



**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR CENTURY OAKS – NEW BERLIN, TEXAS**

STATE OF TEXAS

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KNOW ALL MEN BY THESE PRESENTS:

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COUNTY OF GUADALUPE

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This Declaration, made on the date hereinafter set forth by CENTURY OAKS NB, LLC, hereinafter referred to as "Developer" and/or "Declarant."

WITNESSETH:

WHEREAS, Developer is the owner of that certain tract of land known as Century Oaks, a subdivision situated in Guadalupe County, Texas. The Property that is the subject of these covenants, conditions and restrictions shall be the development called Century Oaks, including any and all phases, sections or Additional Property (as defined herein). The property that comprises Century Oaks is contained within the plat of the Subdivision that is recorded at Clerk's Document #202099013446 and at Volume 9, Page 289, Official Map and Plat Records of Guadalupe County, Texas (the "Plat"), which is incorporated herein by reference. The Subdivision may from time to time be supplemented when new units or phases of Century Oaks are added or included in this Declaration and/or amended as needed to promote the common scheme of the Subdivision.

WHEREAS, it is the desire of Declarant and the Declarant hereby places these certain restrictions, easements, covenants, conditions, stipulations and reservations (herein generally referred to as the "Restrictions") upon and against Century Oaks in order to establish a uniform plan for its development, improvement and sale, and to insure the preservation of such uniform plan for the benefit of both the present and future owners of Lots in Century Oaks.

WHEREAS, Developer hereby reserves and retains unto itself, the right, as it shall determine, in its sole and unfettered discretion, to (i) add to or delete areas from the Subdivision (defined in Paragraph 1.33 below); and (ii) hereafter place and impose such restrictions, easements, covenants, conditions, stipulations and reservations on any and all remaining unrestricted Lots and/or properties, or portions thereof, in the Subdivision, in order to establish any plan or common scheme chosen by Developer for the development, improvement and sale thereof.

NOW, THEREFORE, Developer/Declarant hereby adopts, establishes and imposes upon Century Oaks and declares the following reservations, easements, restrictions, covenants and conditions, applicable thereto, all of which are for the purposes of enhancing and protecting the value, desirability and attractiveness of said property, which Restrictions shall run with said Lots and/or property and title or interest therein, or any part thereof, and shall inure to the benefit of each owner thereof. Developer also declares that Century Oaks shall be subject to the jurisdiction of the "Association" (as hereinafter defined in Paragraph 1.05 below).

Developer hereby declares that all of the property shown on the Plat and any Additional Property subjected to this Declaration by Supplemental Declaration (as defined in Paragraph 1.03 below) shall be held, sold, used and conveyed subject to the following easements, restrictions, covenants and conditions, which shall run with the title to the real property subjected to this Declaration. This Declaration shall be binding upon all parties having any right, title or interest in any portion of the Properties, their heirs, successors, successors-in-title and assigns, and shall inure to the benefit of each owner of any portion of the Properties.

Developer is the owner of the real property described on the Plat of Century Oaks, incorporated herein by reference. This Declaration imposes upon the property contained in the Plat and any Additional Property mutually beneficial restrictions under a general plan of improvement for the benefit of the Owners of each portion of the Plat and any Additional Property and establishes a flexible and reasonable procedure for the overall development, administration, maintenance and preservation of the Properties. In furtherance of such plan, this Declaration

provides for the Century Oaks Home Owners Association, Inc. (the "Association") to own, operate and maintain Common Areas, roads, minerals and to administer and enforce the provisions of this Declaration and the By-Laws.

SECTION I DEFINITIONS

1.01. "The Act" shall mean The Texas Residential Property Owners Protection Act, Title 11, Chapter 209 of the Texas Property Code, as such act may be amended.

1.02. "ACC" shall mean and refer to the Architectural Control Committee for the Century Oaks subdivision.

1.03. "Additional Property" or "property subject to annexation" shall mean all of that certain real property that is located within a five (5) mile radius of the perimeter boundary of the land described and shown on the Plat of Century Oaks recorded at Clerk's Document #202099013446 and at Volume 9, Page 289, Map and Plat Records of Guadalupe County, Texas and such real property is subject to annexation to the terms of this Declaration.

1.04. "Adjacent Properties" shall mean any residential, nonresidential, or recreational areas, including, without limitation, single family residential developments, assisted living facilities, retail, office, commercial, or institutional areas and Common Area, which are located adjacent to, in the vicinity of, or within the land contained in the Plat or the Additional Property; which are owned and operated, in whole or in part, by Persons other than the Association; which are not subject to this Declaration; and which are neither Lots nor Common Area as defined in this Declaration.

1.05. "Association" shall mean and refer to the home owners association for the Subdivision whose legal name is the "Century Oaks Homeowners Association, Inc.," its successors and assigns.

1.06. "Century Oaks" and/or "Subdivision" shall mean and refer to Century Oaks and any phase or section of Century Oaks, hereafter or heretofore made subject to the jurisdiction of the Association, which property is shown on the Plat of Century Oaks recorded at Clerk's Document #202099013446 and at Volume 9, Page 289, Map and Plat Records of Guadalupe County, Texas shall be as supplemented and/or amended.

1.07. "City" shall mean and refer to the City of New Berlin, Texas.

1.08. "Common Area" shall mean and refer to Common Areas as designated on the Plat and certain real property and any improvements and facilities thereon located adjacent to, in the vicinity of, or within the Properties, designated by the Developer and which are owned and operated, in whole or in part, by the Association for recreational or other purpose. Developer reserves the right to designate additional Common Area or remove Common Area in its sole discretion.

1.09. "County" shall mean and refer to Guadalupe County, Texas.

1.10. "Board of Directors" shall mean and refer to the Board of Directors of the Association.

1.11. "Builders" shall mean and refer to R & D Builders, LLC.

1.12. "Common Area" shall mean all real property (including the improvements thereto) within the Subdivision owned by the Developer and/or the Association for the common use and enjoyment of the Owners.

1.13. "Control Transfer Date" shall mean and refer to the date that Developer transfers control of the Association to the owners of Century Oaks Subdivision and as further defined in paragraph 5.02.2.

1.14. "County Road" shall mean and refer to roads that are maintained by Guadalupe County, Texas.

1.15. "Developer" or "Declarant" shall mean and refer to CENTURY OAKS NB, LLC and its successors and assigns.

1.16. "Front Lot Line" or "Front Property Line" shall mean and refer to the property boundary line adjoining the street to which the front of the dwelling faces and to which the address of the dwelling shall be.

1.17. "Governing Documents" shall mean and refer to the following documents collectively: this Declaration of Covenants, Conditions and Restrictions for Century Oaks (and all amendments and supplements thereto), the Articles of Incorporation for the Association, the Bylaws of the Association, any and all Design or Architectural Guidelines and/or all applicable state statutes governing or applying to the Association.

1.18. "Lot" shall mean and refer to any plot of land identified as a lot or home site on the recorded Plat of Century Oaks recorded in the Map and Plat records of Guadalupe County, Texas. For purposes of this instrument, "Lot" shall not be deemed to include any portion of the "Common Areas" or "Unrestricted Reserves," or "Reserves" (defined herein as any Common Areas, Reserves and Unrestricted Reserves shown on the Plat) in Century Oaks regardless of the use made of such area.

1.19. "Member" shall mean and refer to every person or entity that holds a membership in the Association.

1.20. "Ordinance" or the "Guadalupe County Commissioners Court" shall mean the ordinance and/or governing body that governs the building activity in the Subdivision and approvals shall be governed by such.

1.21. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot which is a part of the Subdivision, but excluding those having such interest merely a security for the performance of an obligation.

1.22. "County Road" or "County Streets" shall mean and refer to, roads and/or streets within Century Oaks Subdivision and which will be maintained by Guadalupe County

1.23. "Properties" shall mean and refer to any land previously not defined by these Restrictions found within Century Oaks Subdivision.

1.24. "Rear Lot Line" or "Rear Property Line" or "Rear Boundary Line" shall mean and refer to that Lot boundary line opposite the front property boundary line as delineated by the Plat.

1.25. "Side Lot Line" or "Side Property Line" shall mean and refer to any Lot line that is not a Front Property Line or a Rear Property Line.

1.26. "Soffit" shall be defined as the underside of structural components, such as eaves and overhangs.

1.27. "Subdivision" shall mean all those properties or units forming a part of Century Oaks and as described and shown on the Plat of Century Oaks as amended and supplemented.

SECTION II RESERVATIONS, EXCEPTIONS AND DEDICATIONS

2.01. Recorded Subdivision map of the Property. The plat ("Plat") of Century Oaks, for all separate and distinct phases of the Subdivision dedicates for use as such, subject to the limitations as set forth therein, the roads (public or private as the case may be), streets and easements shown thereon. The Plat further establishes certain restrictions applicable to Century Oaks. All dedications, restrictions, easements and reservations created herein or shown on the Plat, any subsequent Plats of additional Phases, which are governed by these Restrictions, replats or amendments of the Plats of CENTURY OAKS 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, whether specifically referred to therein or not.

2.02. Easements. Developer reserves for public use and for private utility use the utility easements shown on the recorded Plat or that have been or hereafter may be created by separate instrument recorded in the Official Public or Official Real Property Records of Guadalupe County, Texas, for the purpose of constructing, maintaining and repairing a system or systems of electric lighting, electric power, water, telephone line or lines, fiber optic lines, storm surface drainage, cable television, or any other utility the Developer sees fit to install in, across and/or under 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 Roads, Reserves, Common Area and/or Lots. Should any utility company furnishing a service covered by the general easement 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 their respective facilities. 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. Additionally, Developer reserves and hereby dedicates all areas located within the 100-year flood plain as depicted by the Federal Emergency Management Authority ("FEMA") and shown on the Plat as a "Drainage Easement," and subject to the terms and status of a Drainage Easement. Developer reserves the right and ability to enter the Lot where a Drainage Easement is located or the 100-year flood plain is located to perform work as necessary within such Drainage Easements to insure proper drainage of the Subdivision and/or individual Lots as designed. Any and all Access Easements found within the Subdivision are dedicated for use by the Developer and the Members of the Association for ingress and egress across such Lots as may be burdened by such Access Easement, and may be used for ingress and egress by the Developer or such other individuals, persons or entities as may be provided for by the Developer through written consent or written license.

