a clean and sanitary condition and out of sight from public roadways, except on pickup days.

3.16 Junk Motor Vehicles Prohibited. No Tract shall be used as a depository for abandoned or junk motor vehicles. No junk of any kind or character shall be kept on any Tract.

3.17 Trailers, RV's and Boats. All trailers, travel trailers, graders, recreational vehicles, boats, tractors, campers, wagons, buses, motorcycles, motor scooters, ATV's and lawn and garden maintenance equipment shall be kept at all times, except when in actual use, in enclosed structures or screened from view from public or private thoroughfares and adjacent properties. All such vehicles and equipment shall be stored no closer than on hundred feet from any property line on a Tract.

3.18 Signs. No permanent or temporary sign(s) shall be constructed or placed upon any Tract covered by these Restrictions without prior written approval by the Architectural Control Committee, except as otherwise provided herein. Real estate signs shall be allowed in the Subdivision including, but not limited to, for sale signs, sold signs, for lease signs, or for rent signs provided there are no lots left for sale by the Declarant. This provision shall not apply to the Declarant so long as Declarant shall own a Tract in the Subdivision. Notwithstanding the foregoing, however, nothing herein shall prevent the Association from establishing rules for permitting the celebration or recognition of religious or other holidays.

Owners and residents of the Subdivision may display on their property one or more signs advertising a political candidate or ballot item for an election, but only during the following date range:

(1) no earlier than the ninetieth day before the date of the election to which the sign relates; and

(2) no later than the tenth day after that election date.

Political signs that are displayed must be:

(1) ground-mounted; and,

(2) limited to only one sign for each candidate or ballot item.

Political signs are not permitted if they:

(1) contain roofing material, siding, paving materials, flora, one or more balloons or lights, or any other similar building, landscaping, or nonstandard decorative component;

(2) are attached in any way to plant material, a traffic control device, a light, a trailer, a vehicle, or any other existing structure or object;

(3) include the painting of architectural surfaces;

(4) threaten the public health or safety;

(5) are larger than four feet by six feet;

(6) violate a law;

(7) contain language, graphics, or any display that would be offensive to the ordinary person; or

(8) are accompanied by music or other sounds or by streamers or is otherwise distracting to motorists.

No sign of any kind shall be placed or allowed to remain on any street or right-of-way.

Except for the signs allowed in this Section, all other signs are prohibited. The Association may, upon ten days written notice of a violation of this Section affording a hearing on request, enter any Tract and remove a sign displayed in violation this Section, at the expense of the violator.

3.20 Animal Husbandry. It is intended that the Tracts be permitted to be used in a way that allows them to qualify for agricultural use exemption from *ad valorem* property taxes, subject to the following restrictions. Domestic livestock and exotic animals shall be allowed on any Tract so long as such animals do not exceed one animal per every two fenced acres and do not become a nuisance or threat to other Owners. Pigs are not allowed. Any fowl such as chickens, turkey or exotic birds shall be allowed so long as such birds are kept in a coup and do not exceed sixteen birds per tract. All animals being raised by individual Tract Owners must be contained in a fenced area. No overgrazing is permitted on any portion of the Tract. Dogs, cats, or other common household pets may be kept on a Tract. Dogs must be kept in a dog run or fenced area. Dogs will not be permitted to run loose throughout the Subdivision.

3.21 Mineral Development. No oil or gas drilling, oil or gas development operations, oil refining, quarrying or mining operation of any kind shall be permitted upon or in any Tract. No derrick or other structures designed for the use of boring for oil or natural gas shall be erected, maintained or permitted upon any Tract.

3.22 Drainage. No person or persons shall impair the natural established drainage patterns of streets, Tracts, or roadway ditches. No creeks or natural drainage areas may be dammed, or water impounded, diverted or used for any purpose without the prior written consent of the Architectural Control Committee. Driveway culverts must be installed and will be of sufficient size to afford proper drainage of ditches without backing water up or diverting flow. Drainage culvert installation must meet County requirements.

3.23 Flags and Flag Poles. An Owner or resident has the right to display on their Tract, either on a freestanding flagpole, or attached to a dwelling on the Tract:

I. the flag of the United States, which shall be displayed in accordance with federal law (4 U.S.C. Section 5-10);

II .the flag of the State of Texas, which shall be displayed in accordance with Texas law (Chapter 2100, Texas Government Code); and,

III. an official or replica flag of any branch of the United States armed forces.

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

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

A displayed flag and the flagpole on which it is flown shall be maintained in good condition, and any deteriorated flag or deteriorated or structurally unsafe flagpole shall be repaired, replaced, or removed.

No more than one flagpole is allowed per Tract. Flagpoles shall be allowed on front yards of Tracts.

No flagpole shall exceed twenty feet in height.

No flag larger the three feet by five feet may be displayed.

There shall be no more than one light, not to exceed sixty watts in intensity, used to illuminate a displayed flag.

Persons displaying flags on flagpoles shall abate noise caused by an external halyard of a flagpole so that it cannot be heard from any other Tract.

