

**DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR CIBOLO RIDGE SUBDIVISION, UNIT 2**

This Declaration is made on the date hereafter set forth by Oaks Subdivision, LLC, a Limited Liability Company duly authorized to do business in the State of Texas, hereinafter referred to as "Developer".

Developer is the owner of that certain tract of land known as Cibolo Ridge Subdivision, Unit 2 in Wilson County, Texas, as shown on a Plat of record at Volume 12, Page 38 of the Plat Records of Wilson County, Texas, and as is more particularly described as follows:

BEING 43.68 acres, out of that certain 140.410 acre tract of land, described in instrument recorded in Volume 2046, Page 169, Official Public Records of Wilson County, Texas; said 43.68 acres being out of the Jose Marla Balmaseda Survey No. 9, Abstract 2, Wilson County, Texas and being that same property as shown on Plat of record in Volume 12, Pages 38-39, of the Map and Plat Records of Wilson County, Texas.

It is now the desire of the Developer to place certain restrictions, easements, covenants, conditions, stipulations, and reservations (sometimes hereinafter referred to as "the Restrictions") upon and against the property and to insure the preservation of the uniform plan of development of such property, and all portions thereof, for the benefit of both the present and future owner of property or properties in the subdivision.

Now, therefore, Developer hereby adopts, establishes, and imposes upon the above described property, and declares the following reservations, easements, restrictions, covenants, and conditions as applicable thereto, all of which are for the purposes of enhancing and protecting the value, desirability, and attractiveness of the property and for developing a common scheme or plan of development. All of these restrictions shall expressly run with the title to such property, or any interest therein, or any part thereof, and shall inure to the benefit of the Developer, and all future owner or owners of any lot or portion of such property.

Article I

Definitions

Section 1.01: "Property" shall refer to Cibolo Ridge Subdivision as shown by the Plat recorded at Volume 12, Page 38 of the Plat Records of Wilson County, Texas, subject to the reservations set forth herein, and any additional properties made subject to the terms hereof, pursuant to the provisions herein.

Section 1.02: "Builders" shall mean and refer to persons or entities that purchase Lots and build speculative or custom homes thereon for third party purchasers.

Section 1.03: "Contractor" shall mean and refer to the person or entity with whom an owner contracts to construct a residential dwelling on such owner's lot in the subdivision.

Section 1.04: "Developer" The term "Developer" shall mean Cibolo Ridge Subdivision, as well as any other person or entity who is a successor to Cibolo Ridge Subdivision, or who shall have had their rights or duties as Developer assigned to them.

Section 1.05: "Lot" shall mean and refer to any plot of land identified as a Lot or home site on the Plat of the subdivision.

Section 1.06: "Owner" shall mean and refer to the record owner (which shall include any purchaser under contract with the Texas Veterans Land Board) whether one or persons or entities, of fee simple title to any Lot which is a part of the properties, including (i) contract sellers, but excluding those having such interest merely as security for the performance of an obligation and those who have only an interest in the mineral estate, (ii) Developer (except as otherwise provided herein), and (iii) builders.

Article II

Reservations, Exceptions, and Dedications

Section 2.01: Recorded Subdivision Map of the Property. The plat ("Plat") of the subdivision dedicated to the Public for use as such, subject to the limitations as set forth therein, the roads, streets and easements shown thereon. The Plat further establishes certain reservations, exceptions and dedications applicable to the property. All dedications, restrictions and reservations created herein or shown on the Plat, re-plats or amendments of the Plat of the subdivision recorded

or hereafter recorded shall be construed as being included in each contract, deed or conveyance executed or to be executed by or on behalf of Developer or any other party holding any interest by, through or under Developer (whether immediate or remote), conveying said Property or any part thereof whether specifically referred to therein or not.

Section 2.02: Easements. Developer reserves the non-exclusive right to use the utility easements and right-of-ways shown on the Plat or that have been or hereafter may be created by separate instrument recorded in the Real Property Records of Wilson County, Texas, for the purpose of constructing, maintaining and repairing a system or systems of water, electric lighting, electric power, telegraph and telephone line or lines, storm surface or underground drainage, cable television, or any other utility the Developer sees fit to install in, across and/or over the Property. All utility easements in the subdivision may be used for the construction of drainage swales in order to provide for improved surface drainage of the Property. Should any utility company furnishing a service covered by the general easements herein provided request a specific easement by separate recordable document, Developer, without the joinder of any other Owner, shall have the right to grant such easement on said Property without conflicting with the terms hereof. Any utility company serving the subdivision shall have the right to enter upon any utility easement for the purpose of installation, repair and maintenance of the respective facilities. Nothing contained herein shall impose any obligation on Developer to construct or maintain any utilities. Neither Developer, nor any utility company, political subdivision or other authorized entity using the easements herein referred to shall be liable for any damages done by them or their assigns, agents, employees, or servants, to fences, shrubbery, trees and lawns or any other property of the Owner on the Property covered by said easements.

