

AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS OF BLUEBONNET RIDGE

NOTICE TO PURCHASERS:

BLUBONNET RIDGE IS A RESTRICTED COMMUNITY. THIS DOCUMENT AFFECTS YOUR RIGHT TO USE THE PROPERTY THAT YOU ARE PURCHASING. BY PURCHASING PROPERTY IN BLUEBONNET RIDGE, YOU ARE BOUND BY THIS DOCUMENT, INCLUDING ANY DESIGN GUIDELINES NOW OR HEREAFTER ADOPTED, THE BYLAWS RELATED TO THE ASSOCIATION, AND THE RULES AND REGULATIONS, IF ANY, ALL OF WHICH ARE INCORPORATED HEREIN BY REFERENCE AS IF SET FORTH AT LENGTH.

This Declaration of Covenants, Conditions, Restrictions, and Easements ("Declaration" or CCRs) is made, entered into, and effective upon it being recorded in the Official Public Records of Parker County, Texas ("OPRPCT") by Pointe Claire LLC., a Texas limited liability company ("Declarant")

RECITALS

WHEREAS, Declarant is the developer of land in Parker County, Texas as described in the plats described as follows:

Blue Bonnet Ridge, Phase I, an Addition to Parker County, Texas, according to the Plat thereof recorded on March 9, 2020 in Cabinet E, Slide 483 (Document Number 202006395) Plat Records, Parker County, Texas; Blue Bonnet Ridge, Phase I, an Addition to Parker County, Texas, according to the Plat thereof recorded on April 23, 2021 in Cabinet E, Slide 728 (Document Number 202115919), Plat Records Parker County, Texas; Blue Bonnet Ridge, Phase II, an addition to Parker County, Texas, according to the Plat thereof recorded on June 28, 2021 in Cabinet E, Slide 795 (Document Number 202125466), Plat Records, Parker County, Texas; Blue Bonnet Ridge, Phase III, an addition to Parker County, Texas, according to the Plat thereof recorded on January 11, 2022 in Cabinet E, Slide 138 (Document Number 202201230), Plat Records, Parker County, Texas; and Blue Bonnet Ridge, Phase III, an addition to Parker County, Texas, according to the Plat thereof recorded on January 24, 2022 in Cabinet F, Slide 149 (Document Number 202202945), Plat Records, Parker County, Texas (collectively, the "Plats");

WHEREAS, Declarant recorded the "Declaration of Covenants, Conditions and Restrictions for Bluebonnet Ridge on June 25, 2020 as Document Number 202018470 (the "Original CCRs)");

WHEREAS, Declarant recorded the "First Amendment to Declaration of Covenants, Conditions and Restrictions for Bluebonnet Ridge Parker County, Texas" on February 15, 2022 as Document Number 20225900 (the "First Amended CCRs)"); and

WHEREAS, the Original CCRs provide that so long as Declarant owns at least one (1) Lot that Declarant shall have the right to amend this the Original CCRs and the First Amended CCRs did not alter this provision; and

WHEREAS, as reflected in the OPRPCT, Declarant owns at least one (1) Lot in the Property; and

WHEREAS, the Plats of the Property has subdivided the Property into Lots and the Property is commonly known as "Bluebonnet Ridge," and Bluebonnet Ridge has and is to be developed by Declarant as a quiet, high quality, single family, residential community.

WHEREAS, it is the intent of the Declarant that all homes and other improvements in Bluebonnet Ridge shall be compatible with all other homes and improvements in the community, that they be in harmony with their natural surroundings, and that the agricultural and wildlife conservation uses of the land be continued and enhanced as appropriate and consistent with the terms hereof;

WHEREAS, Declarant desires to amend and restate the Original Declaration and the First Amended Declaration upon and against the Property in order establish a uniform plan for its development and improvements, and to ensure the reservation of such uniform plan for the benefit of the present and future Owners of Lots in the Property as well as the preservation of the Property's values;

WHEREAS, upon the effective date of this Declaration, the Original Declaration and the First Amended Declaration shall be null and void and they shall be replaced with this Declaration, and all of the Property in the Subdivision shall be held, sold, and conveyed subject to this Declaration and the attached Exhibits;

NOW THEREFORE, Declarant hereby adopts, establishes, and imposes upon the Property the following restrictions, easements, covenants, conditions, stipulations, reservations, charges, assessments, and liens, which will run with the land and title and/or interest therein, or any part thereof, and will insure to the benefit of each Owner owning a Lot in the Property, whether or not set out or incorporated by reference in any deed or other instrument of conveyance.

ARTICLE 1 **DEFINITIONS**

1.1 Specific Definitions: The following words when used in this Declaration, or any supplemental or amendment thereto, shall have the following meanings:

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

"Assessment" means a Regular Assessment and/or Special Assessment, or other amount an Owner is required to pay to the Association (including any fines levied against an Owner) under this Declaration or other Governing Documents described herein.

“Association” shall mean the “Bluebonnet HOA” formed by Declarant as a Texas non-profit corporation to act as a “property owners’ association” as defined in Section 209.002(7) of the Texas Property Code. Each Owner of a Lot is automatically a Member of the Association, and such membership is mandatory for each Owner and appurtenant to the Lot.

“Board” means the Board of Directors of the Association.

“Building Code” shall mean the applicable municipal building code and all other applicable statutory codes and ordinances related to residential construction, and if there is no applicable building code for the Property, the most current International Residential Code promulgated, as amended, supplemented, or replaced from time to time.?

“Bylaws” shall mean the Bylaws of the Association, as supplemented or amended from time to time, and recorded in the OPRPCT.

“Common Properties” shall mean the common mailbox and entry monument located on Phase 1, Lot 49 and the entry monument located on Phase 1, Lot 1 pursuant to Section 9.2, as well as the landscaping thereof, and including all lighting, wiring, equipment, accessories, and machinery used in the operation or maintenance of any of such Common Properties and any additions to or replacements of such Common Properties. The Common Properties are owned by the Association.

“Declarant” shall mean Pointe Claire LLC., a Texas limited liability company and its assigns, if any, but shall not ever include the Association.

“Declaration” shall mean this Amended and Restated Declaration of Covenants, Conditions, Restrictions, and Easements, as amended or supplemented from time to time.

“Development Period” means the period stated herein wherein Declarant reserves: (a) a right to facilitate the development, construction and marketing of the subdivision, or (b) a right to direct the size, shape, and composition of the subdivision.

“Design Guidelines” shall mean the Design Guidelines which have been promulgated and published by the ARC, and as they may be as amended from time to time, as described in section 2.10 hereof.

“Governing Documents” shall mean this Declaration, the Bylaws, the Design Guidelines, and any Rules and Regulations.

“Initial Owner” shall mean the first purchaser from Declarant of each Lot.

“Lot” refers to each tract of land designated as a Lot on any of the Plats, including any improvements thereon, but excluding the Common Properties. Certain Lots contain Well Sites as reflected in the records of the Railroad Commission of Texas.

“Lots” mean any two or more such Lots.

“Member” refers to every Owner who holds membership in the Association by virtue of ownership of a Lot.

“Owner” shall mean the record Owner, whether one or more persons or entities, of fee simple title to any Lot; provided however, no mortgagee shall be considered an Owner unless and until the mortgagee has foreclosed on a Lot or been conveyed the Lot by an Owner mortgagor.

“Pipeline Easements” shall mean collectively the easement shown on the Plats or elsewhere for pipelines, constructed or to be constructed, for the purpose of transporting natural gas and other liquid or gaseous hydrocarbons. In the event the Plats do not show easements for oil and gas pipelines at the time of public recording of this Declaration it is contemplated that Declarant will amend this Declaration at a later date to include a description of said easements.

“Property” shall mean all of the Lots described in the Plats.

“Bluebonnet Ridge” shall mean the Bluebonnet Ridge Estates as established by the Plats and this Declaration.