3.24 Rainwater Harvesting.

I. No irrigation systems shall be constructed so that it may be viewed from any other lot or common area.

II. No rainwater harvesting system or rain barrel shall be permitted to exist on any Tract if the barrel or system:

(i) is of a color other than a color consistent with the color scheme of the property owner's home; or

(ii) displays any language or other content that is not typically displayed by such a barrel or system as it is manufactured; or

(iii) be visible from a street, another lot, or a common area if:

(A) this prohibition does not prohibit the economic installation of the device or appurtenance on the property owner's property; and

(B) there is a reasonably sufficient area on the property owner's property in which to install the device or appurtenance elsewhere.

3.25 Religious Displays.

I. No display or affixing of a religious item on the entry to any Owner's or resident's dwelling shall be permitted that:

(1) threatens the public health or safety;

(2) violates a law;

(3) contains language, graphics, or any display that is patently offensive to a passerby, in the opinion of a person of reasonable sensibilities;

(4) is in a location other than the entry door or door frame or extends past the outer edge of the door frame of the owner's or resident's dwelling; or

(5) individually or in combination with each other religious item displayed or affixed on the entry door or door frame has a total size of greater than twenty-five square inches.

II. No Owner or resident shall use a material or color for an entry door or door frame of the Owner's or resident's dwelling or make an alteration to the entry door or door frame that is not authorized by the Committee.

III. The Board of Directors of the Association may cause its agent or representative to remove an item displayed in violation of this Section.

3.26 Solar Devices.

As used herein "solar energy device" means a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated energy. The term includes a mechanical or chemical device that has the ability to store solar-generated energy for use in heating or cooling or in the production of power.

No solar energy device may be used or installed in the area of land subject to the Declaration to the extent that such solar energy device:

(1) as adjudicated by a court:
  a. threatens the public health or safety; or
  b. violates a law;
(2) is located on property owned or maintained by the Association;
(3) is located in an area on a Tract other than:
  (A) on the roof of the home or of another structure allowed under the Declaration; or,
  (B) in a fenced yard or patio owned and maintained by the property owner;
(4) if mounted on the roof of the home or of another structure allowed under the Declaration:
  (A) extends higher than or beyond the roofline;
  (B) is located in an area other than an area designated by the Committee, unless the alternate location increases the estimated annual energy production of the device, as determined by using a publicly available modeling tool provided by the National Renewable Energy Laboratory, by more than ten percent above the energy production of the device if located in an area designated by the Committee;
  (C) does not conform to the slope of the roof and has a top edge that is not parallel to the roofline; or
  (D) has a frame, a support bracket, or visible piping or wiring that is not in a silver, bronze, or black tone commonly available in the marketplace;
(5) if located in a fenced yard or patio, is taller than the fence line;
(6) as installed, voids material warranties; or
(7) was installed without prior approval by the Committee.

The Committee will not withhold approval for installation of a solar energy device that does not fall within the above categories, unless the Committee determines in writing that placement of the device as proposed by the Owner constitutes a condition that substantially interferes with the use and enjoyment of land by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. For purposes of making a determination of this issue, the written approval of the proposed placement of the device by all Owners of adjoining property constitutes prima facie evidence that such a condition does not exist.

3.27 Re-subdivision. No Owner shall subdivide a Tract.

ARTICLE IV
THE RANCHES AT CRABAPPLE SPRINGS PROPERTY OWNERS ASSOCIATION

4.1 Organization. The Declarant shall, at such time as Declarant deems appropriate, cause the formation and incorporation of the Association as a nonprofit corporation under the laws of the State of Texas. The Association shall be created for the purposes, charged with the duties, governed by the provisions, and vested with the powers prescribed by this Declaration and as supplemented by the Certificate of Formation and Bylaws of Association. Neither the Certificate of Formation nor Bylaws shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

4.2 Membership. Every person or entity who is a record Owner of a fee or undivided fee interest in any Tract, including Declarant, shall be a Member of the Association. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of any obligation. Membership shall be appurtenant to and may not be separated from any ownership of any Tract. Ownership of a Tract shall be the sole qualification for membership. Any Mortgagee or lien holder who acquires title to any Tract which is a part of the Property through judicial or non-judicial foreclosure, shall be a Member of the Association. Each Tract not owned by Declarant shall only have one vote regardless of the number of Owners of such Tract.

4.3 Classes and Voting Rights. The Association shall have two classes of Members. All Owners other than Declarant shall be Class A Members and shall be entitled to one vote per Tract owned. Where a Tract is owned by more than one Owner, the vote for such Tract shall be as so Owners jointly decide. Declarant, its successors and assigns, shall be the Class B Member and shall be entitle to ten votes for each Tract owned. Declarant's Class B membership shall apply to any lots or tracts annexed or added by the Master Plan to the Association.

4.4 Powers and Authorities of the Association. The Association shall have all powers which may be exercised by a Texas nonprofit corporation, subject only to such limitations as are expressly set forth in this Declaration or as set forth in the Certificate of Formation of Incorporation or Bylaws of the Association. Without limitation, the Association shall have the power and authority at all time as follows:

(A) The Ranches at Crabapple Springs Rules and Bylaws. To make, establish and promulgate, and in its discretion to amend or repeal and re-enact, such The Ranches at Crabapple Springs Rules and Bylaws, not in conflict with this Declaration, as it deems proper covering any and all aspects of its functions.

