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AMENDED AND RESTATED

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR

CAPSTONE RANCH PROPERTY OWNERS ASSOCIATION, INC.

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AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR CAPSTONE RANCH PROPERTY OWNERS ASSOCIATION, INC. ("Amended and Restated Declaration"), effective as of the date of recordation hereof, is made by Capstone Ranch Property Owners Association, Inc. (the "Association").

WHEREAS, Capstone Ranch is a "Subdivision" located in the County of Burnet, State of Texas, and was developed by Penta Capstone Developments, L.P., a Texas limited partnership. These Amended and Restated Declarations supersede the Capstone Ranch Declaration of Covenants, Conditions and Restrictions filed by Penta Capstone Developments, L.P. and recorded on August 9,2005; recorded in Vol.1356 pp 60, Official Public Records of Real Property of Burnet County, Texas.

WHEREAS, the "Property" consists of the real property described in Exhibit A, Exhibit B, and Exhibit C of this Declaration, including the "Common Areas" owned by the Association and the individually-owned "Lots" which are the subject of this Amended and Restated Declaration.

WHEREAS, the Association desires to maintain a quality residential community for the benefit of present and future owners of the said property and to provide for the preservation of values and common amenities in this community.

WHEREAS, the Association is assigned the powers of maintaining and administering the common areas and enforcing the covenants and restrictions and disbursing assessments and charges hereinafter set forth.

WHEREAS, the Board of Directors has voted to adopt the Amended and Restated Declarations as hereinafter set forth, and such action has been ratified by at least 67 percent of the Property Owners of Capstone Ranch.

NOW, THEREFORE, the Association declares that the real property described in Exhibit A, Exhibit B, and Exhibit C is and shall be held, transferred, sold, conveyed, occupied and enjoyed subject to the covenants, restrictions, charges and liens hereinafter set forth.

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RECITALS

- A. The Association is a Texas nonprofit corporation, created for the purpose of managing the Subdivision of Capstone Ranch, existing on certain real property located in the County of Burnet, State of Texas, as more fully described in Exhibit A, Exhibit B, and Exhibit C, attached hereto and incorporated herein by reference (the "Property").
- B. The Property is currently subject to the covenants, conditions, restrictions, easements, liens, and charges set forth in the following documents:
 - 1. The Declaration of Covenants, Conditions and Restrictions recorded on August 9, 2005 as Document/Instrument No. 200509841, in the official records of Burnet County, Texas (the "Original Declaration"), and
 - 2. The Bylaws of Capstone Ranch Owners Association, Inc.
- C. This Amended and Restated Declaration may be changed from time to time by the approval of 67% of the written votes of the Members represented in person or by proxy at an annual or special meeting of the Association.
- D. The initial Term of these Coverants shall be for 99 years with extensions approved by a two-thirds of the written votes of the Members, represented in person or by proxy at an annual or special meeting of the Association, for periods of not less than ten additional years.

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ARTICLE I. DEFINITIONS

The following words as used in this Amended and Restated Declaration shall have the following meanings:

- 1. "Amended and Restated Declaration" shall mean this Amended and Restated Declaration of Covenants, Conditions and Restrictions for Capstone Ranch Property Owners Association, Inc., and any duly adopted and recorded amendments hereto.
- 2. "Annual Charge" shall mean the annual assessment placed against each Lot to fund the regular operations and maintenance obligations of the Association in accordance with Article IV hereof and the Bylaws of the Association.
- 3. "Architectural Review Committee" (or "ARC") shall mean that three-Member committee appointed by the Board of Directors under Article VII and empowered to review and approve plans before construction as per Article VIII. The Architectural Review Committee shall also be empowered to enforce these restrictions during construction to ensure compliance with an approved Development Plan.
- 4. "Association" shall mean the nonprofit corporation, a.k.a. Capstone Ranch Property Owners Association, Inc.
- 5. "Board" shall mean the three-member Board of Directors appointed and/or elected to administer the Association under Article III and the Bylaws of the Association.
- 6. "Bylaws" shall mean the Bylaws of the Association, including any duly adopted amendments thereto.
- 7. "Common Areas" shall mean the entire Subdivision except the individually owned Lots. The Common Area includes all existing and subsequently provided improvements benefitting all Owners including, but not limited to, the right of ways and private roads, drainage facilities, common park and improvements, lighting of roads, entrances, water quality controls, security gates and gatehouses, mailboxes, subdivision signs, landscaping and other improvements intended for the common use of all the Members which the Association may now or in the future hold or enjoy.

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- 8. "Conservation Easement" shall mean the part of each Lot shown on the recorded plat within 50 feet (50') of the street right of way and the back lot line where no structure can be built, except for drives, address markers, septic systems and lights.
- "Development Plan" shall mean the set of plans, either for new construction or major exterior remodeling, described and submitted in accordance with Article VIII hereunder for the consideration and approval of the Architectural Review Committee.
- 10. "Governance Documents" means all documents that have a legal and binding effect on all Owners and occupants of the Property including, without limitation, this Amended and Restated Declaration and the Bylaws of Capstone Ranch Property Owners Association, Inc.
- 11. "Improvement(s)" include any site work, new structures, additions, external remodeling or alterations, modifications or items placed on a Lot.
- 12. "Lot" shall mean each of the individually-owned Lots shown upon the recorded final subdivision plats of any of the Properties, but excluding lots used as common areas.
- 13. "Member" shall mean all those Owners who, by right of ownership, are Members of the Association.
- 14. "Original Declaration" shall mean the covenants, conditions and restrictions previously recorded against the Property, which are described in Recital B at the beginning of this Amended and Restated Declaration and which have been amended, restated and replaced by this Amended and Restated Declaration".
- 15. "Owner" shall mean the recorded owner, whether one or more persons or entities of the fee simple title to any Lot in the Properties.
- 16. "Phase 2 Properties" shall mean and refer to that portion of the Property shown in Exhibit B and Exhibit C. For subdivision purposes, this area shall include any necessary revisions of the other Properties needed to complete access, utilities and construction.
- 17. "Properties" and "Property" shall mean the real property described in Exhibit A, Exhibit B, and Exhibit C which are the subject of this Amended and Restated Declaration.

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- 18. "Special Assessment" shall mean those irregular charges, separate and in addition to Annual Charges, approved by 51% of the written votes of the Members represented in person or by proxy at a properly called meeting as necessary to meet the obligations of the Association.
- 19. "Subdivision" shall mean the legal subdivision of Capstone Ranch, including the Common Areas and the individually-owned Lots, as platted in Burnet County, Texas and shown in Exhibit A, Exhibit B, Exhibit C and Exhibit D.

ARTICLE II. THE PROPERTY

A. Scope and Applicability of the Governance Documents: Compliance

The Property has been established and is administered pursuant to the Governance Documents, which have a legal and binding effect on all Owners and occupants of property within the Property. All Owners and occupants of homes, as well as their tenants, guests and invitees, are required to comply with the Governance Documents. All Owners shall be held accountable and liable for their own actions and the actions of their tenants, guests and invitees, including any damage to Common Areas caused by such persons.