Section 2.03: Title Subject to Easements. It is expressly agreed and understood that the title conveyed by Developer to any of the Lots by contract for deed or other conveyance shall be subject to these restrictions and any easements affecting same for roadways or drainage, water system, electric lighting, electric power, telegraph or telephone purposes and other easements hereafter granted affecting the Lots. The Owners of the respective Lots shall not be deemed to own pipes, wires, conduits or other service lines running through their Lots which are utilized for or service other Lots, but each Owner shall have an easement in and to the aforesaid facilities as

shall be necessary for the use, maintenance and enjoyment of his Lot.

Section 2.04 Utility Easements.

(a) Utility Easements have been dedicated in accordance with the Plat.

(b) No building shall be located over, under, upon or across any portion of any Utility Easement. The Owner of each Lot shall have the right to construct, keep and maintain concrete drives, fences, and similar improvements across any Utility Easement, and shall be entitled to cross such easements at all times for purposes of gaining access to and from such Lots, provided, however, any concrete drive, fence or similar improvement placed upon such Utility Easement by the Owner shall be constructed, maintained and used at Owner's risk and as such, the Owner of each Lot subject to said Utility Easements shall be responsible for (i) any and all repairs to the concrete drives, fences and similar improvements which cross or are located upon such Utility Easements and (ii) repairing any damage to said improvements caused by a Utility District or any public utility in the course of installing, operating, maintaining, repairing, or removing its facilities located within the Utility Easements.

(c) In the event that a single Owner shall own two or more adjacent Lots used as a single building site, then the 15' Utility Easement along the interior and common Lot lines shall be considered vacated so long as no utilities have been previously installed therein. However, in the event that one such Lot shall thereafter be conveyed to any third party, the interior Utility Easements along such interior and common Lot line shall again burden both such Lots.

Section 2.05: General Drainage Easements. Developer reserves the right to dedicate such Drainage Easements centered on all natural runoff channels, creeks, or swales in addition to any Drainage Easements specifically shown and dedicated on the Plat. Developer has the right, but not the obligation, to more specifically identify any natural runoff channels, creeks, and swales to the extent that such identification is necessary or convenient for a Lot Owner, Developer, or any governmental authority. Should a Lot Owner request such identification, the Developer, in its sole discretion, employs an engineer or surveyor to assist in the identification process, the Lot Owner shall pay all fees and costs incurred in such identification. The written identification of such natural runoff on channels, creeks, or swales, may be reduced to an instrument recorded in the

Real Property Records of Wilson County, Texas, which shall be in addition to and supersede the general plat reference for that Individual Lot. Any drainage pattern or earthen tank embankment established on the Property cannot be altered or blocked in any manner so as to affect the drainage across such Property or to interfere with the natural flow of water though that Lot or other Lots.

Article III

Use Restrictions

Section 3.01: Single Family Residential Construction. No building shall be constructed on any Lot other than one single family residential dwelling with a detached or attached garage or carport. In addition to the primary residence, there may be constructed either (a) one garage apartment as part of the garage, or (b) one guest house, so long as such guest house is attached to the primary residence by a common roof (including a roof over an open breeze way). There may be only one garage apartment or one connected guesthouse, but not both. The term "dwelling" does not include single-wide, double-wide or multi-section manufactured homes, and said manufactured homes are not permitted within this subdivision. As used herein, the term "single family residential dwelling" shall be construed to prohibit mobiles homes or trailers being placed on said Lots, or the use of said Lots for duplex houses, fourplexes, condominiums, or apartment houses.

All plans and specifications for residential dwellings and other structural improvements must be approved in writing by Developer, its successors or assigns, prior to being constructed.

There may also be constructed workshops, barns, and outbuildings so long as they are of good construction, kept in good repair, and are not used for temporary or permanent residential purposes. Any pre-existing outbuildings, barns or similar improvements may continue to remain on the property. Any such workshops, barns, and outbuildings (including guest houses or garages or garage apartments) may be constructed only after the principal residence dwelling has been completed.

Any single-story residential dwellings must have a total living area of not less than 1,600 square feet, and a two-story residential dwelling must have a total living area of not less than 2,000 square feet, excluding porches, garages and guesthouse, and be constructed with new materials, except that used brick, stone, wooden beams, doors, and the like may be used for antique effect if

such use is appropriate for the structure and does not detract from the appearance of the structure or the Subdivision. Hardy Plank or similar material may be used so long as at least 30% of any exterior portion of a structure which faces a roadway is made of brick, stone or masonry. Stucco material shall be considered to be masonry, so long as all exterior of the home is made of stucco. All residential dwellings must be site built and constructed upon a monolithic full concrete slab foundation; more specifically, no concrete pier, beam or similar structure may be used as a foundation. Any barn, outbuilding, structure, or cottage must be of a similar design and finish as the main residence structure.

Each residence must have a minimum of thirty percent (30 %) brick, rock or stucco masonry construction on exterior walls, (except for Hardy Plank construction as described above) and must meet the following standards:

The facing of all buildings facing a public street, including barns, garages, cottages, and out buildings must be 30% masonry, the remainder may be of Hardy Plank or similar material, except that dormers on the front of two story structures may be constructed of non-masonry materials.