2.03. Title Subject to Easements. It is expressly agreed and understood that the title conveyed by Developer to any of the Lots by deed or other conveyance shall be subject to any easement affecting same for roadways or drainage, electric lighting, electric power, water, telegraph or telephone purposes, maintenance, utility, access 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/her Lot. The Developer may convey title to said easements to the public, a public utility company or the Association.

2.04. Utility Easements. There are hereby reserved to the Developer at all times prior to the Control Transfer Date, the Association, and the designees of each (which may include, without limitation, any governmental or quasi-governmental entity and any utility company) perpetual non-exclusive easements upon, across, over, and under all of the Lots to the extent reasonably necessary for the purpose of installing, constructing, monitoring, replacing, repairing, maintaining, operating and removing cable television systems, master television antenna systems, and other devices for sending or receiving data and/or other electronic signals; security and similar systems; roads, walkways, pathways and trails; wetlands, irrigation, and drainage systems; street lights and signage; and all utilities, including but not limited to sewer, telephone, gas and electricity, and utility meters; and an easement for access of vehicular and pedestrian traffic over, across and through the Properties, as necessary, to exercise the easements described above. Developer specifically grants to the local water supplier, electric company, telephone company, cable company, and natural gas supplier the easements set forth herein across the Properties for ingress, egress, installation, reading, replacing, repairing, and maintaining utility lines, meters and boxes, as applicable.

2.04.1. Utility ground and aerial easements have been dedicated in accordance with the Plat and by separate recorded easement documents.

2.04.2. No building shall be located over, under, upon or across any portion of any utility easement or any other easement as shown in the Plat or otherwise by recorded document. 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 the Utility District or any public utility in the course of installing, operating, maintaining, repairing, or removing its facilities located within the Utility Easements.

2.04.3. Any damage to a Lot resulting from the exercise of the easements described in this Section shall promptly be repaired by, and at the expense of, the Person or entity exercising control of the easement. The exercise of these easements shall not extend to permitting entry into the structures on any Lot, nor shall it unreasonably interfere with the use of any Lot, and except in an emergency, entry onto any Lot shall be made only after reasonable notice to the Owner or occupant.

2.05. Easement for Slope Control, Drainage and Waterway Maintenance. The Developer, for itself and the Association, and their respective representatives, successors and assigns, contractors and agents, hereby establishes and reserves a permanent and perpetual non-exclusive easement appurtenant over, across, under, through and upon each Lot for the purposes of:

2.05.1. controlling soil erosion, including grading and planting with vegetation any areas of any Lot which are or may be subject to soil erosion;

2.05.2. drainage of natural or man-made water flow and water areas from any portion of the Property or any amenity;

2.05.3. changing, modifying or altering the natural flow of water, water courses or waterways on or adjacent to any Lot or Common Area;

2.05.4. dredging, enlarging, reducing or maintaining any water areas or waterways within the Property other than those approved by the District and/or Guadalupe County; and

2.05.5. Installing such pipes, lines, conduits or other equipment as may be necessary for slope control, drainage and waterway maintenance of any portion of the Property or any amenity.

2.06. Easements to Serve Additional Property. The Developer hereby reserves for itself and its duly authorized agents, representatives, and employees, successors, assigns, licensees, and mortgagees, an easement over the Common Area for the purposes of enjoyment, use, access, and development of the Additional Property, whether or not such property is made subject to this Declaration. This easement includes, but is not limited to, a right of ingress and egress over the Common Area for construction of roads, for the posting of signs and for connecting and installing utilities serving the Additional Property. Developer agrees that it and its successors or assigns shall be responsible for any damage caused to the Common Area as a result of vehicular traffic connected with development of the Additional Property.

2.07. Easement for Entry. The Association shall have the right, but not the obligation, and a perpetual easement is hereby granted to the Association, to enter all portions of the Properties, including each Lot, for emergency, security, and safety reasons. Such right may be exercised by the authorized agents, employees and managers of the Association, any member of its Board or committees, and its officers, and by all police officers, fire fighters, ambulance personnel, and similar emergency personnel in the performance of their duties. Except in emergencies, entry onto a Lot shall be only during reasonable hours and after notice to and permission from the Owner. This easement includes the right to enter any Lot to cure any condition which may increase the possibility of fire, slope erosion, immediate risk of personal

injury, or other hazard if an Owner fails or refuses to cure the condition within a reasonable time after request by the Board, but shall not authorize entry into any dwelling without permission of the Owner, except by emergency personnel acting in their official capacities. Any entry by the Association or its authorized agents, employees or managers of the Association, any member of its Board or committees, or its officers onto a Lot for the purposes specified herein shall not constitute a trespass.

2.08. Easements for Maintenance and Enforcement. Authorized agents of the Association shall have the right, and a perpetual easement is hereby granted to the Association, to enter all portions of the Properties, including each Lot to (a) perform its maintenance responsibilities, and (b) make inspections to ensure compliance with the Governing Documents. Except in emergencies, entry onto a Lot shall be only during reasonable hours. This easement shall be exercised with a minimum of interference to the quiet enjoyment to Owners' property, and any damage shall be repaired by the Association at its expense. Entry under this Section shall not constitute a trespass.

2.09. Mowing Easement. Developer reserves an easement for the mowing of roadways, drainage areas, street ditches, Common Areas, Reserves and, if necessary Lots subject to these Restrictions. Such easement includes the right to mow and maintain the areas listed above to keep in good condition. This paragraph in no way shall limit or diminish the obligation of the Owner of each Lot to maintain their Lot or Lots. In the event that mowing of a Lot owned by a Member, the Association may charge a fee for the mowing such Lot.

The Association also may enter a Lot to abate or remove, using such measures as may be reasonably necessary, any structure, thing or condition which violates the Governing Documents. All costs incurred, including reasonable attorneys' fees as allowed by the Act, may be assessed against the violator as a Specific Assessment.

2.10. Developer Reserved Easements.

2.10.1. Flood Water. The Developer reserves for itself and its successors, assigns, and designees the nonexclusive right and easement, but not the obligation, to enter upon the Common Areas or Easements to (a) install, keep, maintain, and replace pumps and irrigation systems in order to provide water for the irrigation of any of the Common Areas or Reserves; (b) construct, maintain, and repair any wall or other structure retaining water; and (c) remove trash and other debris therefrom and fulfill their maintenance responsibilities as provided in this Declaration. Developer and its designees shall have an access easement over and across any of the Properties to the extent reasonably necessary to exercise their rights under this Section.

2.10.2. Access and Encroachment over the Common Area and Lots. Developer further reserves for itself and its successors, assigns and designees, a perpetual, nonexclusive right and easement of access and encroachment over the Common Area and Lots (but not the dwellings thereon) adjacent to or within twenty feet (20') of ponds, streams and wetlands in order to (a) temporarily flood and back water upon and maintain water over such portions of the Properties; (b) fill, drain, dredge, deepen, clean, fertilize, dye, and generally maintain the ponds, streams, and wetlands within the Common Areas; (c) maintain and landscape the slopes and banks pertaining to such ponds, streams, and wetlands; and (d) enter upon and across such portions of the Properties for the purpose of exercising its rights under this Section. All persons entitled to exercise these easements shall use reasonable care in, and repair any damage resulting from the intentional exercise of such easements. Nothing herein shall be construed to make Developer or any other Person liable for damage resulting from flooding due to heavy rainfall or other natural disasters.

2.10.3. Power to Release Easements. Developer reserves unto itself the right, in the exercise of its sole discretion, upon the request of any Person holding, or intending to hold, an interest in the Properties, or at any other time, (i) to release all or any portion of the Properties from the burden, effect, and encumbrance of any of the easements granted or reserved under this Section, or (ii) to define the limits of any such easements.

This reservation shall not transfer to the Association upon termination of the Developer/Declarant rights.

2.11. Lateral Support. Every portion of the Common Area, every Lot, and any improvement which contributes to the lateral support of another portion of the Common Area or of another Lot shall be burdened with an easement for lateral support, and each shall also have the right to lateral support which shall be appurtenant to and pass with title to such property.

2.12. Easements for Common Areas.

2.12.1. Under no circumstances shall any of the following Persons be held liable for any damage or injury resulting from any activity relating to any Common Area, including, but not limited to, the exercise of the easements set forth in this Section: the Developer, or any successor Developer; the Association or its Members (in their capacity as such); or any officer or director, member, manager or partner of any of the foregoing.

2.12.2. The Developer hereby reserves for itself, its successors and assigns, and may assign to the owner(s) of the Common Areas, an easement for purposes of irrigation of the Common Area and for access to and the right to enter upon adjacent Properties, if any, for installation and maintenance of any irrigation systems.

2.13. Rights to Stormwater Runoff, Effluent and Water Reclamation. Developer hereby reserves for itself and its designees, including, but not limited to, the owner of any Amenity, all rights to ground water, surface water, storm water runoff, and effluent located or produced within the Properties, and each Owner agrees, by acceptance of a deed to a Lot, that Developer shall retain all such rights. Such right shall include an easement over the Properties for access, and for installation and maintenance of facilities and equipment to capture and transport such water, runoff and effluent.