B. Disclaimer Regarding Personal Safety and Security.

Each Owner and Owner's guests and invitees shall be responsible for their own personal safety and the security of their property in the community. The Association shall not in any way be considered insurers or guarantors of security within the community, nor shall the Association be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. No representation or warranty is made that any fire protection system, burglar alarm system, WIFI system or other security system cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended.

Each Owner acknowledges, understands and covenants to inform its tenants, invitees, guests and licensees that the Association, its Board, and Committees are not insurers, and that each person using any portion of the community assumes all risks for loss or damage to persons, to Lots and to the contents of the Lots resulting from the acts of third parties.

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ARTICLE III. PURPOSE AND DESCRIPTION OF THE ASSOCIATION AND VOTING RIGHTS

A. Purpose.

The purpose of the Association shall be to promote the health, safety and welfare of the Members, to collect assessments, to administer the maintenance of the Common Areas of the Association and to enforce these Covenants.

The Association is responsible for administering the Property in accordance with the Governance Documents that allow each Owner to participate in the administration of the Property. Membership and voting rights are vested in the Owners to allow them to participate in the governance and administration of the Property and to influence the outcome of major decisions.

B. <u>Declaration Binding</u>.

This Amended and Restated Declaration is binding upon the Association.

C. Association.

- 1. The Association is a non-profit corporation created under the laws of the State of Texas.
- 2. The Association is governed by the Board of Directors.
- 3. The Association shall retain the legal title and responsibility for the Common Areas of the Subdivision.
- 4. The Association has the obligation to levy and collect annual charges for the maintenance of Common Areas and any security gates or other devices ("Security Facilities") controlling access to Common Areas.
- 5. The Association, as a common expense of all Members, may institute and maintain such actions at law or in equity against any defaulting Member as is necessary to enforce collection and/or foreclosure of the liens against the Lot, in accordance with the laws of the State of Texas for real estate foreclosures, and as outlined in the Governance Documents of the Association.
- 6. The Association shall prepare and maintain books, records and financial statements of the Association Affairs. The Association will make copies of such books, records, financial statements and Governance Documents available for examination by Members or will provide copies of those documents, upon written

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request, and in accordance with the requirements of the Texas Business Organizations Code and the Texas Property Code.

7. The Association will have such rights, powers & duties as set forth in this Amended and Restated Declaration, the Bylaws and the Texas Property Code.

D. Board of Directors.

- 1. The Association shall act through a minimum three-member Board of Directors, as established in the Bylaws of the Association, to facilitate the day-to-day management of the Association.
- 2. Except as the Texas Property Code or Governance Documents provide specifically otherwise, the Board may act on behalf of the Association without approval of the Members.
- 3. The Board shall meet as needed.
- 4. The Board may transfer, sell, or convey ownership of any part of the Common Areas upon approval of 75% of the written votes of the Members represented in person or by proxy at an annual or special meeting of the Association.
- 5. It shall be the duty and authority of the Board to determine any violation of these Covenants and to take enforcement actions.

E. Members.

- 1. Each Owner of a Lot shall automatically become a Member of the Association, as long as such ownership continues.
- 2. Membership rights of a legal entity may be exercised by any officer, director, partner, Member or other individual that the Owner designates in writing to the Association.
- 3. The Members shall meet annually to elect the Board of the Association and to approve the Annual Charge assessed.

F. Votina Rights.

- 1. Each Lot shall be entitled to one vote.
- 2. A Member owning multiple Lots is entitled to one vote for each lot owned.

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3. In the case of multiple Owners of one "Lot", only one Owner, designated by all the Owners of that Lot, shall be the voting Member.

G. Architectural Review Committee.

The Board shall appoint a three-Member Architectural Review Committee (ARC), to serve at the Board's pleasure, which shall approve the development plans of all facilities to be constructed on the Lots. This committee shall enforce these Covenants and standards of the community under the procedures described in Article VIII.

ARTICLE IV. ASSESSMENTS

A. Obligation of Owner.

- 1. Each Owner of a Lot, by accepting a deed or by his claim of ownership, is hereby conclusively deemed to covenant and agree to pay to the Association the Annual Charges and Special Assessments against their Lot, as the same shall become due and payable without demand. These charges and assessments shall be a charge and a continuing lien upon each Lot, together with all improvements thereon.
- 2. Each Annual Charge or Special Assessment, together with any fines for late payment, collection costs and reasonable attorney's fees, shall also be the personal obligation of the Owner of the "Lot" at the time of accrual.

B. Annual Budget:

The Board shall approve a budget for the annual operations of the Association including the maintenance, replacement, management and insuring of the Common Areas. Expenses include, but are not limited to, utilities, common area maintenance and repairs, security, insurance, taxes and improvements. The annual budget shall include an amount to be allocated for future or unanticipated repairs, obligations and capital improvements.

C. Annual Charge

The Annual Charge is determined by the Board and is based on the annual budget approved by the Board. Each and every Lot is hereby subjected to and imposed with an Annual Charge of no less than Five Hundred and No/100 Dollars (\$500.00) per annum per Lot subject to increase and payable as per this Declaration.

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D. Special Assessments.

A Special Assessment is an assessment, that is other than an annual charge, which may be assessed to fulfill the obligations and to cover irregular or unexpected expenses of the Association. Special Assessments must be approved by 51% of the written votes of the Members represented in person or by proxy at a properly called annual or special meeting, as are necessary to fulfill the obligations of the Association.

E. Due Dates and Fines for Late Payment.

- 1. Annual Charge.
 - a. Annual charges are due on December 31st of each year.
 - b. A 45-day grace period is allowed prior to assessment of a fine for late payment.

2. Special Assessments.

- a. Special Assessments are due on the date specified when the Special Assessment is imposed.
- b. A 45-day grace period is allowed prior to assessment of a fine for late payment.

3. Fine for Late Payment of Annual Charges or Special Assessments. A fine will be assessed for late payment of annual charges or special assessments as follows:

- a. A \$25 fine for payment beginning on the day after the end of the grace period through the last day of the given month.
- b. An additional \$25 monthly fine will be charged for each additional calendar month until the sum due is paid in full.

F. Alternative Payment Schedule.

The Association will provide an alternative payment schedule for delinquent or unpaid annual charges, special assessments, fines or any other payment due to the Association, in accordance with Texas Property Code, Sec. 209.0062, and as described below. The Association will allow a three-month payment plan period consisting of three equal payments due on the first of each month.

1. During the three-month payment period, the agreed upon amount due will not accrue any interest or additional monetary penalties.

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- 2. An Owner may only request one alternative payment plan within a 12-month period.
- 3. Establishment of an alternative payment plan will be denied if the Owner(s) have failed to honor a previous plan during the previous two years (24 months).
- 4. To establish an alternative payment schedule, the Member must submit a written request to the Treasurer of the Association that includes the:
 - a. Owner's name and contact information,
 - b. Address of the Lot(s),
 - c. Amount of unpaid or delinquent monies,
 - d. Time period requested for payment, but not longer than 3 months,
 - e. Signature of Owner or, if multiple Owners, all Owners signatures, and
 - f. Date.
- 5. Upon approval of the request, the Treasurer will notify the Owner in writing of the approval. The notification must include the amount due, the approved time period, the amount of each payment, and the payment due dates.