Any building, structure or improvement commenced on any Lot shall be completed as to exterior finish and appearance within six (6) months from commencement date. During construction of a residence, an Owner must provide a construction dumpster for container storage of trash and building construction debris, and a portable construction toilet for construction workers. Both dumpster and construction toilet must be removed immediately upon completion of construction. During the construction of a dwelling, a camper or recreation vehicle may be used as a temporary residence for up to six (6) months, so long as said camper or recreational vehicle is hooked up to an approved septic system. The above said period may not be extended without the express written consent of the Developer, its successors or assigns. It is specifically agreed that Lot Owners shall not excavate, remove, or sell the soil, nor cut, sell, or remove timber other than as necessary for the construction of residential and associated improvements upon the property and may be necessary for the reasonable use, upkeep and maintenance of the property.

No residence shall be occupied even on a temporary basis until water service is connected and an approved private sewage disposal system is installed. Each Lot Owner must contact the

appropriate U.S. Post Office for mail service at the time of construction.

All attached garages shall be side entrance only and the garage entry shall not face the street (except for corner lots where the garage doors shall face the side street only).

Section 3.02 Lot Line/Setbacks. No building of any kind shall be located on any Lot nearer than fifteen (15') feet to the side or rear property line, or nearer than thirty five (35') feet from front property line facing any public road. The Developer shall have the right to grant exceptions to the setback lines shown on the plat and upon recording an Instrument describing such exception in the real property records of Wilson County, Texas, setting forth the setbacks in such exception shall supersede and replace and the setbacks established in the Subdivision Plat.

"Rear and side Lot lines", Respectively, as Used in this Paragraph, In respect to any two or more contiguous whole Lots owned by the same Owner and used as a single building site shall mean, respectively, the outermost rear Lot lines and side Lot lines considering said contiguous whole Lots as one Lot. However, in the event that a single Owner shall own two or more adjacent Lots, and shall thereafter convey one to any third party, the interior Lot lines between the Lots then owned by separated owners shall be burdened by the setback lines described herein. All dwellings placed on a Lot must be equipped with septic tank or other sewage disposal system meeting all applicable laws, rules, standards, and specifications, and all such dwellings must be served with water and electricity.

Section 3.03: Use of Temporary Structures. No structure of a temporary character, whether trailer, recreational vehicle, camper, basement, tent, shack, garage, barn or other outbuilding, shall be maintained or used on any Lot at any time as a residence, either temporarily or permanently, except as permitted in section 3.01. However, the Developer reserves the exclusive right to erect, place and maintain such facilities in or upon any portion of the Subdivision as in its sole discretion may be necessary or convenient while selling Lots, selling or constructing residences, and constructing other improvements within the Subdivision. This sentence shall take precedence over any conflicting provisions of these Subdivision restrictions.

Section 3.04: Fences. All fences must be constructed with new materials. Fences are allowed from the corner of the front of the house to the rear of the Property, except that lots with

a retainage pond may have fencing across the lot so as to fence the retainage pond outside of the house yard fence. Plans for fencing enclosing retainage ponds must be submitted to and approved by the Architectural Control Committee prior to the construction of the fencing. All lots bordering any highway, whether state, national, or farm-to-market highway, are required to be constructed of similar type fencing, to be determined by Developer. All upkeep to fencing facing any highway, whether state, national, or farm-to-market, shall remain the responsibility of each Lot Owner's portion.

Section 3.05: Prohibition of Offensive Activities. Except as provided in Section 3.18, operation of a business on a Lot will not be permitted. This restriction is waived in regard to the customary sales activities required to sell homes in the Subdivision. No obnoxious or offensive activity shall be carried on upon any Lot nor shall anything be done therein which may become an annoyance or nuisance to the neighborhood, or cause an increase in insurance premiums to any Lot Owner as a result of the activity's presence.

Section 3.06: Minimum Lot Area. The Texas Veterans Land Board may sever a homesite parcel from any Lot owned by them. Otherwise, no Lot shall be subdivided without the consent of the Developer, its successors and assigns, which consent may be granted or withheld at the sole discretion of the Developer, its successors or assigns.

Section 3.07: Water Service and Water Wells. Water is supplied to the subdivision through a water service company licensed by the State of Texas. A hook-up fee will be payable by a property owner for the initial hook-up to this system.

No wells are allowed on Lots of less than 3.0 acres. A permit is required from the appropriate Underground Water District for a private water well. Site location for any water well must be such that any required sanitary easement is provided for and contained solely on that Lot. It is the intent hereof to prohibit any water well, which might impair or limit in any way whatsoever the use of any other Lot because of the water well and sanitation requirements related to same.