2.14. County Roads/Streets. Every Owner shall have a right and nonexclusive easement of use, access, and enjoyment in and to, over and across any streets and roads which are to be located within the Subdivision, for the purpose of ingress and egress to public rights-of-way and to Common Areas. The rights and nonexclusive easements granted herein are appurtenant to the title to each Lot, subject to the terms and limitations as set forth in this Declaration and the right of the Developer to dedicate all or any part of roadways or streets to the Association.

2.15. Liability for Use of Easements. No Owner shall have a claim or cause of action against the Developer, its successors or assigns, or the Association, including without limitation the owner(s) of any Common Areas or Amenities, arising out of the exercise or non-exercise of any easement reserved hereunder or shown on any subdivision plat for the Properties, except in cases of intentional, willful or wanton misconduct.

SECTION III USE RESTRICTIONS

3.01. Single Family Residential Construction Only. No building shall be erected, altered, placed or permitted to remain on any Lot other than dwellings to be used for residential purposes. All Lots must comply with the rules, regulations and ordinances imposed by the City and/or by Guadalupe County regarding construction. All single story dwellings on Lots must have at least One Thousand, Eight Hundred (1,800) square feet of heated and cooled living area, excluding porches, and have at least a two (2) car garage and no more than a three (3) car garage, which may be detached. Two-story dwellings must have a minimum of Two thousand, one hundred (2,100) square feet of heated and cooled living area, excluding porches. Two-Story dwellings must contain at least One Thousand, Two Hundred (1,200) square feet on the ground floor and must have at least a two (2) car garage and no more than a four (4) car garage, which may be detached. The term "dwelling" only includes new construction of a residential home and does not include mobile homes (single-wide or double-wide), manufactured homes (single or doublewide or other size), modular or prefabricated (prefab) homes. Any and all said mobile homes, modular homes, manufactured homes and prefabricated homes are not permitted within the Subdivision. All primary and secondary dwellings must be site constructed, built with new

construction materials and use exterior materials that are approved by the Architectural Control Committee (the "ACC"). Aluminum, metal, steel, asbestos, and/or plywood siding shall not be allowed. Vinyl siding will be allowed on the soffits only. All primary and secondary dwellings are required to have a concrete and rebar foundation, a pier foundation or a combination of a concrete slab and pier foundation that is engineered and sealed by a Professional Engineer ("P.E.") licensed in the State of Texas. All new homes are to be constructed only by the Developer and no one else unless such waiver is provided by the Developer in writing.

3.02. Secondary Dwellings and Detached structures.

3.02.1. One secondary dwelling may be built on Lots, provided said secondary dwelling contains a minimum of Five Hundred (500) square feet and cannot exceed One Thousand, Two Hundred (1,200) square feet of living area size. Secondary dwellings must be built after or while the primary dwelling is being built and must be approved by the ACC.

3.02.2. Detached garages, workshops and accessory buildings may be constructed on the Lot prior to the primary dwelling being built. Detached garages, workshops and accessory buildings may not have interior plumbing prior to occupancy of the primary dwelling and shall not exceed one thousand five hundred (1,500) square feet. No person shall temporarily or permanently live in the garage, workshop, or accessory building. All primary dwellings, detached garages, work shops, accessory buildings and any other improvements must be approved in writing by the ACC prior to being erected, altered or placed on the Lot. Detached garages must be built out of similar material as the primary dwelling. Other accessory buildings must be built with new construction material and may be built with wood and/or metal, and must be approved in writing by the ACC. Detached garages, workshops, or accessory buildings may not be used as a temporary or permanent residence. Door opening on workshop and accessory building, may face the front property line. All shingle roofs must have at least a 30-year life, all other shingle roofs are not permitted. Standing seam metal, metal and tile roofs are permitted. Any building, structure or improvement commenced on any Lot shall be completed as to exterior finish and appearance within nine (9) months from the commencement date. While dwellings and/or accessory buildings are being constructed, the Owner and/or Contractor must provide a trash dumpster and temporary restroom facilities on the Lot.

3.03. Composite Building Site. Any Owner of one or more adjoining Lots (or portions thereof) may, with the prior written approval of the ACC, consolidate such Lots or portions into one (1) building site, with the privilege of placing or constructing improvements on such resulting site, in which case the side set-back lines shall be measured from the resulting Side Property Lines rather than from the Lot lines as indicated on the Plat. It is the responsibility of the owner to obtain all needed easement releases from the appropriate agencies and all approvals from the appropriate County and/or City authorities.

3.04. Location of the Improvements upon the Lot. On all Lots, no building of any kind shall be located on any Lot nearer than fifty (50) feet from the Front Property Line and thirty (30) feet from any Side Lot Line and not nearer than eighty (80) feet from any Rear Property Line. Regardless of property line, no building shall be closer than fifty (50) feet from the property line adjoining any road. All primary dwellings must directly face the Front Property Line: i.e. the front door of the dwelling must face the Front Property Line and Street. The ACC shall have the ability to grant a variance for the placement and location of a residential dwelling or building on a Lot to not be facing Front Property Line based on the Lot size and location of trees.

3.05. Height Restriction. Notwithstanding, the maximum height shall be two (2) stories, but not to exceed thirty-five (35) feet per dwelling from the first floor elevation, which is measured from the highest point of the virgin soil. Height of any accessory building shall not exceed twenty-five (25) feet. Provided however, as to any Lot, the ACC may waive or alter any such setback line or height restriction, if the ACC, in its sole discretion determines that such waiver, or alteration is necessary to permit effective utilization of a Lot. Any such waiver or alteration must be in writing and recorded in the Official Public of Records of Guadalupe County, Texas.

3.06. Use of Temporary Structures. Except as set forth below, no structure of a temporary character, whether basement, shack, garage, recreational vehicle, camper, tent or other outbuilding shall be maintained or used on any Lot at any time as a residence, either temporarily or permanently. Notwithstanding, 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. No tents are allowed. Occupied, self-contained and non-self-contained campers or recreational vehicles will be permitted on the property so long as such campers or recreational vehicles are on the property no longer than seven (7) consecutive calendar days and no longer than fourteen (14) total calendar days out of a thirty (30) day period. All non-self-contained campers must have some type of chemical toilet.

3.07. Walls and Fences. Walls, fences and gates if any, must be approved prior to construction by the ACC. Walls and fences may be constructed of wood, metal pipe, masonry, masonry veneer, wrought iron, and/or vinyl rail, or a combination thereof, but nothing else. On all Lots, one hundred (100) feet of the side fencing, beginning where the side fencing joins the front fence, must be constructed of the same material as the front fence. All wooden fences (except cedar and redwood) must be painted or stained in a color approved by the ACC and cannot be located in front of the Dwelling. All fencing shall be a minimum of four (4) feet in height and a maximum of six (6) feet in height. Standard aluminum ranch gates are not permitted. Privacy fencing with a maximum height of eight (8) feet may be allowed on non-perimeter fencing, around the house area, at the sole discretion of the ACC and/or Association. All fences must be maintained to the satisfaction of the Association.

3.08. Driveways. All driveways must be made of concrete from the street to the residential dwelling.

3.09. Prohibition of Offensive Activities. No activity, whether for profit or not, shall be conducted on any Lot which is not related to single family residential purposes, unless said activity meets the following criteria: (a) no additional exterior sign of activity is present, (b) no additional traffic that would not be there normally is created, (c) nothing dangerous is present and (d) the activity does not constitute a nuisance or annoyance. Nothing herein shall prevent a home office so long as the requirements of (a), (b), (c) and (d) above are met. Further, this restriction is waived in regard to the customary sales activities required to sell homes in the Subdivision by the Developer. The Association shall have the sole and absolute discretion to determine what constitutes a nuisance or annoyance.

3.10. Garbage and Propane Storage. Garbage and trash or other refuse accumulated in this subdivision shall not be permitted to be dumped at any place upon adjoining land where a nuisance to any residence of this subdivision is or may be created. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be allowed to accumulate, shall be kept in sanitary containers and shall be disposed of regularly. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition and out of sight from public roadways, except on pickup days. Propane tanks must not be visible from the road, buried and/or screened with vegetation and/or privacy fencing as approved by the ACC.

3.11. Unightly Articles, Junked Motor Vehicles Prohibited. Except as set forth in Paragraph 3.06, no campers, recreational vehicles, boats, trailers, graders, trucks other than pickups, tractors, wagons, busses, motorcycles, motor scooters or garden maintenance equipment may be kept on property unless such items are placed in an approved enclosed structure and kept in a clean and tidy manner. No maintenance work shall be done on any of the foregoing, or on any automobile (other than minor emergency repairs), except in enclosed garages or other structures. No vehicle may be parked in excess of seventy-two (72) hours on any roadway within the Property.

No article deemed to be unsightly by the ACC shall be permitted to remain on any Lot. Service area, storage area, loading area, compost piles and facilities for hanging, drying or rinsing clothing or household fabrics shall be appropriately screened from view from public or private thoroughfares, and no lumber, grass, plant, waste, shrub or tree clippings, metals, bulk

materials, scrap or refuse shall be kept, stored or allowed to accumulate on any portion of the Owner(s) Lot. No junk, abandoned or unregistered vehicles and no vehicles without current inspections shall be allowed on any Lot. Tractor trailer rigs and/or trailers and trucks with more than ten (10) wheels may not be parked or kept on the Lot(s) or in the subdivision for more than forty-eight (48) hours.