ARTICLE V. EASEMENTS AND COMMON AREAS

A. Governmental Easement.

An express easement is hereby granted across the common areas for the use of the surface for all government functions, vehicular and non-vehicular, including fire and police protection, solid and other waste material pick up and any other purpose any governmental authority deems necessary.

B. Emergency Easement.

A blanket easement is granted to all police, fire, ambulance and other emergency vehicles to enter upon the Properties in the performance of their duties.

C. Installation and Maintenance Easement.

There is hereby created a blanket installation and maintenance easement upon, across and over and under all of the Properties for access in connection with the installation, replacement, repair, and maintenance of all utilities including, but not limited to, water, sewer, telephones, cable television, electricity both above and below ground, gas and appurtenances thereto.

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D. <u>Underground Electric Distribution System.</u>

An underground electric distribution system has been installed in the Subdivision. The Owner of each Lot shall, at his own costs, furnish, install, and maintain an underground service from the point of service and metering to each structure in accordance with the then current rules of the supplying electric corporation.

E. Landscape Buffer.

A 50-foot-wide strip of property running along Highway 2147 East and County Road 401 and all subdivision roads shall remain as a landscape buffer (open space or greenbelt) and no development shall be permitted thereon except for ponds, gazebos, approved signage, landscaping improvements, access roads (driveways), drainage improvements, underground septic systems or underground utilities and the minor structures and improvements required for them.

F. Conservation Easement.

- 1. Easements are the part of each Lot shown on the recorded plat within 50 feet (50') of the street right of way and the back lot line where no structure can be built except for driveways, septic systems and lights.
- 2. The Conservation Easements are established by the Lower Colorado River Authority Non-Point Source Pollution Control (LCRA NPS) regulations to protect water quality.

G. 15-foot Side Lot Line Buffer.

- 1. No residence, garage, or significant structure appurtenant thereto shall be constructed within fifteen feet (15') of any side lot line.
- 2. An exception will be made for the interior lot line(s) where identical Owners of two or more adjacent Lots construct a single residence.
- 3. Drives, parking, underground utilities and septic fields are permitted within this buffer area.
- 4. Owners are encouraged to plant and maintain this area and other buffer areas or easements with native vegetation and/or xeriscaping to maintain the natural look of the Properties and provide a landscape buffer.

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ARTICLE VI. BUILDING REQUIREMENTS AND RESTRICTIONS

A. For All Lots:

1. Development Plan Requirement.

- a. No building, structure, fences, or other exterior improvement, whether new or as a major remodeling, shall be constructed, erected, or placed upon any Lot or Common Area unless it is in accordance with a Development Plan approved by the Architectural Review Committee (ARC) pursuant to Article VIII hereunder.
- b. No prior approval or Development Plan is necessary to repaint the exterior of existing structures, to rebuild original construction or restore any damaged improvements in a manner consistent with the most recently approved Development Plan for such improvements.

2. Completion.

After commencement of construction of any structure or improvement on a Lot, the work shall be prosecuted diligently to complete such construction or improvements as soon as possible.

The construction of all exterior and interior construction must be completed within one (1) year from the commencement of construction.

An Owner may submit, in writing, a request for a construction extension to the ARC. The request must include the extension time period and the reason the extension is requested. If approved, the ARC will provide a Notice of Extension Approval letter.

Extensions may be granted for extenuating circumstances or delays beyond the control of the Lot Owner, including, but not limited to, delays due to strikes, wars and acts of God.

3. Fines.

ü.

Failure to complete construction within the one-year period will result in a fine of \$500 per month.

The fine will be the sole responsibility of the lot Owner.

The ARC will notify the Owner, and the POA Board, in writing, of the commencement date for assessing the fine, and will send a monthly billing statement until construction is complete.

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- iii. If a Notice of Extension Approval has been granted, construction must be completed by the end of the extension period or the fine of \$500 per month will be assessed beginning on the calendar day following the approved, extended completion date.
- iv. Payment of the fine is due upon receipt of notice of amount due from the ARC.
- v. An Owner may request an alternative payment schedule for payment of these fines as provided for in Article IV.

4. Occupancy.

No new construction, including new homes, additions or significant remodeling, shall be occupied until fully completed, inside and out, and connected to all necessary utilities (septic, water, electricity, and gas).

5. Temporary Structures.

No structure of a temporary character, trailer (with or without wheels), mobile motor home (with or without wheels), or modular or prefabricated home, tent or shack shall be placed on any portion of the Properties, either temporarily or permanently except for such portable buildings as are required during construction.

6. Building Size.

- a. No new residence shall be erected of more than two (2) stories plus an attic or exceeding a maximum roof height of thirty feet (30') from the average elevation of the building pad in its natural state.
- b. No one story residence shall be erected on any Lot with an air-conditioned interior area of less than 2200 square feet or multistory residence with an air conditioned interior of less than 2900 square feet exclusive of garages, porches or other appurtenances or appendages.
- c. An exemption to the square foot requirement outlined in Subsection b. is granted to homes built prior to the recording of these Amended and Restated Declarations. Those homes are subject to the provisions outlined in the previously recorded Original Declaration requirements.

7. Construction Materials.

a. Generally, only new construction materials and structures shall be used. Exterior finishes shall be durable and of first quality; installed, finished and maintained to provide a quality presentation at all times.

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- b. "Hill Country" designs with roof overhangs are required. Generally, the main building (exclusive of windows and doors) shall be of at least 75% masonry, Hardie board, stucco or its equivalent on exterior walls.
- c. Development on the Lots is envisioned as compatible with our rural, hill country heritage. Accordingly, the ARC will encourage the use of designs, materials and appurtenances which exhibit those characteristics.
- d. Specific permission for used materials (i.e., brick or windows), historically significant farms or home buildings, first quality log structures, or for other exceptions to this exterior surface rule shall be made at the discretion of the ARC.
- e. Gravel, dirt, or other aggregate driveways are prohibited. Paved, such as concrete, driveways are preferred.

8. Foundations and Decks.

- a. No more than three feet (3') of vertical surface of concrete slab or foundation of any structure or improvement shall be exposed to view from any street or adjacent property.
- b. Any slab in excess of three feet (3') in height above finished grade shall have at least the excess in height covered with the same materials used on the exterior of the structure. In some cases, dense landscaping may provide acceptable screening, as long as the landscaping is well grown upon installation and maintained under these covenants.
- c. Any structure or improvement located on the Properties with a pier and beam foundation shall have all mechanical, electrical, plumbing, and fixtures located thereunder screened from view from any street and from adjacent properties.
- d. Any structure, deck or other improvement with an open deck shall have the open space beneath the deck screened from public view.

9. Air Conditioning.

- a. All residences must be air-conditioned.