Section 3.08: Storage, Garbage, Refuse and Prohibited Items. No Lot shall be used or maintained as a dumping ground for rubbish. No Lot shall be used for the open storage of any materials whatsoever, which storage is visible from the road. However, any new building materials used in the construction of improvements erected upon any Lot may be placed upon such Lot at

the time construction is commenced and may be maintained thereon for a reasonable time, as long as the construction progresses without undue delay, until the completion of the improvements, after which time those materials shall either be removed from the Lot or stored in a suitable enclosure on the Lot. No leaves, brush, timber, debris, or trash of any nature shall be permitted to be placed, disposed of, or burned within the road right-of-ways. Each Owner or occupant shall keep the portion of the Property owned by it in a clean, kept, neat and sanitary condition. All Owners or occupants of any portion of the Property are required to maintain their portion of the Property, whether vacant or occupied, so that each Owner's tract does not become overrun or overgrown with tall grass, heavy brush, rubbish or trash. No inoperative or unlicensed automobile shall be placed on any Lot except in an enclosed structure which meets the requirements of these restrictions. No automobile, truck, trailer or other vehicle shall be abandoned on this property, nor shall there be any dumping or placing of unsightly objects of any kind on the property. No dump trucks, commercial trucks, any trucks with more than two axles, tractor-trailer trucks (commonly referred to as 18-wheelers) or heavy commercial or construction equipment may be parked on or near any Lot except temporarily as needed for residential construction purposes.

Section 3.09: Unsightly Storage. No unsightly trucks or vehicles shall be stored or kept on any lot, and no automobile or other vehicle shall be kept on any Lot for the purposes of repairs except in an enclosed garage or in facilities protected from the view of the public and other residents, and such use shall in no way cause a nuisance to the public or other property owners. No outbuilding taller than fourteen (14') feet at the highest point may be constructed to the rear of the main residence.

Section 3.10: Off-Road Parking, both Prior To and After the Occupancy of a Dwelling on any Lot. The Owner shall provide appropriate space for off-road parking for his vehicles. No Owner nor his/her guests or invitees may park vehicles overnight on the public right-of-way.

Section 3.11: Sewage Treatment. No outside toilet will be permitted except during construction as provided in Section 3.01 above. No sanitary sewage disposal system shall be installed on any Lot until a permit is issued by the regulatory authority having jurisdiction over same.

Section 3.12: Signs. No signs, advertisements, billboards or advertising structure of any kind may be erected or maintained on any Lot except one (1) professionally made sign not more than 18" x 24", advertising an Owner's Lot for sale, rent or during home construction. Developer or an Owner shall have the right to remove any such sign, which is placed on any Lot in violation of these restrictions, and in doing so, shall not be liable, and are hereby expressly relieved from any liability for trespass or other action in connection therewith, or arising from such removal. The Developer shall have the right to erect any size sign for the purpose of identifying and advertising property so long as such sign is maintained in good condition and removed promptly after marketing ends.

Section 3.13: Driveways. No driveway shall be constructed on any Lot until all required permits from the appropriate regulatory agencies have been obtained. All driveways shall be of a hard-surfaced material, finish, and composition for the first thirty five (35') feet of driveway extending from the main road running in front of the Lots. These may include, but are not necessarily limited to stone, flagstone, concrete, exposed aggregate concrete, concrete pavers, brick and asphalt. All driveway entrances shall be at least twelve feet (12') in width. An Owner is responsible in the event the design and construction of the driveway impedes the drainage system set out in the Plat and approved by Wilson County.

Section 3.14: Drainage. Subject to the provisions of Section 2.05 above, the provisions of which section shall control in the event of any conflict with the provisions of this section, natural established drainage patterns of streets, Lots or roadway ditches will not be impaired by any person or persons. No natural drainage shall be altered, nor shall any drainage ditch, culvert, nor drainage structure of any kind be installed or altered, nor shall any curb or other such impediment of the free flow of water be installed or altered, without prior written consent of the Developer, its successors, successors or assigns. An Owner is responsible in the event the design and construction of the driveway impedes the drainage system set out in the plat and approved by Wilson County.

Section 3.15: Hunting / Firearms. Discharging of firearms for hunting and/or target practice is expressly prohibited in the subdivision.

Section 3.16: Prohibited Use of Lot as Roadway. No Lot or any part of a Lot shall be

used as a street, access road, or public thoroughfare without the prior written consent of the Developer, its successors or assigns.

Section 3.17: Animals. Provided that such use does not create any condition conflicting with the residential nature of the Subdivision, the following animals may be raised or kept on the property:

- (a) Household Pets, such as cats, dogs and birds.
- (b) Livestock animals raised for 4 H or FFA school supervised programs, as long as used for a school project.
- (c) Horses and cattle, provided that a total of no more than one head per acre of area (with the size of Lot rounded either up or down to the nearest even acre) is kept on a Lot. Otherwise, no animals may be raised or maintained on any Lot. Under no circumstances shall any emus, ostriches, or any exotic animals be maintained on any Lot. In no case shall any commercial feedlot operation be allowed, nor the breeding and raising of animals as a commercial operation.
- (d) No pigs nor hogs may be raised, kept or bred, except for 4-H or FFA and school supervised programs.
- (e) Dogs must be kept in fenced in area or under lease at all times.

