RIVER FALLS UNIT NO. 19 - AIRPORT DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

This Declaration of Covenants, Conditions, and Restrictions (this "Declaration") is made on April 27, 2010, by John's Way, L.L.P., a Texas limited liability partnership ("Declarant"), the mailing address of which is 4900 Goehmann Lane, Fredericksburg, Texas 78624

1. Recitals

- 1.1 Declarant is the owner of the real property located in Randall County, Texas that is described in Paragraph 3.29 (the "Property")
- 1.2 Declarant desires that the Property be developed as a combination residential, airport, and commercial subdivision. Declarant declares that the Property is to be held, sold, and conveyed subject to the easements, restrictions, covenants, and conditions stated in this Declaration or shown on the Plat which:
 - (a) are for the purpose of establishing a general scheme for the development of the Property and enhancing and protecting the value, attractiveness, and desirability of the Property;
 - (b) run with title to the Property and are binding on all Persons having or acquiring any right, title, or interest in all or any part of the Property; and
 - (c) inure to the benefit of each Owner (as defined in Paragraph 3.25).
- 1.3 Therefore, in accordance with both the doctrines of restrictive covenant and implied equitable servitude, the Declarant desires to restrict the Property according to this Declaration in furtherance of the general development stated in this Declaration.
- 2. Declaration. Declarant adopts, establishes, and imposes the following covenants, conditions, and restrictions on the Property and declares that the Property will be held, owned, leased, transferred, sold, conveyed, used, and occupied subject to these covenants, conditions, and restrictions.
- 3. **Definitions**. The capitalized terms listed in this Paragraph 3 have the meanings stated in this Paragraph 3 whenever the terms appear in this Declaration, unless the context otherwise indicates or requires.
- 3.1 ACC means the Architectural Control Committee, which shall consist of Declarant until Declarant sells 80% of the Lots. After Declarant has sold 80% of the Lots but before Declarant has sold all of the Lots, ACC will mean a committee of three, consisting of Declarant, a member designated by Declarant, and a member elected by the Board. After

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Declarant has sold all of the Lots, ACC will mean a committee of three Owners elected by the Board.

- 3.2 Accessory Buildings means detached garages, airplane hangers, workshops, guest quarters, servant quarters, cabanas, tool houses, and other outbuildings that are not attached to the Residence or Commercial Building located on a Lot.
- 3.3 Act means the Telecommunications Act of 1996, as it may be amended from time to time.
- 3.4 Airport means the runway, taxiways, public airplane parking areas, and open unimproved areas contiguous with such runway, taxiways, public airplane parking areas, designated as such on the Plat.
- 3.5 Approved Containers means containers of the type and size required by the ACC to hold trash, construction debris, and other debris.
- 3.6 Association means the River Falls Airport Property Owners Association, Inc., a Texas non-profit corporation, which Association shall have the duty and obligation of maintaining, operating, and managing the Roads and the Airport as provided in this Declaration. Each Owner automatically becomes a member of the Association contemporaneously with acquiring a Lot, without any further documentation of any kind.
 - 3 7 Board means the Board of Directors of the Association.
 - 3.8 Building Plan has the meaning stated in Paragraph 8.1.
- 3.9 **Building Site** means the portion of a Lot that may be improved with a Residence, Accessory Buildings, Commercial Buildings, and other improvements approved be the ACC.
- 3.10 Commercial Buildings means improvements that may be constructed only on Commercial Lots in accordance with the terms and conditions stated in this Declaration.
- 3.11 Commercial Lot(s) means Lot 1, Block 1, River Falls Unit No. 19 Airport, a rural subdivision in Randall County, Texas and Lots 22, 23, 24, and 25, Block 2, River Falls Unit No. 19 Airport, a rural subdivision in Randall County, Texas, which Commercial Lots may be used to conduct commercial business with the general public according to the terms and conditions stated in this Declaration.
- 3.12 Common Area means the Airport and the *cul-de-sacs* and/or Roads located between and around the Lots and the Airport, as shown on the Plat.
 - 3 13 Currie Ranch means the operating ranch adjacent to the Property.

- 3.14 Declarant means John's Way, L.L.P., a Texas limited liability partnership, and its successors and assigns, and includes any Person to whom Declarant may assign its rights, privileges, duties, and obligations under this Declaration as provided in Paragraph 11.11, but excluding any Person merely purchasing one or more Lots from Declarant.
- 3.15 **Declaration** means this Declaration of Covenants, Conditions, and Restrictions for River Falls Unit No. 19 and any amendments or modifications to this Declaration filed in the real property records of Randall County, Texas.
 - 3.16 HVAC Systems has the meaning stated in Paragraph 7.13.
 - 3.17 Indemnitee has the meaning stated in Paragraph 11.14.
- 3.18 John's Way means the road shown as John's Way Boulevard on the Plats of River Falls, a rural subdivision in Randall County, Texas.
- 3.19 Landscaped Area means an area that may be planted with grass, trees, or other vegetation pursuant to the terms of this Declaration.
 - 3.20 Landscape Requirements has the meaning stated in Paragraph 9.1.
 - 3.21 Lienholder has the meaning stated in Paragraph 11.12.
- 3 22 Lot (or Lots) means, collectively, the Residential Lots and the Commercial Lots.
 - 3.23 MMDS means Multichannel Multipoint Distribution Service.
- 3.24 Natural Area means that part of each Lot that is not a part of the Building Site or the Landscaped Area.
- 3.25 Owner means each Person who is a record owner of a fee simple interest in any Lot, but excluding Declarant and any Person who holds only a lien or interest in the Lot as security for the performance of any obligation.
- 3.26 Paragraph means a paragraph of this Declaration unless specifically stated otherwise.
- 3.27 Person means any natural person, corporation, limited liability company, partnership, limited liability partnership, limited partnership, trust, or other legal entity.
- 3.28 Plat means the Plat of the Property recorded in the real property records of Randall County, Texas.
- 3.29 Property means the following described property: A 134.228 acre tract of land lying in Section 8, Block 6, 1&GNRR Survey, Section 83, Block 2, AB&M Survey, and

the J.P. Campbell Survey, Randall County, Texas, being described by metes and bounds as follows:

Beginning at a 1/2" x 24" rebar set with cap stamped "Gresham PLS 1939", whence a 1/2" x 24" rebar with a 2" aluminum cap stamped "JP Campbell/8,9, BLK 6" set for the northwest corner of said Section 8, bears N82°21'03"W, a distance of 1420.51 feet, the **POINT OF BEGINNING** of this tract;

THENCE N 48°38'13" E, a distance of 360.90 feet to a 1/2" x 24" rebar set with cap stamped "Gresham PLS 1939;

THENCE North, a distance of 567.43 feet to a 1/2" x 24" rebar set with cap stamped "Gresham PLS 1939;

THENCE West, a distance of 580.00 feet to a 1/2" x 24" rebar set with cap stamped "Gresham PLS 1939;

THENCE North, a distance of 6201.62 feet to a 1/2" x 24" rebar set with cap stamped "Gresham PLS 1939", set in the south right-of-way line of FM 1151 as recorded in Volume 207, Page 136, of the Deed Records of Randall County, Texas;

THENCE S89°59'45"E, along said south right-of-way of FM 1151 being 50 feet south and parallel to the north line of said Section 83, a distance of 580 00 feet to a 1/2" x 24" rebar set with cap stamped "Gresham PLS 1939";

THENCE South, a distance of 1999.79 feet to a 1/2" x 24" rebar set with cap stamped "Gresham PLS 1939;

THENCE East, a distance of 330.00 feet to a 1/2" x 24" rebar set with cap stamped "Gresham PLS 1939;

THENCE North, a distance of 1999.76 feet to a 1/2" x 24" rebar set with cap stamped "Gresham PLS 1939, set in the south right-of-way line of said FM 1151;

THENCE S89°59'45"E, along said south right-of-way of FM 1151 being 50 feet south and parallel to the north line of said Section 83, a distance of 100.00 feet to a 1/2" x 24" rebar set with cap stamped "Gresham PLS 1939";

THENCE South, a distance of 6275.06 feet to a 1/2" x 24" rebar set with cap stamped "Gresham PLS 1939", the beginning of a curve to the right whose center bears West, with a radius of 550.00 feet;

THENCE along said curve to the right, an arc distance of 466.88 feet to a 1/2" x 24" rebar set with cap stamped "Gresham PLS 1939", end of said curve;

THENCE S 48°38'13" W, a distance of 597.23 feet to a 1/2" x 24" rebar set with cap stamped "Gresham PLS 1939";

THENCE N 41°21'47" W, a distance of 100.00 feet to a 1/2" x 24" rebar set with cap stamped "Gresham PLS 1939", the **POINT OF BEGINNING** of this description.

Said tract contains a computed area of 134.228 acres of land.

- 3 30 The Property is River Falls Unit No. 19 Airport, a rural subdivision in Randall County, Texas, according to the Plat recorded under Clerk's File No. 2010006385 of the real property records of Randall County, Texas. The term Property may include other tracts of real property contiguous to the Property that Declarant may, in the future, make subject to this Declaration. Declarant and Declarant's successors and assigns may, in their sole discretion, without the joinder of any other Person, subject additional tracts to this Declaration by recording in the real property records of Randall County, Texas, supplements to this Declaration containing the descriptions of the additional tract(s).
- 3.31 Residence means one detached single-family house. For purposes of this Declaration, the term Residence shall be deemed to include an attached or detached airplane hanger.
- 3.32 Residential Lot(s) means Lots 1 through 21, Block 2, River Falls Unit No. 19
 Airport, a rural subdivision in Randall County, Texas, which Residential Lots may be used for residential purposes and/or to store the Owner's aircraft only as set out in this Declaration.
 - 3.33 Roads means the roads located on the Property and shown on the Plat.

4. Restrictions on Use on All Lots

- 4.1 Improvements. Improvements may only be placed within the Building Site. Except for the construction of pre-approved fences, all portions of Lots not included in the Building Site or Landscaped Area must remain in their natural state.
- 4.2 **Destruction of Trees.** Except where improvements are constructed, no tree larger than a 3-inch caliper for single trunk as measured at a point six inches above the root ball and 6-inch caliper for multi-trunked configurations as measured at a point six inches above the root ball may be destroyed without the ACC's consent. If an Owner damages or destroys such a tree without the ACC's consent, Owner must replace the tree with a similar tree.

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- 4.3 Greenhouses and Gazebos. No Greenhouse or gazebo may be placed or constructed on a Lot without the prior approval of the ACC.
- 4.4 Hazardous Materials. No vehicles of any size that transport flammable, explosive, or hazardous cargo may be kept on the Property at any time. Airplane fuel may be stored on the Property only in accordance with all applicable laws and with the rules of the Association relating to storage capacity and storage methods, as these rules may be changed by the Association from time to time.
- 4.5 **Prohibited Animals.** No animals, livestock, or poultry, of any kind may be raised, bred, or kept on the Property except dogs, cats, and other household pets or other animals approved by the ACC. There shall be no commercial breeding of any animal on the Property. No animals may be kept on the Property until construction of improvements has been completed and the improvements are Owner-occupied.
- 4.6 **Dogs and Cats.** No pets may be kept that interfere with the quietude, health, or safety of the community. No more than a total of three dogs or cats (or a combination of three dogs and cats) will be permitted on any Lot. Dogs must be restrained or confined in the Building Site or the Landscaped Area inside a fenced area or within the Owner's improvements on the Property unless accompanied by and under the control of a person. It is the pet Owner's responsibility to keep the Property clean and free of pet debris caused by such Owner's pets. All pets must be properly tagged for identification and vaccinated against rabies. Owners of dogs must keep the dogs from barking so as not to disturb any other Owner.
- 4.7 **Junk/Trash**. No portion of the Property may be used as a dumping ground for junk, dead tree limbs, rubbish, or any other material, or as a site for the accumulation of unsightly materials of any kind, including, without limitation, broken or rusty equipment, disassembled or inoperative vehicles, and discarded appliances and furniture. Trash, garbage, waste, and other debris may not be kept on any Lot except in Approved Containers. All trash, garbage, waste, and other debris must be placed in plastic garbage bags before being placed into Approved Containers. Approved Containers may be located on a Lot during construction of improvements on the Lot but must be removed upon completion of the construction. Declarant will provide Approved Containers at various locations on the Property. If trash, garbage, waste, or debris will not fit into Approved Containers, it must be completely removed from the Property and not stored on any portion of the Property at any time. All junk equipment, inoperative motor vehicles, and other similar junk must be removed from the Property at Owner's expense.
- 4.8 Antennas. No exterior antennas, aerials, satellite dishes, or other apparatus for the reception of television, radio, satellite or other signals of any kind shall be placed, allowed, or maintained upon any portion of any Lot, which is visible from any Road or other Lot unless it is impossible to receive signals from another location that complies with these requirements. In that event the receiving device may be placed in a visible location as