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c. Wall-type air conditioners, mini-split units and ground-mounted units are permitted provided they are screened from the street and adjacent property views.

10. **Roofs.**

Roofs of all structures shall be constructed of concrete or ceramic tiles, metal, 30-year heavy, highest quality composition shingles or built-up roofs.

11. <u>Solar.</u>

Solar panels or other solar collection devices must be constructed as an integral part of the architectural design of any structure to which it is attached, or if located as in Subsection 11d, shall be screened from the view of streets and other Lots. ARC review and approval is required prior to commencing installation of any solar panels or systems.

a. All Solar Panels Must:

- i. Be located on the Owners solely-owned property. Placement on Common Areas or another Owners property is prohibited;
- ii. Be black tone, bronze, or silver in color;
- iii. Include all elements of the same color (frame, support brackets, visible piping or wiring, and concealment materials);
- iv. Have concealed mounting hardware and wiring; and
- v. Not interfere with the use and enjoyment of land by causing unreasonable discomfort or annoyance to other Owners.
- b. <u>Placement</u>, Except as provided for in Subsection d., roof-mounted panels must be located on the rear, non-street facing sides of the roof, and:
 - i. Must conform to the slope of the roof;
 - ii. Be mounted parallel to the roofline; and
 - iii. May not extend higher than or beyond the top ridge of the roofline.
- c. Fenced Yard or Patio Panels are allowed but the top point of the solar panel may not extend higher than the fence line.

d. Alternate Placement.

Solar panels may be installed in alternate locations if the Owner demonstrates, in writing and to the Associations satisfaction, that the alternate location increases the estimated annual energy production of the device by 10%, as provided in Texas Property Code, Section 202.010, (d)(5).

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ii. Prior to installation in an alternate location, the Owner must request and obtain ARC approval by submitting a written request and evidence that the alternate location(s) comply with Texas Property Code, Section 202.010, (d)(5).

12. External Communications Equipment.

External antenna, satellite receiving dishes, or other structures designed or used for receiving any type of radio, television or other telecommunication signal should be totally screened from the view of streets or other Lots, as a courtesy to other members.

13. Garages.

- a. Each residence constructed on any portion of the Properties shall have, either as an integral part or as a detached structure, a garage capable of accommodating at least two standard size passenger vehicles.
- b. No garage doors can face the primary road frontage unless such doors are set back at least 8 feet (8') from the residence's primary street facing plane.

14. Pools.

- a. ARC approval is required prior to commencement of construction or installation of a pool.
- b. All pools shall be constructed substantially at grade.
- c. Pools must be enclosed or fenced for safety purposes and potential liability of the homeowner.
- d. Enclosures that surround a swimming pool or spa:
 - i. Shall harmonize with existing structures in appearance and color,
 - ii. May consist of transparent mesh or clear panels set in metal frames, and
 - iii. May not be more than 6 feet in height.

15. Other Structures.

Other structures shall be constructed in the location designated and approved by the ARC. They shall be designed to minimize the impact on views and to harmonize with existing structures. The ARC will consider consistency of design, color and materials in the approval of any such design.

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16. Fences.

- a. Wood privacy and chain link fences are prohibited.
- b. Pet areas are required to be fenced, preferably with open metalwork fences which minimize the impact on the view.
- c. Swimming pools must be fenced or enclosed as provided in Section 14, Pools, and any state law, county ordinance or city ordinance.
- d. Security fences should be of ornamental iron or masonry construction. Wood is allowed only in the construction phase.
- e. Perimeter fencing, courtyard fencing and corresponding site design are encouraged.

17. Flagpoles.

- a. One flagpole may be erected on each Lot.
- b. Flag standards and etiquette shall be followed when displaying the American or State flag.

18. Landscaping.

- a. Landscape structures and design details should draw upon the region's natural heritage and respond to the region's unique climate and setting.
- b. Natural landscaping and waterwise plants are encouraged.
- c. No trees or other flammable materials may be installed or maintained within 3 feet (3') from the home.
- d. Lawns shall be kept mowed, edged and weeded. Planters, shrubs, ground covers and trees shall be kept trimmed, weeded and attractive.

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ARTICLE VII. ARCHITECTURAL REVIEW COMMITTEE

A. Architectural Review Committee (ARC).

- 1. The ARC shall consist of three Association Members appointed by the Board and serves at the Board's pleasure.
- 2. The Board of the Association delegates authority for approval of development plans to the ARC.
- 3. The ARC shall meet as needed to provide prompt review of plans and/or confirm violations.
- 4. At least two Members of the ARC shall constitute a quorum

B. Liability.

Neither the ARC, the Board, nor any Member thereof shall ever be liable to any Owner or other person, firm or entity for any damage, loss or injury suffered or claimed on account of:

- 1. the approval or disapproval of any development plan, in whole or in part;
- 2. the approval or denial of a variance pursuant to Article VIII, Section I hereof;
- 3. the construction or performance of any work on the Properties, whether or not pursuant to a Development Plan,
- 4. the development of the Properties.

ARTICLE VIII. ARCHITECTURAL REVIEW PROCESS

- A. The ARC must review and approve in writing all significant projects, including but not limited to:
 - 1. Construction of any building, fence, wall, swimming pool or other structure, and
 - 2. Any exterior addition, change, or alteration in any building, fence, wall, swimming pool or other structure.

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B. Application.

- 1. To obtain approval to do any of the work described in Article VIII, Section A, an Owner must submit an application to the ARC detailing the plans and specifications for the proposed work.
- 2. The application may be obtained from a Board or ARC member or, if applicable, from the Association website.
- 3. The application may be submitted by email (preferred), or in triplicate to the ARC at the registered email or address of the Association and must include a complete:
 - a. Application,
 - b. Development Plan, and
 - c. Non-refundable Review Fee of \$200 payable to the Association.

C. Development Plan.

The Development Plan must consist of at least the following:

- 1. A Plat or Map drawn to scale depicting the following:
 - a. Existing property lines, rights-of-way and easements on the Lot and all adjacent Lots (including drainage easements), existing vegetation (with trees having a diameter of 12 inch or greater generally located) and other existing natural features and improvements;
 - b. The location on the Lot and the dimensions and shapes of all proposed and existing improvements (clearly marked to distinguish proposed construction) and all other improvements, including but not limited to buildings, garages, driveways, septic systems, exterior lights, bridges, culverts, pool patios, fences and walls;
 - c. A landscape plan depicting trees and shrubs to be added or removed, as well as identifying any fences, walls, fill or impermeable ground cover as well as runoff mitigation.

Development on the Lots is envisioned as compatible with our rural, "Hill Country" heritage. Accordingly, the Architectural Review Committee (ARC) will encourage the use of designs, materials and appurtenances which exhibit those characteristics.