“Residence” means a detached building designed for and used as a dwelling by a Single Family and constructed on a Lot. Should a Residence be built on more than one (1) Lot as reflected on the Plats, or any amendments thereto by Declarant, notwithstanding anything herein, the Owner of said Residence shall be entitled to only one (1) vote in any vote by the Members of the Association.

“Restrictions” means the covenants, conditions, and restrictions contained in this Declaration.

“Roads” means collectively the streets and roads within the Property.

“Rules and Regulations” means any and all rules and regulations promulgated by the Declarant or the Board, as amended from time to time, as described herein. The Rules and Regulations may, at the discretion of the Declarant or the Board, be incorporated into and made a part of the Design Guidelines.

“Single Family” means an individual or group of individuals related by blood, adoption, marriage, or no more than two (2) unrelated persons living together as a single housekeeping unit, together with any household servants.

“Structure” means any improvement (other than a Residence) on a Lot, including a sidewalk, driveway, fence, wall, tennis court, swimming pool, or recreational equipment.

“Subdivision” shall have the same meaning as “Property.”

“Transfer Fee” means a fee or charge payable for a change of ownership entered in the records of the Association and to be utilized by the Association as determined by a majority of the

Board. For the sale of any Residence that closes after the effective date of this Declaration, the Transfer Fee shall be two hundred and fifty dollars (\$250.00), and thereafter, the amount of the Transfer Fee may be increased or decreased by the affirmative vote of a majority of the Board. The Transfer Fee shall be a cost paid at closing, and if unpaid, shall be a continuing Assessment against the Lot.

“Well Sites” shall mean the locations on certain Lots within the Property where wells and other related equipment to develop or produce oil, gas, and/or other minerals are located. The Lots on which the Well Sites are located are part of the Property.

1.2 Other Definitions. Other terms are defined in other sections of this Declaration and those terms are incorporated herein by this reference.

ARTICLE 2

ARCHITECTURAL REVIEW

2.1. Architectural Review Committee. In order to protect the overall integrity of the development of the Property as well as the value of the improvements of all Owners, a committee of representatives designed as the Architectural Review Committee is hereby established to carry out all duties as noted herein with full authority to approve, disapprove, and monitor all construction, development, and improvement activities of any kind within the Property and to help ensure that all such activities are in accordance with the Restrictions, the Design Guidelines, and architecturally and aesthetically designed to be compatible with the Declarant’s conceptual plan for the overall Property. At the discretion of the Board, the duties of the ARC may be delegated in whole or in part to a third-party representative of the ARC who need not to be an Owner or member of the Board.

2.2 Plans and Specifications to ARC. (a) No Residence, garage, outbuilding, fence, storage tank, Structure, or improvement of any kind shall be erected, placed, constructed, installed, maintained, modified, or altered (including exterior cosmetic alteration such as painting) by any Owner, other than Declarant, nor shall any sitework be commenced by any Owner other than the Declarant, until a complete set of plans and specifications, and the construction contract with the Owner’s builder shall have been formally submitted to the ARC with a written request for approval and the ARC’s written approval received. Plans and specifications which are submitted shall contain and include, but not necessarily be limited to, all the following information (collectively the “Plans”): floor plans, including finish floor and ground elevations; foundation plans; exterior elevations for any Residence, garage, or building; a plat or site plan showing the proposed location of any such improvements and all utilities thereto; exterior lighting and location; samples of exterior finish materials and color samples; and any other plans, specifications, or information deemed pertinent by the ARC, including but not limited to, all matters required by the Design Guidelines. Declarant may commence construction of any improvements without the approval of the ARC. The architectural and aesthetic style of the improvements shall harmonize as much as may be responsible and practicable with each other and with the heritage and historical architecture of the area. Landscaping generally shall be in harmony with a natural occurring flora of the area using native or native hybrid plants as much as is practicable.

2.3 ARC Review. The ARC shall review all Plans submitted for compliance with all the requirements of the Restrictions and the Design Guidelines and for the compatibility of the proposed improvements with the architectural and aesthetic goals of the Property and Declarant. Each Owner may be required to pay certain fees to the ARC to reimburse the ARC for the cost of its Plan review as provided in the Design Guidelines. The ARC shall have full right and authority to utilize its sole discretion in approving or disapproving any Plans which are submitted.

2.4 ARC Discretion to Approve or Disapprove. The ARC will approve or disapprove of Plans in accordance with this Declaration and the Design Guideline. Approval may be withheld if the construction or architectural design of any improvement is deemed, on any grounds, including purely aesthetic grounds, necessary to protect the continuity of design or value of the Property, or to preserve the serenity and natural beauty of any surroundings. Prior approval or disapprovals of the ARC pertaining to any improvement activities or regarding matters of design of aesthetics shall not be deemed binding upon the ARC for later requests for approval if the ARC feels that the repetition of such matters will have an adverse effect on the Property. The ARC shall have the express power to construe and interpret any covenant herein that may be capable of more than one construction, and to grant variances for certain requirements when, in its discretion, it is appropriate to do so (but no variance will be effective unless in writing and signed by the ARC). All approvals or disapprovals by the ARC are for the sole benefit of the Association and the respective Owner to whom that approval or disapproval is addressed, and no other Owner or any third-party is or shall be deemed to be a third-party beneficiary of such approval or disapproval.

2.5 Failure of ARC to Respond. In the event the ARC fails to approve submitted Plans within thirty (30) days after submission, the applicant shall give the ARC written notice of its failure to respond. Unless the ARC responds within ten (10) days of receipt of such notice, approval will be deemed granted.

2.6 ARC Right to Inspect. During reasonable hours and, if the Residence is occupied, after reasonable advance notice, Declarant, members of the ARC, any member of the Board, or any authorized representative of any of them, shall have the right (but not the obligation) to enter upon and inspect any Lot, and any Structure thereon, for the purpose of ascertaining whether or not the provisions of this Declaration have been or are being complied with, and said persons shall not be deemed guilty of trespass by reason of such entry. All inspections by the ARC are for the sole benefit of the Association and no individual Owner or any third-party is or shall be deemed to be a third-party beneficiary of such inspections.

2.7 ARC Variances. The ARC may grant variations from compliance with any provision of these Restrictions when, in its opinion and in its sole and absolute discretion, such variance will not impair or detract from the high-quality development of the Property. All variances must be in writing to be enforceable. The granting of a variance shall not operate to waive, modify, or amend any provision of this Declaration. A granted variance applies only to the particular Lot and matter covered by the variance, and such variance shall not be considered to establish a precedent for future waiver, modification, or amendment of the provisions of this Declaration.

2.8 ARC Decision and Appeal. The ARC shall have the authority to employ professional consultants at the expense of the Association to assist it in performance of his duties. As long as Declarant owns one (1) Lot, the decisions of the ARC shall be final, conclusive, and binding upon all parties other than Declarant and the Board; however, thereafter a decision by the ARC denying an application or request by an Owner for the construction of improvements on a Lot may be appealed to the Board as provided by Chapter 209 of the Texas Property Code.

2.9 No Liability. Neither the ARC, its members, Declarant, nor the Board shall be liable to any person (including Owners and builders) for any damages arising out of or related to their acts or omissions as set forth in this Article III, except in the case of gross negligence or willful misconduct. Neither the ARC, its members, Declarant, nor the Board shall be deemed to have made any warranty or representation to any Owner, builder, or other third-party about any matter whatsoever arising out of any approvals or inspections. Without limiting the foregoing, it is expressly agreed that no approval of Plans by the ARC and no construction inspection approval shall be deemed a representation or warranty by the ARC that any Residence has been or will be compelled in a good and working manner or in compliance with this Declaration or the Design Guidelines. No discretionary acts by the ARC (such as approval or disapproval of Plans) shall give rise to any liability of the ARC, its members, Declarant, or the Board.