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

(C) Records. To keep books and records of the Association's affairs, which shall be subject to inspection and copying by Members, as provided by Section 209,005, Texas Property Code.

(D) Assessments. To levy assessments as provided in Article VI below.

(E) Right of Entry and Enforcement. To enter at any time in an emergency (or in the case of non-emergency, after twenty-four hours written notice), without being liable to any Owner, upon any Tract and into any Improvement thereon (excluding a completed dwelling used as a single family residence), for the purpose of enforcing The Ranches at Crabapple

Springs Restrictions or for the purpose of maintaining or repairing any area, Improvement or other facility to conform to The Ranches at Crabapple Springs Restrictions, and the expenses incurred by the Association in connection with the entry upon any Tract and the maintenance and repair work conducted thereon shall be a personal obligation of the Owner of the Tract entered upon, shall be a lien upon the Tract entered upon and upon the Improvements thereon, and shall be enforced in the same manner and to the same extent as provided in Article VI hereof for regular and special assessments. The Association shall have the power and authority from time to time, in its own name and on its own behalf, or in the name of and on behalf of any Owner who consents thereto, to commence and maintain actions and suits to enforce, by mandatory injunction or otherwise, or to restrain and enjoin, any breach or threatened breach of The Ranches at Crabapple Springs Restrictions. The Association is also authorized to settle claims, enforce liens and take all such action as it may deem necessary or expedient to enforce The Ranches at Crabapple Springs Restrictions; provided, however, that the Board shall never be authorized to expend any Association funds for the purpose of bringing suit against Declarant, its successors or assigns.

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

(G) Collection for Association. To collect on behalf of and for the accounting of the Association any assessment made by Association in accordance with the terms of this Declaration or as otherwise permitted by law.

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

(1) Roads and streets;

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

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

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

(J) Association Property Services. To pay for water, sewer, garbage, removal, landscaping, gardening and all other utilities, services and maintenance for all Common Area, to maintain and repair easements, roads, roadways, rights-of-way, parks, parkways, median strips, sidewalks, paths, trails, ponds, lakes and other areas of the Property, as appropriate and the maintenance of which has not been accepted by the appropriate governmental entity; and to own and operate any and all types of facilities for both active and passive recreation.

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

(L) Construction on Association Property. To construct new Improvements or additions to Common Area, and to remove, demolish, modify or alter any Improvements to Common Area.

(M) Contracts. To enter into contracts with Declarant and other persons on such terms and provisions as the Board shall determine, to operate and maintain any Common Area or to provide any service or perform any function on behalf of Declarant or any Person, provided, however, that any contract with a member of the Board of Directors of the Association, any relative of them within the third degree of consanguinity or affinity, or any or company in which any such person has a financial interest in at least fifty-one percent of profits, shall be entered into only if the Association complies with Section 209.0052, Texas Property Code.

(N) Property Ownership. To acquire and own and to dispose of all manner of real and personal property, whether by grant, lease, gift or otherwise.

4.5 Maintenance and Landscape Authority. The Association shall maintain all street and roadways within the Property, which have been completed but not accepted by the appropriate governmental entity for maintenance. In addition, the Association shall be authorized to landscape, maintain and repair all easements, access easements, rights-of-way, median strips, sidewalks, paths, trails, detention ponds and other areas of the Property, as appropriate. The Association shall maintain all Common Areas dedicated to the Association for maintenance, by or with the consent of Declarant. The Association shall also maintain any landscaped medians and boulevard areas, not fronting Tracts, located in the public right-of-way.

4.6 Lighting. The Association shall pay for electrical service and for all other costs and expenses necessary to operate and maintain the lighting within street right-of-ways and Common Areas.

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

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

(B) To construct, maintain, repair and replace landscape improvements and irrigation systems which public rights-of-way pursuant to agreement(s) with the County of Gillespie or other appropriate governmental authority.

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

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

debt secured by such mortgage or other security instrument may be retired from and secured by the revenues generated by dues, use fees or Assessment paid by the members of the Association, as the case may be, but subject to the limitations imposed by this Declaration.

(E) To obtain and maintain current one or more policies of liability insurance coverage to cover accidental bodily injury and/or death caused by the use and enjoyment of the Common Areas, as well as casualty coverage on all real and personal property owned by the Association, if and in such amounts as the Board shall deem appropriate.

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

ARTICLE V
ARCHITECTURAL CONTROL COMMITTEE

5.1 Approval of Plans and Specifications. No Improvement shall be commenced, erected, constructed, placed or maintained upon any Tract, nor shall any exterior addition to or change or alteration of any Improvement be made until the Plans and Specifications therefore shall have been submitted to an approved by the Architectural Control Committee in accordance herewith.