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- 2. A complete set of plans and specifications for all improvements to be constructed, including the design of a:
 - a. Private septic system, certified, signed and dated, and
 - b. Propane system, certified, signed and dated:
 - c. A detailed description and color sample of all colors, materials, and finishes on all exterior structures and roofs;
- 3. A large-scale drawing including description of colors, materials and finishes for all address or identification signs;
- 4. A contact name and address for return of comments, approval or disapproval and plans; and
- 5. Such other information as the ARC may reasonably require.

D. Approval of Development Plan.

- 1. The ARC review process will not begin until the ARC has received the Development Plan and all required and requested items.
- 2. Before granting approval of a Development Plan, the ARC shall consider, but not be limited to:
 - a. the appearance and aesthetics of the new construction or proposed improvements and its compatibility with other structures in the Subdivision;
 - b. the impact of the contemplated new construction or proposed improvements on the neighboring Lots and the general environment with special emphasis on maintaining views and drainage;
 - c. the maintenance of existing vegetation and the use of native landscaping and/or xeriscaping;
 - d, the location, material, height and purpose of walls, fences and auxiliary structures.

E. ARC Approval.

1. The approval of an Owners Development Plan by the ARC:

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- a. Shall not operate as an adoption, representation or determination by the ARC, or any Member thereof, as to the safety or legality of the design encompassed in that plan.
- b. Shall in no way supersede or substitute for any approvals or permits required by any governmental authorities having jurisdiction.
- 2. In the event the ARC fails to respond to the Owner within thirty (30) calendar days such Plan shall be deemed to be approved.

F. ARC Discretion.

The ARC shall have broad discretion in approving or disapproving any Development Plan. Such approval or disapproval of any Development Plan by the ARC shall be communicated in writing to the submitting Owner by certified mail, hand delivery, or email at the address indicated with the submittal.

- 1. Notice of Disapproval. A notice of disapproval from the ARC must:
 - a. Describe the basis for the disapproval in reasonable detail and required changes, if any, to the application or improvements as a condition to approval; and
 - b. Inform the Owner that the Owner may request an appeal hearing with the Board on or before the 30th day after the date the notice was sent to the Owner.
- 2. Appeal. A decision by the ARC disapproving a Development Plan submitted by a Lot Owner may be appealed by written request to the Board.
- 3. **Hearing.** The board shall hold a hearing as provided for in Texas Property Code, Section 209.00505, to resolve the disapproval.
- 4. **Upon appeal**, the board may affirm, modify, or reverse, in whole or in part, any decision of the Architectural Review Committee as consistent with this Amended and Restated Declaration.

G. Security Deposit.

- Deposit Required. Prior to commencing any major construction or site work, the Owner shall deposit \$5,000 with the Association as a security for:
 - a. Any damages or repairs that are identified by the ARC or Board.

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- b. Fines for not completing construction within the one-year completion time period or beyond the approved extension of completion period granted by the ARC, as provided for in Article VI, Section 2, and
- c. Cleaning of Common Areas, particularly roads, or damages to any other part of the Property.

2. Refund.

Any and all remaining, undisputed deposit shall be returned to the Owner within thirty days after receipt of a letter or email notifying the Association of completion of all construction.

3. Damages.

- a. Each Lot Owner is responsible for the full cost of repairs for damage to Common Areas or other Lots caused by contractors or other agents during construction.
- b. Needed repairs and their costs will be determined by the Association and the Owner will be provided a written statement of the repairs and costs.
- c. The Association will contract for the repairs and the costs will be deducted from the security deposit.
- d. If the cost of repairs exceeds the security deposit amount, the Association will send a bill to the Owner for the amount due, payable upon receipt unless the Owner requests alternative payment schedule for payment of these fines as provided for in Article IV, F

H. Worksite Requirements.

- 1. During construction, the builder or Owner (whichever applies) of any new home, major addition or major remodel, shall:
 - a. Maintain a clean worksite, including surrounding areas and streets.
 - b. Provide a metal roll-off dumpster in order to contain all construction trash and debris.

I. Variances.

The ARC may, in its sole discretion, approve specific, written variances from the provisions of this Amended and Restated Declaration but variances should not

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CCRs of Capstone Ranch Property Owners Association, Inc.

materially alter the character and quality intended by this Amended and Restated Declaration.

ARTICLE IX. USE RESTRICTIONS

A. General Use and Rental

- 1. Each Lot shall be used and occupied for single family residential purposes only.
- 2. No Lot shall be used or occupied for any business, commercial, trade or professional purpose except as incidental to the resident.
- 3. Renting rooms or apartments separately from the main residence is specifically prohibited.
- 4. No home may be rented for less than six months.
- 5. No daily or weekly rental of any type is allowed.
- 6. If a home is leased, the Owner must provide, prior to commencement of the lease, the following information to the Board:
 - a. Name(s) of the Lessee(s);
 - b. Current contact information of the lessee(s) to include mailing address, telephone number and email address;
 - c. Beginning and end dates of the lease.
- 7. If a property is leased, it is the sole responsibility of the owner to ensure lessees are advised of and comply with the provisions of all Association Governance Documents.

B. Signs.

- 1. No sign of any kind shall be erected including signs advertising goods, wares, real estate or services for sale or rent; and/or construction company or repair company signs; except:
 - a. Designer and/or Builder Signs. During construction of any major structure to be located on any portion of the Properties, an Owner shall be permitted to erect a single sign which identifies the designer and/or builder(s) responsible for the structure or improvement, of a size not to exceed 4' X 4'. Any such designer and/or builder(s) sign shall be removed from any portion of the Properties after substantial completion.

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b. Home Identification Signs. Each Lot Owner is permitted no more than two (2) identification signs on the street side of the Owners Lot. Each sign shall be no more than 144 square inches and include only the street address and/or the resident's name.

c. Political Signs.

Political signs may be displayed in accordance with Texas Election Code, Section 259.002, no more than ninety days before and up to 10 days after an election.

d. Removal of Signs.

The Association is specifically empowered to remove without notice, any sign which is in violation of these restrictions including identification signs not specifically approved by the ARC.

- C. <u>Noise.</u> No exterior speakers, horns, whistles, bells, or other sound devices (other than those used exclusively for security purposes) may be used that result in a material annoyance or disruption to the residents of the Properties.
- D. <u>Noxious or Offensive Activity.</u> No noxious or offensive activity shall be carried on or permitted which may be or become an annoyance or nuisance to the community or the other Owners. Specific prohibitions include, but are not limited to:
 - 1. <u>Vehicles.</u> No trucks, other than pickup trucks and sport utility vehicles, motor vehicles not currently licensed, boats, trailers, campers, motor or mobile homes, or other such vehicles shall be permitted to be parked on any Lot or street. A forty-eight (48) hour period may be permitted solely for the purpose of loading and unloading. Otherwise, such vehicles must be kept in a closed garage.
 - 2. Street Parking. No vehicles of any sort may be parked on the street in front of any Lot for any period to exceed forty-eight (48) hours.
 - 3. <u>Certain Vehicle Operation</u>. No ATVs, go-carts or other unlicensed off-road vehicles shall be operated on Common Areas including streets, or on another owners property. Such operation, by reason of noise, fumes emitted or manner of use, shall constitute a nuisance or threat to safety.
 - 4. **Garbage.** No accumulation of garbage, trash, or rubbish of any kind shall be permitted. All temporary storage of household garbage shall be in a sanitary manner and out of sight of other Lots.