2.10 Number of ARC Members. The number and identity of the initial ARC members shall be decided by Declarant. So long as Declarant owns at least (1) Lot, in the event of the death or resignation of any member of the ARC, Declarant shall have full power and authority to appoint a successor committee member or members, chosen in its sole discretion, with like authority. When Declarant no longer owns at least one (1) Lot, or when Declarant has otherwise elected to cede control of the Association to the Members, the Board shall appoint the members of the ARC, which shall consist of at least three (3) but no more than five (5) members, but may not be members of the Board.

2.11 Design Guidelines. The ARC has promulgated and published the Design Guidelines. The Design Guidelines, as amended from time to time, shall be incorporated into this Declaration by this reference. A copy of the Design Guidelines will be furnished to any Owner upon request. The Design Guidelines will supplement the Declaration and may make other and further provisions as relating to the appearance, design, quality, and construction of improvements. The Design Guidelines may be more restrictive than the Restrictions. The Design Guidelines may be amended from time to time by the Association upon the affirmative vote of sixty-seven percent (67%) of the Members. The Design Guidelines may include or incorporate any Rules and Regulations promulgated by Declarant or the Board.

2.12 Most Restrictive Instrument Applies. To the extent of any conflict between this Declaration, the Design Guidelines, or the Plats, the most restrictive instrument shall control. Accordingly, each Owner must obtain and study all three (3) instruments and provide them to their architect, builders, contractors, and other appropriate parties prior to purchasing a Lot or commencing the construction of any improvements thereon.

ARTICLE 3
GENERAL RESTRICTIONS

3.1 Single Family Residential Uses Only. (a) No part of a Lot, or improvements thereon, shall be used for any purpose other than one Residence on each Lot and certain accessory improvements, to the extent accessory improvements are specifically authorized elsewhere in this Declaration. It is the intent of Declarant that Bluebonnet Ridge be a community comprised solely of Single Family Residences. The construction of any duplex, triplex, quadplex apartment house, or other multi-tenant building is expressly prohibited. No garage may be used as living quarters, and no garage apartment for rental purposes will be permitted. No rooms may be rented to third-parties not included in the definition of Single Family.

3.2 No Commercial Use. An Owner may maintain an office in a Residence for business purposes so long as, (a) the business does not involve any employee, customer, client, coworker, or other party being present at the Residence, and (b) there is no outward sign or other visible evidence of the business on the Lot. No other business or commercial activity of any kind shall be conducted on a Lot, whether for profit or nonprofit. Private orchards and gardens shall not be deemed to be commercial or business activity. No business or hobby may be conducted on any Lot which attracts vehicular or pedestrian traffic to the Lot. No garage sales, yard sales, patio sales, sample sales, promotional parties, or similar activities shall be conducted on any Lot.

3.3 Lease Restrictions. A Residence may be leased for a period of no less than (1) year. All leases must be in writing and a copy of the lease delivered to the Association within ten (10) days after its execution. All tenants shall be bound by the Restrictions, but the lease of the Residence shall not discharge the Owner from compliance with any of the obligations and duties of the Owner. All leases shall make reference to the Restrictions and Owners shall provide tenants with a copy of this Declaration. All Leases shall be subject to this Declaration and the other documents of the Association, regardless of whether the lease make specific reference to them or whether the Owner delivers this Declaration to the tenant.

3.4 No Mobile Homes. Except as otherwise specifically set forth herein, no mobile home, trailer home, manufactured home, modular home (single or double wide), or pre-fabricated home of any kind whether or not it has wheels or the wheels have been removed, shall be allowed on any Lot.

3.5 No Temporary Structures. (a) Except for the benefit of the Declarant or as otherwise allowed herein, no Structure of a temporary character (whether trailer, tent, shack, etc.) shall be used on any Lot at any time for storage or as an office or Residence, either temporary or permanently; provided, however, with the prior ARC approval, a job site trailer may be placed in the Lot during construction of the Residence thereon.

3.6 No Subdividing. No Lot may be subdivided at any time by any Owner other than the Declarant, and no Owner other than Declarant may sell or transfer less than 100% of any Lot (other than the sale or transfer of an undivided interest in an entire Lot to a Single Family member).

3.7 Parking. All vehicles belonging to Owners, tenants, or guest must be parked in the Owner's driveway, garage, or other ARC approved parking area overnight. No tractor trailer rigs and/or their trailers may be parked on any part of the Property. No more than (2) vehicles bearing commercial insignia or names shall be parked on any Lot, and then only if the vehicle is utilized by the Owner as transportation to and from the Owner's place of employment. No vehicle of any size which transports flammable or explosive cargo may be kept on a Lot at any time other than the temporary parking of a properly licensed fuel truck that dispenses propane in the Owner's approved on-site propane tank. No travel trailer, motor home, camper, boat, aircraft, recreational vehicle, motorcycle, ATV or truck larger than (1) ton or similar vehicle or trailers shall be parked overnight in front of any Residence. No such vehicles or trailers that are stripped down, wrecked, junked, or inoperable shall be kept, parked, stored or maintained on any Lot unless in an enclosed Structure or in a screened area which prevents the view thereof from any other Lot or the Road. The ARC shall have the absolute authority to determine from time to time whether a vehicle is operable, and if not, adequately screened from public view. Upon an adverse determination by the ARC the vehicle shall be removed or otherwise brought into compliance with these Restrictions.

3.8 No Drilling Operations by Owners. The minerals under the Property are not owned by Declarant. Declarant, the Association, and the Members acknowledge that the owner(s) of the minerals related to the Property, as the owners of the dominant estate, have the right to reasonably use the surface of the Property to develop the minerals while accommodating the then current use; however, to the extent permitted by law, the surface of the Subdivision shall not be utilized for the development of oil, gas, or other minerals, or the operations related thereto. Each Owner understands and agrees that to the extent within an Owner's control, the Owner agrees that the Owner will not agree to oil and/or gas drilling, operations, or development of oil, gas, and other minerals on the Property by existing or future mineral lessees of the mineral owner(s). Each Owner further acknowledges that current drilling or other mineral development is located primarily on the Well Sites and/or within the Pipeline Easements, but neither Declarant nor the Association own the minerals or have control over the development of mineral under the Property now or in the future.

3.8 Trash. (a) No trash, garbage, debris, or other refuse may be burned, stored, disposed of, or allowed to remain upon any Lot or a Road, whether the Lot is vacant or otherwise. No Lot will be used or maintained as a dumping ground for rubbish, rocks, brush, grass clippings, garbage, or trash. Garbage and other waste will be kept in sealed, sanitary containers prior to disposal. Declarant or the Association may, but is not obligated to, contract with a garbage collection service for the pick-up and disposal of all household garbage on the Property, and in the event the Association contracts for the service, the cost thereof will be an expense of the Association, which shall be paid by the Owners through the assessments provided for in this Declaration. Rubbish, trash, garbage, or other waste material to be disposed of shall be placed at all times in an appropriate varmint resistant receptacle. If receptacles are not provided by the garbage selection service with whom the Association or Owner contracts, then each Owner shall be responsible for purchasing and maintaining its own garbage receptacles. Each receptacle must be approved by the Declarant or the Association. No such receptacle shall be placed for collection in a location visible from any Road more than twenty-four (24) hours prior to the scheduled collection time or allowed to remain in a location visible from any Road more than twenty-four (24) hours after the scheduled collection time.

3.9 No Nuisance or Noxious Activity. No noxious or offensive activity shall be carried on upon any Lot or Road by any Owner, worker hired by any Owner, or any Owner's guest or tenant, nor shall anything be done upon any Lot or Road which may be or become an annoyance or nuisance to the neighbors such as, but not limited to, the noise created by the operation of an excessive or unreasonable number of off-road vehicles or motorcycles on a Lot. No junk, railroad cars, buses, or other noxious, offensive, or unsafe equipment or materials may be stored on the Property.