Section 3.18 Home Office / Telecommuting. Use of a Lot for Home Office or Telecommuting is permissible when conducted by a person in his residence and shall not be considered a violation of Section 3.01 above. No other business use of a Lot shall be allowed. To be considered as a home office/ telecommuting activity, the following applies:

- (a) The activity shall be at the residence of the person conducting the activity and it shall be entirely contained within the personal residence.
- (b) The activity is carried on only by the person(s) who reside(s) at that residence and specifically no outside employees are involved in the business at the residence.
- (c) The activity is incidental and secondary to the use of the property for residential purposes. The amount of space used for the activity shall not exceed 20% of the residential living area square footage.
- (d) The activity does not result in an objectionable noise, nor does it increase traffic volume

or require additional parking.

- (e) The activity does not include any window or outdoor displays and does not include any retail sales on the property.
- (f) The residence where the activity is located shall not be used as a point for customer visits, customer pick-up or customer deliveries.
- (g) Outdoor stage of any items related to the activity is prohibited.

Article IV

General Provisions

Section 4.01 Covenants Running with the Land. All of the restrictions, covenants, and easements, herein provided for and adopted apply to each and every Lot, and shall be covenants running with the land. The Owner of any Lot in the Subdivision shall have the right to either prevent a breach of any such Restriction or covenant, or enforce the performance thereof, by suit in law or equity, by way of injunction or damages, filed in any Court of competent jurisdiction. Nothing herein shall be construed as compelling the Developer to enforce any of these provisions, nor shall the failure of the Developer to enforce any of these provisions be deemed to be a waiver of the right of enforcement or prohibition. The Developer shall have no liability or responsibility at law or in equity on account of enforcement of, or on account of the failure to enforce these restrictions.

Section 4.02 Developer's Authority. The Developer, however, shall have the right to make use of any Lots then owned by Developer for Developer's purposes, including, but not limited to, sales offices, parking areas, storage and maintenance facilities, and storage and maintenance of equipment.

Developer reserves the right to construct and develop additional dedicated county roads over and across any Lot owned by the Developer, along with any re platting as may be required. Each Lot owner hereby consents, without protest, to non-notification and without notice publication, as stated in the Wilson County Subdivision Regulations, under Re-plat Revisions Procedures, Section 10.01(b), and further allows Commissioner's Court to permit the re-plat under the provisions of Section 10.01 (c)(2). The Developer expressly retains the right to acquire and subdivide adjacent properties and connect the Subdivision road(s) to same in order to provide

ingress and egress thereto in establishing continuing development of such future development.

Section 4.03 Partial Invalidity. Invalidity of any covenant or restriction (by Court Judgment or otherwise) shall not affect, in any way, the validity of all other covenants and restrictions, all of which shall remain in full force and effect. Acquiescence in any violation shall not be deemed a waiver of the right to enforce against the violator or others, the conditions so violated or any other conditions. The Developer and/or their designees may, on any Lot and/or Lots then owned by them, construct, maintain, use and allow to be used by others a sales office and storage facilities and Article III shall not apply thereto.

Section 4.04 Term and Amendments. The covenants, conditions, and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of, and be enforceable by the Owner of any Lot, and their respective legal representatives, heirs, successors and assigns, and unless amended as provided herein, shall be effective for a term of twenty (20) years from this date, after which time said covenants, conditions, and restrictions shall be automatically extended for successive periods often (10) years. Subject to Section 4.02 paragraph hereto, the covenants, conditions and restrictions may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners; during any succeeding ten (10) year periods, the covenants, conditions, and restrictions may be amended by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. No amendment shall be effective until recorded in the Deed Records of Wilson County, Texas, nor until the approval of any governmental regulatory body, which is required, shall have been obtained. Notwithstanding the foregoing, Developer shall have the right, but not the obligation, to amend, supplement, modify, or revoke this Declaration or any of the provisions hereof, without the necessity of the joinder of any Owner of any Lot or Lots or interest therein, for such purposes and upon such conditions as Developer shall deem appropriate, including correcting any clerical errors, clarifying ambiguity, removing any contradiction in the terms hereof, or otherwise taking such steps as may be necessary or appropriate for the continued upkeep or maintenance of the Property in accordance with the Developer's plan of development for such Property. This authority of the Developer in this Section shall continue for a term of one (1) year after the Developer disposes of its last fee interest in any lot or portion of the property and shall then terminate.

Article V

Property Owners Association

Section 5.01: Preamble. It is the intention of this Article 5 to impose the existing Cibolo Ridge Property Owners Association to serve for the general benefit of the community of Cibolo Ridge Subdivision Unit 2, to manage any common areas, to assist in the maintenance of property values and, in particular, to comply with the duty to maintain any detention ponds, structures, or common areas. The Cibolo Ridge Subdivision Property Owners Association is established with the Secretary of State of Texas as a Not-for-Profit Corporation and shall be hereinafter referred to as "the Association". The Association shall assume all maintenance obligations with respect to drainage areas and any other common areas which may be established. In order to accomplish this, the Association shall have the right to impose assessments. However, failure by the Association or any Owner to enforce any covenant or restriction shall in no event be deemed a waiver of their right to do so thereafter.