5.2 Membership of Architectural Control Committee. The Architectural Control Committee shall consist of not less than three, nor more than five, voting members ("Voting Members") and such additional nonvoting members serving in an advisory capacity ("Advisory Members") as Declarant or its successors or assigns in appointing authority deems appropriate. The initial Architectural Control Committee shall consist of three persons appointed by Declarant, each of whom shall be subject to removal and reappointment by Declarant. So long as Declarant owns any Tract subject to this Declaration or any tract or lot annexed to the terms hereof, Declarant solely shall have the right to appoint and remove members of the Architectural Control Committee. At such time as Declarant no longer owns a Tract within the Property or any other lot or tract annexed to the terms hereof, or such earlier time at which Declarant has assigned its powers with respect to the Architectural Control Committee to the Association, the Board of Directors of the Association shall succeed to the powers of appointment and removal of Declarant with respect to the Architectural Control Committee.

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

5.4 Advisory Members. The Voting Members may from time to time designate Advisory Members.

5.5 Control by the Association. At such time as the Association has succeeded to Declarant's right of appointment and removal of the membership of the Architectural Control Committee, the Board of Directors may determine to retain such powers or to relinquish all or a portion of such powers to the membership of the Association, in which later event the membership shall periodically elect such members of the Architectural Control Committee as shall be designated by the Board of Directors. The Board of Directors shall have all powers of appointment, removal, and increase or decrease of size of the membership of the Architectural Control Committee not ceded by the Board of Directors to the membership of the Association.

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

5.7 Review of Proposed Construction. Whenever in this Declaration, or in any Supplemental Declaration, the approval of the Architectural Control Committee is required, it shall consider all of the Plans and Specifications for the Improvement or proposal in question and all other relevant facts and information and may require an Owner to provide such other information as is relevant. Except as otherwise specifically provided herein, prior to the commencement of any construction of any Improvement on the Property or any portion thereof, the Plans and Specifications therefore shall be submitted to the Architectural Control Committee, and construction thereof may not commence unless and until the Architectural Control Committee has approved such Plans and Specifications in writing. The Architectural Control Committee shall approve or disapprove any plans within thirty days from the date of the submission of such plans. The Architectural Control Committee may postpone review of the Plans and Specifications until such time as the Architectural Control Committee has received all requested and necessary information so long as the Architectural Control Committee requests such information within ten days from the submission of the Plans and Specifications. If the Architectural Control Committee has not issued its approval or disapproval within thirty days from the date all information is received, the plans and specifications shall be deemed approved, except that deemed approval shall not extend to any Improvement that violates any of the express provisions of this Declaration. The Architectural Control Committee shall consider and act upon any and all Plans and Specifications submitted for its approval pursuant to this Declaration and perform such other duties assigned to it by this Declaration or as from time to time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with Plans and Specifications approved by the Architectural Control Committee. The Architectural Control Committee shall not be responsible for reviewing any proposed Improvements, nor shall its approval of any Plans and Specifications be deemed approval thereof, from the standpoint of structural safety, engineering soundness, or conformance with building or other codes.

5.8 Variances. The Committee may, on a case by case basis, authorize variances from compliance with any of the provisions of either (i) this Declaration, or (ii) the Design Guidelines, if any, including variances related to building setbacks, construction standards, materials, and other matters, as to matters within the jurisdiction of the Committee. All requests for variance shall be in writing and include such detail, information, and plans which the Committee shall reasonably request. The Committee shall be under no obligation to grant a variance to any applicant and no grant of variance by the Committee shall serve as binding precedent on the Committee to grant a similar variance in the future. All variances granted by the Committee shall be in writing. If any such variances are granted by the Committee, no violation of the provisions of this Declaration shall be deemed to have occurred with respect to the matter for which the variance is granted; provided, however, that the granting of a variance shall not operate to waive any of the provisions of this Declaration for any purpose except as to the particular property and particular provisions hereof covered by the variance, nor shall the granting of any variance affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the property concerned.

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

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

ARTICLE VI
FUNDS AND ASSESSMENTS

6.1 Assessments.

(A) Assessments established by the Board pursuant to the provisions of this Article VI shall be levied on a uniform basis against each Tract within the Property except those owned by Declarant. Declarant shall not be required to pay assessments on any Tract owned by Declarant.

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

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

6.2 Maintenance Fund. The Board shall establish a maintenance fund into which shall be deposited all monies paid the Association and from which disbursements shall be made in performing the functions of the Association under this Declaration. The funds of the Association must be used solely for purposes authorized by this Declaration, as it may from time to time be

amended, or as reserves for the payment of such purposes in the future.

6.3 Annual Assessments. Prior to the beginning of each fiscal year, the Board shall estimate the expenses to be incurred by the Association during such year in performing its functions under The Ranches at Crabapple Springs Restrictions, including but not limited to, the cost of all maintenance, the cost of providing street lighting, the cost of enforcing The Ranches at Crabapple Springs Restrictions, and a reasonable provision for contingencies and appropriate replacement reserves, less any excepted income and any surplus from the prior year's fund. Assessments sufficient to pay such estimated net expenses shall then be levied as herein provided, and the level of Assessment set by the Board shall be final and binding so long as it is made in good faith. If the sums collected prove inadequate for any reason, including nonpayment of any individual Assessment, the Association may at any time, and from time to time, levy further Assessments in the same manner as aforesaid. All such regular Assessments shall be due and payable to the Association at the beginning of the fiscal year or during the fiscal year in equal monthly installments on or before the first day of each month, or in such other manner as the Board may designate in its sole and absolute discretion. In no event shall the regular Assessment per Tract for the year 2014 exceed the sum of $500.00. Thereafter, the regular Assessment permitted hereunder shall not be increased by more than ten percent per year, unless such increase is approved by Owners entitled to cast two-thirds of all votes of the Association. However, if any Owner owns more than one Tract in the Subdivision, such Owner shall pay only twice the Assessment of one Tract no matter how many Tracts are owned.