3.10 Animals. Except as specifically set forth in this Section 3.10, no pets or livestock are allowed to run loose and become a nuisance to other Owners. No pets may be raised for sale, and commercial kennels of any kind are expressly prohibited. Hogs, swine, goats, exotic animals, and dangerous pets that pose a safety or health threat to the community shall not be kept on any Lot. Any animal shall be kept in strict accordance with all applicable laws and ordinances in accordance with the rules and regulations of the state. Each Lot may have one (1) horse or one (1) cow, but not both, per acre on the Lot and any variance will have to be approved by the Association. Chickens are allowed but the number has to be approved by the Association. No roosters are allowed. The Owner is responsible for any property damage, injury, or disturbance caused or inflicted by an animal kept on the Owner's Property. The Owner of a Lot on which an animal is kept is deemed to have agreed to defend, indemnify, and hold harmless the Board, Declarant, builders, and the Association from any loss, claim, or liability resulting from any action of the animal or arising by reason of keeping the animal on the Property.

3.11 Lawns. All grass, landscaping, and vegetation on the Lots shall be maintained at regular intervals as needed to maintain a neat and well-maintained appearance up to Subdivision's standards, including keeping the Lot reasonably free of weeds. All landscaping, including lawns and shrubs, shall utilize native plants or hybrids to the extent practicable.

3.12 Signs. An Owner may erect an entrance sign to the Owner's Lot so long as the Owner first seeks and obtains approval of the Plans for such sign from the ARC. Signs are not otherwise allowed on any Lot except as set forth herein. One (1) sign per Lot will be allowed, not more than four square feet, advertising a Lot for sale or lease. Declarant is permitted to use more signs or larger signs and to erect permanent signs at each entrance to the Property. Signs advertising contractors, subcontractors, or suppliers may be authorized by the Design Guidelines. Political signs may be erected upon a Lot by the Owner of the Lot advocating the election of one or more political candidates or the sponsorship of a political party, issue, or proposal provided such signs shall not exceed four feet (4') by six feet (6'), shall be erected no more than ninety (90) days in advance of the election to which they pertain, and are removed within ten (10) days after the election. Declarant or the Association shall have the right to remove any sign that does not comply with the above, and in doing so shall not be subject to any liability in connection with such removal.

3.13 No Adverse Conditions. No Owner or occupant shall construct any improvements or perform any work that will impair any Road, easement, or right-of-way, or do any act or allow any condition to exist which will adversely affect the other Lots or their Owners or Residences.

3.14 Insurance. Each Owner must carry all risk casualty insurance for the full insurable value of the Residence on the Lot. Each Owner must use all insurance proceeds required to properly rebuild in case of a partial loss or damage, or in the case of complete damage, to either rebuild or clear all debris and return the Lot to substantially the natural state as it existed prior to destruction. After a casualty event, reconstruction must be promptly commenced and diligently pursued to completion (and in any event must be completed within eighteen (18) months and if not the Owner shall make payment in the amount as described in section 4.8). No damaged buildings, including the foundation, shall be allowed to remain on any Lot unless they are to be properly repaired or restored. Each Owner must carry homeowner's liability insurance at all times, including prior to the construction of improvements on the Lot.

3.15 Property Taxes. Each Owner shall be responsible for the payment of all ad valorem and other Property taxes owing on the Owner's Lot.

3.16 Underground Utilities. Subject to Section 4.15, all utility lines and other facilities installed by or for any Owner for electricity, water, cable, telephone, sewer, storm sewer, or other utilities must be installed underground, but this provisions are not apply to above ground utilities existing on the date hereof an any replacement thereof by Declarant or those otherwise expressly authorized in writing by the ARC.

3.17 Hunting/Firearms. No hunting may be allowed on any Lot and firearms must be approved by the Association in advance in order to be shot depending on the location of the Lot. Fishing is allowed if your Lot backs up to a tank. and if not, you must have permission from that Lot Owner.

3.18 Fires. Only controlled fires, in compliance with all applicable laws, shall be allowed outdoors on any Lot. All fires must be supervised by an adult at all times, and each Owner bears the sole responsibility and risk of any each fire.

3.19 Fireworks. Unless prohibited by law, fireworks may be discharged on a Lot only on July 4 or December 31 of each year and no later than 11:59 PM. Otherwise, fireworks are prohibited. The use of fireworks must be supervised by an adult, and each Owner bears the sole responsibility and risk of the use of fireworks.

ARTICLE 4

CONSTRUCTION RELATED RESTRICTIONS

4.1 Approved Builders. An Owner of a Lot may choose a builder for this development; however, the Builder must be approved by the ARC and the Builder must approve all plans through the ARC committee. As long as the Declarant owns a Lot, the Declarant may refuse to approve a builder in its sole discretion.

4.2 Minimal Construction Requirements. Each Resident shall have a minimum contiguous interior living area of 2,500 square feet, exclusive of garages, carports, porches, or patios. At least seventy percent (70%) of the exterior of each Residence, exclusive of glass and doors, shall be in masonry materials approved by the ARC. All exterior construction shall be of

new materials and shall be natural or ARC approved natural appearing materials. No Residence or other Structure will exceed two (2) stories in height unless approved by the ARC due to unusual topography. Each Resident shall have a garage capable of housing at least two (2) vehicles. One carport may be constructed in addition to the garage so long as Owner first seeks and obtains approval of the plans for such a carport from the ARC. Carports and garages shall be constructed so that they do not face the Roads. Construction materials having a life of less than twenty (25) years, as determined by the ARC, shall not be utilized in the construction of any improvement on a Lot. Roofing shall be either slate, tile, factory treated fire retardant wood, metal, or dimensional composition shingles as may be specified in the Design Guidelines, or other materials approved by the ARC.

4.3 Accessory Improvements. (a) A building that is immediately accessory to the Residence and other similar improvements of the Residence, such as a detached garage, maid's quarters, guest house, or cabana may be allowed, provided it conforms to the same style and architect and is constructed of the same material as the Residence and is approved by the ARC. No such accessory building to the Residence shall exceed fifty percent (50%) of the interior living area of the Residence. (b) Storage buildings, shops, and other similar buildings and improvements constructed on a Lot must (i) be at least twenty five feet (25') behind the rear plane of the Residence, (ii) shall be allowed and need not conform to the size limitations described in (a) above and need not be of the same style and architecture or be constructed of the same materials as the Residence provided that the Plans thereof are approved by the ARC.

4.4 Recreational Improvements. Batting cages, tennis courts, swimming pools, or any other similar sporting a recreational equipment or improvement shall be placed behind the Residence unless otherwise approved by the ARC. Basketball goals are allowed in driveway.

4.5 Minimum Setback. No improvements of any kind (other than approved fence) may be placed closer than twenty-five feet (25) feet from the front line of any Lot or ten (10) feet from any side Property line or twenty (20) feet from any rear Property line. In cases where rugged terrain is encountered, thus necessitating, or making it hardly desirable to use of such space, a variance to this restriction may be granted by written approval of the ARC, within its sole discretion.

4.6 Storage of Building Materials. No building materials of any kind may be stored on any Lot for longer than one week prior to the commencement of work for which the materials were purchased unless they are stored in an enclosed building or located such that they cannot be viewed from any other Lot.

4.7 Construction Clean Up. From time to time during construction as required to maintain a neat and orderly appearance, and upon completion of construction, the Owner of the Lot will be responsible for the removal of any trash or debris that may have been thrown, placed, or discarded on any part of the Lot or on any other Lot if the trash or debris originated from the Owner's Lot.

4.8 Completion of Construction. In order to promote the marketing of Bluebonnet Ridge and maintain the aesthetics of the development, once construction of a Residence is

commenced on a Lot it shall be diligently continued to completion. No Residential shall remain incomplete after construction has begun for more than twelve (12) months after construction has commenced. An Owner who breaches this section 4.8 shall pay to Declarant for so long as Declarant owns a Lot and thereafter to the Association, as liquidated damages, the sum of one hundred dollars (\$100) per day for each day construction remains incomplete beyond the twelve (12) months.

4.9 Lighting. In general, exterior lighting used in connection with the occupancy of a Resident shall be kept to the minimum required for safety and security. Landscape lighting is allowed. All exterior lights must have a bonnet or shield preventing the light from traveling in an upward direction and limiting its vertical travel. No fluorescent, neon lights, or lights pointing into a neighbor's residence allowed.