Section 5.02: Governance. The Association shall be governed same as Unit 1 by the Cibolo Ridge Subdivision Property Owners Association already in existence with the same Board of Directors elected in accordance with the Articles of Incorporation and Bylaws of the Association. The Board of Directors shall have the general authority to manage the Association and to perform the obligations called for herein. The right of members to vote for the Board of Directors shall be governed by the Bylaws of the Association. The Bylaws shall provide that any Lot Owner who is current in the payment of assessments shall have the right to vote at any meeting of the members of the Association.

Section 5.02.01: Insurance. The Board shall have the right to acquire a general comprehensive public liability insurance policy for the benefit of the Association and its members covering occurrences in the drainage areas and any common areas. The policy limits shall be determined by the Board. The Board shall use its best efforts to see that such policy shall contain, if available, cross-liability endorsements or other appropriate provisions for the benefit of members. Members of the Board (as well as any management company retained by the Board) may also be insured.

Section 5.02.02: Enforceability of Restrictions. The Board shall have the authority to enforce all restrictions, covenants, conditions, and reservations imposed by the Declaration. However, failure by the Board to enforce any restriction shall not give rise to any cause of action

against the Board, nor shall such failure constitute or be a waiver of a right to enforce such restriction in the future.

Section 5.02.03: Utilization of Professionals. The Board, in order to accomplish any of its purposes, shall have the authority to employ professionals for legal services, accounting services, or management services for the Association. The Board shall have the right to vest in such professional such discretion as the Board deems appropriate.

Section 5.02.04: Notices. Wherever any notice is required to be provided to any member, person, or entity, such notice shall be in writing and be given at least seven (7) days in advance of the effective date of the subject matter of the notice unless otherwise stated in this Declaration, the Bylaws, or the Articles of Incorporation. Notice to any Owner or mortgage holder shall be at the last known address of the Owner as shown in the records of the Association. It shall not be the duty of the Association to search out the current address of the Owner and/or lienholder, but rather it is the duty of the Owner and/or lien holder to provide the Association with the appropriate mailing address.

Section 5.02.05: Interest on Delinquencies. Wherever provided for in this Declaration for interest to be paid, the interest rate shall be ten (10%) percent, compounded annually.

Section 5.02.06: Board Authority. The Board, acting on behalf of the Association, shall have the right to:

- (a) grant or dedicate any common area to any public agency, authority, or utility for the purposes set forth in the Declaration or for public use as needed;
- (b) borrow money for the purpose of improving any common area, drainage facility, or otherwise to enable the Association to accomplish any action required of the Association or authorized for the Association to perform;
- (c) in order to enforce of the restrictions contained in the covenants, to commence any litigation and to represent the Association in any such litigation, seeking all such relief as may be available at law;
- (d) contract with any management company or a commercial provider to assist the Association with any of its duties and responsibilities.

Section 5.02.07: Voting Rights. Each Owner, as defined in the Original Declaration, shall

be entitled to one (1) vote in the Association for each lot owned by an Owner. Only one vote shall be cast for each lot. In the event of multiple Owners of any individual lot, only one (1) vote may be cast for such lot. In no event shall any vote for a single lot be split on any issue. In no event shall any one lot have more than one (1) vote.

Section 5.03: Assessments. The Association shall have the right to collect assessments. The provisions contained herein shall govern the collection of assessments; however, in the event of any conflict between these provisions and the Property Code of the State of Texas, the appropriate provisions of the Property Code of the State of Texas (to the extent that they apply to this subdivision) shall control.

Section 5.03.01: Assessment Obligations. Each Owner of the lot, by acceptance of the deed thereto, whether or not expressly stated in the deed, shall pay to the Association, and does hereby agree to pay to the Association:

1. Annual assessments or charges as provided for herein;
2. Any special assessments as may be established and collected as provided for herein;
3. Any interest or attorney's fees as a result of any delinquency in the payment of assessments.
4. Any annual or special assessments, together with any interest, costs, and attorney's fees associated therewith shall be charged upon each lot which is subject to such assessment, and shall be secured by a continuing lien on the lot against which such assessment is made. However, such lien shall be subordinate to vendor's liens and improvement liens as described below. Each assessment, as well as all interest, costs, and attorney's fees, shall also be the personal obligation of the Owner of such lot at the time the assessment came due. If an Owner conveys a lot and assessments against the lot remain unpaid, the Owner shall pay the past due assessments at the time of sale; however, such assessments, so long as unpaid, shall continue as a lien against the lot until paid, and the Owner shall remain liable to the Association for the payment of such delinquent assessments, regardless of any conveyance of such lot.

Section 5.03.02: Purpose of Assessments. The assessments levied by the Association shall be used for the maintenance, operation, management, and protection of the detention ponds

or drainage areas as described above, as well as for the improvement, operation, management, preservation, and maintenance of any other common areas (if any), for social, educational, or cultural activities on behalf of the Association, and for professional services as may be necessary or appropriate for the furtherance of the goals of the Association. However, no assessments shall be utilized (except to an insignificant extent) for any purposes which would be in violation of any regulations of the Internal Revenue Code for maintaining the Association status as a tax exempt entity under Section 501(c) of the Internal Revenue Code. The Association may maintain a reserve fund for the accomplishment of any of the purposes set forth herein. Any assessments of the Association may also be utilized for administrative purposes, for payment of taxes, insurance, or other reasonable or appropriate expenses of the Association.