6.4 Special Assessments. In addition to the Annual Assessments provided for herein, the Association shall have the right to levy special assessments ("Special Assessments") against only Class A Members of the Association to provide for capital improvements and needed maintenance of Common Areas provided that such Special Assessments shall be approved by the Class A Members of the Association in accordance with the terms of this Section 6.4. Any Special Assessment shall require approval of fifty percent or more of all Class A Members voting personally or through proxy, absentee ballot or electronic ballot at an annual or special meeting of the membership of the Association and with prior notice of the proposed assessment. Special Assessments are intended to be non-reoccurring assessments to cover extraordinary matters

6.5 Owner's Personal Obligation for Payment of Assessments. All Assessments provided for herein shall be the personal and individual debt of the Owner of the Tract covered by such Assessments. No Owner may exempt himself from liability for such Assessments. In the event of default in the payment of any such Assessment, the Owner of the Tract shall be obligated to pay interest on the amount of the Assessment from the due date at a percentage rate of six percent per annum, together with all costs, and expenses of collection, including reasonable attorney's fees and a late fee not exceeding $100.00 for each instance in which the Association shall file of record a notice of lien, notice of unpaid Assessment, or similar instrument documenting an Owner's delinquency in payment of any Assessment due the Association. As elsewhere herein provided, the Association is also empowered to assess fines against Owners for continued violation of the terms of this Declaration. All sums due the Association, whether for Assessments, interest, fines, or attorney's fees, shall be and are hereby made subject to a lien in favor of the Association.

6.6 Creation of Lien and Personal Obligation. In order to secure the payment of the Assessments, fines, and other sums due the Association by an Owner, each Owner of a Tract in the Subdivision, by such party's acceptance of a deed thereto, hereby grants to the Association a contractual lien on such Tract which may be foreclosed on by non-judicial foreclosure,

pursuant to the provisions of Section 51.002 of the Texas Property Code (and any successor statute); and each such Owner hereby expressly grants the Association a power of sale in connection with such statute; provided, however, that prior to conducting any such foreclosure the Association shall obtain an order granting expedited foreclosure from a court of competent jurisdiction, as required by Section 209.0092, Texas Property Code. The Association shall, whenever it proceeds with non-judicial foreclosure pursuant to the provisions of Section 51.002 of the Texas Property Code and said power of sale, designate in writing a Trustee to post or cause to be posted all required notices of such foreclosure sale and to conduct such foreclosure sale. The Trustee may be changed at any time and from time to time by the Association by means of written instrument executed by the President or any Vice-President of the Association and filed for record in the Official Public Records of Real Property of Gillespie County, Texas. In the event that the Association has determined to non-judicially foreclose the lien pursuant to the provisions of said Section 51.002 of the Texas Property Code and to exercise the power of sale hereby granted, the Association, or the Association's agent, shall give notice of foreclosure sale as provided by the Texas Property Code as then amended. Upon request by Association, the Trustee shall give any further notice of foreclosure sale as may be required by the Texas Property Code as then amended, and shall convey such Tract to the highest bidder for cash by the Special Warranty Deed. Out of the proceeds of such sale, if any, there shall first be paid all expenses incurred by the Association in connection with such default, including reasonable attorney's fees and a reasonable trustee's fee; second, from such proceeds there shall be paid to the Association an amount equal to the amount in default; and third, the remaining balance shall be paid to inferior lien holders as the Tract foreclosed on, and then to such Owner.

Following any such foreclosure, each occupant of any such Tract foreclosed on and each occupant of any Improvements thereon shall be deemed to be a tenant at sufferance and may be removed from possession by any and all lawful means, including a judgment for possession obtained through an eviction lawsuit.

In the event of non-payment by any Owner of any Assessments or other sum due the Association under the terms of this Declaration, the Association may, in addition to foreclosing the lien and exercising the remedies provided, upon ten days prior written notice to such non-paying Owner, exercise all other rights and remedies available at law or in equity.

It is the intent of the provisions of this Section 6.6 to comply with the provisions of Section 51.002, Texas Property Code, relating to non-judicial sales by power of sale and, in the event of the amendment of Section 51.002, Texas Property Code, hereafter, the President or any Vice-President of the Association, acting without joinder of any other Owner or mortgagee or other person may, by amendment to this Declaration file in the Official Public Records of Real Property of Gillespie County, Texas, amend the provisions hereof so as to comply with said amendments to Section 51.002, Texas Property Code.