approved by the ACC. The ACC may require as much screening as possible while not substantially interfering with reception. The Declarant and/or the Association shall have the right, without obligation, to erect or install an aerial, satellite dish, master antenna, cable system, or other apparatus for the transmission of television, radio, satellite, or other signals for the benefit of all or a portion of the Property. No satellite dishes shall be permitted which are larger than one meter in diameter. No broadcast antenna may exceed the height of the center ridge of the roofline, unless approved by the ACC. No MMDS antenna mast may exceed the height of twelve feet above the center ridge of the roofline, unless approved by the ACC. No exterior antennas, aerials, satellite dishes, or other apparatus which transmit television, radio, satellite, or other signals of any kind shall be placed, allowed, or maintained upon any portion of the Property, unless approved by the ACC. The Declarant by promulgating this Paragraph 4.8 is not attempting to violate the Act. This Paragraph 4.8 shall be interpreted to be as restrictive as possible while not violating the Act.

- 4.9 **Easement Protection.** The Plat indicates certain easements on the Property. No structures, plants, or materials may be placed or permitted to remain on these easements that may: (i) damage or interfere with the installation and maintenance of utilities; (ii) change the direction of flow of water within drainage channels; or (iii) obstruct or retard the flow of water through drainage channels.
- 4.10 Clothes Drying/Yard Equipment. The drying of clothes in public view is prohibited. A drying yard or other suitable enclosure must be constructed to screen from public view equipment such as clothes drying equipment, yard equipment, and storage piles.
- 4.11 No Firearms or Fireworks. No firearms may be discharged on the Property. No fireworks may be used on the Property.
 - 4.12 No Hunting. No hunting or trapping is allowed on the Property.
- 4 13 **Prohibited Use of Vehicles.** No motorized vehicles of any type are permitted on the Natural Area except wheelchairs, carts, and scooters being used by the physically impaired and landscape equipment being used to maintain the Natural Area.
- 4.14 All Terrain Recreational Vehicles. No motorcycles, motorized dirt bikes, 3-wheelers, 4-wheelers, or similar all terrain recreational vehicles may be operated on the Property, except for on the Roads. All such vehicles must be street-legal.
 - 4.15 Re-subdivision. No Lot may be subdivided.
- 4.16 Accessory Buildings. Accessory Buildings may not be used at any time as a residence, except for a guesthouse constructed simultaneous with or subsequent to the construction of the Residence and except for residences located in an airplane hanger.

- 4.17 Outdoor Lighting and Outdoor Speakers. No bright outdoor lighting or loud outdoor speakers will be permitted on any Lot. All outdoor lighting and outdoor speakers must be approved, in advance, by the ACC.
- 4.18 Natural Area. The Natural Area of each Lot may be watered and mowed and shall be mowed, as directed by the ACC for safety purposes. Trees on the Natural Area may be trimmed and additional foliage may be planted on the Natural area with the prior approval of the ACC.
- 4.19 Post Office and other Outside Boxes. No post office boxes or other boxes for delivery of any item shall be placed on individual Lots. Declarant will provide all boxes at a central location.
- 4.20 No Access. The Property is adjacent to the Currie Ranch. Ownership of a Lot does not give the Owner or any other Person the right to access the Currie Ranch.
- 4.21 Insurance Rates. Nothing shall be done or kept on the Property that would increase the rates of insurance or cause the cancellation of insurance on any Lot or any of the improvements located upon any Lot, the Roads, or the Airport, without the prior written approval of the Board.

5. Additional Restrictions on Use on Residential Lots

- 5.1 Residential Use. All Residential Lots are to be used for single-family residential purposes and the storage of the Residential Lot Owner's aircraft only. No building may be erected, altered, placed, or permitted to remain on any Residential Lot other than one Residence per Residential Lot with Accessory Buildings and other buildings approved by the ACC.
- 5.2 Use of Garages. No garage may be converted to living space or used in any manner to preclude the parking of two full size automobiles in the garage.
- 5.3 Single-Family Use. No Residence may be occupied except by one family consisting of persons related by blood, adoption, or marriage, or by no more than three unrelated persons living together as a single housekeeping unit, together with any household servants who are being paid a reasonable salary for their services.
- 5.4 Front Elevation of Residence. All Residences must be constructed to front in a direction approved by the ACC.
- 5.5 **Temporary Structures**. No temporary dwelling, shop, trailer, mobile home, manufactured home, modular home, or structure of any kind of a temporary character will be permitted on any Residential Lot except: (i) children's playhouses and dog houses which may be placed on a Residential Lot only in places which are not visible from any Road, unless otherwise approved by the ACC, (ii) buildings for storage of lawn maintenance

equipment which may be placed on a Residential Lot only in places that are not visible from any Road, unless otherwise approved by the ACC; and (iii) a builder or contractor may have a temporary construction trailer and temporary outbuildings on a Residential Lot during construction on that Residential Lot.