3.12. Signs. No signs, advertisements, billboards or advertising structures of any kind may be erected or maintained on any Lot without the consent in writing of the ACC. This sign prohibition does not apply to the Developer as Developer maintains the ability to place signs, advertisements, billboards and/or advertising structures within the Property at its discretion. The ACC shall allow one (1) professionally made sign not more than twenty-four inches (24") by thirty-six inches (36") advertising the Owner's Lot for sale or rent after a Dwelling or home has been built, and one (1) professionally made sign approved by the ACC, not more than twelve inches (12") by twenty-four inches (24") identifying the Lot owner's name or names. The term "professionally made sign" does not include store bought pre-made "for sale" or "for rent" signs. Notwithstanding, Builders and/or Contractors may place a sign that is approved by the ACC that does not exceed four feet (4') by eight feet (8') advertising a Dwelling or home constructed or under construction by the Builder and/or Contractor on a Lot. A Builder/Contractor sign shall be permitted to remain on the Lot where the Dwelling or home is constructed for as long as such Dwelling remains unsold to a third party; however the sign shall be permitted during construction. Except as it applies to Developer, no sign shall be nailed to a tree or placed within twenty-five (25) feet from any Lot line and all signs must be properly maintained. Developer or any member of the Association or ACC shall have the right to remove such sign, advertisement, billboard or structure 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 tort in connection therewith, or arising from such removal.

3.13. Animal Husbandry. No livestock, poultry or large animal of any kind may be kept, stored or raised on any Lot except for 4-H and Future Farmers of America (FFA) sanctioned youth projects wherein such animals must be confined in pens or cages and are not allowed to range free on the Lot; however, under no circumstances may a 4-H or FFA sanctioned project be a swine or bovine of any kind. Dogs must be kept in a kennel, dog run, or fenced in area that confines said dog(s) to that area within the Lot. Maximum number of dogs shall be limited to no more than three (3) dogs per Owner. Breeding or other for-profit dog operation shall not be permitted or allowed. Dogs will not be permitted to run loose in the community, and therefore, must be on a leash when outside of the boundary of the Owner(s) Lot(s). All dogs and cats must be vaccinated for rabies according to state law once a year and registered with Guadalupe County once a year.

3.14. Mineral Development. Developer/Declarant does not own any minerals; as all minerals owned by Developer have been deeded to the Association; however, a portion of the minerals may have previously conveyed or reserved by third parties to which Developer has no control over such prior reserved or conveyed minerals. The members of the Association may, upon a two-thirds (2/3rds) of the Owners approval, allow for commercial oil, gas or other mineral drilling, mineral development operations, oil/gas refining, oil, gas or other mineral quarrying or mining operation of any kind within the Subdivision. Rigs, derricks or other structures designed for the use of boring for or gathering oil, natural gas or other minerals may be erected, maintained, or the like as to the mineral interests in which a waiver of the surface has not been obtained or if the Association agrees to allow such as the mineral estate is dominant over the surface estate.

3.15. Drainage. Natural or man-made established drainage patterns of streets, Lots or roadway ditches will not be impaired by any person or persons. No creeks, man-made or natural drainage areas may be filled, impacted, dammed, or water, therefore improved, diverted or used for any purpose without the prior written consent of the ACC. All Owners must install driveway culverts and must be approved by Guadalupe County and/or by the ACC, when necessary, to be of sufficient size to afford proper drainage of ditches without backing water up into ditch or diverting flow. Drainage culvert installation must meet County requirements. Residential

driveway culverts shall not extend more than fifteen (15) feet beyond the edge of the paved driveway with a maximum total length of fifty (50) feet. The Association and/or the ACC shall have the ability and power to remove all culverts that do not meet this requirement or that do not drain properly or have not been given specific variance due to a hardship reason for an extended length of culvert. In the event the Association or the ACC is required to remove the culvert, all costs and expense for such work shall be the responsibility of the Owner. All areas designated as 100-year flood plain on the Plat are hereby dedicated as Drainage Easements.

3.16. Solar Energy Devices. Pursuant to the provisions of the Texas Property Code §202.010, the purpose of this policy is to provide for the timely and efficient review by the Association of applications for installation of a "Solar Energy Device" ("SED") within the subdivision and to establish guidelines for review and approval of applications to ensure compliance with the provisions of state law. For the purpose of this Policy, "Solar Energy Device" shall mean a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated energy. The term includes a mechanical or chemical device that has the ability to store solar-generated energy for use in heating or cooling or in the production of power.

3.16.1. Applications for installation of any Solar Energy Device shall be submitted to the ACC in the same manner as applications for approval of any other Improvement.

3.16.2. An application for an SED which meets all of the requirements set out below shall be deemed approved by the ACC thirty (30) days from the date the Owner's application is received by the ACC, unless the ACC notifies the Owner in writing within the thirty (30) day period that additional information is required or that one or more standards have, in the opinion of the ACC, not been properly established in the application.

3.16.3. If installed on the roof of the Owner's home, the SED, as installed

3.16.3.1. does not extend higher than or beyond the roofline,

3.16.3.2. conforms to the slope of the roof,

3.16.3.3. has a top edge that is parallel to the roofline, and

3.16.3.4. has a frame, support bracket or visible wiring or piping that is in a silver, bronze or black tone commonly available in the marketplace and is appropriate to the materials and harmonious with the dwelling.

3.16.4. If installed in a fenced yard or patio owned and maintained by the Owner, the SED as installed may not exceed the height of a fence which meets applicable height requirements in the governing documents of the Association or restrictive covenants applicable to the subdivision.

3.16.5. The ACC reserves the right to require additional screening as necessary.

3.16.6. The ACC may deny an application for, or impose reasonable restrictions on, the installation of an SED that:

3.16.6.1. As adjudicated by a Court, threatens the public health or safety or violates a law;

3.16.6.2. is located on property owned or maintained by the Association;

3.16.6.3. is located on property owned in common by the members of the Association;

3.16.6.4. is located in an area on the Owner's property other than the roof of the home or in a fenced yard or patio owned and maintained by the Owner;

3.16.6.5. does not meet all requirements for installation of the SED on a roof or in a fenced yard or patio owned and maintained by the Owner as set out above;

3.16.6.6. was installed without prior approval of the ACC;

3.16.6.7. the ACC finds that placement of the SED as proposed will substantially interfere with the use and enjoyment of land by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. The finding may not be made if the written approval of the proposed placement

of the device by all property owners of adjoining property is provided by the Owner/applicant.

3.17. Resubdivision. Except as it applies to the Developer, no Lot shall be resubdivided or split unless otherwise permitted in these Restrictions. These Restrictions specifically allow the Declarant/Developer to divide, subdivide, realign and re-subdivide any unsold and platted Lot in the Development as it deems necessary in its sole discretion for the continued development of the Subdivision until the Control Transfer Date.

3.18. Hunting. No hunting is allowed in the subdivision; no discharge of handguns, rifles, shotguns or other firearms, pellet or air guns, bows or cross bows, or other weapons is permitted or allowed.

3.19. Existing Buildings. All improvements existing on the property on the date of the recording of these Restrictions shall be considered in compliance with these restrictions. However, all future building, demolition and all exterior alterations and additions must be approved by the ACC and must comply in all respects with all sections of these Restrictions, as written.

3.20. Aerobic Septic Systems – Sewer. All dwellings on Lots in the Subdivision shall be required to install a private sewage system. Aerobic Septic Systems are required. All sanitary plumbing must comply with the requirements of the Health Department of Guadalupe County and the State of Texas, and the Texas Water Quality Board.

3.21. Burning. No open fires shall be allowed in the subdivision unless such fires comply with all rules, conditions and regulation of Guadalupe County and/or the City.

3.22. Electrical Lines. All electrical services shall be installed in accordance with the National Electric Code as amended and revised. The Owner is required to have a licensed electrician, electrical inspector, or other professional with expertise in electrical installations to inspect all electrical components to ensure that the installation meets all requirements specified in the National Electric Code.

3.23. Vehicle Traffic. For the safety of all property owners, their families, guests, or other visitors, no one shall operate recklessly or exceed a speed limit of thirty (30) miles per hour while operating any motor vehicle within the Subdivision. All state and local laws regarding motor vehicle traffic will be enforced. All-terrain vehicles ("ATV") and golf carts are permitted to be operated within the Subdivision by licensed drivers.

3.24. Notice. In the event of the failure of Owner to comply with the above requirements after ten (10) days written notice thereof, the Association or their designated agents may, without liability to the Owner, Contractor or any occupants of the Lot in trespass or otherwise, enter upon (and/or authorize one or more others to enter upon) said Lot, and do any other thing necessary to secure compliance with this Declaration. Payment for the charges shall be payable on the first day of the next calendar month.

3.25. No Warranty of Enforceability. While Declarant has no reason to believe that any of the restrictive covenants of other terms and provisions contained in this Article III or elsewhere in this Declaration are or may be invalid or unenforceable for any reason or to any extent, Declarant makes no warranty or representation as to the present or future validity or enforceability of any such restrictive covenants, terms or provisions. Any Owner acquiring a Lot in reliance on one or more of such restrictive covenants, terms or provisions shall assume all risks of the validity and enforceability thereof and, by acquiring the Lot, agrees to hold Declarant harmless therefrom.

SECTION IV COMMON AREAS

4.01. Areas designated as "Common Areas" and/or "Reserves" on the recorded plat of the Subdivision are areas in which all members of the Association, who are in good-standing

under the bylaws and regulations of the Association, may utilize and enjoy. The maintenance and upkeep of the Common Areas are the complete and total responsibility of the Association.

4.02. Easement. Developer reserves, and upon Control Transfer Date such is transferred to the Association, a Maintenance/Utility Easement, thirty (30) feet in width along the Property Line of the Subdivision, along with an Access Easement across any and all Lots for ingress and egress to such Maintenance Easement.

4.03. All other Common Area and easement regulation and restrictions contained herein are hereby incorporated herein by reference.