4.10 Sound Devices. No exterior horns, whistles, bells, or other sound devices (except reasonable security devices) audible from any adjoining Lot shall be placed or used upon any Lot.

4.11 Fences. All fencing along Roads shall be constructed of split rail which shall match the exterior fence of Bluebonnet Ridge. No privacy fence, barbed wire, or chain-link fences of any kind are allowed. Other fencing around a Residence may be rot iron, split rail, or pipe. No other fencing will be allowed without ARC approval. Each Owner is responsible for maintaining the fence on the Owner's Lot. No fence may go across the road.

4.12 Sewage Disposal. Each Owner must install an aerobic septic system for sewage disposal or any other system that complies with applicable law. All septic systems must be installed by state certified licensed installer and must be permitted and inspected by Parker County. Septic Systems must be inspected by a state certified licensed installer every three (3) years and must be regularly maintained so as to remain fully functional. No outside toilets or cesspools will be permitted.

4.13 Water Wells. The Owner of each Lot shall have the right, subject to the approval of and permitting by all appropriate government authorities, to have and maintain no more than one (1) producing water well on the Lot for the Owner's personal and domestic consumption in connection with the ownership of that Lot. In the event that the well authorized by this section does not provide sufficient amounts of water for the Owner's personal and domestic consumption, the Association may allow an additional well or wells as reasonably required. Each Owner is strictly prohibited from selling any water commercially from any well. The drilling and operation of any well shall meet the approval of all federal, state, county, or municipal regulatory authorities entitled by law to approve, regulate, or supervise same, and obtaining such approval and the cost thereof shall be the sole responsibility of the Owner. Declarant makes no representation or warranty of any kind, express, or implied, with respect to (1) whether the Owner will be allowed by appropriate governmental authorities to drill a water well; (2) whether water will be found on any Lot; (3) the quality of the water available to any Lot now or in the future; and/or (4) whether any water found in any Lot will be potable (safe to drink.) Each Owner acknowledges that the topography of any given Lot may affect the availability, quality, or quantity of any water.

4.14 Drainage/Impoundment of Surface Water. (a) The existing creeks, ponds, and drainage channels traversing along or across portions of the Property will remain as open channels at all times and will be maintained by the Owner's of the Lot or Lots that are traversed by or adjacent to the drainage courses along or across the Lots. Each Owner shall keep the natural drainage channels traversing or adjacent to the Owner's Lot clean and free of debris, silt, or any substance which would result in unsanitary conditions or any obstruction of the natural flow of the water. No person may dam any creek or seasonal creek. No one may impound said water without first obtaining ARC approval. No one shall alter the course of said water, including in any setback, or take any action that would violate any applicable law or could affect the safety of the environment. A small pond may be allowed if approved by the ARC.

4.15 Antennas. Except as required by law, no microwave dishes, radio (citizen band or otherwise), or television axial wires or antennas shall be maintained or any portion of any Lot, except direct broadcast satellite (DBS) antennae no more than eighteen inches (18") in diameter or multi-channel multipoint distribution system antennae no more than eighteen inches (18") in diameter, which Owner shall screen from view as much as possible without impairing the installation, maintenance or use. All matters set forth in this provision requires express approval, in advance of the ARC, which will be exercised in conformity with the rules of the Federal Communications Commission. Telecommunications Act of 1996, the Federal Communications Commission §207 Over-the-Air Reception Devices or "OTARD" Rule: Telecommunications equipment (antennas) covered by the Rule are DBS antennas one meter or less in diameter, broadband radio services antennas one meter or less in diameter, and television broadcast antennas regardless of size. Antennas may be installed on individually owned property in subdivisions and limited common elements in condominiums (i.e. balconies, patios).

4.16 Solar Panels. Subject to Section 202.010 of the Texas Property Code, all solar panels must be screened from public view but are allowed.

4.17 Storage Tanks. Propane and other storage tanks will be located behind the Owner's Residence and shall be screened from public view with stone, stucco, or shrubbery. If shrubbery is used for screening purposes, the shrubbery, at the time it is planted, must be of adequate size to screen the propane or storage tanks.

4.18 Mailboxes. Mailboxes will be by the front entry.

4.19 Building Code. At the time construction of a Residence or other Structure commences on a Lot, it shall comply with the then current Building Code.

4.20 Compliance. Each Owner will abide by the Governing Documents, including any and all Rules and Regulations, as adopted and promulgated from time to time, including but not limited to related to the entry upon and use of the Common Properties.

ARTICLE 5
MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

5.1 Control by Declarant. So long as Declarant owns at least one (1) Lot, and notwithstanding any provision of the Bylaws to the contrary, Declarant shall, at Declarant's option, have exclusive control of the Association by being the sole voting Member. Declarant may, at any time and at Declarant's option, turn over control of the Association to the Members by filing an instrument to that effect in the Real Property Records of Parker County, Texas. At the point in time the Declarant no longer owns any Lots, control shall be delivered to the Members without the need for any further act or action on the part of the Declarant. By its own terms, the Declarant's class of membership will expire and merge with the Lot Owner class. This occurs by attrition of ownership of Lots or until a date certain, whichever occurs first. TEX. PROP. CODE §209.00591(c).

5.2 Membership and Voting. Each Owner is a Member of the Association. Ownership of a Lot being the sole qualification for membership. Membership is appurtenant to and may not be separated from ownership of the Lot. The Board may require satisfactory evidence of transfer of ownership before an Owner is entitled to vote at meetings of the Association. If a Lot is owned by more than one (1) person or entity, each co-Owner is a Member of the Association and may exercise the membership rights appurtenant to the Lot, yet that Lot still only receives one (1) vote. A Member who sells a Lot under contract for deed may delegate its membership rights to the contract purchaser, provided a written assignment is delivered to the Board. However, the contract seller remains liable for all Assessments attributable to the Lot until fee title to the Lot is transferred. One (1) vote is appurtenant to each Lot. The total number of votes equals the total number of Lots in the development. Each vote is uniform and equal to the vote of other Lots. In the event of any conflict with Sections 5.1 and this Section 5.2, Section 5.1 shall control.

ARTICLE 6
MAINTENANCE BY AND OTHER ACTIVITIES OF ASSOCIATION

6.1 Board Powers.

The Board shall have the right and power to provide, and shall pay out on behalf of the Association, from the Assessments provided for the herein, the following:

1. Maintenance, care preservation and repair of the Common Properties and the furnishing and upkeep of any desired personal property for use in conjunction with the Common Properties
2. Any private trash and garbage collection service provided by the Association
3. Legal and accounting services
4. The services of a person or firm (including Declarant and any affiliates of Declarant) to manage the Association or the Board.
5. Any other materials, supplies, furniture, labor, service, maintenance, repairs, structural alteration, taxes, or assessments which the Board is required to obtain or pay for pursuant to the terms of this Declaration or which in its opinion shall be necessary or proper for the operation or protection Association for the enforcement of this Declaration.

6. To execute all Declarations of ownership for tax assessment purposes with regard to any of the Common Properties owned by the Association.

7. To enter into agreements or contracts with insurance companies, taxing authorities, or the holders of first mortgage liens on the individual Lots with respect to: (i) taxes on the Common Properties; (ii) insurance coverage on Common Properties, as they relate to the assessments and collections and disbursements envisioned herein; and (iii) utility installation consumption and service matters.

8. To enter into contracts, maintain one or more bank accounts, and generally to have all the powers necessary or incidental to the operate and management of the Association.

9. To protect or defend the Common Properties from loss or damage by suit or otherwise and sue or defend in any court of law and behalf Association and to provide adequate reserves for repairs and replacements.