Section 5.03.03 Amount of Assessments. The amount of the annual assessments shall be established by the Property Owners Association at its annual meeting. However, until the Property Owners Association has otherwise established the assessments, assessments, commencing on January 1, following the recording of this instrument, shall be Sixty (\$60.00) Dollars per lot per year. Assessments shall become payable on January 1st of each year (commencing on January 1, 2020) and shall be deemed to be delinquent on January 31st of each year. No assessments will be due until January 1, 2020. The Board of Directors shall use their best efforts to notify Lot Owners of the assessments each year; however, assessments shall be deemed to be due and payable regardless of whether notice was received by any Individual Lot Owner.

Section 5.03.04: Adjustments to Assessments. The annual assessment may be increased by the Property Owners Association at their annual meeting (which shall be held in accordance with the Bylaws of the Association) by not more than fifteen (15%) percent each year. The annual assessment may be increased in excess of fifteen (15%) percent over the previous year's assessment if the same is necessary in order to provide for the maintenance, operation, or protection of the detention ponds described above.

Section 5.03.05: Certificate of Amount Due. Upon written request, the Board of Directors shall furnish an appropriate certificate setting forth whether the assessments on any specific lot have been paid and indicating any delinquencies which may be due. The Association may charge a reasonable fee for the preparation of such certificate.

Section 5.03.06: Priority of Assessment Lien. Any unpaid assessments shall be secured by a lien on the lot for which the assessments are unpaid. However, any such lien or assessment shall automatically be determined to be subordinate to:

- (a) any vendor's lien or purchase money lien for the acquisition of the lot;
- (b) any lien created for the construction or improvement of any improvement on the property (whether such improvements were commenced before or after the delinquency date of the Assessment); and
- (c) any lien for the payment of any ad valorem or other taxes (including Federal Income Taxes).

It shall not be necessary for the Board of Directors to take any action to subordinate their assessment lien; however, the Board of Directors shall have the authority to execute any certificates or other documents as may be necessary in order to evidence the subordination of such lien to any prior liens as described in this paragraph. However, the Board of Directors of the Association shall further have the authority to notify any prior lienholders of any delinquencies in the payment of assessments.

Section 5.03.07: Special Assessments. In addition to the annual assessments the Association may levy special assessments applicable only for that fiscal year. Such special assessments may be levied for expenses that are over and above the annual assessment. A special assessment shall be valid only upon a vote by a majority of the Owners attending a Property Owners Association meeting called in which notice of the proposal for a special assessment was included in the notice calling the meeting.

Section 5.03.08: Remedies for Non-Payment of Assessment. Any assessment, when not paid by January 31st of each year shall be deemed delinquent. Any assessment remaining unpaid by February 15 shall incur an additional late fee of Twenty Five and No/100 (\$25.00) Dollars. Thereafter, the assessment shall bear interest at the rate of ten (10%) percent per annum, compounded annually. In the event of any delinquent assessment, the Association shall have the authority to:

- (a) file a certificate or other document with the County Clerk of Wilson County, Texas, indicating that such assessments are delinquent;

- (b) take any collection activity for the recovery of such assessments as may be necessary or appropriate, including reporting such delinquency to any collection bureaus, credit reporting agencies, or otherwise;
- (c) commence litigation for the collection of such assessments; or
- (d) take such steps as are appropriate in accordance with the Property Code of the State of Texas for the foreclosure of such assessment after complying with all of the appropriate requirements of those statutes which apply to this property for the foreclosure of such assessment lien.
- (e) In this regard, each Owner hereby grants to the Association a power of sale in conjunction with such assessment lien in the event of a delinquency in such assessment, and the Association shall specifically have the power to designate a trustee in writing from time to time to act as agent for the collection of such delinquent assessments. However, no foreclosure of an assessment lien shall in any way be authorized by the Board of Directors until the total delinquency owing to the Association is greater than One Thousand and No/100 (\$1,000.00) Dollars.

Section 5.04: Architectural Control Committee. The Board of Directors shall have the authority to create, either from its members or from other members of the Association, an Architectural Control Committee. The members of the Architectural Control Committee shall serve until their successors are named. A majority of the Architectural Control Committee (hereafter the "ACC") may act for the ACC. Unless required by the Property Code of the State of Texas, no notice of any ACC meeting shall be required. In the event a vacancy on the ACC shall arise, the Board of Directors shall have the authority to appoint a replacement to fill the vacancy.