- 5.6 No Prefabricated Structures. No prefabricated structure or other type of building may be moved onto a Residential Lot unless approved by the ACC.
- 5.7 Vehicles. No automobile, van, pickup truck, truck, motorcycle, motor scooter, boat, trailer, marine craft, hovercraft, aircraft, recreational vehicle, pick-up camper, travel trailer, motor home, camper body, tractor, horse trailer, or similar vehicle or equipment may be parked for storage in the driveway, front yard, or area connecting any hanger with the Airport of any Residential Lot, nor may any such vehicle or equipment be parked for storage in the side or rear yard of any Residential Lot unless completely concealed from public view. No such vehicle or equipment may be used as a Residence or office, temporarily or permanently. This restriction does not apply to any vehicle, machinery, or equipment temporarily parked and in use for the construction, maintenance, or repair of a Residence or Accessory Buildings in the immediate vicinity. Only passenger automobiles, passenger vans, and pickup trucks that are in operating condition, have current license plates and inspection stickers, and are in regular use as motor vehicles on the streets and highways of the State of Texas may be temporarily parked in the driveway where visible from the Roads. Airplanes must be parked in hangers located on the Residential Lots, but may be temporarily parked outside the hanger, but in no event for longer than 3 consecutive days.
- 5.8 Prohibited Activities. No Residential Lot or improvement may be used for commercial, wholesale, retail, or manufacturing purposes of any kind. No noxious or offensive activity may be undertaken on the Property, and nothing may be done which is or may become an annoyance or nuisance to the neighborhood. Nothing in this Paragraph 5.8 prohibits a builder's temporary use of a Residence as a sales office until the builder's last Residence on the Property is sold. Nothing in this Paragraph 5.8 prohibits an Owner's use of a Residence for quiet, inoffensive activities such as home office, tutoring, or giving music or art lessons as long as these activities do not materially increase the number of cars parked on the Residential Lot or Roads or interfere with adjoining Owners' use and enjoyment of Roads, their Residences, or yards.
- 5.9 Signs. The ACC has the right to approve or reject any sign placed on the Property. No sign of any kind may be displayed to the public view on any Residential Lot except (i) one sign of not more than six square feet advertising the Property for rent or sale, (ii) signs used by a builder during construction and sales periods, (iii) signs used by Declarant to advertise the Property during development, and (iv) political signs no more than 30 days before a national, state, or local election day, which must be removed within two days after such election. The ACC has the right to remove any sign, billboard, or other advertising structure that does not comply with this Paragraph 5.9 and in so doing will not be subject to any liability for trespass or any other liability in connection with the removal.

- 5.10 No Fires. Except within fireplaces in the Residence and except for outdoor cooking in grills or fireplaces, no burning of anything is permitted on the Property.
- 5.11 Composite Building Site. Any Owner of one or more adjoining Residential Lots may, only with the prior approval of the ACC, consolidate such Residential Lots into a single Building Site. The side Residential Lot setback for such Building Site will be measured from the exterior of the combined Residential Lots. The combined Residential Lots will remain separate Residential Lots for all other purposes, such as voting and payment of dues, fees, and assessments.

6. Additional Restrictions on Use on Commercial Lots

- 6.1 Commercial Use. All Commercial Lots may be used for commercial purposes approved by the Association. No building may be erected, altered, placed, or permitted to remain on any Commercial Lot other than buildings approved by the ACC.
- 6.2 Front Elevation of Commercial Buildings. All Commercial Buildings must be constructed to front in a direction approved by the ACC.
- 6.3 Temporary Structures. No temporary dwelling, shop, trailer, mobile home, manufactured home, modular home, or structure of any kind of a temporary character will be permitted on any Commercial Lot except: (i) dog houses which may be placed on a Commercial Lot only in places which are not visible from any Road, unless otherwise approved by the ACC; (ii) buildings for storage of lawn maintenance equipment and other equipment which may be placed on a Commercial Lot only in places that are not visible from any Road, unless otherwise approved by the ACC; and (iii) a builder or contractor may have a temporary construction trailer and temporary outbuildings on a Commercial Lot during construction on that Commercial Lot.
- 6.4 No Prefabricated Structures. No prefabricated structure or other type of building may be moved onto a Commercial Lot without the prior approval of the ACC.
- 6.5 Vehicles. No automobile, van, pickup truck, truck, motorcycle, motor scooter, boat, trailer, marine craft, hovercraft, aircraft, recreational vehicle, pick-up camper, travel trailer, motor home, camper body, tractor, horse trailer, or similar vehicle or equipment may be parked for storage in the parking lot, driveway, or yard of any Commercial Lot, unless completely concealed from public view. No such vehicle or equipment may be used as a Residence or office, temporarily or permanently. This restriction does not apply to any vehicle, machinery, or equipment temporarily parked and in use for the construction, maintenance, or repair of a Commercial Building or Accessory Buildings in the immediate vicinity. Only passenger automobiles, passenger vans, and pickup trucks that are in operating condition, have current license plates and inspection stickers, and are in regular use as motor vehicles on the streets and highways of the State of Texas may be temporarily parked where visible from the Roads.

- 6.6 Prohibited Activities. No Commercial Lot or improvement may be used for commercial, wholesale, retail, or manufacturing purposes of any kind without the prior approval of the Association, which approval will not be unreasonably withheld. No noxious or offensive activity may be undertaken on the Property, and nothing may be done which is or may become an annoyance or nuisance to the neighborhood. Nothing in this Paragraph 6.6 prohibits a builder's temporary use of a Residence as a sales office until the builder's last Residence on the Property is sold.
- 6.7 Signs. The ACC has the right to approve or reject any sign placed on the Property. No sign of any kind may be displayed to the public view on any Commercial Lot except (i) one sign of not more than six square feet advertising the Property for rent or sale, (ii) signs used by a builder during construction and sales periods, (iii) signs used by Declarant to advertise the Property during development, (iv) political signs no more than 30 days before a national, state, or local election day, which must be removed within two days after such election, and (v) commercial signs approved by the ACC. The ACC has the right to remove any sign, billboard, or other advertising structure that does not comply with this Paragraph 6.7 and in so doing will not be subject to any liability for trespass or any other liability in connection with the removal.
- 6.8 No Fires. Except within fireplaces in a Commercial Building and except for outdoor cooking in grills or fireplaces, no burning of anything is permitted on the Property.
- 6.9 Composite Building Site. Any Owner of one or more adjoining Commercial Lots may, only with the prior approval of the ACC, consolidate such Commercial Lots into a single Building Site. The side Commercial Lot setback for such Building Site will be measured from the exterior of the combined Commercial Lots. The combined Commercial Lots will remain separate Commercial Lots for all other purposes, such as voting and payment of dues, fees, and assessments.