10. Such other powers as are provided for in Chapter 22 of the Business Organizations Code or the Texas Property Code.

6.1 Easement for Maintenance. Declarant and the Associations shall have an easement upon and access all Lots for the maintenance of the Common Properties, and there is hereby granted and reserved to Declarant and the Association an easement for those purposes. Declarant, the Association, and any officer or agent thereof shall not be guilty of trespass because of entry and the use of such easement.

6.2 Declarant Reimbursement. Out of pocket expenses of Declarant on behalf of the Association shall be reimbursed to Declarant upon request. Without limiting the generality of the foregoing, an assessments levied by the Association may be used to reimburse Declarant for all out-of-pocket cost and expenses incurred by the Declarant in organization and conducting affairs on behalf of the Association, including, but not limited to, the organization cost of the Association and modification of the Declaration and any amendments thereto, legal or accounting fees, and other costs.

ARTICLE 7

COVENANT FOR ASSESSMENT

7.1 Creation of the Lien and Personal Obligation of Assessment. Each Owner of any Lot, other than Declarant, by acceptance of the deed thereof, whether or not it shall be so expressed in the deed or not, hereby covenants and agrees to pay to the Association Regular Assessments and Special Assessments as provided for in this Declaration, and covenants the Owner's agreement to the enforcement of payment of the Assessments and the lien of the Association as hereinafter provided. Such Assessments shall be fixed, established, and collected from time to time as provided by the Association. The Regular Assessments and Special Assessments, together with any interest thereon and cost of collection thereof, including reasonable attorneys' fees, shall be a charge upon the Lot Owner and lien will not be lifted unless dues are paid.

7.2 Purpose of Assessments. Assessments levied by the Association shall be used for the purpose of promoting the recreation, health, safety, enjoyment and welfare of the Owners in the Property, for the improvement and maintenance for any capital improvements and Common

Properties owned or controlled by the Association, establishing and maintaining repair and replacement reserves as determined by Declarant or the Association, and any purpose deems necessary or incidental to such purposes as determined by the Association. The Association shall not be obligated to spend all monies collected in a year and may carry forward as surplus any balance is remaining.

7.3 Regular Assessment and Special Assessments. The Association may levy a Regular Assessment on the Lots for the calendar year. The Association may also levy, in addition to the Regular Assessments, one or more Special Assessments in a calendar year applicable to that year only. All Assessments, other than fines related to a particular Lot or Owner, are applicable and uniform as to all Owners and Lots for the purpose of defraying in whole or in part the cost of insuring, maintaining, constructing, reconstructing, repairing, or replacing the Common Properties, including necessary fixtures and personal property related thereto, or for such other lawful purpose related to the use and maintenance of the Property and/or the Common Properties as Association may determine.

7.4 The Effect of Non-Payment of Assessments: Remedies of the Association. The effect of nonpayment of Assessments or fine levied by the Association for violations of the Governing Documents can be enforced by specific performance of the terms and conditions of the Governing Documents. Each Owner shall be deemed to covenant and agree to pay the Association Assessments. Enforcement or other action will be taken, and the Owner agrees to pay reasonable attorneys' fees and costs thereby incurred in addition to any other amounts due in order to relieve or remedy the violation. In the event of a default and payment of any such Assessment when due, the Assessment shall be deemed delinquent in addition to any of the remedies by law provided, and the Association may enforce each such obligation in any manner provided by law or in quality specifically including filing a lien against a Lot, enforcement by suit, or enforcement and foreclosure of the lien.

ARTICLE 8

PROPERTY RIGHTS OF DECLARANT

So long as Declarant owns any interest in the Property, Declarant hereby specifically excepts, excludes, and reserves the following rights and interests in the Property:

8.1 Amendments. So long as Declarant owns at least (1) Lot, Declarant shall have the right to amend this Declaration and each amendment shall apply to all of the Property, whether owned by the Declarant or not.

8.2 Plat Revisions. Declarant reserves the right to replat the Property and revise the acreage and configuration of Lots owned by Declarant, to change any building lines or setback lines, or change the course or size of an easement so long as Declarant holds a legal title to the affected Lots.

8.3 Sales & Construction Activities. Declarant shall have the right to maintain sales and administrative offices, construction offices or trailers, model home and parking facilities,

storage facilities and signs on the Property and to conduct sales activities on the Property as long as Declarant owns at least one (1) Lot.

8.4 Construction Work by Declarant. Declarant shall have the right to construct and complete the construction of Roads and any common improvements on the Property. In connection therewith, Declarant reserves the right to use, occupy, and excavate the service and subsurface of the ground for the erection, construction, and installation of said improvements including, but not limited to, the right to locate, install, maintain, and repair all utilities and utility lines, whether temporary or permanent, necessary for the Declarant's construction, reconstructions, maintenance, and operation. Declarant also reserves the right to extend the Roads located or to be located on the Property to other property. Declarant, in addition, reserves the right to convey to any county, water district, sanitary sewer district, or other municipal or quasi municipal corporation all sewer lines and mains, water lines and mains, and any other utilities constructed or to be Constructed or to be constructed on the Property, together with suitable rights-of-way over said lands for the required maintenance, repair, replacement, and operation thereof. The foregoing rights reserved by Declarant do not impose on Declarant the obligation to construct or install any improvements of any kind.

8.5 Development Period. Declarant's "Development Period" rights shall terminate three (3) years after Declarant sells its last Lot in the Subdivision.

ARTICLE 9 **OTHER EASEMENTS AND RIGHTS**

9.1 Utility and other Easements.

Declarant will bring an electric line to the utility easement adjacent to each Lot. Each Owner will be responsible for bringing electricity service from such point to the Residence and other Structuring requiring electricity. A drainage and utility easement seven and one-half feet (7.5') in width is hereby reserved to Declarant and Association inside and along the Property lines of each Lot (that is, each Lot shall be burdened with a utility easement 7.5' in width measured from the Property line and then 7.5' into each Lot and running parallel to the Property line). In the event topography necessitates or makes desirable a route for drainage or utilities other than within the 7.5' easement described above, Declarant and the Association shall each have the right to use such other route as is reasonable, and an easement for such route, once recorded by Declarant or the Association, shall be binding on all Owners of the affected Lot. The easements described herein shall be for the purpose of installation and maintenance of possible drainage facilities or utilities, and for any other purpose deemed by Declarant or the Association to be beneficial to the Property as a whole. Nothing contained herein shall be construed as imposing upon Declarant or the Association any obligation to provide any utilities or services. Furthermore, Declarant reserves the right to sell, lease, license, or assign, in whole or in part, such easements and to otherwise negotiate as to such lines, utilities, or other facilities for the providing of services by a municipality, governmental agency, or other private or public service corporation. Except Declarant's obligation set forth in the first sentence of this section 9.1, each Owner shall be responsible for, and shall pay for, the installation and maintenance of all utilities to the Owner's Lot, and Declarant does not

warrant or guaranty the availability of utilities or the economic feasibility of bringing utilities to any Lot.

On, over, and across each Lot, upon which is now or hereafter constructed (or replaced) all or any part of any common entryway into the Property, there is hereby reserved to Declarant and the Association an easement for the construction, maintenance, repair, and replacement of all common entryway improvements including, but not limited to, gates, poles and posts associated therewith, motors and electrical lines associated therewith, irrigation systems and water lines, brick, stone, metal, or other decorative fences, walls, planters, or other improvements, landscaping, and similar common entryway improvements.

The Property, and each Lot, as applicable, is subject to all easements established by or shown on the Plat, including the Pipeline Easements.

9.2 Owners Easements of Enjoyment. Subject to the provisions of section 9.4 of this Article, every Owner and every tenant of every Owner, who resides on a Lot, and each individual who resides with either of them, on such Lot shall have a right and easement of use, recreation, and enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title of every Lot; provided, however, such easement shall not give such person the right to make alterations, additions, or improvements to the Common Properties.