4.04. Owner's Right of Enjoyment. Every Owner shall have a beneficial interest of use and enjoyment in and to the Common Areas and such right shall be appurtenant to and shall pass with the title to every assessed Lot, subject to the following provisions:

4.04.1. The right of the Association, with respect to the Common Areas, to limit the number of guests of Owners.

4.04.2. The right of the Association, in accordance with its Articles and Bylaws (and until 100% of all Lots in the subdivision are sold or six (6) months thereafter, subject to the prior written approval of the Developer), to (i) borrow money for the purpose of improving and maintaining the Common Areas and facilities (including borrowing from the Developer or any entity affiliated with the Developer) and (ii) mortgage said property, however, the rights of such mortgagee of said property shall be subordinate to the rights of the Owners hereunder.

4.04.3. The right of the Association to suspend the Member's Voting Rights (Section VI) for the period of time that the members Lot remains unpaid.

4.04.4. The right of the Association to suspend the Member's voting rights and the Member's and Member's Guests' right to use any recreational facilities within the Common Area, after notice and hearing by the Board of Directors, for the infraction or violation by such Member or Member's Guests of this Declaration or the Rules and Regulations, as hereinafter defined, which suspension shall continue for the duration of such infraction or violation, plus a period not to exceed sixty (60) days following the cessation or curing of such infraction or violation.

SECTION V ARCHITECTURAL CONTROL COMMITTEE

5.01. Basic Control.

5.01.1. No building or other improvements of any character shall be erected or placed, or the erection or placing thereof commenced or changes made in the design or exterior appearance thereof, or any addition or exterior alteration made thereto after original construction, or demolition or destruction by voluntary action made thereto after original construction, on any Lot in the subdivision until the obtaining of the necessary approval (as hereinafter provided) from the ACC of the construction plans and specification for the construction or alteration of such improvements or demolition or destruction of existing improvements by voluntary action. Approval shall be granted or withheld based on matters of compliance with the provisions of this instrument and other rules and regulations instituted by the ACC.

5.01.2. Each application made to the ACC, or to the Developer, shall be accompanied by two legible sets of plans and specifications, one set of which shall be retained by the ACC, for all proposed construction (initial or alteration) to be done on such Lot, including plot plans showing location on the Lot.

5.02. Architectural Control Committee.

5.02.1. The authority to grant or withhold architectural control approval as referred to above is initially vested in the Developer; provided, however, the authority of the Developer shall cease and terminate upon the appointment of the ACC of the Association in which event such authority shall be vested in and exercised by the ACC, hereinafter referred to, except as to plans and specifications and plot plans theretofore

submitted to the Developer which shall continue to exercise such authority over all such plans, specifications and plot plans. The term "ACC" or "Committee," as used in this Declaration, shall mean or refer to the Developer or to Century Oaks Architectural Control Committee composed of members of the Association, as applicable.

5.02.2. Control Transfer Date. On or after such time as one hundred percent (100%) of all of the Lots in all phases of the Subdivision, including those Lots to be platted in all unplatted (whether annexed or declared to be annexed), as well as areas owned by Developer, are conveyed by the Developer to third parties or within six (6) months after 100% of the Lots of the Subdivision have been transferred to third parties in the complete unfettered discretion of the Developer (from time to time hereafter referred to as the "Control Transfer Date"), the Developer shall cause an instrument transferring and assigning control to the Association to the Owners to be placed of record in the Official Public Records of Guadalupe County, Texas (the effective Control Transfer Date shall be the date of its recording). The first Board of Directors of the Association, which Board shall be appointed by developer and contain three (3) members, who shall serve staggered terms as follows: Secretary/Treasurer shall serve a one (1) year term; the Vice President shall serve a two (2) year term, and the President shall serve a three (3) year term following the Control Transfer Date for the purpose of continuity in the Board. From and after the Control Transfer Date, each member of the Board must be an Owner of Property in the Subdivision. Additionally, the Developer shall have the right to discontinue the exercise of architectural control privileges and arrange for the transfer to the Association at any time prior to the Control Transfer Date by filing a statement and instrument to that effect in the Official Public Records of Guadalupe County, Texas.

5.03. Effect of Inaction. Approval or disapproval as to architectural control matters, as set forth in the preceding provisions of this Declaration shall be in writing. In the event that the authority exercising the prerogative of approval or disapproval (whether the Developer or the ACC) fails to approve or disapprove in writing any plans and specifications and plot plans received by it in compliance with the preceding provisions within thirty (30) days following such submissions, such plans and specifications and plot plan shall be deemed approved and the construction of any such building and other improvements may be commenced and proceeded with in compliance with all such plans and specifications and plot plan and all of the other terms and provisions hereof.

5.04. Effect of Approval. The granting of the aforesaid approval (whether in writing or by lapse of time) shall constitute only an expression of opinion by the ACC that the terms and provisions hereof shall be complied with if the building and/or other improvements are erected in accordance with said plans and specifications and plot plan; and such approval shall not constitute any nature of waiver or estoppel either as to the persons expressing such approval or any other person in the event that such building and/or improvements are not constructed in accordance with such plans and specifications and plot plan, but, nevertheless, fail to comply with the provisions hereof. Further, no person exercising any prerogative of approval or disapproval shall incur any liability by reasons of the good faith exercise thereof.

5.04.1. The approval of house plans by the ACC means that the plans are in compliance with the applicable Sections found in these Declaration of Covenants, Conditions and Restrictions of the Subdivision, and any supplements or amendments to the Declaration of Covenants, Conditions and Restrictions and that such plans are in compliance with the Architectural Guidelines as set forth in the of Covenants, Conditions and Restrictions i.e. the location of the house is within the prescribed setbacks, square footage requirements, etc.

5.04.2. The ACC assumes no responsibility for the construction, the design or the structural integrity of the home to be constructed or for the type of residence constructed. The ACC does not review the building plans to determine anything other than the guidelines as set forth in the Covenants, Conditions and Restrictions.

5.05. Variance. The Developer or, if applicable, the ACC, may, on a case by case basis, authorize variances from compliance with any of the provisions of either (i) this Declaration, or

(ii) the minimum acceptable construction standards or regulations and requirements as promulgated from time to time by the Developer or the ACC. Notwithstanding, after the Control Transfer Date, both the Developer and the ACC shall have the right to grant a variance from the Building setback line restrictions. Either party may grant this variance, as it determines in its sole discretion is needed, without the consent of the other. Such variances must be evidenced in writing and shall become effective when signed by the Developer or by at least a majority of the members of the ACC. If any such variances are granted, no violation of the provisions of this Declaration shall be deemed to have occurred with respect to the matter for which the variance is granted; provided, however, that the granting of a variance shall not operate to waive any of the provisions of this Declaration for any purpose except as to the particular property and particular provisions hereof covered by the variance, nor shall the granting of any variance affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the property concerned and the Plat.

5.06. Indemnity. The Association shall indemnify every officer, director and Committee member against all damages, liability, and expenses, including attorneys' fees, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director, ACC member or committee member, except that such obligation to indemnify shall be limited to those actions for which liability is limited under this Section, the Articles of Incorporation and Texas law.

5.07. The officers, directors, and ACC and other committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers, directors and ACC and other committee members shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association (except to the extent that such officers, directors or ACC or other committee members may also be Members of the Association). The Association shall indemnify and forever hold each such officer, director and Committee and other committee member harmless from any and all liability to others on account of any such contract, commitment or action. This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, or ACC or other committee member may be entitled. The Association shall, as a common expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

SECTION VI THE ASSOCIATION

6.01. Membership. Every person or entity who is a record owner of any Lot, which is subject to the Maintenance Charge (or could be following the withdrawal of an exemption therefrom) and other assessments provided herein, shall be a "Member" of the Association. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation or those having only an interest in the mineral estate. No Owner shall have more than one (1) membership for each Lot owned by such Member. Membership shall be appurtenant to and may not be separated from the ownership of the Lots. Regardless of the number of persons who may own a Lot (such as husband and wife, or joint tenants, etc.) there shall be but one (1) membership for each Lot. Additionally, the Directors of the Association must be Members of the Association (as more particularly described in the By-laws). Ownership of the Lots shall be the sole qualification for membership.

6.02. Voting Rights. Notwithstanding anything herein to the contrary, Developer shall have and exercise sole control over the Association until such time as Developer shall have transferred control to the Association in accordance with Paragraph 5.02.2. Thereafter, each member shall be entitled to one vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be members of the Association but the vote for such Lot shall be exercised as they among themselves determine. In no event shall more than one (1) vote be cast with respect to any Lot.

6.03. Non-Profit Corporation. The Century Oaks Home Owners Association, Inc. a non-profit corporation, has been organized and it shall be governed by the Articles of Incorporation and Bylaws of said Association; and all duties, obligations, benefits, liens and rights hereunder in favor of the Association shall vest in said corporation.

6.04. Bylaws. The Association has adopted or may adopt whatever Bylaws it may choose to govern the organization or operation of the subdivision and the use and enjoyment of the Lots and Common Areas, provided that the same are not in conflict with the terms and provisions hereof.

SECTION VII MAINTENANCE FUND

7.01. Maintenance Fund Obligation. Each owner of a Lot by acceptance of a deed therefore, whether or not shall be expressed in any such deed or other conveyance, is deemed to covenant and agrees to pay to the City of New Berlin an annual maintenance charge (the "New Berlin Charge") as well as to the Association an annual maintenance charge (the "Association Charge"), and any other assessments or charges levied by the Association pursuant to these Restrictions. Collectively the New Berlin Charge and the Association Charge shall be referred to herein as the "Maintenance Charge"). The New Berlin Charge and the Association Charge and any other assessments or charges hereby levied, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the Lots and shall be a continuing lien upon the Property against which each such Maintenance Charge and other charges and assessments are made.