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- 5. **Burning.** Burning of garbage, trash, rubbish of any kind or other items is prohibited, except during the development of the Properties, and then only during such hours as permitted by Law and in accordance with local ordinances and restrictions.
- 6. <u>Firearms and Fireworks.</u> No use or discharge of firearms, firecrackers or other fireworks is allowed.

E. Animals and Pets.

- 1. No animals, livestock, or poultry shall be raised, bred or kept on any lot, except dogs, cats, or other domestic household pets may be kept, maintained or cared for provided they are:
 - a. Not raised, bred or kept for any commercial purpose,
 - b. Kept under the Owners control at all times and are kept in a fenced area (activated electric or physical fence) on the Owners lot,
 - c. Leashed or under the Owners control when outside of a fenced pet area, and
 - d. Not allowed to bark for long periods of time or left outside unattended.
- 2. Injury or damage caused by pets are the sole responsibility of the pet owner.
- F. <u>Unsightly Articles.</u> No unsightly articles shall be permitted to remain on any portion of the Properties so as to be visible from other Lots, Common Areas or the road.
 - 1. Without limiting the generality of the foregoing, all trailers, graders, trucks (other than pickups and sport utility vehicles), boats, tractors, motor homes, campers, wagons, buses, motorcycles, motor scooters and/or garden maintenance equipment shall be kept at all times, except when in actual use, in a closed structure or screened from view.
 - 2. No repair or maintenance work shall be done on any of the foregoing, or on any automobile (except for minor emergency repairs) except in an enclosed garage or other structure;
 - 3. There shall be no storage of materials and/or equipment except for normal residential requirements or incidental to construction of the improvements on the Lot.

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- G. <u>Maintenance and Repair</u>. All structures and improvements, including walls, fences and appurtenances, and landscaping shall be kept in a good state of repair and condition at all times and maintained in accord with reasonable Fire Wise standards.
 - Responsibility. Each Owner shall be responsible to maintain and clean the Lot and all structures and improvements thereon to avoid the creation of hazards to health and safety.
 - 2. <u>Violations.</u> If, in the sole opinion of the Board, a violation exists to this policy, the Board shall give sixty (60) days written notice to the Owner of the offending Lot. If appropriate remedial action is not begun before the expiration of the notice period, the Board may authorize such repairs, clean-up or maintenance as it sees fit and charge a Special Assessment against that Lot and Owner.
- H. <u>Lighting.</u> All external lighting shall have its source shielded and directed in such a manner as to ensure that such source is not materially offensive to adjacent Lots, to Common Areas or roads. No Owner shall erect, maintain or use any external lighting which shall be considered, in the sole judgment of the Board of Directors, to be a nuisance to the community or to any other Owner.
- 1. <u>Drilling and Mining.</u> No oil drilling or mining operations of any kind shall be permitted upon any Owners Lot. Geothermal and water wells are allowed if properly regulated by all local and state regulatory agencies.
- J. <u>Common Areas.</u> No use shall be made of the Common Areas which unreasonably interferes with another Owners use of the Common Areas.

(MORE)

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CCRs of Capstone Ranch Property Owners Association, Inc.

DECLARANT:

Capstone Ranch Property Owners Association,

A Texas non-profit corporation

Ву: _

President, Capstone Ranch Property Owners Association

COUNTY OF BURNET

STATE OF TEXAS

This instrument was acknowledged before me on the _

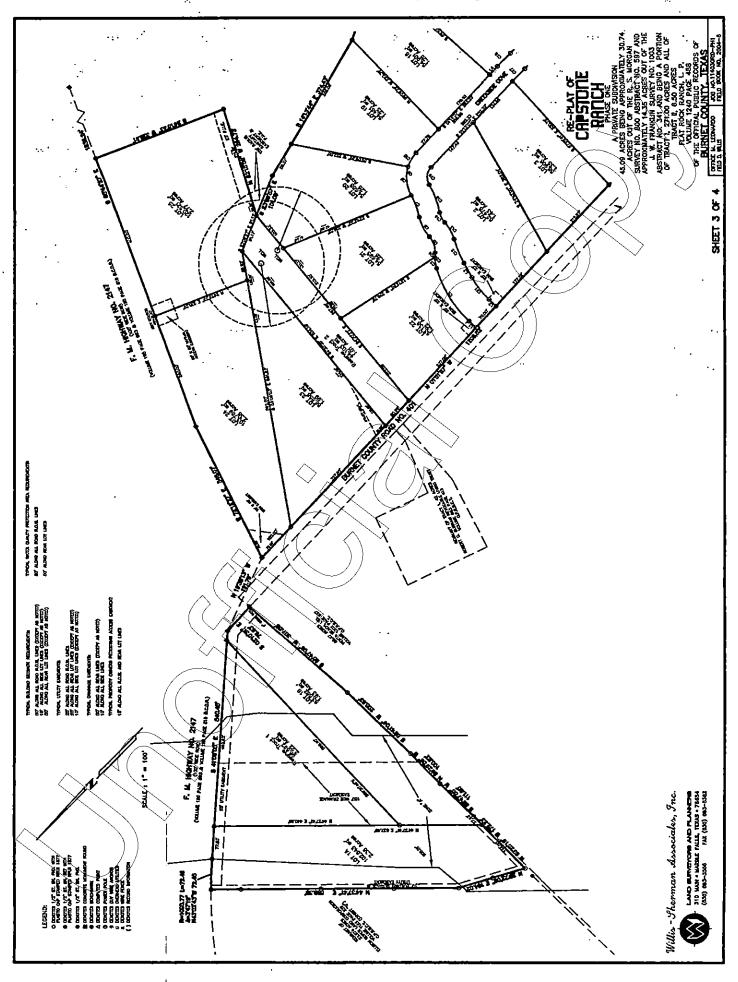
Jones, on behalf of said Corporation.