6.7 Notice of Lien. In addition to the right of the Association to enforce collection of Assessments and other sums due the Association by an Owner, the Association may file a notice of lien or notice of unpaid Assessments against the Tract of the delinquent Owner by recording an instrument ("Notice of Lien", whether or not so styled in the instrument recorded) setting forth (a) the amount of the claim of delinquency, (b) the interest thereon, (c) the costs of collection which have accrued thereon, (d) the legal description and address of the Tract against which the lien is claimed and (e) the name of the Owner thereof. Such Notice of Lien shall be signed and acknowledged by an officer of the Association or other duly authorized agent of the Association. The lien of the Association for all sums due it shall be effective whether or not a Notice of Lien shall be filed and shall continue until the amounts secured hereby and all subsequently accruing amounts are fully paid or otherwise satisfied. When all amounts claimed under the Notice of Lien and all other costs and assessments which may have accrued subsequent to the filing of the Notice of Lien have been fully paid or satisfied, the Association

shall execute and record a notice releasing the lien upon payment by the Owner of a reasonable fee as fixed by the Board of Directors to cover the preparation and recordation of such release of lien instrument.

6.8 Liens Subordinate to Mortgages. The lien described in this Article VI shall be deemed subordinate to all valid liens of any bank, insurance company, savings and loan association, university, pension and profit sharing trusts or plans, or any other third party lender, including Declarant, which may lend money in good faith for the purchase or improvement of any Tract or for a home equity or other valid loan, and for any renewal, extension, rearrangement or refinancing thereof. Each Mortgagee of a mortgage encumbering a Tract for which the liens of this Declaration shall be subordinate and who obtains title to such Tract pursuant to the remedies provided in the deed of trust or mortgage or by judicial foreclosure shall take title to the Tract free and clear of any claims for unpaid Assessments or other charges subject to lien against such Tract which accrued prior to the time such holder acquired title to such Tract. No such sale or transfer shall relieve such holder from liability for any Assessments or other charges thereafter becoming due or from the lien thereof. Any other sale or transfer of a Tract shall not affect the Association's lien for Assessments or other charges. The Association shall make a good faith effort to give each such Mortgagee sixty days advance written notice of the Association's proposed foreclosure of lien described in Section 6.6 hereof, which notice shall be sent the nearest office of such Mortgagee by prepaid United States registered or certified mail, return receipt requested, and shall contain a statement of delinquent Assessments or other charges upon which the proposed action is based, provided, however, the Association's failure to give such notice shall not impair or invalidate any foreclosure conducted by the Association pursuant to the provisions of this Article VI.

ARTICLE VII
EASEMENTS

7.1 Reserved Easements. The Property shall be used and enjoyed subject to (a) an easement for utilities hereby reserved to Declarant, its successors and assigns, twenty feet in width along all Tract boundaries, for the installation, removal, repair, replacement, inspection and maintenance of all utilities within the Property, (b) all, if any, dedications, limitations, restrictions and reservations shown on any Plat, (c) all easements, rights-of-way, restrictions or other rights reserved or granted in any deed by Declarant conveying a Tract, and (d) all other easements and reservations of this Declaration, including, without limitation, those set forth in Section 7.2, below.

7.2 Installation and Maintenance of Utilities and Facilities. In addition to any utility or other easements reserved by Declarant in any conveyance deed, Declarant reserves unto itself, the Association, easement owners, and utility suppliers, a right of ingress or egress across, over, and under the Properties for the purpose of installing, replacing, repairing, and maintaining all facilities for utilities, including, but not limited to, water, sewer, telephone, cable television, electricity, gas, and appurtenances thereto, and to install, repair, correct, replace, or maintain all, if any, landscaping and improvements within the Common Area as Declarant may determine appropriate. Neither Declarant, the Association, nor any member of the Architectural Control Committee shall be liable for any damage done by any utility company or their assigns, agents, employees or servants, using any easements now or hereafter in existence, whether located on, in, under or through the Properties, to fences, shrubbery, trees or flowers or other Improvement now or hereinafter situated on, in, under, or through the Properties. No provision hereof related to

placement or nature of structures or conditions on a Tract, nor the approval thereof, express or implied, by the Declarant or the Committee, shall affect the rights of easement owners nor enlarge the rights of Tract Owners with regard to the construction or maintenance of Improvements or conditions within an easement area. By virtue of this Section 7.2, it shall be expressly permissible for the utility companies and other entities supplying utility services to the Property to install, maintain, remove and move all pipes, wires, conduits, service lines or other utility facilities or appurtenances thereto, on, above, across and under the Property, within the utility easements from time to time existing and from service lines situated within such easements to the point of service on or in any Improvement. Notwithstanding any provision contained in this section, no sewer, electrical lines, water lines or other utilities or appurtenances thereto may be relocated on the Property until approved by Declarant or the Architectural Control Committee. Declarant and utility suppliers shall additionally have the right to clear vegetation and trim overhanging trees and shrubs located on portions of the Property abutting such easements which may threaten or endanger utility lines.