7.02. Basis of the New Berlin Charge.

7.02.1. The New Berlin Charge shall be a maintenance fee paid directly to the City of New Berlin, Texas for the annexation of the Subdivision as well as the maintenance and upkeep of the utilities and infrastructure to the Subdivision. Each Owner shall pay the New Berlin Charge based upon the Lots owned by the Owner and each Lot within the Subdivision shall be charged the New Berlin Charge. The initial New Berlin Charge shall be TWO HUNDRED FIFTY AND NO/100 DOLLARS (\$250.00); however the City of New Berlin shall have the ability and power to increase or decrease the New Berlin Charge upon a vote and approval from the New Berlin City Council after notice and hearing pursuant to the City Code, City Ordinances or similar charter of the City of New Berlin, Texas. Pursuant to the Agreement with the Developer, the City of New Berlin cannot increase or decrease the New Berlin Charge by more than 10% each calendar year. The New Berlin Charge shall not become part of the Association funds. The New Berlin Charge shall not be subject to proration but shall be charged per Lot, per year on a yearly basis.

7.03. Basis of the Association Charge.

7.03.1. The Association Charge referred to shall be used to create a fund to be known as the "Maintenance Fund", which shall be used as herein provided; and each such Association Charge (except as otherwise hereinafter provided) shall be paid by the Owner of each Lot (or residential building site) to the Association. The Association Charge for the year of purchase shall be pro-rated at closing and then shall be paid annually, in advance, on or before the first day of the first month of each calendar year. Provided, however if such owner owns more than one Lot in the subdivision, such Owner shall pay only twice the assessment of one (1) Lot no matter how many Lots are owned or in the event Owner obtains consent from the ACC for a Composite Building Site pursuant to Paragraph 3.03 hereof and replats two or more Lots into one Composite Building Site, such Composite Building Site shall be considered for the Association Charge as one Lot upon the recording of the replat. The Developer is exempt from the Association Charge for all purposes.

7.03.2. Any Maintenance Charge not paid within thirty (30) days after the due date shall bear interest from the due date at the lesser of (i) the rate of eighteen percent

(18%) per annum or (ii) the maximum rate permitted by law. The Association or the City of New Berlin (as the case may be) may bring an action at law against the owner personally obligated to pay the same, or foreclose the hereinafter described lien against the owner's Lot. No owner may waive or otherwise escape liability for the Maintenance Charge by non-use of any Common Areas or recreational facilities available for use by owners of the subdivision or by the abandonment of his Lot.

7.03.3. The initial amount of the Association Charge applicable to each Lot will be determined by the Developer. All other matters relating to the Association Charge and the collection, expenditures and administration of the Maintenance Fund shall be determined by the Developer or the Board of Directors of the Association, subject to the provisions hereof.

7.03.4. The Association, from and after the Control Transfer Date, shall have the further right at any time, with a two-thirds vote of all association members to adjust or alter said Association Charge from year to year as it deems proper to meet the reasonable operating expenses and reserve requirements of the Association in order for the Association to carry out its duties hereunder.

7.03.5. In addition to the Association Charge, the Association may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Any such Special Assessment may be levied against all Lots and may be enforced in the same manner as the Association Charge.

7.04. Creation of Lien and Personal Obligation. In order to secure the payment of the Maintenance Charge, and other charges and assessments hereby levied, each Owner of a Lot in the subdivision, by such party's acceptance of a deed thereto, hereby grants to the Association and to the City of New Berlin, Texas a contractual lien on such Lot which may be foreclosed on by non-judicial foreclosure and pursuant to the provisions of Chapters 51 and 209 of the Texas Property Code (and any successor statute); and each such owner hereby expressly grants the Association and the City of New Berlin, Texas a power of sale in connection therewith. The Association or the City of New Berlin shall, whenever it proceeds with non-judicial foreclosure pursuant to the provisions of said Chapters 51 and 209 of the Texas Property Code and said power of sale, designate in writing a Trustee to post or cause to be posted all required notices of such foreclosure sale and to conduct such foreclosure sale. The Trustee may be changed at any time and from time to time by the Association by means of written instrument executed by the President or any Vice-President of the Association and filed for record in the Official Public Records of Guadalupe County, Texas. In the event that the Association or the City of New Berlin has determined to non-judicially foreclose the lien provided herein pursuant to the provisions of said Chapters 51 and 209 of the Texas Property Code and to exercise the power of sale hereby granted, the Association, the City of New Berlin, the City's agent or the Association's agent, shall give notice of foreclosure sale as provided by the Texas Property Code as then amended. Upon request by Association or the City of New Berlin (as the case may be), Trustee shall give any further notice of foreclosure sale as may be required by the Texas Property Code as then amended, and shall convey such Lot to the highest bidder for cash by a Trustee's Deed. Out of the proceeds of such sale, if any, there shall first be paid all expenses incurred by the Association or by the City of New Berlin in connection with such default, including reasonable attorney's fees and a reasonable trustee's fee; second, from such proceeds there shall be paid to the Association or to the City of New Berlin an amount equal to the amount in default; and third, the remaining balance shall be paid to such Owner.

Following any such foreclosure, each occupant of any such Lot foreclosed on and each occupant of any improvements thereon shall be deemed to be a tenant at sufferance and may be removed from possession by any and all lawful means, including a judgment for possession in an action of forcible detainer and the issuance of a writ of restitution thereunder.

In the event of non-payment by any Owner of any Maintenance Charge or other charge or assessment levied hereunder, the Association or the City of New Berlin may, in addition to foreclosing the lien hereby retained, and exercising the remedies provided herein, upon ten (10)

days prior written notice thereof to such nonpaying Owner, exercise all other rights and remedies available at law or in equity.

It is the intent of the provisions of this Paragraph 7.04 to comply with the provisions of said Chapters 51 and 209 of the Texas Property Code relating to non-judicial sales by power of sale and, in the event of the amendment of said Chapters 51 and 209 of the Texas Property code hereafter, the President or any Vice-President of the Association or any agent of the City of New Berlin, acting without joinder of any other Owner or mortgagee or other person may, by amendment to this Declaration filed in the Official Public Records of Guadalupe County, Texas, amend the provisions hereof so as to comply with said amendments to Chapters 51 and 209 of the Texas Property Code.

7.05. Notice of Lien. In addition to the right of the Association and/or the City of New Berlin to enforce the Maintenance Charge or other charge or assessment levied hereunder, the Association or the City of New Berlin may file a claim or lien against the Lot of the delinquent Owner by recording a notice ("Notice of Lien") setting forth (a) the amount of the claim of delinquency, (b) the interest thereon, (c) the costs of collection which have accrued thereon, (d) the legal description and street address of the Lot against which the lien is claimed and (e) the name of the Owner thereof. Such Notice of Lien shall be signed and acknowledged by an officer of the Association or other duly authorized agent of the Association or the City of New Berlin. The lien shall continue until the amounts secured thereby and all subsequently accruing amounts are fully paid or otherwise satisfied. When all amounts claimed under the Notice of Lien and all other costs and assessments which may have accrued subsequent to the filing of the Notice of Lien have been fully paid or satisfied, the Association or the City of New Berlin shall execute and record a notice releasing the lien upon payment by the Owner of a reasonable fee as fixed by the Board of Directors to cover the preparation and recordation of such release of lien instrument.

7.06. Liens Subordinate to Mortgages. The lien described in Paragraph 7.04 hereof shall be deemed subordinate to a first lien granted by Developer on the Property or any part thereof to any lender and to each and every lien of Developer, any bank, insurance company, savings and loan association, university, pension and profit sharing trust or plans, or any other third party lender, which may have heretofore or may hereafter lend money or extended credit in good faith for the acquisition or improvement of the Property or any part thereof, including without limitation, any one or more Lot(s), and any renewal, extension, rearrangement or refinancing of such acquisition or improvement costs. The lien described in Paragraph 7.04 hereof shall further be deemed subordinate to any home equity loan. Each such lienholder who obtains title to any portion of the Property encumbered by its lien pursuant to the remedies provided in the deed of trust or mortgage granting the lien or by judicial foreclosure of the lien shall take title to said Property free and clear of any claims for unpaid Maintenance Charges or other charges of assessments against such Property which accrued prior to the time such holder acquired title to such Property. No such sale or transfer shall relieve such holder from liability for any Maintenance Charge or other charges or assessments accruing thereafter or from the lien described in Paragraph 7.04 hereof on account thereof. Any other sale or transfer of the Property shall not affect the Association's or the City's lien for Maintenance Charges or other charges or assessments. The Association or the City of New Berlin shall make a good faith effort to give each such lienholder having a lien on any portion of the Property to be foreclosed sixty (60) days advance written notice of the proposed foreclosure of the lien described in Paragraph 7.04 hereof, which notice shall be sent to the nearest office of such mortgagee by prepaid United States registered or Certified mail, return receipt requested, and shall contain a statement of delinquent Maintenance Charges or other charges or assessments upon which the proposed action is based, provided, however, the failure to give such notice shall not invalidate any foreclosure conducted pursuant to the provisions of this Section VII.

7.07. Purpose of the Maintenance Charges. The maintenance charge levied by the City of New Berlin or the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the Owners of the subdivision which hereafter may become subject to the jurisdiction of the Association. In particular, the Association Charge shall

be used for any improvement or services in furtherance of these purposes and the performance of the Association's duties described in Section IX, including the maintenance of any Common Areas, any Drainage Easements and the establishment and maintenance of a reserve fund for maintenance of any Common Areas. The Maintenance Fund may be expended by the Developer or the Association for any purposes which, in the judgment of the Association, will tend to maintain the property values in the subdivision, including, but not limited to, providing funds for the actual cost to the Association of all taxes, insurance, repairs, energy charges, replacement and maintenance of the Common Areas and roads as may from time to time be authorized by the Association. Except for the Association's use of the Association Charge to perform its duties described in this Declaration and in the Bylaws, the use of the Association Charge for any of these purposes is permissive and not mandatory. It is understood that the judgment of the Association as to the expenditure of said funds shall be final and conclusive so long as such judgment is exercised in good faith.