7. Construction Procedures

- 7.1 Utilities. All utilities must be installed underground except as approved by the ACC.
- 7.2 **Building Height**. No Residence, Commercial Building, or Accessory Building may be higher than 30 feet unless approved by the ACC.
- 7.3 Building Materials. All structures on a Lot must be constructed on the Building Site except as approved by the ACC. No building material of any kind or character may be placed or stored upon a Lot until the commencement of construction of improvements. During construction, materials must be placed only within the Building Site of, or the area to be landscaped on, the Lot upon which the improvements are to be erected. Construction and use of materials must progress without undue delay.

- 7.4 Completion of Construction. Construction of all Residences and Commercial Buildings must be completed within 18 months from the date construction is commenced unless extended by the ACC.
- 7.5 Completion of Accessory Buildings. Construction of all Accessory Buildings must be completed within 120 days from the date construction is commenced unless extended by the ACC.
- 7.6 Garage Requirements. Each Residence must have at least a two car (but not more than a six car) attached garage. The garage must conform in design and materials with the main structure of the Residence. Unless otherwise approved by the ACC, all garages and Accessory Buildings must open at a 90° angle or more away from the Roads. Airplane hangers may be used as a garage to satisfy this requirement.
- 7.7 **Drainage.** Before any driveway or access is constructed on a Lot, a concrete approach must be constructed between a Road and the driveway or access on the Lot so the natural profile of the Lot remains the same and so as not to prevent natural drainage patterns of the Roads and Lots. The concrete approach must be in a form and size approved by the ACC.
- 7.8 Driveways. All vehicle approaches into garages and Accessory Buildings must extend from the garage or Accessory Buildings at least 20 feet and must be of a width approved by the ACC. These approaches must be constructed of concrete or asphalt. The remaining driveways from a Road to the Residence must have an all weather surface approved by the ACC. All parking lots and areas between the Airport and hangers must be of a size and contour and have an all weather surface approved by the ACC.
- 7.9 Minimum Floor Area. The total air conditioned living area of the Residence on each Building Site, as measured to the outside of exterior walls but exclusive of open porches, garages, patios, and basements, must be approved by the ACC. All split-level Residences must have the number of square feet on each level of the Residence required by the ACC.
- 7.10 Size of Accessory Buildings. The total square footage area of all Accessory Buildings (other than greenhouses and gazebos) must be approved by the ACC.
- 7.11 New Materials. All building materials must be new; however, used brick is acceptable.
- 7.12 Exterior Walls. Materials used on all exterior walls must be approved by the ACC.
- 7.13 HVAC Systems. All heating, ventilation, and air conditioning systems ("HVAC Systems") on the ground must be screened with the same material used on the exterior walls of the Residence or Commercial Building so the HVAC Systems are not

visible from the Roads. The screen for the HVAC Systems must be constructed with material and in a size, height, and design approved by the ACC. HVAC Systems may not be installed on the ground in front of a Residence or Commercial Building. HVAC Systems may not be installed on the roof of a Residence or Commercial Building where they are visible from any Road unless approved by the ACC. No window air-conditioning apparatus or evaporative cooler may be attached to any front wall or front window of a Residence, Commercial Building, or Accessory Building or at any other location where it is visible from any Road.

- 7.14 Fences. All fences must be constructed at locations, with material, and in a size, height, and design approved by the ACC. A fence enclosing or partially enclosing a Building Site may not be constructed before the construction of the Residence or Commercial Building on the Lot.
- 7.15 Setback Restrictions. Unless approved by the ACC because of the terrain of a Lot, no Residence, Commercial Building, or Accessory Building shall be placed within the setback lines shown on the Plat.
- 7.16 Water Wells and Septic Tanks. Any water well or septic tank placed on any Lot must meet all requirements of the State of Texas, Randall County, Texas, and any other governmental authority having jurisdiction.
- 7.17 Roofs. All roofs, including, without limitation; the roof slope, the color, and the materials must be pre-approved by the ACC.
- 7.18 Materials for Accessory Buildings. All materials on the exterior walls of Accessory Buildings must be approved by the ACC.
- 7.19 Irrigation System. Before a Residence or Commercial Building may be occupied or used, the Owner must install an automatic underground irrigation system in the Landscaped Area of the Lot so it is adequately irrigated.
- 7.20 Portable Sanitary Systems. During construction on any Lot, the builder must provide a portable sanitary system for use by contractors, subcontractors, and their employees until the construction is completed.
- 7.21 Construction Debris. During construction on a Lot, the builder must put all construction trash that is susceptible to being blown from the construction site in the Approved Containers furnished by the builder to prevent trash from blowing off of the construction site. The Approved Containers must be emptied periodically, at the builder's expense, so there is always room for the trash. Builders must prevent construction trash from blowing out of the Approved Containers and off the construction site. The Board may impose a fine on the builder or Owner for each violation of this provision. The Board may hire a third party to collect and dispose of the trash and pay the costs for this service. Builder or Owner shall pay all fines and costs upon demand.

- 7.22 **Building Code**. The construction of all Residences, Commercial Buildings, and Accessory Buildings must comply with all applicable building codes in force from time to time, except for the drilling and completion of water wells and construction of septic systems which must comply with all applicable laws and regulations.
- 7.23 Road Signs. The size, design, and materials of the standard address sign to be used for all Lots must comply with the requirements of the ACC.