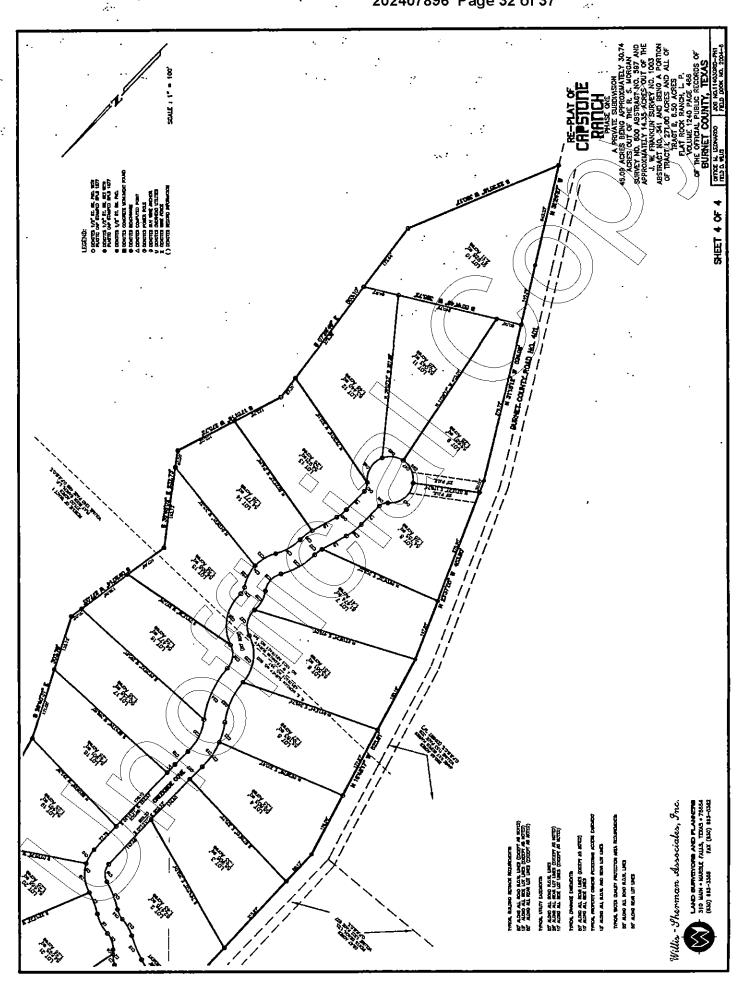
B day of August 2024 by Jalinna

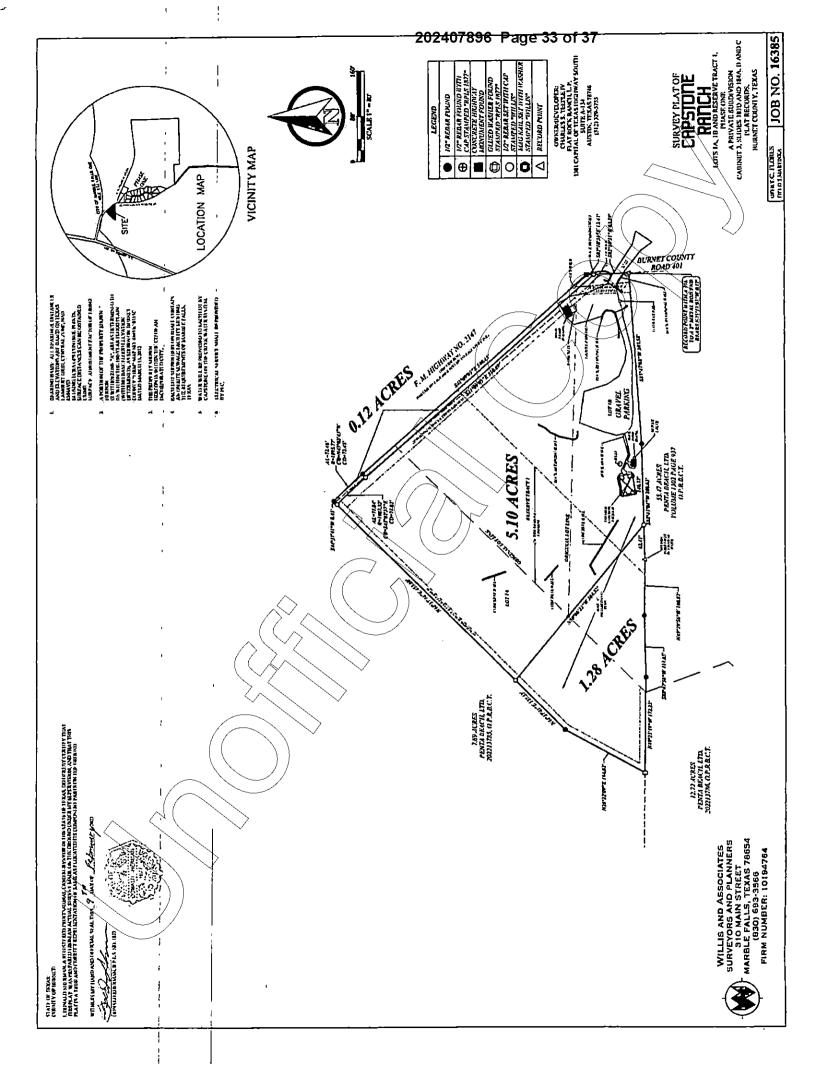
Notary Public, State of Texas

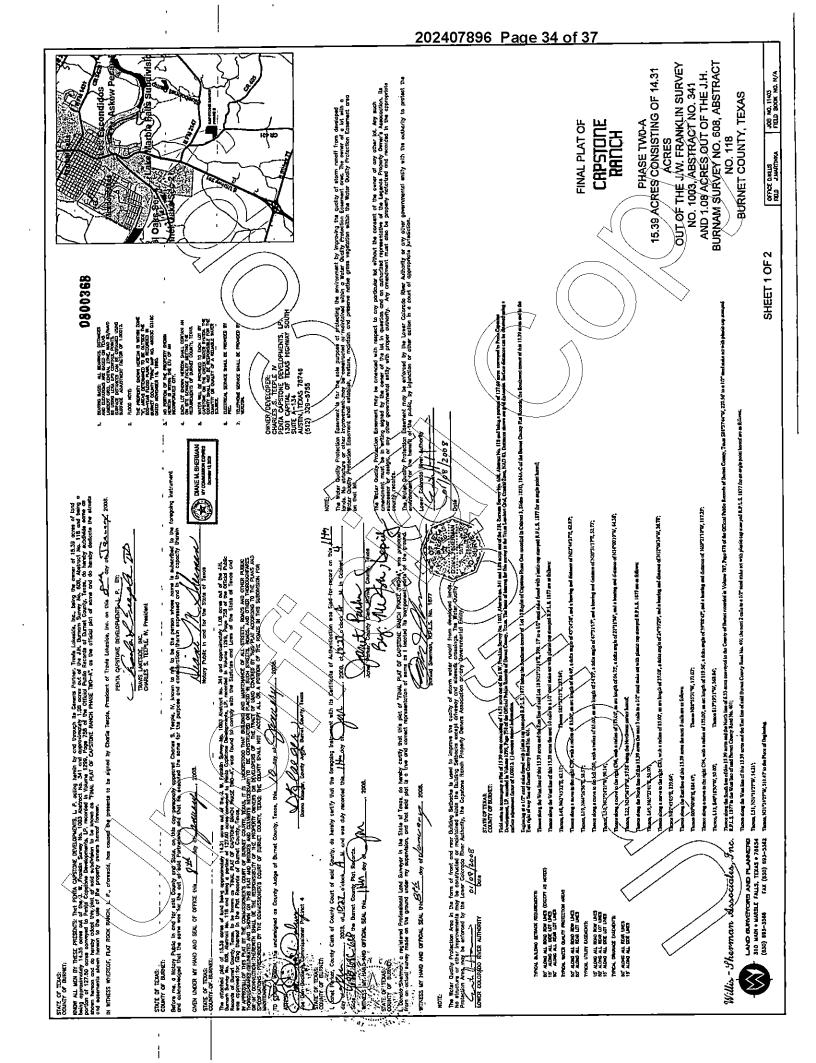


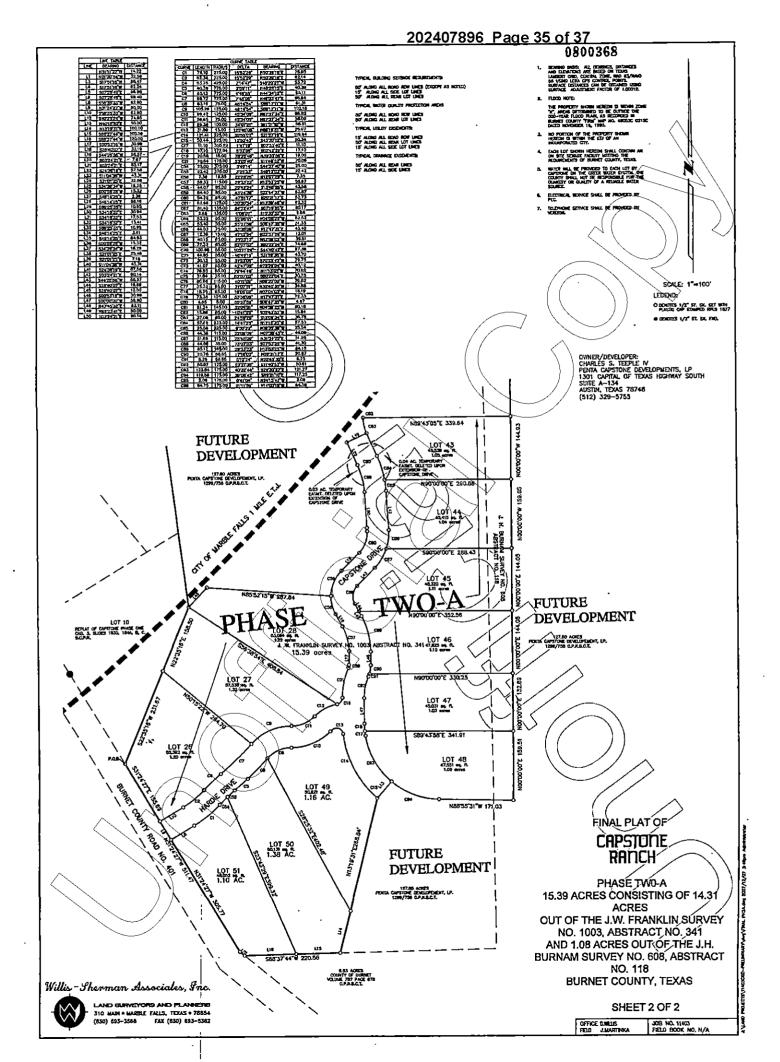
JENNIFER FONSECA Notary Public, State of Texas