7.08. Handling of Maintenance Charges. The collection and management of the Association Charge or other charge or assessment levied hereunder, shall be performed by the Developer, or management Company hired for the Association by Developer, until the Control Transfer Date, at which time the Developer shall deliver to the Association all funds on hand together with all books and records of receipt and disbursements. The Developer and, upon transfer, the Association, shall maintain separate special accounts for these funds, and Owners shall be provided at least annually information on the Maintenance Fund.

7.09. Exempt Property. The following property shall be exempt from the Maintenance Charge and all other charges and assessments created herein:

7.09.1. All properties dedicated to and accepted by a local public authority;
and

7.09.2. All Common Areas and Roadways (both Private and public); and

7.09.3. All properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Texas; and

7.09.4. All Property and Lots owned by Developer, which includes Lots sold by the Developer and then returned to Developer through foreclosure or deed.

SECTION VIII DEVELOPER'S RIGHTS AND RESERVATIONS

8.01. Period of Developer's Rights and Reservations. Developer shall have, retain and reserve certain rights as set forth in this declaration with respect to the Association and the Common Area from the date hereof, until the earlier to occur of (i) the Control Transfer Date or (ii) Developer's written notice to the Association of Developer's termination of the rights described in Section VI hereof. The rights and reservations hereinafter set forth shall be deemed accepted and reserved in each conveyance of a Lot by Developer to an Owner whether or not specifically stated therein and in each deed or other instrument by which any property within the Common Area is conveyed by Developer. The rights, reservations and easements hereafter set forth shall be prior and superior to any other provisions of this Declaration and may not, without Developer's prior written consent, be modified, amended, rescinded or affected by any amendment of this Declaration. Developer's consent to any one such amendment shall not be construed as consent to any other or subsequent amendment.

8.02. Right to Construct Additional Improvements in Common Area. Developer shall have and hereby reserves the right (without the consent of any other Owner), but shall not be obligated to construct additional improvements within the Common Area at any time and from time to time in accordance with this Declaration for the improvement and enhancement thereof and for the benefit of the Association and Owners, so long as such construction does not directly result in the increase of such Maintenance Charge. Developer shall, on or before the Control Transfer Date, convey or transfer such improvements to the Association and the Association shall be obligated to accept title to care for and maintain the same as elsewhere provided in this Declaration.

8.03. Developer's Rights to Use Common Areas in Promotion and Marketing of the Property. Developer shall have and hereby reserves the right to use of the Common Area and of services offered by the Association in connection with the promotion and marketing of land within the boundaries of the Property. Without limiting the generality of the foregoing, Developer may erect and maintain on any part of the Common Area such signs, temporary buildings and other structures as Developer may reasonably deem necessary or proper in connection with the promotion, development and marketing of land within the Property; may use vehicles and equipment within the Common Area for promotional purposes; and may permit prospective purchasers of property within the boundaries of the Property, who are not Owners or Members of the Association, to use the Common Area at reasonable times and in reasonable numbers; and may refer to the services offered by the Association in connection with the development, promotion and marketing of the property.

8.04. Developer's Rights to Grant and Create Easements. Developer shall have and hereby reserves the right, without the consent of any other Owners or the Association, to grant or create temporary or permanent easements, for access, utilities, pipeline easement, cable television systems, communication and security systems, drainage, water and other purposes incidental to development, sale, operation and maintenance of the Subdivision, located in, on, under, over and across (i) the Lots or other property owned by Developer, (ii) the Common Area, and (iii) existing Utility Easements. Developer also reserves the right, without the consent of any other Owner or the Association, to grant or create temporary or permanent easements for access over and across the streets and roads within the subdivision, and for any other such reason as the Developer deems necessary in its own discretion, to promote and develop the Subdivision.

8.05. Developer's Rights to Convey Additional Common Area to the Association. Developer shall have and hereby reserves the right, but shall not be obligated to, convey additional real property and improvements thereon, if any, to the Association as Common Area at any time and from time to time in accordance with this Declaration, without the consent of any other Owner or the Association.

8.06. Annexation of Annexable Area. Additional property outside of the subdivision, may, at any time and from time to time, be annexed by Developer into the real property which becomes subject to the jurisdiction and benefit of the Association, without the consent of the Owners or any other party, and such property located within a five (5) mile radius of the perimeter boundary of the land described on the Plat of Century Oaks as may be amended or supplemented.

SECTION IX DUTIES AND POWERS OF THE ASSOCIATION

9.01. General Duties and Powers of the Association. The Association has been formed to further the common interest of the Members. The Association, acting through the Board of Directors or through persons to whom the Board of Directors has delegated such powers (and subject to the provisions of the Bylaws), shall have the duties and powers hereinafter set forth and, in general, the power to do anything that may be necessary or desirable to further the common interest of the members, to maintain, improve and enhance the Common Areas and to improve and enhance the attractiveness, desirability and safety of the Subdivision. The Association shall have the authority to act as the agent to enter into any and all contracts on behalf of the Members in order to carry out the duties, powers and obligations of the Association as set forth in this Declaration.

9.02. Duty to Accept the Property and Facilities Transferred by Developer. The Association shall accept title to any property, including any improvements thereon and personal property transferred to the Association by Developer, and equipment related thereto, together with the responsibility to perform any and all administrative functions and recreation functions associated therewith (collectively herein referred to as "Functions"), provided that such property and Functions are not inconsistent with the terms of this Declaration. Property interests transferred to the Association by Developer may include fee simple title, easements, leasehold

interests and licenses to use such property. Any property or interest in property transferred to the Association by Developer shall, except to the extent otherwise specifically approved by resolution of the Board of Directors, be transferred to the Association free and clear of all liens and mortgages (other than the lien for property taxes and assessments not then due and payable), but shall be subject to the terms of this Declaration, the terms of any declaration of covenants, conditions and restrictions annexing such property to the Common Area, and all easements, covenants, conditions, restrictions and equitable servitude or other encumbrances which do not materially affect the Owners authorized to use such property. Except as otherwise specifically approved by resolution of the Board of Directors, no property or interest in property transferred to the Association by the Developer shall impose upon the Association any obligation to make monetary payments to Developer or any affiliate of Developer including, but not limited to, any purchase price, rent, charge or fee.

9.03. Duty to Manage and Care for the Common Area. The Association shall manage, operate, care for, maintain and repair all Common Areas and entrances and keep the same in a safe, attractive and desirable condition for the use and enjoyment of the Members. Further, the Association shall pay for electrical services and for all other costs and expenses necessary to operate and maintain any lighting within street right-of-ways and Common Areas.

9.04. Other Insurance Bonds. The Association shall maintain a general liability insurance policy covering all common areas in an amount determined adequate by the Board of Directors. The Association shall obtain such other insurance as may be required by law, including worker's compensation insurance, and shall have the power to obtain such other insurance and such fidelity, indemnity or other bonds as the Association shall deem necessary or desirable.

9.05. Duty to Prepare Budgets. The Association shall prepare budgets for the Association, which budgets shall include a reserve fund for the maintenance of all Common Areas and drainage easements.

9.06. Duty to Levy and Collect the Maintenance Charge. The Association shall levy, collect and enforce the Maintenance Charge and other charges and assessments as elsewhere provided in this Declaration.

9.07. Duty to Provide Annual Review. The Association shall provide for an annual unaudited independent review of the accounts of the Association. Copies of the review shall be made available to any Member who requests a copy of the same upon payment by such Member of the reasonable cost of copying the same.

9.08. Duties with Respect to Architectural Approvals. The Association shall perform functions to assist the ACC as elsewhere provided in Section V of this Declaration.

9.09. Power to Acquire Property and Construct Improvements. The Association may acquire property or an interest in property (including leases) for the common benefit of Owners including improvements and personal property. The Association may construct improvements on the Property and may demolish existing improvements.

9.10. Power to Adopt Rules and Regulations. The Association may adopt, amend, repeal and enforce rules and regulations ("Rules and Regulations"), fines, levies and enforcement provisions as may be deemed necessary or desirable with respect to the interpretation and implementation of this Declaration, the operation of the Association, the use and enjoyment of the Common Areas, and the use of any other property, facilities or improvements owned or operated by the Association.