7.3 Drainage Easements and Related Obligations. Conveyance of Tracts may be subject to drainage easements and each Owner covenants to abide fully with the terms thereof to ensure the free flow of surface waters within and across the Property. No Improvements shall be erected or maintained within any drainage easement, or other action taken or other condition permitted to persist, which might tend to divert, increase, accelerate or impede the natural flow of water over and across such easements without the express approval in writing of the Architectural Control Committee and the Gillespie County Engineer's Office. In addition to the foregoing prohibitions, no Owner or occupant of a Tract may erect or maintain any Improvement or condition which adversely affects or alters the flow of surface water drainage onto another Tract, whether or not such Improvement or condition shall be within a drainage easement.

Declarant and the Association shall have a right of entry onto every Tract for the purpose of removing any condition which violates the terms of this Section 7.3 but neither Declarant nor the Association shall have any affirmative duty police, control or enforce such provisions.

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

7.5 Title to Easement and Appurtenances Not Covered. Title to any Tract conveyed by Declarant by contract, deed or other conveyance shall not be held or construed to include the title to any roadways, Greenbelt, Amenity Area, or other Common Area, nor to any drainage, water, gas, sewer, storm sewer, electrical light, electrical power, telegraph or telephone way, or any pipes, lines poles or conduits on or in any utility facility or appurtenances thereto, constructed by or under Declarant or its agents through, along or upon any Tract or any part thereof to serve said Tract or any other portion of the Property, and the right to maintain, repair, sell, or lease such appurtenances to any municipality or other governmental agency or to any public service corporation or to any other party is hereby expressly reserved by Declarant.

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

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

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

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

(D) The right of the Association to make reasonable rules and regulations regarding the use of the Common Areas and any facilities thereon;

(E) The right of the Association to charge reasonable fees for use of the Common Area, and/or to set aside use of the Common Area (other than the private road) for the exclusive use of specific individuals and/or groups of individuals; and,

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

ARTICLE VIII
MISCELLANEOUS

8.1 Term. This Declaration, including all of the covenants, conditions and restrictions hereof, shall run until January 1, 2046, unless amended as herein provided. After January 1, 2046, this Declaration, including all such covenants, conditions and restrictions shall be automatically extended for successive periods of ten years each, unless amended or extinguished by a vote of Owners entitled to cast sixty-seven percent of all votes of the Association.

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

8.3 Amendment.

(A) By Declarant. This Declaration or any Supplemental Declaration may be amended by the Declarant acting alone until Declarant no longer owns any part of the Property. No amendment by Declarant after August 1, 2009, shall be effective until there has been recorded in the Official Public Records of Real Property of Gillespie County, Texas, an instrument approved and executed and acknowledged by Declarant and setting forth the amendment. Notwithstanding the foregoing, Declarant, acting alone, may amend this

Declaration at any time (i) to correct clerical errors or inconsistencies and typographical and grammatical errors, and (ii) in order to comply with VA or FHA requirements for approval of the Property.

(B) By Owners. In addition to the method in Section 8.3(A), this Declaration may be amended by the recording in the Official Public Records of Real Property of Gillespie County, Texas, an instrument approved and executed and acknowledged by the President and Secretary of the Association, setting forth the amendment and certifying that such amendment has been approved by Owners entitled to cast at least sixty-seven percent of the number of votes to be cast pursuant to Section 4.3 hereof.

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

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

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

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

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

8.9 Enforcement and Nonwaiver.

(A) Right of Enforcement. Except as otherwise provided herein, any Owner at his own expense, Declarant and/or the Association shall have the right to enforce all of the provisions of The Ranches at Crabapple Springs Restrictions (except for collection of Assessments, which shall be the sole right of the Association). Such right of enforcement shall include both damages for, and injunctive relief against, the breach of any such provision. In

addition, the Association may enforce this Declaration (1) through the imposition of fines not to exceed $100.00 per day per violation, (2) by entering any Tract and doing anything that is the obligation of the Owner of that Tract, (3) by suspending the right of any person to enter or use Common Areas, and/or (4) through the filing of a Notice of Violation in the Official Public Records of Real Property of Gillespie County, Texas. Before the Association may file suit (other than a suit for non-payment of assessments, or a suit seeking a temporary restraining order and/or a temporary injunction), suspend rights to use Common Area or impose fines, the Association shall comply with the notice and hearing requirements of Section 209.006, Texas Property Code, as then in effect.

(B) Nonwaiver. The failure to enforce any provision of The Ranches at Crabapple Springs Restrictions at any time shall not constitute a waiver of the right thereafter to enforce any such provision or any other provision of said restrictions.

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

8.10 Construction.

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

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

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

IN WITNESS WHEREOF, Declarant has executed this Declaration as of this the 12th day of May, 2014.

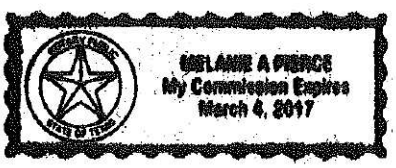
CRABAPPLE PARTNERS, LLC,
a Texas limited liability company,
acting by and through its member,
B&G DEVELOPMENT PARTNERS, LLC,
a Texas limited liability company

By: _____
J. L. GUERRA, JR., Member

THE STATE OF TEXAS *

COUNTY OF BEXAR *

This instrument was acknowledged before me on this the 12th day of May, 2014, by J. L. GUERRA, JR., Member of B&G Development Partners, LLC, member of Crabapple Partners, LLC, in the capacity therein stated, on behalf of said Crabapple Partners, LLC.