Section 5.04.01: Approval of Plans. All plans for:

- (a) the construction of any improvements on any lot in the subdivision;
 - (b) the modification of any of the elevations of any lot in the subdivision; or
 - (c) the modification or alteration of any natural drainage areas in the subdivision;
- must be submitted to the ACC and reviewed by them in compliance with these restrictions. The ACC shall be entitled to evaluate all plans solely to insure that they comply with these restrictions and with the requirements of the Wilson County Subdivision Review

Committee. The ACC, upon receipt of the plans, shall render its decision within fifteen (15) days from the receipt of such plans. In the absence of any decision made within fifteen (15) days, the plan shall be deemed approved. In the event the plans are rejected for any reason, the Owner of the plans shall have the right, after meeting the objections of the ACC to resubmit the plans for a second review.

Section 5.04.02: Plans to be Submitted. The ACC shall specifically cover all buildings, fences, flatwork, swimming pool, or other structures or improvements, as well as any alteration or modification in the elevation or drainage of any lot. Construction on any such improvements or such alterations or modifications shall not commence prior to the receipt of a letter of approval from the ACC. The plans submitted must include:

- (a) an accurately drawn dimensional plan showing all buildings, setback lines, easements, drives, and walks;
- (b) a foundation floor plan, including room sizes and layouts, exterior elevations, of buildings above finish grade, and all back-filling and landscaping;
- (c) a description of any drainage or elevation alteration.

Section 5.04.03: Evaluation of Plans. The ACC shall have the authority to engage in any fact finding operations, and shall have the power to construe and interpret any covenant contained herein that may be vague, indefinite, or uncertain, or subject to more than one interpretation. The goal of the ACC is to encourage construction of dwellings in accordance with the terms of this instrument and the Original Declarations. Members of the ACC shall not be liable to any person or entity as a result of any act taken in their discretion herein. The ACC's evaluation of their plans is solely to determine compliance with the terms of this Declaration and the Original Declarations and the requirements of any local, state, or federal law.

Section 5.04.04: Variances and Waivers. The ACC shall have the right, but not the obligation, to grant variances and waivers relative to deviations and infractions of this Declaration or the Original Declarations in order to correct or avoid hardships to Owners. Any request for a variance or waiver must explicitly be stated in writing to the ACC, directing the ACC to the specific variance or waiver requested and the provision of these Declarations or the Original Declarations from which the variance or waiver is requested. Unlike plans, requests for variances

or waivers shall be deemed to be disapproved unless the ACC expressly states approval in writing within fifteen (15) days following the submission of such request. No member of the ACC shall be liable to any Owner or other entity for any claims, causes of action, or damages arising out of the grant or denial of any variance or waiver. Each request for a variance or a waiver shall be reviewed independently of any similar requests and the grant of a variance or waiver in one circumstance shall expressly not constitute or be a waiver or variance in any other circumstance, nor shall the same ever be considered to be precedent regarding any subsequent or other requests. The decisions of the ACC with respect to such variances or waivers shall be deemed to be final and binding upon the association and the applicant.

Section 5.05: General Provisions. The Board of Directors shall receive no compensation for service as Board of Directors of the Association. The Board of Directors shall be indemnified against any loss or damages which they may suffer as a result of actions as members of the Board of Directors in accordance with the Bylaws of the Association. The governance of the Association shall be as expressed in the Articles of Incorporation and the Bylaws of the Association. In the event of any conflict between the Bylaws of the Association and this instrument, the terms of this instrument shall control.

Therefore, this "Declaration of Covenants, Conditions, and Restrictions of Cibolo Ridge Subdivision, Unit 2" are hereby approved with effective date of February 11, 2019.

OAKS SUBDIVISION, LLC,
A Texas Limited Liability Company

OAKS SUBDIVISION, LLC,
A Texas Limited Liability Company

By: [Signature]
LAWRENCE FRISENHAHN, JR.,
President

By: [Signature]
LAWRENCE GEMBLER, JR.,
Vice President

THE STATE OF TEXAS §
COUNTY OF WILSON §

The foregoing instrument was acknowledged before me on May 7, 2019 by Lawrence Friesenhahn, Jr., President of Oaks Subdivision, LLC and Lawrence Gemble, Jr., Vice President of Oaks Subdivision, LLC.

[Signature]
NOTARY PUBLIC, STATE OF TX



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Return to:

Gemler Construction, LP
✓ P.O. Box 1076
La Vernia, TX 78121

Doc 00083249 Bk OF Vol 2088 Pg 248

Filed for Record in:
Wilson County
by Honorable Eva Martinez
County Clerk

On: May 09, 2019 at 08:31A
As a Recording

Document Number: 00083249
Total Fees: 110.00

Receipt Number - 231421
By:
Georgina Lira,
F: MOTZ

Any provision herein which restricts the sale,
rental, or use of the described realproperty
because of color or race is invalid and
unenforceable under federal law.

THE STATE OF TEXAS
COUNTY OF WILSON
I hereby certify that this instrument was
FILED in File Number Sequence on the date and
at the time stamped hereon by me and was duly
RECORDED in Official Public Records the
Volume: 2088 and Page: 225 of the
named records of: Wilson County
as stamped hereon by me.

May 09, 2019



Eva Martinez
COUNTY CLERK
WILSON COUNTY, TEXAS

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WHEN RECEIVED FOR RECORDING