9.3 Title to the Common Properties. Declarant may hold record title to the Common Properties for an indefinite period of time, subject to the easements set forth in sections 9.1 and 9.2 above. Declarant shall have the right and option (without the joinder and consent of any person or entity) to encumber, mortgage, design, redesign, reconfigure, alter, improve, landscape, and maintain the Common Properties. At some point in time (deemed reasonable and appropriate by Declarant), Declarant will convey title to the Common Properties to the Association for the purposes herein envisioned. Declarant reserves the right to execute any open space Declarations applicable to the Common Properties which may be permitted by law in order to reduce Property taxes.

9.4 Extent of Owner's Easements. The rights and easements of use, recreation and enjoyment created hereby shall be subject to the following:

1. The right of the Association to prescribe Rules and Regulations governing, and to charge fees and or deposits related to, the use, operation, and maintenance of the Common Properties.
2. Liens or mortgage placed against all or any portion of the Common Properties with respect to the monies borrowed by Declarant to develop and improve the Property or by the Association to improve or maintain the Common Properties.
3. The right of the Association to enter into and execute contracts with any party (including, without limitation, Declarant) for the purpose of providing maintenance or such other materials or services consistent with the purposes of the Association.
4. The right of Declarant or the Association to take such steps as area reasonably necessary to protect the Common Properties against foreclosure;

5. The right of Declarant and/or the Association to dedicate or transfer all or any part of the Common Properties to any municipal corporation, public agency, authority, or utility company for such purposes and upon such conditions as may be agreed upon by Declarant and the Members having a majority of the outstanding eligible votes of the Association;

6. The right of Declarant and/or the Association to convey, sell or lease all or part of the Common Properties upon such terms and conditions as may be agreed upon by Declarant and the Members having a majority of the outstanding eligible votes of the Association;

7. The right of Declarant or the Association to enter into and execute contracts with the Owners-operators of any community antenna television system or other similar operations for the purpose of extending cable or utility service on, over or under the Common Properties to ultimately provide service to one or more of the Lots.

9.5 Perpetual Easements. All easements reserved or created in any part of this Declaration or to the benefit of Declarant or the Association are perpetual. All easements reserved or created herein for the benefit of Declarant may be granted or assigned by Declarant, in whole or in part, on an exclusive or nonexclusive basis, to any third party. Utility easements reserved or created herein for the benefit of the Association may be granted or assigned by the Association, in whole or in part, on an exclusive or nonexclusive basis, to any public utility or utilities.

9.6 Condemnation or Governmental Taking. If all or any part of the Common Properties are taken by any authority having the power of condemnation or eminent domain or are conveyed in lieu thereof, the funds payable with respect thereto shall be payable to the Association and shall be used by the Association to purchase additional Common Properties to replace that which has been condemned or to take whatever steps it deems reasonably necessary to repair any damage suffered by the condemnation. If all the funds cannot be used in such manner, any remaining funds may be distributed equitably to the Owners. If all or any part of a Lot is taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof, and the Owner elects not to restore the remainder of the Lot, then the Owner shall promptly remove any remaining improvements damaged or destroyed by such taking or conveyance and shall leave the Lot in orderly, safe, and neat condition. If any part of a Lot is taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof and the Owner elects to restore the remainder of the Lot, then, subject to the provisions of this Declaration, the Owner shall diligently restore, within ninety (90) days after the taking, the remainder of the Lot to the same condition it was in prior to such taking or conveyance.

ARTICLE 10

INSURANCE AND INDEMNIFICATION

10.1 Insurance Requirements Generally. The Association shall obtain and maintain in full force and effect commercial general liability insurance and such other insurance as it deems necessary or desirable. All such insurance shall be obtained from responsible companies, duly authorized and licensed to do business in the State of Texas. To the extent possible, the insurance shall:

1. Provide for a waiver of subrogation by the insurer as to claims against the Association, its directors, officers, employees, agents and Owners; and

2. Provide that the policy of insurance shall not be terminated, canceled, or substantially modified without at least thirty (30) days prior written notice to the Association.

Any insurance policy may contain such deductible provisions as the Association deems consistent with good business practice. The cost and expense of all insurance obtained by the Association shall be paid out of Association funds.

The Association will not carry any insurance pertaining to, nor does it assume any liability or responsibility for, the real or personal property of the Owners (and their respective family members, tenants, and guests). Each Owner expressly understands, covenants and agrees with Declaration and the Association that:

1. Neither Declarant nor the Association has any responsibility or liability of any kind or character whatsoever regarding or pertaining to the real and personal property of each Owner;

2. Each Owner shall, from time to time and at various times, consult with reputable insurance industry representatives of each Owner's own selection to select, purchase, obtain and maintain appropriate insurance providing the amount, type and kind of insurance deemed satisfactory to each Owner covering his or her real and personal Property.

Each Owner releases and holds Declarant and the Association harmless from any uninsured liability, claims, causes of action or related (directly or indirectly) to any and all aspects of the gated entry system within the Property.

10.2 Indemnification. Each officer, director, ARC member, or other committee member, or agent of the Association shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him, her, or it in any proceeding to which he, she, or it may be a party, or in which he, she, or it may become involved, by reason of his being or having been an officer, director, committee member, or agent of the Association; provided, however, that in the case of Declarant or any affiliate entity of Declarant, or any officer, director, or employee of Declarant or any affiliate, this indemnification shall not apply if Declarant or any affiliate or the indemnified officer, director, or employee of Declarant or any affiliate is adjudged guilty of gross negligence or malfeasance in the performance of his, her, or its obligation hereunder.

ARTICLE 11 **PROTECTION OF MORTGAGEES**

11.1 Notice to Association. An Owner who mortgages his Lot shall notify the Association, giving the name and address of the mortgagee. Each mortgagee shall be permitted to notify the Association of the fact that such mortgagee holds a deed of trust or mortgage on a Lot. The Association may maintain a record of such information.

11.2 Examination of Books. The Association shall permit first or second mortgagees to examine the books and records of the Association during normal business hours.

ARTICLE 12

GENERAL PROVISIONS

12.1 Term of the Amendment to Restrictions. The provisions hereof, including the Restrictions, shall run with the Property and be binding on each Owner for a period of thirty (30) years from the date hereof, at which time all provisions shall be automatically extended for successive periods of ten (10) years, unless prior to the expiration of any such initial period or extended period, Declarant and at least seventy-five percent (75%) of the other Owners shall have executed and recorded an instrument to become operative at the expiration of the particular period. So long as Declarant owns at least one (1) Lot, these Restrictions may be amended or revoked only by Declarant, and no other Owner shall have a vote regarding amendment or revocation. After Declarant no longer owns any Lot, these Restrictions may be amended with the consent of sixty-seven percent (67%) of the Lot Owners, with each Lot being entitled to one (1) vote.

12.2 Complaints by Owner. If any Owner believes any other Owner is in violation of this Declaration or the other Governing Document, he, she, or it may so notify such Owner in writing, explaining the reasons for such complaint. If the Owner fails to remedy the alleged violation in ten (10) days after delivery of such notice, a complaint may be transmitted in writing to the President of the Association, who shall thereupon notify the Board. The Board shall have the right (but not the obligation or duty) to institute appropriate legal action, at law or in equity, to enforce this Declaration, and may recover its reasonable expenses, including attorneys' fees from the violating Owner. Without limiting the foregoing, the Association may take such other action as it deems necessary to cure the Owner's violation and the cost expended by the Association in doing so shall be a charge and lien upon the subject Lot.

12.3 Complaints by Association. If an Owner is in violation of this Declaration or the other Governing Documents, the Association may so notify such Owner in writing. If the Owner fails to remedy the violation within ten (10) days following delivery of such notice, then the Association shall have the right (but not the obligation or duty) to institute appropriate legal action, at law or in equity, including, but not limited to, obtaining a temporary restraining order and subsequent injunction, to enforce this Declaration, and may recover the damages owed by such Owner pursuant to Section 12.4 below, any other damages incurred by the Association, and its reasonable expenses, including attorneys' fees. Without limiting the foregoing, the Association may take such other action as it deems necessary to cure the Owner's violation and the cost expended by the Association in doing so shall be a charge and lien upon the subject Lot.