9.11. Power to Enforce Restrictions and Rules and Regulations. The Association (and any Owner with respect only to the remedies described in (ii) below) shall have the power to enforce the provisions of this Declaration and the Rules and Regulations and shall take such action as the Board of Directors deems necessary or desirable to cause such compliance by each Member and each Member's Guests. Without limiting the generality of the foregoing, the Association shall have the power to enforce the provisions of this Declaration and of Rules and

Regulations of the Association by any one or more of the following means: (i) By entry upon any property within the subdivision after notice and hearing (unless a bona fide emergency exists in which event this right of entry may be exercised without notice (written or oral) to the Owner in such manner as to avoid any unreasonable or unnecessary interference with the lawful possession, use or enjoyment of the improvements situated thereon by the Owner or any other person), without liability by the Association to the Owner thereof, for the purpose of enforcement of this Declaration or the Rules and Regulations; (ii) by commencing and maintaining actions and suits to restrain and enjoin any breach or threatened breach of the provisions of this Declaration or the Rules and Regulations; (iii) by exclusion, after notice and hearing, of any Member or Member's Guests from use of any recreational facilities within the Common Areas during and for up to sixty (60) days following any breach of this Declaration or such Rules and Regulations by such Member or any Member's Guests, unless the breach is a continuing breach in which case exclusion shall continue for so long as such breach continues; (iv) by suspension, after notice and hearing, of the voting rights of a Member during and for up to sixty (60) days following any breach by such Member or a Member's Guests of a provision of this Declaration or such Rules and Regulations, unless the breach is a continuing breach in which case such suspension shall continue for so long as such breach continues; (v) by levying and collecting, after notice and hearing, an assessment against any Member for breach of this Declaration or such Rules and Regulations by such Member or a Member's Guests which assessment reimbursed the Association for the costs incurred by the Association in connection with such breach; (vi) by levying and collecting, after notice and hearing, reasonable and uniformly applied fines and penalties, established in advance in the Rules and Regulations of the Association, from any Member or Member's Guests for breach of this Declaration or such Rules and Regulations by such Member or a Member's Guests; and (vii) by taking action itself to cure or abate such violation and to charge the expenses thereof, if any, to such violating Members, plus attorney's fees incurred by the Association with respect to exercising such remedy.

Before the Board may invoke the remedies provided above, it shall give registered notice of such alleged violation to Owner, and shall afford the Owner a hearing. If, after the hearing, a violation is found to exist, the Board's right to proceed with the listed remedies shall become absolute. Each day a violation continues shall be deemed a separate violation. Failure of the Association, the Developer, or of any Owner to take any action upon any breach or default with respect to any of the foregoing violations shall not be deemed a waiver of their right to take enforcement action thereafter or upon a subsequent breach or default.

9.12. Power to Grant Easements. In addition to any blanket easements described in this Declaration, the Association shall have the power to grant access, utility, drainage, water facility and other such easements in, on, over or under the Common Area.

SECTION X GENERAL PROVISIONS

10.01. Term. The provisions hereof shall run with all property in Century Oaks and shall be binding upon all Owners and all persons claiming under them for a period of forty (40) years from the date this Declaration is recorded, after which time said Declaration shall be automatically extended for successive periods of ten (10) years each, unless an instrument, signed by not less than two-thirds (2/3rds) of the Owners (including the Developer) of the Lots has been recorded agreeing to amend or change, in whole or in part, this Declaration.

10.02. Annexation by Developer. Until twenty (20) years after the recording of this Declaration in the Public Records of Guadalupe County, Texas, Developer may from time to time unilaterally subject to the provisions of this Declaration all or any portion of the Additional Property. The Developer may transfer or assign this right to annex property, provided that the transferee or assignee is the developer of at least a portion of the real property described on the Plat or any amendment or supplement thereto, and that such transfer is memorialized in a written, recorded instrument executed by Developer.

Such annexation shall be accomplished by filing a Supplemental Declaration in the Public Records of Guadalupe County, Texas describing the property being annexed. Such

Supplemental Declaration shall not require the consent of Members, but shall require the consent of the owner of such property, if other than Developer. Any such annexation shall be effective upon the filing for record of such Supplemental Declaration unless otherwise provided therein.

Nothing in this Declaration shall be construed to require the Developer or any successor to annex or develop any of the Additional Property in any manner whatsoever.

10.03. Withdrawal of Property. The Developer reserves the right to amend this Declaration at any time prior to the Control Transfer Date, for the purpose of removing any portion of the Properties from the coverage of this Declaration. Such amendment shall not require the consent of any Person other than the Owner of the property to be withdrawn, if not the Developer. If the property is Common Area or a Reserve area, the Association shall consent to such withdrawal.

10.04. Additional Covenants and Easements. The Developer may unilaterally subject any portion of the Properties to additional covenants and easements, including covenants obligating the Association to maintain and insure such property on behalf of the Owners and obligating such Owners to pay the costs incurred by the Association through assessments. Such additional covenants and easements shall be set forth in a Supplemental Declaration filed either concurrently with or after the annexation of the subject property, and shall require the written consent of the owner(s) of such property, if other than the Developer. Any such Supplemental Declaration may supplement, create exceptions to, or otherwise modify the terms of this Declaration as it applies to the subject property in order to reflect the different character and intended use of such property.

10.05. Termination. Unless otherwise provided by Texas law, in which case such law shall control, this Declaration may not be terminated within forty (40) years of the date of recording without the consent of all Owners. Thereafter, it may be terminated only by an instrument signed by Owners of at least seventy-five percent (75%) of the total Lots within the Properties and by the Developer, if the Developer owns any portion of the Properties, which instrument is recorded in the Public Records of Guadalupe County, Texas. Nothing in this Section shall be construed to permit termination of any easement created in this Declaration without the consent of the holder of such easement.

10.06. Amendments. This Declaration may be amended or changed, in whole or in part, at any time by the written agreement or by signed ballots voting for such amendment, of not less than two-thirds (2/3rds) of all of the Owners (including Developer) of the subdivision. There shall be one vote per Lot. Anyone owning more than one Lot shall have one (1) vote for each Lot owned. The date an Owner's signature is acknowledged shall constitute prima facie evidence of the date of execution of said amendment by such Owner. Any such amendment shall become effective when an instrument is filed for record in the Official Public Records of Guadalupe County, Texas, accompanied by a certificate, signed by a majority of the Board of Trustees, stating that the required number of Members (Owners, including the Developer) executed the instrument amending this Declaration or cast a written vote, in person or by proxy, in favor of said amendment at the meeting called for such purpose. Copies of the written ballots pertaining to such amendment shall be retained by the Association for a period of not less than three (3) years after the date of filing of the amendment or termination. The Owners shall not amend this Declaration in such a manner as to increase the priority of the Association's lien for the Maintenance Charge or any other charge or assessment as against any lienholder, without the affirmative unanimous vote to do so of all Owners and lienholders directly affected thereby. Furthermore, no amendment to this Declaration which adversely affects the rights or security interests of any holder of a lien to which the lien described in Paragraph 7.03 hereof has been subordinated pursuant to Paragraph 7.05 hereof shall become effective unless and until approved, in writing, by such lienholder. No amendment to this Declaration which adversely affects the rights and privileges of Developer shall become effective unless and until approved, in writing, by Developer and any Mortgagee of Record which is a lender to Developer.

10.07. Amendments by the Developer. The Developer, and only the Developer, shall have and reserves the right at any time and from time to time prior to the Control Transfer Date,

without the joinder or consent of the Association, the ACC, any Owner or other party, to amend this Declaration by an instrument in writing duly signed, acknowledged, and filed for record for any purpose that Declarant so desires. Additionally, Developer shall have and reserves the right at any time and from time to time prior to the Control Transfer Date, without the joinder or consent of any Owner or other party, to amend this Declaration by an instrument in writing duly signed, acknowledged and filed for record for the purpose of permitting the Owners to enjoy the benefits from technological advances, such as security, communications or energy-related devices or equipment which did not exist or were not in common use in residential communities at the time this Declaration was adopted. Likewise, the Developer shall have and reserves the right at any time and from time to time prior to the Control Transfer Date, without the joinder or consent of any Owner or other party, to amend this Declaration by an instrument in writing duly signed, acknowledged and filed for record for the purpose of prohibiting the use of any device or apparatus developed and/or available for residential or commercial use following the date of this Declaration if the use of such device or apparatus will adversely affect the Association or will adversely affect the property values within the subdivision.

10.08. Severability. Each of the provisions of this Declaration shall be deemed independent and severable and the invalidity of un-enforceability or partial invalidity or partial unenforceability of any provision or portion hereof shall not affect the validity or enforceability of any other provision.

10.09. Liberal Interpretation. The provisions of this Declaration shall be liberally construed as a whole to effectuate the purpose of this Declaration.

10.10. Successors and Assigns. The provisions hereof shall be binding upon and inure to the benefit of the Owners, the Developer and the Association, and their respective heirs, legal representatives, executors, administrators, successors and assigns.

10.11. Effect of Violations on Mortgages. No violation of the provisions herein contained, or any portion thereof, shall affect the lien of any mortgage or deed of trust presently or hereafter placed of record or otherwise affect the rights of the mortgagee under any such mortgage, the holder of any such lien or beneficiary of any such deed of trust; and any such mortgage, lien or deed of trust may, nevertheless, be enforced in accordance with its terms, subject, nevertheless, to the provisions herein contained.

10.12. Terminology. All personal pronouns used in this Declaration, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural and vice versa. Title of Sections and Paragraphs are for convenience only and neither limit nor amplify the provisions of this Declaration itself. The terms "herein," "hereof" and similar terms, as used in this instrument, refer to the entire agreement and are not limited to referring only to the specific paragraph, section or article in which such terms appear.

IN WITNESS WHEREOF, the undersigned, being the Developer herein, has hereunto set its hand of this 16 day of June, 2020 BUT EFFECTIVE as of June 2, 2020.

CENTURY OAKS NB, LLC

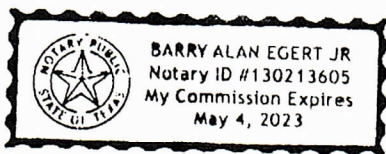
By: [Signature]
Dustin Morgenroth, Manager

ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF Wilson §

This instrument was acknowledged before me on the 16 day of June, 2020, by Dustin Morgenroth, Manager of CENTURY OAKS NB, LLC, Developer/Declarant in the capacity therein stated, on behalf of said Limited liability company.

[Signature]
Notary Public, State of Texas



202099014977
I certify this instrument was FILED and RECORDED
in the OFFICIAL PUBLIC RECORDS
of Guadalupe County, Texas on
06/17/2020 08:45:16 AM PAGES: 25 EDIE
TERESA KIEL, COUNTY CLERK



Teresa Kiel