Melanie A. Pierce
NOTARY PUBLIC, STATE OF TEXAS

OWNER'S CONSENT

B&G Development Partners, LLC, owner of a portion of the Property (as defined above), hereby consents to the adoption of imposition of this Declaration on said Property, as reflected by the signature of its authorized representative below.

B&G Development Partners, LLC,
a Texas limited liability company

By: J. L. GUERRA, JR., Member

THE STATE OF TEXAS *

COUNTY OF BEXAR *

This instrument was acknowledged before me on this the 12th day of May, 2014, by J. L. GUERRA, JR., Member of B&G Development Partners, LLC, in the capacity therein stated, on behalf of said B&G Development Partners, LLC.

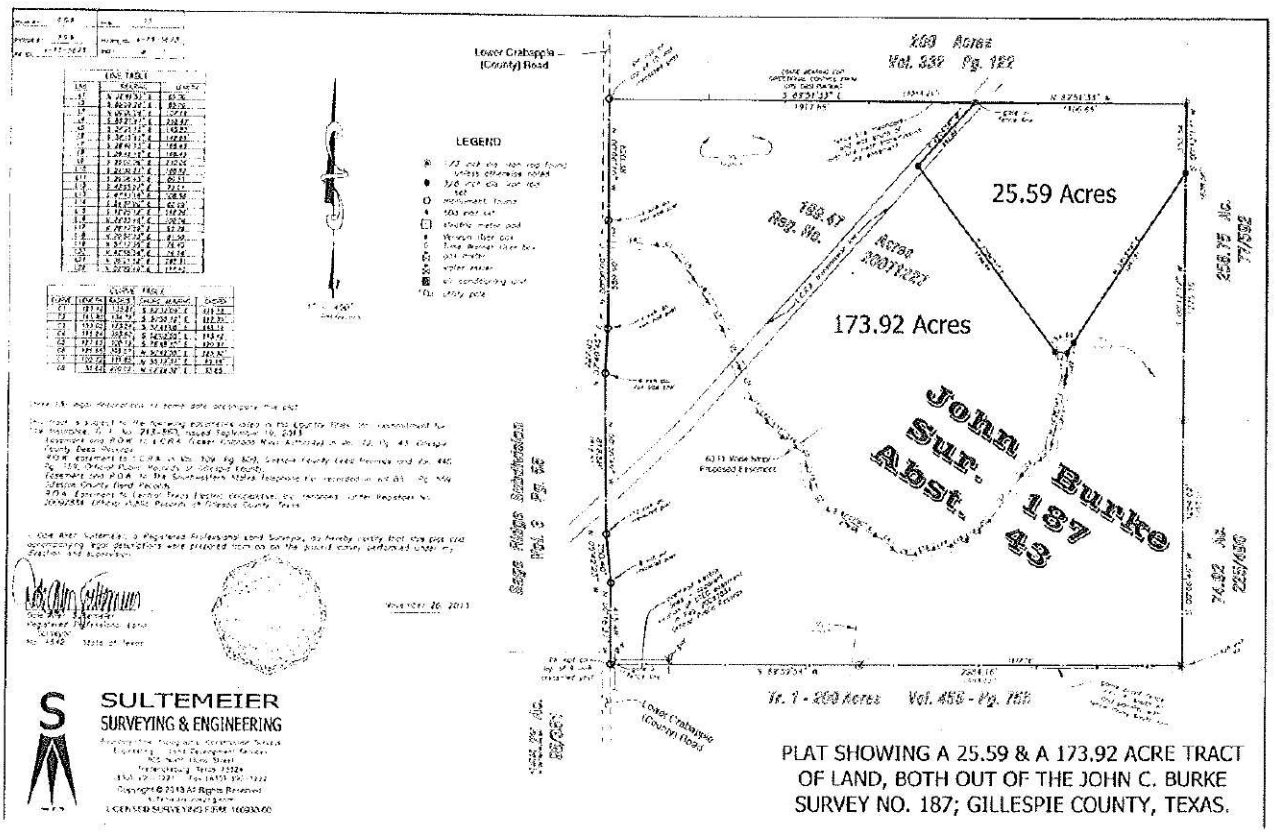
Melanie A. Pierce
NOTARY PUBLIC, STATE OF TEXAS



AFTER RECORDING RETURN TO:
Crabapple Partners, LLC
Attn: Mr. J. L. Guerra, Jr.
16607 Blanco Road, Suite 707
San Antonio, Texas 78232

3470 157/1156197v2A

Exhibit A



PLAT SHOWING A 25.59 & A 173.92 ACRE TRACT OF LAND, BOTH OUT OF THE JOHN C. BURKE SURVEY NO. 187; GILLESPIE COUNTY, TEXAS.

Exhibit B

Crabapple Springs