8. Architectural Control

- 8.1 Authority. No Residence, Commercial Building, Accessory Building, greenhouse, gazebo, fence, wall, driveway, or other structure may be commenced, erected, placed, maintained, altered, re-roofed, or replaced, or the exterior stained, painted, or repainted until all colors, plans and specifications, and a plot plan (collectively, the "Building Plan") have been submitted to and approved in writing by the ACC. The ACC may refuse to approve a Building Plan that may, in the reasonable opinion of the ACC, adversely affect the living enjoyment of the Owners or the general value of Lots. In considering the harmony of external design between existing structures and the Building Plan, the ACC will consider only the general appearance of the proposed building as can be determined from the exterior elevations on submitted plans.
- 8.2 Plan Submittal. A complete copy of the Building Plan must be submitted in duplicate to the ACC or its designee either by (i) certified mail, return receipt requested or (ii) personal delivery, but personal delivery will not be valid unless receipt of the Building Plan is acknowledged in writing by the ACC. The Building Plan must be submitted at least 15 days prior to the commencement of construction and 15 days before commencement of re-painting, re-roofing, or subsequent construction or alterations. The Building Plan must show the nature, kind, shape, height, materials, exterior color scheme, and location of all improvements including, without limitation, elevations and floor plans on each structure to be built, square footage, roof pitch, and percentage of brick or other material to be used as exterior siding. The Building Plan must specify building location on the Building Site. Samples of proposed construction materials must be delivered promptly to the ACC upon request.
- 8.3 Multiple Submissions of Building Plan. If the Building Plan submitted to the ACC does not include all the information required in Paragraph 8.2 at the first submittal, the remaining information must be submitted to the ACC within 15 days after the date of the first submittal. If all the information required in Paragraph 8.2 is not included in the Building Plan submitted to the ACC the second time, no future submittal of the Building Plan will be considered or approved unless the Person submitting the Building Plan pays the ACC an additional submission fee of \$250.00.
- 8.4 Approval Procedure. When the ACC approves the Building Plan, the ACC will sign and mark "APPROVED" on one Building Plan and return it to the Person furnishing the Building Plan and will sign and retain the duplicate Building Plan. If not 4/27/2010 I 25 PM

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approved by the ACC, the Building Plan will be returned marked "NOT APPROVED" and will be accompanied by a statement of the reasons for disapproval signed by a representative of the ACC. Any exterior modification of an approved Building Plan must again be submitted to the ACC for approval. The ACC's approval or disapproval must be in writing. Verbal statements about the Building Plan will not be binding upon the ACC. If the ACC fails to approve or disapprove the Building Plan within 15 days after the date of submission of all information required, written approval of the proposal will not be required, and compliance with this Article 4 will be deemed to have been completed. In case of a dispute about whether the ACC responded within the required time period, the Person submitting the Building Plan will have the burden of establishing the date the ACC received the Building Plan.

- 8.5 Standards The ACC will use its reasonable best efforts to promote and insure a high level of architectural design, quality, harmony, taste, and conformity throughout the Property consistent with this Declaration. The ACC will have sole discretion with respect to taste, design, exterior color, and all standards specified in this Declaration. One objective of the ACC is to prevent the building of unusual, radical, curious, odd, bizarre, peculiar, or irregular structures on the Property. The ACC, from time to time, may publish and promulgate bulletins regarding architectural standards that will be fair, reasonable, and uniformly applied and will carry forward the spirit and intention of this Declaration.
- 8.6 Rules and Regulations. The ACC may promulgate and enforce reasonable rules and regulations to carry out its architectural control duties or conduct its proceedings, including the formulation of guidelines to govern construction and maintenance of improvements and for the establishment and collection of a reasonable fee for performance of its architectural control duties and functions. The ACC may, in its sole discretion, change the guidelines in any manner to supplement, amend, delete, modify, or abandon the guidelines, as it deems reasonable.
- 8.7 Arbitration. An Owner aggrieved by a decision of the ACC regarding the Owner's Lot will have the right to submit the ACC's decision to arbitration. To do so, within 15 days following the date of the ACC's decision, the Owner must give the ACC written notification of Owner's intention to submit the decision to arbitration; otherwise, the right to arbitration is waived. Within 10 days of the notice to the ACC, the Owner must appoint an architect, the ACC must appoint an architect, and the two appointed architects must, within 10 days of their appointment, select a third architect. The three architects must (i) have been licensed as an architect under the laws of the State of Texas for more than 10 years, (ii) have practiced architectural drafting of residential house plans for at least three years, and (iii) not have prepared the Building Plan. The architects will serve as an arbitration board to review the decision of the ACC. The decision of two of the members of the arbitration board will be final and binding upon the Owner and the ACC. The prevailing party must pay the fee of the architect appointed by that party and the losing party must pay the fees of the other two architects.

- 8.8 **Deviation.** The ACC may, in its sole discretion, permit reasonable modifications of and deviations from any of the requirements of this Declaration or its rules and regulations relating to the type, kind, quantity, or quality of the building materials to be used in the construction of any building or improvement on any Lot and of the size and location of any such building or improvement when, in the ACC's sole judgment, such modifications and deviations will be in harmony with existing structures and will not materially detract from the aesthetic appearance of the Property and its improvements as a whole. The ACC may require the submission to it of such documents and items, as it deems appropriate in connection with its consideration of a request for a variance. The ACC may require an Owner to pay the ACC a fee in a reasonable amount solely determined by the ACC for granting a request for a variance.
- 8.9 Liability of the ACC. The ACC and its members, partners, officers, directors, agents, employees, shareholders, and attorneys have no liability for their decisions so long as their decisions are made in good faith and are not arbitrary or capricious. Any errors in or omissions from the Building Plan will be the responsibility of the Owner. The ACC has no obligation to check for errors in or omissions from the Building Plan or to check the Building Plan for compliance with the general provisions of this Declaration, State or Federal statutes or the common law, setback for Lot lines, building lines, easements, or any other matters

9. Landscaping

- 9.1 Landscape Requirements. Unless otherwise approved by the ACC, each Owner of a Lot must comply with the Landscape Requirements set forth in this Declaration (the "Landscape Requirements"). Any portion of the Natural Area that is damaged or destroyed during construction or otherwise must be replanted with native grass. All of the Landscaped Area must be completed with shrubbery, live ground cover, or grass as required by the ACC.
- 9.2 Minimum Landscaping. It is Declarant's desire that the native and natural grasses, flora, trees, and plants on each Lot remain undisturbed except as required for the actual location of the Residence, Commercial Buildings, parking lots, Accessory Buildings, driveways, sidewalks, and Landscaped Areas. New landscaping may be planted only on the Landscaped Area. Native plants and landscaping may be planted along driveways as approved by the ACC. All portions of each Lot not included in the Building Site or Landscaped Area must remain in their natural state unless approved by the ACC.
- 9.3 Completion of Landscaping. Landscape Requirements must be completed within 180 days after the first to occur of (i) substantial completion of the Residence or Commercial Building, as applicable or (ii) occupancy of the Residence or Commercial Building, as applicable.
- 94 Maintenance of Landscaping. Each Owner must maintain his or her irrigation system and comply with the Landscape Requirements in the Landscaped Area at

Owner's own cost and expense. The Owner's maintenance obligation will include, without limitation, responsibility for:

- (a) replacing dead or damaged trees with live trees;
- (b) watering and fertilizing all landscaping within the Landscaped Area;
- (c) pruning trees within the Landscaped Area;
- (d) mowing grass within the Landscaped Area;
- (e) edging grass along sidewalks within the Landscaped Area;
- (f) insect control for all landscaping;
- (g) maintaining the Landscaped Area in a sanitary and attractive manner; and,
- (h) maintaining the irrigation system in the Landscaped Area in good operating condition.