Comm. Expires 07-12-2028 Notary ID 134989039

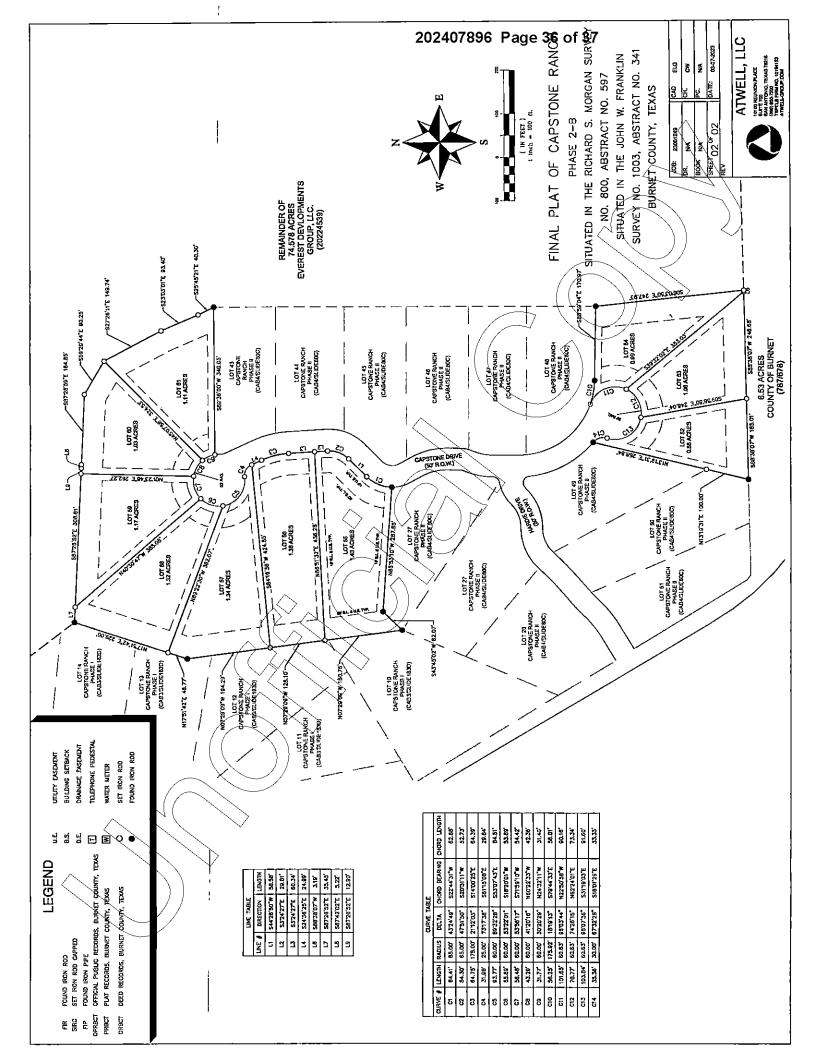


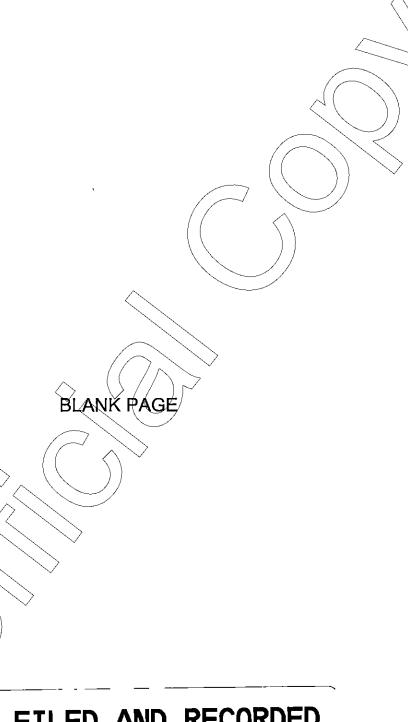




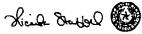








RES Fee: \$185.00 08/08/2024 02:10 PM





Vicinta Stafford, County Clerk Burnet County, Texas