12.4 Per Day Damages for Violations. Any Owner in breach or violation of the Governing Documents shall incur a penalty of one hundred dollars (\$100) per day per breach or violation until the breach or violation is remedied or cured. Such sum shall be payable to the Association as damages. The Board may increase this amount in its discretion to ensure compliance with the Governing Documents.

12.5 Waiver of Enforcement. Waiver of enforcement of any provision of this Declaration shall be limited to that particular provision which is waived, in writing, as to a particular matter as it relates to a particular Lot, and shall not be construed to be a waiver of any other provision of this Declaration. A variance granted by Declarant or the Association is not a waiver.

12.6 Effect of Ordinances. Police, fire, and other public safety ordinances of any governmental corporation or unit having jurisdiction over any portion of the Property shall govern where more restrictive than this Declaration.

12.7 Bylaws. To the extent of any conflict between this Declaration and the Bylaws, this Declaration shall control.

12.8 Severability. Invalidation of any provision of this Declaration by judgment or court decree shall in no way affect any other provisions which shall remain in full force and effect. Nothing herein shall be in conflict with Texas homestead law. Should a provision herein be in conflict, Texas homestead law shall apply. All other provisions shall remain in full force and effect.

12.9 Dispute Resolution between Owners.

(a) Each Owner agrees that if any dispute arises between such Owner and Declarant, the Association, or the ARC as to any matter arising out of or related to this Declaration or the other Governing Documents, then before proceeding with any legal action the parties shall, with reasonable promptness, arrange a mutually agreeable time for a face-to-face meeting between fully authorized representatives to seek to resolve the dispute in a mutually acceptable manner.

(b) If the meeting described in (a) above fails to resolve the dispute or fails to occur, then said parties shall agree to promptly submit the dispute to mediation in Parker County, Texas before a single attorney mediator practicing law in Parker County, Texas (or any surrounding county) chosen by Declarant or the Association, as the case may be, and approved by the Owner within the Owner's reasonable discretion.

(c) If the mediation described in (b) above fails to resolve the dispute or fails to occur, then subject to section 12.3 above and section 12.9 (i) below, upon demand by either party the parties shall submit to binding arbitration all disputes between or among them arising out of or relating to this Agreement.

(d) Any arbitration proceeding in accordance with (c) above will (i) proceed in a location in Parker County, Texas (or any surrounding county) selected by the American Arbitration Association ("AAA"); (ii) be governed by the Federal Arbitration Act (Title 9 of the United States Code), notwithstanding any conflicting choice of law provision in any of the documents between the parties; and (iii) be conducted by the AAA, or such other administrator as the parties shall mutually agree upon, in accordance with the AAA's commercial dispute resolution procedures (the commercial dispute resolution procedures to be referred to as the "Rules"). If there is any inconsistency between the terms hereof and the Rules, the terms and procedures set forth herein shall control. Any party who fails or refuses to submit to arbitration following a proper demand by any other party shall bear all costs and expenses incurred by such other party in compelling arbitration of any dispute.

(e) The arbitrator will determine whether or not an issue is arbitration and will give effect to the statutes of limitation in determining any claim. In any arbitration proceeding the arbitrator

will decide (by documents only or with a hearing at the arbitrator's discretion) any prehearing motions which are similar to motions to dismiss for failure to state a claim or motion for summary adjudication. The arbitrator shall resolve all disputes in accordance with the substantive law of Texas and may grant any remedy or relief that a court of such state could order or grant within the scope hereof and such ancillary relief as is necessary to make effective any award. The arbitrator shall also have the power to award recovery of all costs and fees, to impose sanctions and to take such other action as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the Texas Rules of Civil Procedure or other applicable law. Judgement upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The institution and maintenance of an action for judicial relief by Declarant or the Association or pursuit of a provisional or ancillary remedy by Declarant or the Association shall not constitute a waiver of the right of to submit the controversy or claim to arbitration if any other party contests such action for judicial relief.

(f) In any arbitration proceeding discovery will be permitted in accordance with the Rules. All discovery shall be expressly limited to matters directly relevant to the dispute being arbitrated and must be completed no later than twenty (20) days before the hearing date and within ninety (90) days of the filing of the dispute with the AAA. Any requests for an extension of the discovery periods, or any discovery disputes, will be subject to final determination by the arbitrator upon a showing that the request for discovery is essential for the party's presentation and that no alternative means for obtaining information is available.

(g) The arbitrator shall award all costs and expenses of the arbitrations proceeding.

(h) To the maximum extent practicable, the AAA, the arbitrator, and the parties shall take all action required to conclude any arbitration proceeding within one hundred and twenty (120) days of the filing of the dispute with the AAA. No arbitrator as other party to an arbitration proceeding may disclose the existence, content or results thereof, except for disclosures of information by a party required in the ordinary course of its business or by applicable law or regulation. If more than one agreement for arbitration by or between the parties potentially applies to a dispute then the arbitration provision most directly related to the Declaration or the subject matter of the dispute shall control.

(i) Notwithstanding the foregoing, this Section 12.9 shall not preclude the Declarant or the Association from exercising its rights pursuant to Section 12.3 or from seeking, in an appropriate court of law, an injunction or temporary restraining order otherwise designed to enforce against any Owner any such compliance with, and prohibit any further violation(s) of, this Declaration or the other Governing Documents.

12.10 Additional Property. Declarant may at any time subject additional land to this Declaration and the Restrictions by filing an amendment or supplement to this Declaration covering the additional land and declaring in to be subject hereto. Unless the additional land is an easement interest or a common use area, the land covered by the amendment to this Declaration shall be deemed to be a Lot or Lots, as described in the amendment or supplement, and part of the Property and each Owner of the additional land shall be deemed an Owner, and entitled to membership in the Association, in accordance with the terms of this Declaration.


12.11 Prior Structure in Violation. Should any Lot contain a Structure that is in violation of any Governing Document, but the Structure would not have been in violation of any Governing Document in effect at the time of construction and the ARC approved the Structure prior to construction and before the Governing Document was changed, then the violating Structure shall be deemed to not be in violation of this Declaration. However, notwithstanding anything herein, if the foregoing Structure is replaced or reconstructed, in whole or part, it shall be constructed in conformity with the Governing Documents then in effect.

Executed to be effective the date this Declaration is recorded in the OPRPCT.

(remainder of page intentionally left blank)

DECLARANT:

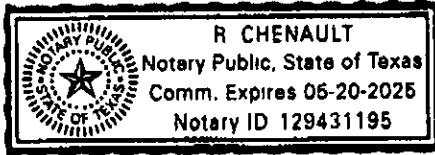
POINTE CLAIRE, L.L.C.
A Texas limited liability company

By: 
Louis Philippe Ladouceur,
Managing Member

STATE OF TEXAS)

COUNTY OF PARKER)

This instrument was acknowledged before me on May 9, 20122 by Louis Philippe Ladouceur, Managing Member of Pointe Claire, L.L.C., a Texas limited liability company, on behalf of said limited liability company.




Notary Public, State of Texas

My commission expires: 6/20/25

IN WITNESS WHEREOF, First Bank Texas, acting through its duly authorized officer and/or agent, consents to the foregoing, and has caused this document to be executed effective as of the date indicated below.

LIEN HOLDER:

First Bank Texas,

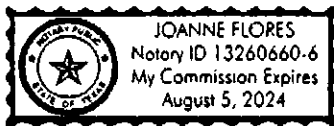



Greg Edwards,
Executive Vice President

STATE OF TEXAS)

COUNTY OF PARKER)

This instrument was acknowledged before me on May 9, 2022, by Greg Edwards, Executive Vice President of First Bank Texas, on behalf of said bank.




Notary Public, State of Texas
My commission expires: 8-5-24

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS



Lila Deakle

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05/09/2022 02:38:26 PM
Fee: \$130.00
Lila Deakle, County Clerk
Parker County, Texas
RESTRICT