Grass and weeds in the Landscaped Area on each Lot must be mowed at regular intervals to maintain the Landscaped Area in a neat and attractive manner. Owners must not permit weeds or grass to grow more than four inches high in the Landscaped Areas. Upon failure of any Owner to maintain any Lot or replant trees as required, the ACC may, at its option, replant trees and have the grass, weeds, and vegetation mowed as often as necessary in its judgment, and the Owner of the affected Lot will be obligated, when presented with an itemized statement, to pay the cost of the work.

9.5 Maintenance of Natural Area. The Natural Area must remain in its natural state as much as reasonably possible; however, the ACC may require an Owner to mow the Natural Area on his or her Lot to maintain good fire prevention procedures.

10. Association

- 10.1 Creation. The Owners shall constitute the Association. Each Owner, including Declarant, shall automatically be a member of the Association. Association membership shall be appurtenant to ownership of a Lot. Ownership of a Lot is the sole criterion for membership in the Association.
- 10.2 **Transfer of Membership**. Association membership is automatically transferred to the grantee in the conveyance of a Lot. Membership shall not be assigned, pledged, or transferred in any other way. Any attempt to make a prohibited transfer shall be void.

- 10.3 Management of Association. The Association shall be managed by the Board pursuant to the procedures set forth in the Association's certificate of formation and bylaws, subject to this Declaration.
- 10.4 Membership Voting, Elections, and Meetings. Each Owner shall have one vote for each Lot owned by that Owner. There shall be at least one meeting of the membership of the Association each year. At that meeting, the Owners shall elect a Board consisting of three directors, vote on any other matters the Board chooses to place before the membership, and discuss any matter of Association business that the Board or any Owner wishes to bring before the entire membership. The number of members of the Board may be changed by the affirmative vote of at least 75% of the Owners.
- 10.5 Insurance. The Association, acting through the Board shall obtain and continue in effect the following types of insurance, if reasonably available, or if not reasonably available, the most nearly equivalent coverages as are reasonably available:
 - (a) Blanket property insurance covering "risks of direct physical loss" on a "special form" basis (or comparable coverage by whatever name denominated) for all insurable improvements within the Airport to the extent that the Association has assumed responsibility in the event of a casualty, regardless of ownership. If such coverage is not generally available at reasonable cost, then "broad form" coverage may be substituted. All property insurance policies obtained by the Association shall have policy limits sufficient to cover the full replacement costs of the insured improvements under current building ordinance and codes.
 - (b) Commercial general liability insurance on the Airport and the Roads, insuring the Association and its members for damage or injury caused by the negligence of the Association or any of its Members, employees, agents, or contractors while acting on its behalf. If generally available at reasonable cost, such coverage (including primary and any umbrella coverage shall have a limit of at least \$1,000,000 per occurrence with respect to bodily injury, personal injury, and property damage; provided, should additional coverage and higher limits be available at a reasonable cost which a reasonably prudent person would obtain, the Association shall obtain such additional coverages or limits. If the policy does not contain "severability of interest" in its terms, the Association shall acquire an endorsement to preclude the insurer's denial of an Owner's claim because of negligent acts of the Association or of other Owners. Declarant shall be named as an additional insured under each of these policies.
 - (c) Directors' and officers' liability coverage with policy limits deemed prudent by the Board

- (d) Such additional insurance as the Board, in its best business judgment, determines advisable.
- 10.6 Indemnification. The Association shall indemnify every officer, director, and committee member against all damages and expenses including counsel fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement or any suit or proceeding, if approved by the then Board) to which he or she may be a party by reason of being or having been an officer, director, or committee member, except that such obligation to indemnify shall be limited to those actions for which liability is allowed under Texas law.
- 10.7 **Duties and Powers of Board.** Through the Board, the Association shall have the following powers and duties:
 - (a) to adopt rules and regulations to implement this Declaration and the Association's bylaws;
 - (b) to enforce this Declaration, the bylaws, its rules and regulations and the rules and regulations of the ACC;
 - (c) to elect officers of the Board and select members of the ACC when that power devolves to the Board;
 - (d) to delegate its powers to committees, officers, or employees;
 - (e) to prepare a balance sheet and operating income statement for the Association and deliver a report to the membership at its annual meeting;
 - (f) to establish and collect regular assessments to defray expenses attributable to the Association's duties, to be levied against each Owner, including Declarant (dues, fees, and assessments may be different for Residential Lots and Commercial Lots);
 - (g) to establish and collect special assessments, in accordance with applicable law, for capital improvements or other purposes;
 - (h) to file liens against Owners because of nonpayment of assessments or fines duly levied and to foreclose on those liens;
 - (i) to receive complaints regarding violations of this Declaration, the bylaws, or the rules and regulations;
 - (j) to enforce all applicable laws affecting the Property, including, without limitation all posted speed limits on the Roads and all posted speed limits on the Currie Ranch;

- (k) to hold hearings to determine whether to discipline Owners who violate this Declaration, the bylaws, or the rules and regulations;
- (l) to give reasonable notice to all Owners of all annual meetings of the membership and all discipline hearings;
- (m) to hold regular meetings of the Board at least quarterly;
- (n) to manage and maintain all of the Roads and the Airport in a state of high quality and in good repair;
- (o) to pay taxes and assessments that are or could become a lien on the Roads or the Airport; and
- (p) to pay the costs of any liability insurance and fire insurance on the Roads and the Airport and any liability insurance for members of the Board.

11. General Provisions

- 11.1 Easements. Easements for the construction, installation, replacement, operation, maintenance, repair, and removal of utilities and drainage facilities are dedicated and reserved as shown on the Plat. All utilities will be located in the easements indicated or in the Roads. All utility companies shall repair any damage to the pavement or other improvements on the Roads resulting from construction, installation, replacement, operation, maintenance, repair, and removal of utilities.
- 11.2 Recorded Plat. All dedications, limitations, restrictions, and reservations shown on the Plat are incorporated in this Declaration and will be construed as being adopted in each contract, deed, or conveyance executed or to be executed by Declarant, whether specifically referred to in that instrument or not.

11.3 Maintenance of Improvements. Each Owner of a Lot must:

- (a) maintain the exterior of the Residence, the Commercial Building, the Accessory Buildings, fences, walls, and other improvements on the Owner's Lot in good condition and repair;
- (b) replace worn and rotten parts;
- (c) regularly repaint or re-stain all painted and stained surfaces; and,
- (d) not permit the roofs, rain gutters, downspouts, exterior walls, windows, doors, sidewalks, driveways, parking areas, or other exterior portions of the improvements to deteriorate.

- 11.4 Mortgages. The breach of any provision of this Declaration will not defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value as to any Lot or any part of any Lot encumbered by such mortgage or deed of trust, but the provisions will be binding as to Lots acquired by foreclosure, trustee's sale, or otherwise, only as to any breach occurring after acquisition of title.
- 11.5 **Term**. This Declaration will run with and bind title to the Property and will remain in full force and effect for 30 years after this Declaration is recorded in the real property records of Randall County, Texas. This Declaration will thereafter extend automatically for successive periods of 10 years unless amended as provided in Paragraph 11.10
- 11.6 Severability. If any condition, covenant, or restriction contained in this Declaration is invalid, which invalidity will not be presumed until it is determined by the final non-appealable judgment or final non-appealable order of a court of competent jurisdiction, such invalidity will not affect any other condition, covenant, or restriction, each of which will remain in full force and effect.
- 11.7 **Binding Effect**. Each of the conditions, covenants, restrictions, and agreements contained in this Declaration is made for the mutual benefit of, and is binding upon, each Person acquiring any part of the Property. The conditions, covenants, restrictions, and agreements in this Declaration are not for the benefit of the Owner of any land except land included in the Property and other land subjected to this Declaration as provided in Paragraph 3.29. This instrument, when executed, will be filed for record in the real property records of Randall County, Texas, so that each Owner or purchaser of any portion of the Property is on notice of the conditions, covenants, restrictions, and agreements contained in this Declaration.
- 11.8 Enforcement. Declarant, the Association, or any Owner shall have the right to have this Declaration faithfully carried out and performed with reference to each Lot, together with the right to bring any suit or undertake any legal process that may be proper to enforce the performance of this Declaration and to recover damages. The Owners have the right to have this Declaration strictly construed and applied to all Lots whether owned by Declarant, its successors and assigns, or others regardless as to whether or not reference to this Declaration is made in the document conveying the Lot to the Owner. Failure by any Owner or Declarant to enforce this Declaration will not be deemed a waiver of the right to do so at another time.
- 11.9 Addresses. Any notices or correspondence to an Owner of a Lot must be addressed to the street address of the Lot. Any notice or plan submission to Declarant or the ACC must be made at the following address.

John's Way, L.L.P. 4900 Goehmann Lane Fredericksburg, TX 78624

Declarant or the ACC may change its address for notice and plan submission by recording in the real property records of Randall County, Texas, a notice of change of address.

- 11.10 Amendment. At any time, the Owners of 51% of the Lots and the Lots included in all additional Property subjected to this Declaration (as shown by the real property records of Randall County, Texas) may amend the covenants, conditions, and restrictions stated in this Declaration by recording an instrument containing such amendment, except that for 30 years following the recording of this Declaration, no such amendment will be valid or effective without the joinder of Declarant. Declarant will be under no obligation to consent to any amendment of this Declaration.
- 11.11 Assignability. Declarant or its successors or assigns may assign their rights, privileges, duties, and obligations under this Declaration by a document signed by Declarant or its successors or assigns specifically assigning their rights, privileges, duties, and obligations under this Declaration, which documents must be recorded in the real property records of Randall County. Texas.
- 11.12 **Joinder of Lienholder**. Tully R. Currie and John G. Currie are the Lienholders on the Property (collectively, the "**Lienholder**"). The Lienholder joins in the execution of this Declaration to subordinate its lien to this Declaration.
- 11.13 Approvals. All consents and other evidences of approval by Declarant or the ACC must be in writing and signed by Declarant or the ACC before they are binding.
- 11.14 Indemnification. To the fullest extent permitted by applicable law, each Owner shall indemnify, protect, and defend the Declarant and its partners, officers, directors, shareholders, employees, agents, attorneys, successors, and assigns (collectively, the "Indemnitee") for, from, against, and in respect to all damages, claims, causes of action, losses, liabilities, and expenses (including, without limitation, reasonable attorney's fees, costs of investigation, paralegal fees, and other expenses) which may be imposed upon, incurred by, or asserted against any Indemnitee arising from or as a result of any injury to or death of any person or damage to property of any Person which is caused by an Owner, except for claims caused by the negligence or willful misconduct of an Indemnitee.
- 11.15 Limitation of Liability. Declarant will not be liable to any Owner or occupant of any Lot or to any other party for any demand, claim, or loss arising from the breach of any provision of this Declaration by any Person other than Declarant.
 - 11.16 Time of Essence. Time is of the essence.

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

Dated the 27 Hday of April, 2010.

DECLARANT.

John's Way, L.L.P., a Texas limited liability partnership

Tully R. Currie, Partner

John G. Currie, Partner, acting by Tully R.

Currie, attorney-in-fact

APPROVED BY LIENHOLDER:

Tully R. Currie

John G. Currie, acting by Tully R. Currie,

attorney-in-fact

THE STATE OF TEXAS

COUNTY OF GILLAPLE

Texas limited liability partnership.

COURTNEY RAE KAISER 10 Molifsion Expires

THE STATE OF TEXAS

COUNTY OF GILLSPIE

This instrument was acknowledged before me on this the day of April, 2010, by Tully R. Currie as attorney-in-fact on behalf of John G. Currie, individually and as Partner on behalf of John's Way, L L P, a Texas limited liability partnership.

COURTNEY BAE KAISER MY LOMMISSIC N EXPIRES June 26 2010

FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

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